

Stock Code: 3312



GMI INTERNATIONAL CO., LTD.

2023 General Shareholders' Meeting

Meeting Manual

Time: June 19, 2023, 9:00 a.m.

Location: No. 399 Ruiguang Road, Neihu District, Taipei City

(West side meeting room on the first floor of the Liberty Square
Building)

Type of Meeting: Physical Meeting

GMI Technology Inc.

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GMI INTERNATIONAL CO., LTD.

Agenda of the 2023 General Shareholders' Meeting

Time: June 19, 2023, Monday, 9:00 a.m.

Location: 399 Ruiguang Road, Neihu District, Taipei City (West Side Conference Room, 1st Floor, Liberty Square Building)

Type of Meeting: Physical Meeting

- I. Calling meeting to order (report attending number of shares)
- II. Meeting as a ceremony
- III. Chairman's Message
- IV. Report Items:
 - (I) The Company's 2022 business report.
 - (II) 2022 Audit Committee's review report
 - (III) 2022 Employees' and Directors' Compensation Distribution
 - (IV) Develop a report on the Code of Practice on Corporate Sustainability.
- V. Ratifications:
 - (I) The Company's 2022 budget.
 - (II) The Company's 2022 earnings distribution.
- VI. Election of directors:

Election of one additional director and one independent director.
- VII. Other Proposals

Lifting the restriction on prohibition of competitive conduct by directors of the Company.
- VIII. Extempore Motions
- IX. Adjournment

I. Report Items

Report 1:

Subject: 2022 business report.

Explanation: For 2022 Business Report, please refer to Attachment I on page 6.

Report 2:

Subject: 2022 Audit Committee Review Report.

Explanation: For 2022 Audit Committee Review Report, please refer to Attachment II on page 11.

Report 3:

Subject: 2022 Remuneration distribution report of directors and employees.

Explanation:

1. According to Article 21 of the Articles of Incorporation, the Company's 2022 remuneration for directors and employees is based on the estimated basis of the Company's 2022 net profit before tax of NT\$601,441 thousand (excluding directors and employees) according to the distribution of the Articles of Incorporation.
2. On March 20, 2023, Director remuneration was assigned to the remuneration of the remuneration committee meeting of NT\$11,000,000; staff remuneration of NT\$650,000. The employee's remuneration is issued to the subject in accordance with Article 21 of the Articles of Incorporation.

Report 4:

Subject: Establishment of "Code of Practice for Corporate Sustainability".

Explanation: Please refer to Attachment III on page 12 for the Corporate Sustainability Code of Practice

II. Ratifications

Proposal 1

Proposed by the Board of Directors

Subject: 2022 Financial Statement

Explanation: The Company's parent Company only financial statements and consolidated financial statements for the year ended December 31, 2022 have been prepared by the Company itself and have been submitted to the Audit Committee for review and approval, together with the Business Report, by Lin, Heng-Sheng, CPA and Yu, Chi-Lung, CPA of KPMG. Please refer to Attachment I on page 6 and Attachment IV on page 21.

Resolution:

Proposal 2

Proposed by the Board of Directors

Subject: The Company's 2022 Earning Distribution.

Explanation:

1. The Company's 2022 net profit after tax is NT\$453,946,758, plus the remeasurement of the established benefit plan and the statutory surplus and special surplus reserve according to the law, we intend to keep NT\$295,955,859 from distribution, and the remainder according to the provisions of the statutes.
2. According to the calculation of the number of foreign shares circulated at the resolution of the board of directors of the Company's 162,625,455 shares, the cash dividend per share is proposed to be paid to shareholders NT\$325,250,910, cash dividend per share of NT\$2, calculated to the dollar, and the following yuan is rounded down; the total number of non-zero paragraph counts into other income of the Company. However, due to changes in the number of shares circulated due to stock repurchase, transfer, or conversion of corporate creditors before the distribution basis date, it is proposed to apply the shareholders' meeting to authorize the Board to adjust the dividend rate of shareholders and set the additional ex-dividend basis date, issue date and other related matters.
3. Please refer to Attachment V on page 37.

Resolution:

III. Elections

(Proposed by the Board of Directors)

Subject: Election of one Director and one Independent Director, please elect.

Explanation:

1. To meet the operational and business needs of the Company, the proposed election of one director and one independent director will be appointed after the election of the General Meeting of Shareholders for the period from 19 June 2023 to 22 June 2025.
2. According to the Articles of Incorporation, directors (including independent directors) are elected by the nomination system.
3. This election will be handled according to the Company's "election method of directors", the use of single named cumulative voting method.
4. This case was approved by the audit committee on March 28, 2023, after the proposed decision of the Board of Directors, the election of the 2023 Annual Shareholders' Meeting.
5. For the list of candidates for nomination of additional directors (including independent directors), please refer to Attachment VI on page 38 of this handbook.

Election results:

IV. Other Proposals

(Proposed by the Board of Directors)

Subject: To lift the restriction on the prohibition of competitive behavior of directors of the Company, please discuss.

Explanation:

1. In order to meet the future development and business needs of the Company, according to Article 209 of the Company Act, it is proposed to lift the prohibition of the directors and their representatives.
2. Please refer to Attachment VII, page 39 of this manual for the cancellation of prohibition of competition by directors of the Company.

Resolution:

V. Extempore Motions

VI. Adjournment

Attachment I

GMI INTERNATIONAL CO., LTD.

2022 Business Report

GMI Corporation's 2022 total annual revenue of NT\$19,312,581 thousand, pre-tax net income NT\$589,791 thousand compared to 2021 revenue NT\$18,771,092 thousand, pre-tax net income 549,623 thousand yuan, an increase of 2.88% and 7.31% respectively, 2022 consolidated revenue total NT\$19,346,503 thousand, net profit before tax NT\$589,469 thousand compared with the 2021 consolidated revenue of NT\$18,852,689 thousand, consolidated net income before tax of NT\$553,649 thousand, an increase of 2.62% and 6.47%, respectively. Net income after tax was NT\$3.08 based on weighted average circulated equity in 2022.

In the first and second half of 2022, the supply and demand issues in the electronic parts market are affected by a variety of factors, including supply shortages, unstable demand, international trade environment and delivery time, causing a huge impact on the electronics market; we, together with parts suppliers and product manufacturers, need to pay close attention to the supply chain dynamics and develop corresponding response strategies to cope with market changes and reduce risks.

Changes in international trade policy and economic environment in 2022 have had a significant impact on the electronic components market. Such as inflation, regional trade wars, tariffs and trade restrictions may make imported electronic components more expensive, impacting the market competitiveness of products in mainland China, affecting the Company's new product introduction and project development; so as the complexity of the global supply chain increases supply Inconsistent inventory levels at all stages of the chain, resulting in production orders that may take a long time to complete, coupled with the instability of demand, filled with instability in the second half of 2022.

In 2022, the Company did in-depth management in the following points to strengthen market development: while strengthening the existing market, strengthening the development of emerging markets and expanding market size. Strengthen supplier relationships: Strengthen cooperation with suppliers and expand product lines to meet the diversified needs of customers. Improve efficiency and quality: Strengthen internal management and control to improve the efficiency and quality of the shipment, and thus enhance customer satisfaction and market competitiveness.

The Company maintained a stable operation in the second half of 2022. Its main operating power came from wireless communications and Chinese network communications operators, especially in emerging technologies such as VDSL, XPON, electric vehicles, IoT, etc., and the Company has achieved good results in recent years. In terms of demand, we believe that the supply side of the electronic chip shall already be able to meet the production chain in demand, so we conservatively expect both ICT and infrastructure applications in the first half of 2023 to still have

the opportunity to be in the current supply chain. At present, high inventory slowly deteriorated, especially in the second half of 2023, we believe we shall gradually restore market supply and demand order!

The Company's major business plan for 2023 is as follows:

Operation direction

In the 2023 electronic components market, the Company's management team will pay special attention to several supply and demand issues under high inventory and uncertainty:

Minimize inventory levels: High inventory means increased capital consumption and cost. Most of the current channel inventory levels are too high, we will reduce inventory levels by reducing the intake or clearing inventory from time to time.

Ensure supply chain transparency: Understanding our supply chain status can help us predict client demand and determine the client's inventory level more accurately; so we ensure smooth communication with the factory and customer, timely collection and sharing of supply chain information.

Strengthen risk management: Establish risk management plans to cope with market volatility and uncertainty; for example, establishing alternative supplier channels, contingency plans, and supply chain shortening strategies to strengthen the Company's management of uncertain risks.

Ensure quality and delivery time: In the current competitive market, providing customers with high quality products and on-time delivery is an important way to gain competitive advantage; try our best to ensure product quality, strengthen management and control of delivery progress to improve customer satisfaction.

Increase stocking and shipping flexibility: To respond quickly to market changes and changes in customer needs, to closely match customers' production and supply chain plans, we can adopt flexibility to enhance stocking and shipping flexibility, and increase supply chain response.

In addition, we have summarized the following directions for our operations and governance:

1. Overall supply chain stability: As trade relations between countries change in 2023, the Company needs to pay close attention to the upstream and downstream supply chain of raw materials and parts, to ensure stable supply and can respond quickly when problems arise.
2. Product quality control: As an electronic parts distributor, we need to ensure that the products we deliver meet the customer's quality requirements and establish an effective quality control mechanism with our suppliers.
3. Customer relationship maintenance: We need to establish good relationships with customers, understand their needs and requirements, and provide professional technical support and after-sales service to improve customer satisfaction.
4. Technological innovation: the electronics industry is constantly evolving, need to keep up with the pace of technological innovation, and continue to introduce new products to meet the

market demand.

5. Environmental protection: In the course of operation, we need to comply with environmental regulations and take effective measures to protect the environment. This not only meets the requirements of social responsibility, but also helps to enhance the corporate image of the Company.
6. Talent training: As a long-term business, we need to pay more attention to the training and development of talent, establish a perfect talent incentive mechanism, attract and retain!
7. Inventory management: As an electronic component agent, inventory management is one of the important indicators of financial management; companies need to accurately track inventory levels to ensure timely replenishment, avoid over purchase, reduce inventory costs, we need to record inventory levels, purchase and sales, and take advantage of Oracle system administration for accurate inventory management.
8. Sales forecasting: We need to forecast market demand in order to make appropriate purchase decisions, sales forecast needs to analyze market trends, competition conditions, customer demand and other factors; precise financial management system can help us to make sales forecasting in order to better control the purchase and inventory management.
9. Expense Management: In order to monitor expenses such as transportation, storage, labor costs, etc., our Oracle system helps us track these expenses to ensure their financial health.

In short, in the event of high inventory and uncertainty in demand, it is necessary to reduce costs, improve quality, ensure delivery, enhance agility, and strengthen risk management to maintain the stable operation of the Company.

Operating Market and Business Objectives

In the electronic market in 2023, the Company's management team summarized the following new application markets and objectives:

1. The operation of communication equipment tender market for telecommunications operators in mainland China:

Mainland China's telecommunications industry is in a period of rapid development to accelerate the pace of 5G commercial, and 5G network construction will require a large number of communications equipment bid to support its development; driven by policy support and market demand, the tenders market for telecommunications operators in mainland China is expected to continue to grow by 2023. Competition is fierce: the tender market for communications equipment is fiercely competitive, and major telecom operators will strengthen competition to occupy a larger market share. Promotion of 5G network construction: As 5G commercial advances, telecom operators need a large number of communications equipment bidding to support network construction, market demand will continue to grow. China domestic alternative acceleration: with the promotion of domestic alternative, China domestic communication equipment bid share in the

market will continue to increase.

Business target: The Company's market share in the tending market of China's communications equipment in 2023 increased steadily, increasing 10% from previous years.

2. Application market of electric vehicles:

Electric vehicles use a wide range of electronic parts, need to establish a good supply chain specification to ensure sufficient inventory and timely delivery; electronic parts for electric vehicles need high quality and reliability, focus on high quality products to win customer trust and long-term cooperation; We are building a professional technical team to provide timely technical support and solutions, and will pay close attention to market dynamics and develop new products and technologies. We will establish cooperative relations with other electronic component suppliers to provide one-stop service to meet customer needs. The electric vehicle market is a market with great development potential, electronic parts agents shall establish a good supply chain, focus on high quality products, provide professional technical support, develop new products and technologies, build partnership and achieve sustainable development in this market.

Business Objective: The Company's number of new projects and new customers in the electric vehicle market increased by 10% in 2023.

3. NB/PC/Server related computer peripheral application market:

AI is widely used in all areas, especially in PC, NB, and Server, which can help improve performance, save energy, enhance security, and more. As a result, more products and services will be developed for AI, as the cost of cloud computing becomes lower, and security and performance increase. More and more enterprises and consumers will adopt cloud computing, which will drive the development of related industries such as servers, and make data centers more and more important, 5G networks will continue to evolve and launch in more countries and regions, which will make NB and other related The industry can process large amounts of data more quickly and connect devices more efficiently; in the context of a growing global focus on climate change and environmental protection, sustainability will be an important trend that will impact the development of related industries such as PC, NB and Server, and green products and technologies and Energy-saving.

Business objective: The Company increased the number of new projects and new customers in the application market around NB/PC/Server related computers by 10% in 2023.

4. Wireless and broadband communication application market:

According to market research agency, the global wireless market size is approximately US\$350 billion in 2019, expected to reach US\$540 billion by 2025 and a CAGR of 6.5%, mobile communications is one of the largest applications in the wireless communication market; with the popularity of 5G technology, mobile communications The market will grow further and bring more opportunities for a variety of emerging applications. In addition, wireless communication networks

are widely used in the fields of IoT, smart home, and smart cities. With the popularity of IoT devices and smart devices, more and more wireless devices will enter the market.

Business Objective: The Company's new project at WiFi6/VDSL/XPON increased by 20% in 2023.

5. Developing overseas application markets:

In the past, we have focused on the development of the Greater China market, and in 2023 we will also distribute some human resources to operate in the Indian market. India is one of the largest electronic markets in the world, so it is very promising to operate electronic products in this market. India has a lot of different languages and cultures, so it is important to build a marketing strategy that adapts to different cultures and languages, taking into account the cultural and linguistic differences of the region. Operating in India requires compliance with local laws, regulations and tax policies. We are seeking the right partners in the region to avoid any unnecessary hassle. Online marketing in India has become a very common business model; therefore, investing in online marketing is very important.

Business Objective: The Company's number of new clients in the Indian market increased by 10 to 20 active customers in 2023.

6. Investment in hearing aid-related fields:

In 2022, our cooperation with the National Yang Ming Chiao Tung University team's audio research project and the passage of the OTC Act in the US gave us greater confidence to invest more in this area. In order to improve the new technology, the user purchase threshold has been reduced, so there will be related resource investment in 2023, and related technologies can also be applied to high-end TWS headphones.

Business Target: The Company's gross profit margin increased by 5% in high-end TWS headphones by 2023.

GMI INTERNATIONAL CO., LTD.

Chairman Yeh, Chia-Wen

General Manager Ivan Liu

Accounting Manager: Lin, Che-Jen

Attachment II

GMI INTERNATIONAL CO., LTD.

Audit Committee's Audit Report

The Company's 2022 annual business report, individual financial statements, consolidated financial statements and earning distribution table, have been prepared and submitted by the Board of Directors, in which the Parent Company Financial Statements have been audited by CPA Li, Kuan-Hao and CPA Lin, Wang-Sheng of Deloitte & Touche.

The above statements and reports have been examined and reviewed by the Audit Committee, and no irregularities were found. According to the Article 219 of the Company Act, we hereby submit this report..

To:

2023 Annual Shareholders' Meeting of GMI Technology Inc.

GMI INTERNATIONAL CO., LTD.

Convener of the Audit Committee: Jan, Sen

28 March 2023

Attachment III: Corporate Sustainability Code of Practice

Chapter I. General Principles

- Article 1 In order to implement corporate social responsibility and promote economic, environmental and social progress, in order to achieve the goal of sustainable development, we refer to the “Code of Practice for Sustainable Development of Listed Companies” jointly developed by Taiwan Stock Exchange Corporation and the Taiwan Stock Exchange Corporation and the ROC The Company's Sustainability Code (hereinafter referred to as the Code) to comply with.
- Article 2 This Code covers the overall operational activities of the Company and its group companies. While engaged in business operation, the Company shall actively implement sustainable development, in line with the international development trend, and through corporate citizens to improve the quality of life of the country, improve the quality of life of employees, communities and society, and promote sustainable development based competitive advantage.
- Article 3 To promote sustainable development, we shall pay attention to the interests of stakeholders, and focus on environmental, social and corporate governance factors while pursuing sustainability and profitability, and incorporating them into our management policies and operating activities. The Company shall conduct risk assessment on environmental, social and corporate governance issues related to the operation of the Company, and develop relevant risk management policies or strategies based on the principle of importance.
- Article 4 The Company's practice for sustainable development shall be based on the following principles: I. Implementing corporate governance. II. Developing a sustainable environment. III. Maintaining social welfare. IV. Strengthening the disclosure of sustainable development information.
- Article 5 The Company shall consider the relationship between the development trend of sustainability issues at home and abroad, the impact of the Company and the Group's overall operating activities on stakeholders, etc., formulate the sustainability policy, system or related management policies and specific promotion plans, after the passage of the Board, and submit shares East meeting

report. When shareholders of the Company propose relevant motions involving sustainable development, the Board shall consider the meeting of shareholders.

Chapter II. Implement corporate governance

Article 6 The Company follows the Corporate Governance Code of Practice, Business Integrity Code and Employee Code of Business Ethics to establish effective governance structure and related ethical standards to improve corporate governance.

Article 7 The directors of the Company shall do the attention of good managers, urge the Company to practice sustainable development, and review its effectiveness and continuous improvement at any time to ensure the implementation of the sustainable development policy. When promoting sustainable development, the Company's Board of Directors shall fully consider the interests of stakeholders and include the following:

- I. To propose a sustainability mission or vision and develop a sustainability policy, system or related management approach.
- II. Incorporate sustainability into the Company's business activities and development direction, and determine the specific promotion plan for sustainable development.
- III. Ensure the timely and accurate disclosure of information about sustainability.

The economic, environmental and social issues arising from the Company's operating activities shall be handled by the senior management authorized by the Board and report the handling to the Board, its operation process and the related responsible personnel shall be specific and clear.

Article 8 The Company shall regularly hold education and training to promote sustainable development, including the first article 2.

Article 9 In order to improve the management of sustainable development, the Company shall establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, responsible for the proposal and execution of the sustainability policy, system or

related management approach and specific promotion plan, and report regularly to the Board of Directors. The Company shall formulate reasonable compensation policies to ensure that the remuneration plan meets the organization's strategic objectives and stakeholder interests. Employee performance appraisal system shall be combined with sustainable development policy and set up a clear and effective reward and punishment system.

Article 10 The Company shall respect the interests of stakeholders, identify the Company's stakeholders, and set up stakeholder areas on the Company's website; understand the reasonable expectations and needs of stakeholders through appropriate communication methods, and appropriately respond to important sustainability issues of their concerns.

Chapter III. Development of Sustainable Environment

Article 11 The Company shall comply with environmental regulations and relevant international standards, appropriately protect the natural environment, and shall be committed to environmental sustainability when carrying out operational activities and internal management.

Article 12 The Company is committed to improving energy efficiency and using renewable materials with low impact on environmental load, so that the Earth's resources can be sustainable.

Article 13 The Company is advisable to establish a suitable environmental management system based on its industrial characteristics, including the following items:

- I. Collecting and evaluating adequate and real-time information on the impact of operational activities on the natural environment.
- II. Establish measurable environmental sustainability goals and regularly review the sustainability and relevance of their development.
- III. Formulate implementation measures such as specific plans or action plans, and regularly review the effectiveness of their operations.

Article 14 The Company shall set up environmental management units or personnel to formulate, promote and maintain related environmental management systems and specific action plans, and regularly hold environmental education courses for

management and employees.

Article 15 The Company shall consider the impact of operation on ecological efficiency, promote and promote the concept of sustainable consumption, and engage in R&D, procurement, production, operation and service operations according to the following principles in order to reduce the impact of our operations on the natural environment and human beings:

- I. Reduce resources and energy consumption for products and services.
- II. Reduce the emission of pollutants, toxic substances and waste, and dispose of waste properly.
- III. Improve the recyclability and reuse of raw materials or products.
- IV. Maximize the sustainable use of renewable resources.
- V. Extend product durability.
- VI. Increase the performance of products and services.

Article 16 In order to enhance the efficiency of using water resources, the Company shall properly and sustainably use water resources and formulate relevant management measures. The Company shall build and strengthen relevant environmental protection treatment facilities to avoid polluting water, air and land; and to minimize adverse impacts on human health and the environment, and adopt the best possible pollution prevention and control technology measures.

Article 17 It is advisable to assess the potential risks and opportunities of climate change to enterprises now and in the future, and adopt measures to respond to climate-related issues. The Company is advised to conduct corporate greenhouse gas inventory and disclosure by adopting common domestic and foreign standards or guidelines, including:

- I. Direct greenhouse gas emissions: Greenhouse gas emissions are owned or controlled by the Company.
- II. Indirect greenhouse gas emissions: Generated by the use of energy such as purchased electricity, heat or steam.

The Company shall calculate greenhouse gas emissions, water consumption and total waste weight, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water use and other waste management in order to reduce the impact of Company's operating activities on climate change.

Chapter IV. Safeguarding social welfare

Article 18 The Company shall comply with relevant laws and regulations and the rights of international human rights conventions such as gender equality, right to work and the prohibition of discrimination. The Company shall formulate relevant management policies and procedures in order to fulfill our human rights obligations, including:

- I. Make a corporate human rights policy or statement.
- II. Evaluate the impact of Company's operational activities and internal management on human rights, and define appropriate procedures.
- III. Regularly review the effectiveness of corporate human rights policies or statements.
- IV. When human rights infringement is involved, the procedures for handling the relevant stakeholders shall be disclosed.

The Company shall follow internationally recognized labor and human rights, such as freedom of association, collective right to negotiate, care for the underprivileged, disable child labor, eliminate all forms of forced labor, eliminate employment discrimination, etc., and confirm that its human resources policy has no gender, race, socio-economic class, age, marriage and family status, etc. Differential treatment to achieve equality and fairness of employment, employment conditions, remuneration, benefits, training, evaluation and promotion opportunities. The Company shall provide an effective and appropriate grievance mechanism to ensure the equality and transparency of the complaint process. Complaints shall be concise, convenient and accessible, and appropriate response to employees' complaints.

Article 19 The Company shall provide employee information to understand the labor laws in the country in which the business is performed and the rights they have.

Article 20 The Company shall provide a safe and healthy working environment for employees, including the necessary health and first aid facilities, and strive to reduce the risk factors to the safety and health of employees to prevent occupational disasters. The Company shall regularly implement safety and health education and training for employees.

- Article 21 The Company is advisable to create a good environment for the career development of employees and establish effective career development training programs. The Company is advised to establish and implement reasonable employee welfare measures (including remuneration, leave and other benefits), and reflect business performance or results in employee compensation to ensure the recruitment, retention and encouragement of human resources to achieve the goal of sustainable operation.
- Article 22 The Company shall establish regular communication channels for employees, so that employees have the right to obtain information and opinions about the Company's management activities and decisions. The Company shall respect the power of employee representatives to exercise negotiation on working conditions, and provide employees with the necessary information and hardware facilities to facilitate negotiation and cooperation between employers and employees and staff representatives. The Company is advised to notify us in a reasonable manner of operational changes that may have significant impact on our employees.
- Article 22-1 The Company shall treat the customers or consumers of products or services in a fair and reasonable manner, including contracting fair honesty, attention and loyalty obligations, true advertising solicitation, suitability of goods or services, notification and disclosure, compensation and performance balance, appeal protection, professional business personnel, etc. principles, and formulate relevant implementation strategies and specific measures.
- Article 23 The Company shall be responsible for our products and services and value marketing ethics. Its R&D, procurement, production, operation and service processes shall ensure transparency and security of product and service information, develop and expose its consumer rights policies, and implement operational activities to prevent products or services from damaging the rights, health and safety of consumers.
- Article 24 The Company shall comply with government regulations and industry regulations to ensure the quality of products and services. The Company shall comply with relevant regulations and international guidelines for customer health and safety, customer privacy, marketing and labeling of products and services, and shall not be deceptive, misleading, fraudulent or any other acts that damage consumer trust

or harm consumer rights.

Article 25 The Company is advisable to assess and manage various risks that may cause disruption to operations and reduce their impact on consumers and society. The Company shall provide transparent and effective consumer complaint procedures for products and services, deal with consumer complaints fairly and promptly, and comply with relevant laws and regulations such as personal data protection laws, and respect the privacy of consumers, and protect personal information provided by consumers.

Article 26 It is advisable to evaluate the environmental and social impact of procurement behavior on supply source communities and cooperate with suppliers to achieve corporate social responsibility. The Company shall formulate supplier management policies, require suppliers to comply with relevant regulations on environmental protection, occupational safety and health or labor rights issues. Before doing business, it is advisable to assess whether their suppliers have environmental and social impact records, and avoid dealing with corporate social responsibility policies. When we enter into a contract with a major supplier, it shall include compliance with the corporate social responsibility policy of both parties, and the supplier may terminate or cancel the contract at any time if there is a violation of the policy and has significant impact on the environment and society of the supply source community.

Article 27 The Company shall evaluate the impact of our operations on the community, and to properly employ manpower at the location where the Company operates to enhance community recognition. Through equity investment, business activities, donations, corporate volunteer services or other public welfare and professional services, we invest our resources into organizations that solve social or environmental problems through business models, or participate in community development and community education related activities of civic organizations, charitable organizations and government organizations, to promote community development.

Chapter V. Enhancing Corporate Sustainability Information Disclosure

Article 28 The Company shall disclose information in accordance with relevant regulations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and shall fully disclose relevant and reliable sustainability information to enhance information transparency. The Company discloses the following information about sustainability:

- I. The policy, system or related management policy and specific promotion plan adopted by the Board of Directors.
- II. The risks and impact of corporate governance, the development of a sustainable environment, and the maintenance of social welfare on the Company's operations and financial conditions.
- III. The Company's goals, measures and implementation performance for sustainable development.
- IV. Key stakeholders and issues of concern.
- V. Disclosure of management and performance of major environmental and social issues by major suppliers.
- VI. Other sustainability related information.

Article 29 The Company shall adopt widely recognized internationally recognized standards or guidelines in developing sustainability reports to disclose driving CSR, and it is advisable to obtain third party confidence or assurance to improve information reliability. Its content shall include:

- I. Implement sustainability policies, systems or related management policies and specific initiatives.
- II. Major stakeholders and issues of concern.
- III. The Company's performance and review in the implementation of corporate governance, the development of sustainable environment, social welfare and economic development.
- IV. Direction and objectives of future improvement.

Chapter VI. Supplementary Provisions

- Article 30 The Company shall always pay attention to the development of domestic and foreign sustainability standards and changes in the corporate environment, so as to review and improve the sustainability system established by the Company, so as to improve the effectiveness of sustainable development.
- Article 31 This Code is implemented by the Board of Directors and reported to shareholders' meetings as amended.

Attachment IV

Independent Auditors' Report

To the Board of Directors of GMI. Technology Inc.:

Opinion

We have audited the consolidated financial statements of G.M.I. Technology Inc. (“the Company”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that, in our professional judgment, should be communicated are as follows:

1.Revenue recognition

Please refer to note 4(n) “Revenue Recognition” for accounting policy, and note 6(17) Revenue from Customer Contracts, of the Consolidated Financial Statements.

Description of key audit matter:

The Company mainly engages in the purchase and sale of electronic components. Since revenue is an important item in financial reporting and is of the interest to the users of financial statements, revenue recognition is one of the important evaluations performed by our auditors in the consolidated financial statements.

How the matter was addressed in our audit:

Our principal audit procedures included:

- Understand and test the internal processes and related controls related to revenue recognition.
- Analyze the form and transaction terms of major revenues to assess the appropriateness of the timing of revenue recognition
- Verify the revenue transaction records and various certificates for the period before and after the selected financial reporting date to assess the appropriate cutoff of operating revenue records.
- Assess whether there are material sales return and discount2.Valuation of inventories

Inventory Valuation

Please refer to note 4(g) “Inventories” for accounting policy on inventory valuation, note5(2) Inventory Valuation for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses and note 6(3) Inventory, of the Consolidated Financial Statements.

Description of key audit matter:

The Company recognizes inventories at the lower of cost and net realizable value. The Company mainly engages in the purchase and sale of electronic components. Due to rapid technological innovations and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. Inventory valuation is one of the important evaluations performed by our auditors in the consolidated financial statements.

Our principal audit procedures included:

- Assess whether the inventory valuation of GMI has estimated in accordance with the Company polices.
- Verify inventory aging report and analyze Inventory aging and closeout
- Verify the assessment report of the lower of cost and net realizable value, which is provided by GMI

Other Matters

We did not audit the financial statements of Unitech Computer Co., Ltd. and Global Mobile Internet Co., Ltd., subsidiaries of the Group. Those statements were audited by other auditors, whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included for Unitech Computer Co., Ltd. and Global Mobile Internet Co., Ltd., is based solely on the reports of other auditors. The financial statements of Unitech Computer Co., Ltd. and Global Mobile Internet Co., Ltd. reflect total assets constituting 2.88% and 3.13% of the consolidated total assets at December 31, 2022 and 2021, respectively, and total operating revenues constituting 1.62% and 0.01% consolidated total operating revenues for the years then ended December 31, 2022 and 2021, respectively.

The Company has prepared its parent-company-only financial report for the years 2022 and 2021, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’ s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group’ s financial reporting process.

The Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’ s internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’ s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or circumstances may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine these matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Lin, Heng-Shen and Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)

March 28, 2023

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

GMI Technology Inc.
Balance sheets
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

Assets:		2022.12.31		2021.12.31		Liabilities and Equity		2022.12.31		2021.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets						Current liabilities:					
1100	Cash and cash equivalents (note 6 (1))	\$ 1,367,298	17	1,362,671	19	2100	Short-term borrowings (note 6(9) and 8)	\$ 2,238,874	27	1,395,505	19
1150	Notes receivable, net (Note 6(2) and (17))	96,006	1	121,831	2	2110	Short-term notes and bills payable (note 6(8))	379,163	5	558,953	8
1170	Accounts receivable, net (note 6(2), (17) and 8)	3,324,349	40	3,604,874	50	2170	Accounts payable	394,332	5	153,748	2
1180	Accounts receivables from related parties (note 6(2), (17), and 7)	170,783	2	187,277	3	2180	Accounts payable to related parties (note 7)	2,264,502	27	2,822,935	39
1200	Other receivables	14,950	-	13,658	-	2219	Other payable (note 6(12))	62,449	1	89,884	1
1220	Current income tax assets	6,529	-	-	-	2230	Current income tax liabilities	3,287	-	66,860	1
130X	Inventories (note 6(3))	2,307,205	28	1,043,985	14	2280	Current lease liabilities (note 6(11))	5,573	-	2,607	-
1476	Other current financial assets (note 8)	231,773	3	209,349	3	2300	Other current liabilities (note 6(17))	19,153	-	56,593	1
1470	Other current assets:	80,192	1	116,858	1	2322	Long-term borrowings, current portion (note 6(10) and 8)	11,900	-	11,900	-
	Total current assets	7,599,085	92	6,660,503	92		Total Current liabilities	5,379,233	65	5,158,985	71
Non-current assets:						Non-current liabilities					
1550	Investments accounted for using equity method (note 6(4) and 7)	268,137	3	292,602	4	2540	Long-term borrowings (note 6(10) and 8)	202,300	2	214,200	3
1600	Property, plant and equipment (notes 6(5))	328,914	4	5,935	-	2580	Non-current lease liabilities (note 6(11))	2,892	-	-	-
1755	Right-of-use assets(note 6(6))	8,396	-	2,352	-	2640	Non-current recognized liabilities defined benefit plan (note 6(12))	-	-	138	-
1760	Investment property, net (note 6(7) and 8)	-	-	297,592	4		Total Non-current liabilities	205,192	2	214,338	3
1840	Deferred tax assets (note 6(13))	36,038	1	5,877	-		Total liabilities	5,584,425	67	5,373,323	74
1975	Net defined benefit assets- non current (note 6(12))	1,426	-	-	-	Equity (note 6(14) and (15))					
1900	Other non-current assets:	1,667	-	3,656	-	3110	Ordinary share	1,626,254	20	1,376,254	19
	Total non-current assets	644,578	8	608,014	8	3200	Capital surplus	223,116	3	44,977	1
						3310	Legal reserve	101,075	1	56,557	1
						3320	Special reserve	113,848	1	76,185	1
						3350	Unappropriated retained earnings	552,882	7	455,069	6
						3400	Other equity	42,063	1	(113,848)	(2)
							Total equity	2,659,238	33	1,895,194	26
							Total liabilities and equity	\$ 8,243,663	100	7,268,517	100
	Total assets	\$ 8,243,663	100	7,268,517	100						

See accompanying notes to the parent company only financial statements.

GMI Technology Inc.
Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

		For the Year Ended			
		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
4000	Operating revenues (Notes 6(17) and 7)	\$ 19,312,581	100	18,771,092	100
5000	Operating costs (Notes 6(3) and 7)	<u>18,264,923</u>	<u>95</u>	<u>17,726,941</u>	<u>94</u>
	Gross profit	<u>1,047,658</u>	<u>5</u>	<u>1,044,151</u>	<u>6</u>
	Operating expenses (Notes 6(11), (12),(15),(18), and 7)				
6100	Selling expenses	286,468	1	330,227	2
6200	Administrative expenses	133,066	1	142,880	1
6300	Research and development expense	22,920	-	33,629	-
6450	Impairment loss determined in accordance with IFRS 9 (Note 6(2))	<u>10,012</u>	<u>-</u>	<u>20,247</u>	<u>-</u>
	Total operating Expenses	<u>452,466</u>	<u>2</u>	<u>526,983</u>	<u>3</u>
	Net operating income	<u>595,192</u>	<u>3</u>	<u>517,168</u>	<u>3</u>
	Non-operating income and expenses (Note 6 (4), (11),(19)):				
7100	Interest income	7,343	-	805	-
7010	Other income	5,160	-	5,735	-
7020	Other gains and losses	70,000	-	27,512	-
7050	Finance costs	(62,149)	-	(31,069)	-
7060	Share of associates accounted for using equity method	<u>(25,755)</u>	<u>-</u>	<u>29,472</u>	<u>-</u>
	Total non-operating income and expenses	<u>(5,401)</u>	<u>-</u>	<u>32,455</u>	<u>-</u>
7900	Profit before tax	589,791	3	549,623	3
7950	Less: Income tax expense (Note 6(13))	<u>135,845</u>	<u>1</u>	<u>104,117</u>	<u>1</u>
	Profit	<u>453,946</u>	<u>2</u>	<u>445,506</u>	<u>2</u>
8300	Other comprehensive income (loss):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans (note 6(12))	1,173	-	721	-
8330	Share of other comprehensive income of subsidiaries accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	126	-	-	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total components of other comprehensive income that will not be reclassified to profit or loss:	<u>1,299</u>	<u>-</u>	<u>721</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements	151,895	1	(37,663)	-
8380	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using equity method that may be reclassified to profit or loss	4,016	-	-	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Components of other comprehensive income (loss)that will be reclassified to profit or loss, total	<u>155,911</u>	<u>1</u>	<u>(37,663)</u>	<u>-</u>
8300	Other comprehensive income	<u>157,210</u>	<u>1</u>	<u>(36,942)</u>	<u>-</u>
	Total comprehensive income	<u>\$ 611,156</u>	<u>3</u>	<u>408,564</u>	<u>2</u>
	Earnings per share (in dollars) (Note 6(p)):				
9750	Basic earnings per share	<u>\$ 3.08</u>		<u>3.24</u>	
9850	Diluted earnings per share	<u>\$ 3.08</u>		<u>3.24</u>	

See accompanying notes to the parent company only financial statements.

GMI Technology Inc.
Statement of Changes in Equity
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	Retained earnings					Other equity interest		Total equity
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	
Balance on January 1, 2021	\$ 1,251,140	44,977	36,802	31,507	199,436	(76,185)	-	1,487,677
Profit for the period	-	-	-	-	445,506	-	-	445,506
Other comprehensive income or loss for the period	-	-	-	-	721	(37,663)	-	(36,942)
Total comprehensive income for the period	-	-	-	-	446,227	(37,663)	-	408,564
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	19,755	-	(19,755)	-	-	-
Special reserve	-	-	-	44,678	(44,678)	-	-	-
Stock dividends of ordinary share	125,114	-	-	-	(125,114)	-	-	-
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(1,047)	-	-	(1,047)
Balance on December 31, 2021	1,376,254	44,977	56,557	76,185	455,069	(113,848)	-	1,895,194
Profit for the period	-	-	-	-	453,946	-	-	453,946
Other comprehensive income or loss for the period	-	-	-	-	1,299	155,873	38	157,210
Total comprehensive income for the period	-	-	-	-	455,245	155,873	38	611,156
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	44,518	-	(44,518)	-	-	-
Special reserve	-	-	-	37,663	(37,663)	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(275,251)	-	-	(275,251)
Issuance of shares for cash	250,000	175,000	-	-	-	-	-	425,000
Share-based payment transactions	-	3,139	-	-	-	-	-	3,139
Balance on December 31, 2022	\$ 1,626,254	223,116	101,075	113,848	552,882	42,025	38	2,659,238

See accompanying notes to the parent company only financial statements.

GMI Technology Inc.
Statement of Cash Flows
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	For the Year Ended	
	December 31, 2022	December 31, 2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 589,791	549,623
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	10,972	14,953
Expected credit loss (Reversal of expected credit loss)	10,012	20,247
Interest expense	62,149	31,069
Interest income	(7,343)	(805)
Share-based payments transaction	3,139	-
Share of (profit) loss of subsidiaries, associates and joint ventures accounted for using the equity method	25,755	(29,472)
Gain on bargain purchase	-	(89,016)
Impairment loss of associates accounted for using equity method	-	76,640
Total adjustments to reconcile profit (loss)	104,684	23,616
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in notes receivable	37,881	90,740
Decrease (increase) in accounts receivable	524,583	(1,150,181)
Decrease (increase) in accounts receivable due from related parties	33,025	(108,223)
Decrease (increase) in other receivables	(306)	11,967
Decrease in other receivables due from related parties	-	7,565
Increase in inventories	(1,135,312)	(292,385)
Decrease (increase) in other current assets	40,254	(52,276)
Net changes in operating assets Total	(499,875)	(1,492,793)
Net changes in operating liabilities:		
Increase in accounts payable	231,431	87,599
Increase (decrease) in accounts payable to related parties	(712,195)	368,942
(Decrease) Increase in other payable	(32,982)	32,414
Increase (decrease) in other current liabilities	(42,067)	19,665
Decrease in non-current recognized liabilities defined benefit plan	(391)	(425)
Net changes in operating liabilities:	(556,204)	508,195
Adjustments:	(951,395)	(960,982)
Cash outflows generated from operations	(361,604)	(411,359)
Interest received	6,424	812
Interest paid	(58,291)	(29,977)
Income taxes paid	(238,905)	(45,891)
Net cash outflows from operating activities	(652,376)	(486,415)
Cash from (used in) investing activities		
Disposal Financial assets at fair value through other comprehensive income	-	10
Acquisition of investments accounted for using equity method	-	(200,739)
Acquisition of property, plant and equipment	(31,006)	(1,051)
(Increase) in other financial assets	(1,083)	(25,446)
Increases and decreases in other non-current assets	2,146	614
Dividends received	3,966	-
net cash outflow from investing activities	(25,977)	(226,612)
Cash from (used in) financing activities		
Increase in short-term borrowings	8,929,732	5,685,792
Decrease in short-term borrowings	(8,130,114)	(4,906,848)
Increase in short-term notes and bills payable	2,368,379	2,173,333
Decrease in short-term notes and bills payable	(2,548,169)	(2,053,390)
Repayments of long-term debt	(11,900)	(11,900)
Payments of lease liabilities	(5,433)	(10,474)
Decrease in other non-current liabilities	-	(1,003)
Cash dividends paid	(275,251)	-
Issuance of shares for cash	425,000	-
Net cash inflows used in financing activities	752,244	875,510
Effect of exchange rate changes on cash and cash equivalents	(69,264)	20,474
Increase in cash and cash equivalents	4,627	182,957
Cash and cash equivalents at beginning of period	1,362,671	1,179,714
Cash and cash equivalents, end of period	\$ 1,367,298	1,362,671

See accompanying notes to the parent company only financial statements.

Independent Auditors' Report

To the Board of Directors of G.M.I. Technology Inc.,

Opinion

We have audited the consolidated financial statements of G.M.I. Technology Inc. (“the Company”) and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis of opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that, in our professional judgment, should be communicated are as follows:

Revenue Recognition

Please refer to note 4(13) “Revenue Recognition” for accounting policy, and note 6(17) Revenue from Customer Contracts, of the Consolidated Financial Statements.

Description of key audit matter:

The Group mainly engages in the purchase and sale of electronic components. Since revenue is an important item in financial reporting and is of the interest to the users of financial statements, revenue recognition is one of the important evaluations performed by our auditors in the consolidated financial statements.

How the matter was addressed in our audit:

Our principal audit procedures included:

- Understand and test the internal processes and related controls related to revenue recognition.
- Analyze the form and transaction terms of major revenues to assess the appropriateness of the timing of revenue recognition
- Verify the revenue transaction records and various certificates for the period before and after the selected financial reporting date to assess the appropriate cutoff of operating revenue records.
- Assess whether there are material sales return and discounts

Inventory Valuation

Please refer to note 4(8) “Inventories” for accounting policy on inventory valuation, note5(2) Inventory Valuation for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses and note 6(3) Inventory, of the Consolidated Financial Statements.

Description of key audit matter:

The Group recognizes inventories at the lower of cost and net realizable value. The Group mainly engages in the purchase and sale of electronic components. Due to rapid technological innovations and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. Inventory valuation is one of the important evaluations performed by our auditors in the consolidated financial statements.

Our principal audit procedures included:

- Assess whether the inventory valuation of GMI group has estimated in accordance with the groups polices.
- Verify inventory aging report and analyze Inventory aging and closeout
- Verify the assessment report of the lower of cost and net realizable value, which is provided by GMI group.

Other information

We did not audit the financial statements of Unitech Computer Co., Ltd. and Global Mobile Internet Co., Ltd., subsidiaries of the Group. Those statements were audited by other auditors, whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included for Unitech Computer Co., Ltd. and Global Mobile Internet Co., Ltd., is based solely on the reports of other auditors. The financial statements of Unitech Computer Co., Ltd. and Global Mobile Internet Co., Ltd. reflect total assets constituting 2.86% and 3.12% of the consolidated total assets at December 31, 2022 and 2021, respectively, and total operating revenues constituting 1.62% and 0.01% consolidated total operating revenues for the years then ended December 31, 2022 and 2021, respectively.

The Company has prepared its parent-company-only financial report for the years 2022 and 2021, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group’s financial reporting process.

The Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or circumstances may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charge with governing regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine these matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Lin, Heng-Shen and Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)

March 28, 2023

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

G.M.I. Technology, Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(1))	\$ 1,455,659	18	1,447,717	20	2100	Short-term borrowings (note 6(9) and 8)	\$ 2,238,874	27	1,395,505	19
1150	Notes receivable (note 6(2) and (17))	96,006	1	121,831	2	2110	Short-term notes and bills payable (note 6(8))	379,163	5	558,953	7
1170	Accounts receivable (note 6(2), (17) and 8)	3,442,658	42	3,715,795	51	2170	Accounts payable	397,049	5	154,861	2
1181	Accounts receivables from related parties (note 6(2), (17) and 7)	71	-	38,026	-	2180	Accounts payable to related parties (note 7)	2,264,502	27	2,822,935	39
1200	Other receivables	17,899	-	16,888	-	2219	Other payables (note 6(12))	79,774	1	115,687	2
1220	Current income tax assets	6,529	-	-	-	2230	Current income tax liabilities	3,287	-	66,860	1
130X	Inventories (note 6(3))	2,319,295	27	1,084,342	15	2280	Current lease liabilities (note 6(11))	12,785	-	8,075	-
1476	Other financial assets - current (note 8)	231,773	3	209,349	3	2300	Other current liabilities (note 6(17))	21,866	-	58,301	1
1470	Other current assets	80,192	1	116,858	2	2322	Long-term borrowings, current portion (note 6(10) and 8)	11,900	-	11,900	-
	Total current assets	7,650,082	92	6,750,806	93		Total current liabilities	5,409,200	65	5,193,077	71
Non-current assets:						Non-current liabilities:					
1550	Investments accounted for using the equity method (note 6(4) and 7)	237,492	3	227,743	3	2540	Long-term borrowings (note 6(10) and 8)	202,300	2	214,200	3
1600	Property, plant and equipment (note 6(5) and 8)	331,763	4	9,338	-	2580	Non-current lease liabilities (note 6(11))	16,768	-	6,113	-
1755	Right-of-use assets (note 6(6))	28,937	-	13,501	-	2640	Non-current recognized liabilities defined benefit plan	-	-	138	-
1760	Investment property-net (note 6(7) and 8)	-	-	297,592	4		Total non-current liabilities	219,068	2	220,451	3
1840	Deferred income tax assets	36,038	1	5,877	-		Total liabilities	5,628,268	67	5,413,528	74
1975	Net defined benefit assets- non current (note 6(12))	1,426	-	-	-	Equity attributable to owners of the parent company (note 6(14) and (15)):					
1900	Other non-current assets	1,768	-	3,865	-	3110	Ordinary shares	1,626,254	20	1,376,254	19
	Total noncurrent assets	637,424	8	557,916	7	3200	Capital surplus	223,116	3	44,977	1
						3310	Legal reserve	101,075	1	56,557	1
						3320	Special reserve	113,848	1	76,185	1
						3350	Unappropriated retained earnings	552,882	7	455,069	6
						3400	Other equity	42,063	1	(113,848)	(2)
							Total equity	2,659,238	33	1,895,194	26
							Total liabilities and equity	\$ 8,287,506	100	7,308,722	100
	Total assets	\$ 8,287,506	100	7,308,722	100						

See accompanying notes to consolidated financial statements

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
G.M.I. Technology, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars, except earnings per share)

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenues (note 6(17) and 7)	\$ 19,346,503	100	\$18,852,689	100
5000 Operating costs (notes 6(3) and 7)	18,295,415	95	17,760,722	94
Gross profit from operations	<u>1,051,088</u>	<u>5</u>	<u>1,091,967</u>	<u>6</u>
Operating expenses (notes 6(11), (12), (15) and (18))				
6100 Selling expenses	319,425	1	346,811	2
6200 Administrative expenses	133,066	1	142,881	1
6300 Research and development expenses	22,920	-	33,629	-
6450 Reversal of impairment loss determined in accordance with IFRS 9 (note 6(2))	8,232	-	22,326	-
Total operating expenses	<u>483,643</u>	<u>2</u>	<u>545,647</u>	<u>3</u>
Net operating income	<u>567,445</u>	<u>3</u>	<u>546,320</u>	<u>3</u>
Non-operating income and expenses (note 6(5), (11) and (19))				
7100 Interest income	7,815	-	1,260	-
7010 Other income	5,501	-	5,876	-
7020 Other gains and losses, net	62,113	-	31,853	-
7050 Finance costs	(62,978)	-	(31,730)	-
7060 Share of loss of associates and joint ventures accounted for using equity method	9,573	-	70	-
Total non-operating income and expenses	<u>22,024</u>	<u>-</u>	<u>7,329</u>	<u>-</u>
7900 Profit before income tax	589,469	3	553,649	3
7950 Less: Income tax expense (note 6(13))	135,523	1	108,143	1
Profit	<u>453,946</u>	<u>2</u>	<u>445,506</u>	<u>2</u>
8300 Other comprehensive income (loss):				
8310 Items that may not reclassified subsequently to profit or loss				
8311 Gains (losses) on remeasurement of defined benefit plans (note 6(12))	1,173	-	721	-
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified	126			
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Total items not reclassified to profit or loss	<u>1,299</u>	<u>-</u>	<u>721</u>	<u>-</u>
8360 Items that may be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign financial statement	151,895	1	(37,663)	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss (note 6(g))	4,016	-	-	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Total of items that may be reclassified to profit or loss	<u>155,911</u>	<u>1</u>	<u>(37,663)</u>	<u>-</u>
8300 Other comprehensive income, net	<u>157,210</u>	<u>1</u>	<u>(36,942)</u>	<u>-</u>
Total comprehensive income	<u>\$ 611,156</u>	<u>3</u>	<u>\$408,564</u>	<u>2</u>
Earnings per share (NT\$ dollars) (note 6(16))				
9750 Basic earnings per share	<u>\$ 3.08</u>		<u>3.24</u>	
9850 Diluted earnings per share	<u>\$ 3.08</u>		<u>3.24</u>	

See accompanying notes to consolidated financial statements

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

G.M.I. Technology, Inc. and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of the parent company					Other equity items		Total
	Ordinary shares	Capital surplus	Retained earnings			Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
			Legal reserve	Special reserve	Unappropriated retained earnings			
Balance at January 1, 2021	\$ 1,251,140	44,977	36,802	31,507	199,436	(76,185)	-	1,487,677
Profit for the period	-	-	-	-	445,506	-	-	445,506
Other comprehensive income or loss for the period	-	-	-	-	721	(37,663)	-	(36,942)
Total comprehensive income or loss for the period	-	-	-	-	446,227	(37,663)	-	408,564
Appropriation and distribution of retained earnings:								
Legal reserve	-	-	19,755	-	(19,755)	-	-	-
Special reserve	-	-	-	44,678	(44,678)	-	-	-
Stock dividends of ordinary stock	125,114	-	-	-	(125,114)	-	-	-
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(1,047)	-	-	(1,047)
Balance on December 31, 2021	1,376,254	44,977	56,557	76,185	455,069	(113,848)	-	1,895,194
Profit for the period	-	-	-	-	453,946	-	-	453,946
Other comprehensive income or loss for the period	-	-	-	-	1,299	155,873	38	157,210
Total comprehensive income for the period	-	-	-	-	455,245	155,873	38	611,156
Appropriation and distribution of retained earnings:								
Legal reserve	-	-	44,518	-	(44,518)	-	-	-
Special reserve	-	-	-	37,663	(37,663)	-	-	-
Cash dividends of ordinary stock	-	-	-	-	(275,251)	-	-	(275,251)
Issuance of shares for cash	250,000	175,000	-	-	-	-	-	425,000
Share-based payment transactions	-	3,139	-	-	-	-	-	3,139
Balance on December 31, 2022	\$ 1,626,254	223,116	101,075	113,848	552,882	42,025	38	2,659,238

See accompanying notes to consolidated financial statements

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

G.M.I. Technology, Inc. and Subsidiaries
Consolidated Statement of Cash Flow
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax:	\$ 589,469	553,649
Adjustment:		
Adjustments to reconcile profit (loss)		
Depreciation expense	20,067	24,386
Reversal of expected credit impairment loss	8,232	22,326
Interest expense	62,978	31,730
Interest revenue	(7,815)	(1,260)
Share-based payment transactions	3,139	-
Shares of losses of associates and joint ventures accounted for using equity method	(9,573)	(70)
Losses (gains) from disposal of property, plant and equipment	45	18
Gain recognized in bargain purchase transaction	-	(89,016)
Impairment loss (profit) of associates accounted for using equity method	-	76,640
Total adjustments to reconcile profit	77,613	64,754
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	37,881	90,740
Decrease (increase) in accounts receivable	537,843	(1,207,665)
Increase in Accounts receivable due from related parties	37,956	(38,026)
Decrease in other receivables	(3)	11,760
Decrease in other receivables from related parties	-	7,565
Increase in inventories	(1,106,352)	(305,297)
Increase in other current assets	40,254	(52,140)
Total changes in operating assets:	(452,421)	(1,493,063)
Changes in operating liabilities:		
Increase in accounts payable	232,167	86,669
Increase in accounts payable to related parties	(714,402)	369,563
(Decrease) Increase in other payables	(41,839)	46,230
(Decrease) Increase in other current liabilities	(41,085)	19,833
Decrease in non-current recognized liabilities defined benefit plan	(391)	(425)
Total changes in operating liabilities	(565,550)	521,870
Total adjustments	(940,358)	(906,439)
Cash inflows (outflow) from operations	(350,889)	(352,790)
Interest received	6,897	1,266
Interest paid	(59,120)	(30,637)
Income taxes paid	(238,582)	(49,916)
Net cash inflows from operating activities	(641,694)	(432,077)
Cash flows from (used in) investing activities:		
Disposal of financial instrument measured at fair value through comprehensive income	-	10
Acquisition of investment accounted for using the equity method	-	(200,739)
Acquisition of property, plant and equipment	(31,810)	(2,204)
(Increase) in other financial assets	(1,083)	(25,446)
Decrease in other non-current assets	2,258	773
Dividends received	3,966	-
Net cash outflows from (used in) investing activities	(26,669)	(227,606)
Cash flows from (used in) financing activities:		
Increase in short-term borrowing	8,929,732	5,685,792
Decrease in short-term borrowing	(8,130,114)	(4,915,528)
Increase in short-term notes and bills	2,368,379	2,173,333
Decrease in short-term notes and bills	(2,548,169)	(2,053,390)
Decrease of long-term borrowing	(11,900)	(11,900)
Payment of lease liabilities	(13,599)	(18,972)
Other non-current liabilities	-	(1,003)
Cash dividends	(275,251)	-
Capital increase by cash	425,000	-
Net cash inflows from financing activities	744,078	858,332
Effect of exchange rate changes on cash and cash equivalents	(67,773)	20,090
Net increase in cash and cash equivalents	7,942	218,739
Cash and cash equivalents at beginning of period	1,447,717	1,228,978
Cash and cash equivalents at the end of the period	\$ 1,455,659	1,447,717

See accompanying notes to consolidated financial statements

Attachment V

GMI INTERNATIONAL CO., LTD. 2022 Schedule of Earnings Distribution

Unit: NT\$

Beginning balance of retained earnings	97,637,209
Plus: Net profit after current tax	453,946,758
Plus: Determine the benefit plan and then measure the number	1,299,350
Plus: Rotary special surplus	113,848,063
Less: Nomination of statutory surplus	-45,524,611
Earnings available for distribution	<u>621,206,769</u>
Distribution item:	
Less: Dividend - Cash dividend (NT\$2)	<u>-325,250,910</u>
Unappropriated retained earnings at the end of period	<u><u>295,955,859</u></u>

Chairman: Yeh, Chia-Wen

General Manager:

Ivan Liu

Accounting Manager: Lin, Che-Jen

Attachment VI

List of Candidates for Directors (Including Independent Directors)

Job Title	Name	Academic Qualifications	Working Experience	Current Position	The name of the government or legal entity	Shareholding (Shares)
Director	Shen, Che-Sheng	M.S., Institute of Telecommunications Engineering, National Chiao Tung University	Manager, Investment Department, Dehong Management Co., Ltd. Project Manager, Jiangchuan Technology Co., Ltd.	Vice President, Investment Department, De Jie Investment Co., Ltd.	Dejie Investment Co., Ltd.	52, 782, 278
Independent Director	Li, Wei-Chang	Master of Geology, National Taiwan University	General Manager, Diamond Division, China Grinding Wheel Enterprises Corp.	General Manager, Diamond Division, China Grinding Wheel Enterprises Corp.		

Attachment VII

List of Directors Released from the Prohibition of Participating in Competitive Business

Title	Name	Adjunct positions in other companies
Legal Person Director	Representative of Dejie Investment Co., Ltd.: Yeh, Chia-Wen	Director, Foot Source Enterprise Co., Ltd.
		Director, Skymax Technology Co., Ltd.
		Chairman, Aain Biotech & Medical Co., Ltd.
Independent Director	Ko, Yen-Hui	Chairman special assistance, Kolin Instrument Co., Ltd.
		Director, Jiannit Education Foundation
		Independent Director, Sanlian Technology Co., Ltd.
		Director, Jing Xung Technology Inc.
		Independent Director, Advanced Biotechnology Inc.
Legal Person Director	Representative of Dejie Investment Co., Ltd.: Shen, Che-Sheng	Vice President, Investment Department, De Jie Investment Co., Ltd.
Independent Director	Li, Wei-Chang	General Manager, Diamond Division, China Grinding Wheel Enterprises Corp.

Appendix I

GMI International Co., Ltd. Articles of Incorporation

Article	stipulations
Chapter I.	General Principles
Article 1.	The Company is organized in accordance with the provisions of the Company Act and is named GMI Technology Inc., (English name is GMI Technology Inc.).
Article 2.	The scope of the Company's business: 1. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import. 2. I301010 Information Software Services. 3. CC01050 Data Storage Media Units Manufacturing. 4. CC01060 Wired Communication Equipment and Apparatus Manufacturing. 5. CC01070 Telecommunication Equipment and Apparatus Manufacturing. 6. CC01080 Electronics Components Manufacturing. 7. F118010 Wholesale of Computer Software. 8. F119010 Wholesale of Electronic Materials. 9. F113050 Wholesale of Computers and Clerical Machinery Equipment. 10. F113070 Wholesale of Telecommunication Apparatus. 11. IZ99990 Other Industrial and Commercial Services. 12. F401010 International Trade. 13. I501010 Product Designing. 14. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
Article 3.	If the Company is a limited liability shareholder of his Company, the total amount of transferred investment may authorize the Board to do not be subject to the limit of 40% of the paid share capital as stipulated in Article 13 of the Companies Act. In addition, the Company requires external guarantee for business, not subject to Article 16 of the Company Act .
Article 4.	The Company shall have its head office in Taipei City, and may, pursuant to a resolution adopted at the meeting of the Board of Directors, set up a branch office within or outside the territory of the Republic of China
Article 5.	Deleted.
Chapter II.	Shares
Article 6.	The total capital of the Company is rated at NT\$2 billion, divided into 200 million shares, NT\$10 per share, of which unissued shares are authorized to be issued by the Board of Directors. The total capital reserved for NT\$75 million is divided into 7.5 million shares, NT\$10 per share for the exercise of the options under the warrants, special shares with the option or corporate bonds with the option.
Article 6-1	The Company may assign to employees at a shareholders' meeting on behalf of more than half of the total issued shares and at a shareholders' voting rights at a lower price than the average price of the actual repurchase of shares, or issue employee stock warrants at a price lower than the closing price on the issue date.
Article 7.	Deleted.
Article 8.	The Company's shares are issued in registered form under the signatures or seals of the directors representing the Company and are certified in accordance with the law. The Company may issue shares without printing share certificate(s). However, the Company shall appoint a centralized securities custody enterprise/institution to make registration of such shares.
Article 9.	Registration of share transfers shall be suspended for a 60-day period immediately prior to a general shareholders' meeting; for a 30-day period immediately prior to an interim meeting of the shareholders; and for a 5-day period immediately prior to the record date for distribution of dividend, bonuses or other benefits. °
Article 9-1	In addition to the provisions of the laws and regulations, the Company's share business operations shall be handled according to the rules of the "handling guidelines for public equity companies" issued by the competent authority.

Chapter III. Shareholders' Meeting	
Article 10.	Two types of shareholders' meetings, sub-meetings and provisional meetings are held annually, and will be held by the Board of Directors within six months after the end of each accounting year. It will be summoned when necessary by law. The Company's shareholders' meeting may be a video conference or other announcement by the Ministry of Economic Affairs.
Article 11.	If a shareholder cannot attend a shareholders' meeting in person, he or she may appoint a proxy to attend and vote on behalf of the shareholder at the shareholders' meeting by completing and submitting to the Company, a form prescribed by the Company stating the scope of authorization. All proxy appointments have to comply with Article 177 of the Company Act, and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies from the regulatory authority.
Article 12.	<u>Shareholders of the Company shall have one voting right per share unless otherwise provided by law.</u>
Article 13.	The shareholder will be the convener of the board, the chairman is the chairman of the board, and the chairman is absent by the chairman to appoint a director to act for any reason, if not specified by one of the directors. If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
Article 13-1	The resolutions of shareholders' meeting shall be required a majority (more than 50%) of vote of attending shares at a meeting attended by shareholders of a majority (more than 50%) of total issued shares or its proxies, subject to the provisions of the relevant laws and regulations. According to the competent authority, shareholders of the Company may also exercise voting rights electronically, and shareholders who exercise voting rights electronically are deemed to attend in person.
Chapter IV. Director	
Article 14.	The Company set up seven to eleven directors for a term of three years, the election of directors according to Article 1992 of the Company Act to adopt the candidate nomination system, elected by the shareholders on the list of candidates, and re-elected. After the Company issued shares in public, the total shareholding ratio of all its directors, according to the competent authority's "public offering Company directors, supervisors share ratio and verification implementation rules".
Article 14-1	The Company shall have no less than three independent directors and no less than one-fifth of the directors' seats.
Article 14-2	The Company has set up an audit committee according to Article 14 of the Securities Exchange Act, and the audit committee consists of all independent directors. The exercise of functions and related matters of the Audit Committee and its members are handled in accordance with the relevant laws and regulations of the Securities Exchange Act.
Article 15.	The Board of Directors organized by more than two-thirds of the directors agreed to attend and attended by over half of the directors to promote the chairman and one vice chairman, and the chairman represents the Company.
Article 15-1	The Company's Board of Directors may set up a remuneration committee or other functional committees due to business operation needs.
Article 16.	When the chairman takes leave or for any reason cannot exercise the power, its acting shall be governed by Article 288 of the Company Act. Unless otherwise provided by the Company Act, resolutions of a Board meeting shall require the approval of a majority vote of the Directors present at a meeting that shall be attended by a majority of all Directors. When the director cannot attend for any reason, he has a power of attorney to set out the authority of the convener, and appoint other directors' proxies to attend the Board, but the agent is limited to one person's appointment. At a meeting of a board of directors, if the director of a video meeting is a video conference, it is considered to be present in person.
Article 16-1	The meeting of the Board shall inform the Directors in writing seven days prior to stating the reasons. But in case of an emergency, we have to call it at any time. The convocation of the preceding item may be notified by written, fax or e-mail.
Article 17.	The remuneration of the directors of the Company is authorized by the Board according to the value and contribution of the director's participation in the

	operation of the Company and the usual level of peers.
Chapter V. Manager	
Article 18.	The Company may set up a general manager according to operational needs, its appointment, decommissioned and remuneration in accordance with Article 29 of the Company Act .
Chapter VI. accounting	
Article 19.	The Company shall at the end of each accounting year, by the board of directors (1) business report (2) financial statements (3) the proposal of distribution of earnings or losses, etc., submitted to the general meeting of shareholders according to law for recognition.
Article 20.	Delete.
Article 21.	If the Company has a profit for the year, no less than 0.1 percent shall be allocated. One is the employee remuneration, issued by the Board of Directors in stock or cash distribution, which includes employees of subordinate companies that meet certain conditions; the Company has the above profit amount, by the resolution of the Board of Directors to allocate no more than two percent to the director's remuneration. The distribution of employee and director's remuneration shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, the amount of compensation shall be retained in advance, and the remuneration of employees and directors' remuneration is proportional to the preceding.
Article 21-1	The Company's annual calculation if there is a surplus, tax payment according to law, make up for the accumulated losses, and then raise 10% as a statutory surplus, but the statutory surplus has reached the Company's paid-up capital amount, the rest will be listed or revolved in accordance with the law of special surplus; if there is a balance, and accumulate undivided With the surplus, the Board proposed a bill of earnings distribution, proposed by the shareholders' meeting to decide to distribute dividends to shareholders. To build up the financial structure and take into account the interests of investors, the Company adopts a dividend balancing policy with no less than 30% of the distributable surplus for the year, and cash dividends will be issued for more than 10% of the dividend distributed for the year. If the dividend for the year is less than three yuan, the total dividend will be distributed.
Chapter VII. Supplementary Provisions	
Article 22.	The provisions of the Company Act and related laws shall be handled in accordance with the provisions of the Articles of Incorporation.
Article 23.	This charter was established on September 11, 1995. The first amendment was amended on October 22, 1996. The second amendment was amended on July 20, 1997. The third amendment was amended on October 27, 1997. The fourth amendment was amended on November 20, 1997. The fifth amendment was amended on March 30, 1998. The sixth amendment was amended on November 20, 1998. The seventh amendment was amended on February 12, 1999. The eighth amendment was amended on March 6, 1999. The ninth amendment was amended on August 2, 1999. The tenth amendment was amended on June 7, 2000. The eleventh amendment was amended on October 29, 2001. The twelfth amendment was amended on January 11, 2002. The thirteenth amendment was made on May 3, 2002. The fourteenth amendment was made on November 28, 2002. The fifteenth amendment was made on February 6, 2003. The sixteenth amendment was made on May 29, 2003. The seventeenth amendment was made on June 23, 2004. The eighteenth amendment was made on June 22, 2005. The nineteenth amendment was made on June 23, 2006. The twentieth amendment was made on June 21, 2007. The twenty-first amendment was made on June 25, 2008. The twenty-second amendment was amended on June 23, 2009.

	<p>The twenty-third amendment was made on June 17, 2010. The twenty-fourth amendment was made on June 21, 2012. The twenty-fifth amendment was amended on June 24, 2013. The twenty-sixth amendment was made on June 21, 2016. The twenty-seventh amendment was made on June 15, 2017. The twenty-eighth amendment was made on June 17, 2019. The twenty-ninth amendment was made on June 24, 2020. The thirtieth amendment was made on June 23, 2022.</p>
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GMI INTERNATIONAL CO., LTD.

Chairman Yeh, Chia-Wen

Appendix II

GMI INTERNATIONAL CO., LTD. Rules and Procedures for Shareholders' Meeting

- Article 1. To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2. The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 3. Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.
Any change in the method of holding a shareholders' meeting shall be resolved by the Board of Directors and shall be made at the latest before mailing the notice of the shareholders' meeting.
The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. However, the Company's daily income capital reached more than NT\$10 billion at the end of the last fiscal year or the foreign and mainland shareholders' shareholdings in the recent fiscal year combined more than 30 percent of its shareholders' shareholdings shall complete the transmission of the electronic file 30 days before the regular shareholders' meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place. The shareholders' meeting handbook and supplemental meeting materials referred to in the preceding paragraph shall be provided for the shareholders to review on the day of the shareholders' meeting through the following methods:
- I. The materials shall be distributed on-site at the meeting place when holding physical shareholders' meetings.
 - II. The materials shall be distributed on-site at the meeting place as well as uploaded as electronic files to the video conference platform when holding hybrid shareholders' meetings.
 - III. The materials shall be uploaded as electronic files to the video conference platform when holding shareholders' meetings through video conferencing.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or resignation of directors, change of prospectus, capital reduction, application for cessation of public offering, director's permission to compete, surplus capital transfer, fund transfer, dissolution of the Company, merger, division or the first paragraph of the Company Act , shall list and state its main content in the reasons of convocation. Moved by the time; its main content may be placed at a website designated by the securities authority or Company, and the website shall be published in the notice.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. However, a shareholder proposal is a proposal to urge a Company to promote public interest or to fulfill social responsibility, and the board may still be included in the motion. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. However, the delegator before revocation is not limited.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After the proxy form has been submitted to the Company, if the shareholder intends to attend the meeting through video conferencing, a written notice of proxy cancellation shall be submitted to the Company 2 days prior to the meeting date. If

the cancellation notice is submitted after that time, the votes cast at the meeting by the proxy shall prevail.

Article 5. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

When holding a shareholders' meeting through video conferencing, the Company shall not be subject to the aforementioned restrictions on the venue for shareholders' meetings.

Article 6. The Company shall specify in its shareholders' meeting notices the time and place of attendance registration and other matters to be noted for shareholders, solicitors, and proxies (hereinafter collectively referred to as "shareholders").

The time of attendance registration stated in the preceding paragraph shall be at least 30 minutes prior to the start time of the meeting. The place of attendance registration shall be clearly marked, and a sufficient number of suitable personnel shall be assigned to handle the registration. When the Company holds a shareholders' meeting through video conferencing, attendance registration shall be accepted on the video conferencing platform of the shareholders' meeting at least 30 minutes prior to the start time of the meeting. A shareholder who has completed the attendance registration shall be deemed to have attended the meeting in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily require other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

When the Company holds a shareholders' meeting through video conferencing, shareholders who intend to attend the shareholders' meeting through video conferencing shall register with the Company at least 2 days before the date of the shareholders' meeting.

When holding a shareholders' meeting through video conferencing, the Company shall upload the shareholders' meeting handbook, annual report, and other relevant meeting materials to the video conferencing platform for the shareholders' meeting at least 30 minutes prior to the start time of the meeting and continue to disclose such materials until the meeting ends.

Article 6-1 When holding a shareholders' meeting through video conferencing, the Company shall specify the following particulars in the shareholders' meeting notice:

I. The procedures for shareholders to participate in the shareholders' meeting

- through video conferencing and to exercise their rights.
- II. Actions to be taken if the video conference platform or participation in the video conference meeting is obstructed due to natural disasters, emergencies, or other force majeure events, including, but not limited to:
- (I) To what time the meeting is postponed or from what time the meeting will reconvene if the above obstruction continues and cannot be removed, and, if applicable, the date to which the meeting is postponed or on which the meeting will reconvene.
 - (II) Shareholders who did not register to attend the original shareholders' meeting by video conferencing may not attend the postponed or reconvened meeting.
 - (III) When the Company holds a hybrid shareholders' meeting, in the event that the meeting cannot be reconvened through video conferencing, after deducting the number of shares represented by the shareholders attending through video conferencing, if the total number of the remaining shares meets the minimum legal amount of meeting participants, the shareholders' meeting shall continue. For the shareholders attending through video conferencing, their shares shall be counted toward the total number of shares represented by the shareholders present at the meeting; however, they shall be considered abstained in all proposals of that meeting.
 - (IV) The procedures for when the resolutions of all proposals have been announced and no extempore motion has been made.
- III. When holding a shareholders' meeting through video conferencing, the Company shall specify the provisions of adequate alternative measures for shareholders who have difficulties attending the shareholders' meeting through video conferencing.

Article 7. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

The shareholders' meeting convened by the Board shall be attended by over half of the board of directors.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8. The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation. When holding the shareholders' meeting through video conferencing, the Company shall keep records of shareholders' enrollment, registration, attendance, questions asked, votes cast, and voting results and also make an uninterrupted audio and video recording of the proceedings of any shareholders' meeting held through video conferencing.

The information as well as the audio and video recording mentioned in the preceding paragraph shall be properly preserved by the Company, and the audio and video recording shall be submitted to the personnel in charge of video conferencing on behalf of the Company for safekeeping.

The shareholders' meeting is a video conference organizer. The Company is advised to record the video conference platform backstage operation interface.

Article 9. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book or the sign-in cards handed in and the number of shares registered at the video conferencing platform plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairman shall declare the meeting adjourned. When holding the shareholders' meeting through video conferencing, the Company shall also declare the meeting adjourned on the video conferencing platform for the shareholders' meeting.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.

When the Company holds a shareholders' meeting through video conferencing, shareholders intending to attend the meeting through video conferencing shall re-register with the Company in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original

proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

When the Company holds a shareholders' meeting through video conferencing, the shareholders attending through video conferencing may ask questions by text on the video conferencing platform for the shareholders' meeting from the time the meeting is commenced by the chair until the meeting is adjourned, subject to a limit of two questions per motion of 200 words each, provided that the provisions in Paragraph I to V do not apply.

If the aforementioned question does not violate the regulations or is within the scope of the motion, it is appropriate to disclose the question on the video conferencing platform of the shareholders' meeting for public information.

Article 12. Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is

the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. Shareholders who exercise voting rights in writing or electronic means are deemed to attend the shareholders' meeting in person. However, the provisional motion and the amendment to the original motion are considered abstained, so the Company is advised to avoid provisional motion and amendment to the original motion.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. However, the meaning before the declaration is withdrawn, is not limited to this.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or through video conferencing, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the

other proposals will then be deemed rejected, and no further voting shall be required. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company holds a shareholders' meeting through video conferencing, shareholders attended by video conferencing shall vote on each motion and election motion through the video conferencing platform from the time the meeting is commenced by the chair and shall complete the voting before the end of the voting is announced by the chair; if the vote was made overdue, then it shall be deemed as they waived their rights.

When the Company holds a shareholders' meeting through video conferencing, the counting operation must be a one-time count after the end of voting is announced by the chair, and then the chair shall announce the results of voting and election.

If a shareholder who registered to attend the video-assisted shareholders' meeting through video conferencing in accordance with the provisions in Article 6 intends to attend a physical shareholders' meeting, he or she shall exercise a declaration of intent to retract the registration with the same method as the registration was made 2 days prior to the day of the shareholders' meeting; if the declaration of intent to retract was made overdue, then he or she may only attend the shareholders' meeting by video conferencing.

If a shareholder exercises his or her voting rights by correspondence or electronically and does not retract his or her intent and attends the shareholders' meeting by video conferencing, he or she may not exercise his or her voting rights on the original motion or propose amendments to the original motion or exercise his or her voting rights on amendments to the original motion, except for a temporary motion.

Article 14. The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the

existence of the Company.

Where a video conference shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the name of the chairperson and secretary, as well as the actions to be taken in the event of interruptions to the video conference platform or participation due to natural disasters, emergencies, or other force majeure circumstances shall also be included in the minutes.

When holding a shareholders' meeting through video conferencing, the Company shall handle relevant matters in accordance with the preceding provision, and specify in the meeting minutes the provisions of the alternative measures to shareholders having difficulties attending the shareholders' meeting through video conferencing.

Article 16. On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by the proxies, and the number of shares attended by correspondence or electronically, and shall make an express disclosure of the same at the place of the shareholders meeting; when holding a shareholders' meeting through video conferencing, the Company shall upload the aforementioned information to the video conferencing platform for the shareholders' meeting at least 30 minutes prior to the time the meeting commences and continue to disclose it until the meeting ends.

When holding a shareholders' meeting through video conferencing, the Company shall disclose the total number of shares in attendance on the video conferencing platform from the time the meeting is commenced by the chair. The same applies to the statistics on the total number of shares in attendance and number of votes during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband.

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

- Article 19. When holding the shareholders' meeting through video conferencing, the Company shall disclose the results of voting for each proposal and the election immediately after voting ends in accordance with the provisions and continue to disclose such information for at least 15 minutes after the meeting is adjourned by the chair.
- Article 20. At the time of the Company's video shareholders' meeting, the chairman and recorders shall declare the address of that place at the same place in the country.
- Article 21. As a video conference organizer, the Company may provide a simple connection test to shareholders before the meeting and provide relevant services immediately before and during the meeting to help deal with the technical issues of communication. Where the shareholders' meeting is held through video conferencing, when declaring the meeting open, the chairperson shall also declare, unless under circumstances where a meeting is not required to be postponed to or resumed at another time according to Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the video conference platform or participation is obstructed due to natural disasters, emergencies, or other force majeure circumstances before the chairperson declares the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or reconvened on another date within five days, in which case Article 182 of the Company Act shall not apply.
- In the event that the meeting shall be postponed or reconvened due to circumstances described in the preceding paragraph, shareholders who did not register to attend the original shareholders' meeting by video conferencing may not attend the postponed or reconvened meeting.
- In the event that the Company shall postpone or reconvene the meeting in accordance with Paragraph II, for shareholders who registered to attend the original shareholders' meeting by video conferencing and whose attendance registration was accepted but did not attend the postponed or reconvened meeting, the number of their shares, votes they exercised, and votes they received shall be counted toward the total number of shares in attendance, exercised votes, and number of votes at the postponed or reconvened meeting.
- In the event that the Company postponed or reconvened the meeting in accordance with the provisions in Paragraph II, the Company does not need to re-discuss or re-resolve the proposals with completed votes casting and counting and announced results of the voting, or elected list of directors and supervisors.
- When the Company holds a hybrid shareholders' meeting, and the video conference meeting cannot continue due to circumstances described in Paragraph II, if the total number of shares represented at the meeting after deducting those represented by the shareholders attending through video conferencing still meets the minimum legal requirement for a shareholders' meeting, then the meeting shall continue without the need to postpone or reconvene in accordance with Paragraph II.
- In the event that the meeting shall continue under the circumstances described in the preceding paragraph, for shareholders attending the shareholders' meeting by video conferencing, the number of their shares shall be counted toward the total number of shares in attendance; however, they shall be considered abstained in all proposals of that meeting.
- When postponing or resuming a meeting according to Paragraph II, the Company

shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

The Company shall hold the postponed or reconvened shareholders' meeting in accordance with the provisions in Paragraph 2 on the dates within the period specified in the second half of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies as well as Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 22. When holding a shareholders' meeting through video conferencing, the Company shall provide adequate alternative measures available to shareholders with difficulties in attending a video conferencing shareholders' meeting.

Article 23. These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be affected in the same manner.

On 29 May 2003 the shareholders' meeting agreed to implement these rules.

The first amendment was made on June 23, 2006,

The second amendment was made on June 21, 2012,

The third amendment was made on June 18, 2013.

The fourth amendment was made on June 17, 2019.

The fifth amendment was made on June 24, 2020.

The sixth amendment was made on June 23, 2022.

Appendix III

GMI INTERNATIONAL CO., LTD.

Rules for Director Elections

- Article 1. For the purpose of fair, just, and open election of directors, these Rules are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
- Article 2. Unless otherwise provided by laws and regulations or the Company's Articles of Incorporation, the Directors of the Company shall be duly elected in accordance with the Rules specified herein.
- Article 3. The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. Members of the Board shall generally possess the knowledge, skills and skills necessary to perform their duties, and their overall capabilities are as follows:
- I. The ability to make judgements about operations.
 - II. Accounting and financial analysis ability.
 - III. Business management ability.
 - IV. Crisis management ability.
 - V. Knowledge of the industry.
 - VI. International market perspective.
 - VII. Leadership ability.
 - VIII. Decision-making ability.
- Article 4. The qualifications of the Independent Directors of the Company shall comply with the Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of the Independent Directors of the Company shall comply with Articles 5, 6, 7, 8 and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. .
- Article 5. Elections of the Company's Directors shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
- Article 6. The cumulative voting method shall be used for election of the Directors at the Company. Each share will have voting right in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7. Election ballots shall be printed by the Board of Directors numbers corresponding to the directors to be elected. The number of voting rights of the shareholder shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders' meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8. The number of Directors will be as specified in the Company's Articles of Incorporation, with voting rights separately calculated for Independent and non-Independent Director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairperson drawing lots on behalf of any person not in attendance. Except as approved by the competent authority, the Company shall have more than

half of the seats among the directors and shall not have the following relationship:

(I) Spouse.

(II) Relatives within the second class.

The Company convened a shareholders' meeting to elect directors. When the original elected person does not comply with the previous provisions, the votes obtained from the non-compliant directors represent the lower right of the election, he is elected to lose its effect.

The vacancies of the elected directors have been checked to confirm that their personal data do not match or are elected as ineffective in accordance with the relevant laws and regulations.

Directors' votes were elected by independent directors and non-independent directors.

The Company does not elect supervisors when setting up an audit committee.

Article 9. Before the election begins, the chair shall appoint a number of shareholders as supervising personnel and counting personnel to perform the respective duties of vote monitoring. Ballot boxes prepared by the Board of Directors and tested by the scrutineers before voting.

Article 10. The electoral person must include the name of the elected person or account name in the 'Elected person' field. However, when a government or legal shareholder is an elected person, the name of the government or legal person, the name of the government or legal person and the name of its representative, if there are a number of representatives, the names of representatives shall be added respectively.

Article 11. A ballot is invalid under any of the following circumstances:

I. The ballot was not prepared by a person with the right to convene.

II. A blank ballot is placed in the ballot box;

III. The writing is unclear and indecipherable or has been altered;

IV. The candidate whose name is entered in the ballot does not conform to the director candidate list;

V. Any characters other than the name of the person being elected or the name of the account.

VI. Those who have two or more electors on the same ballot.

Article 12. After voting on the spot, the billing results announced by the chairman on the spot the list of directors elected.

Article 13. The elected directors shall be notified by the Board of Directors of the Company of their election.

Article 14. The Rules shall be implemented after approval by a shareholders' meeting. Same applies when amended.

Article 15. These Regulations were approved for implementation by the shareholders' meeting on May 29, 2003.

The first amendment was made on June 21, 2007,

The second amendment was made on June 21, 2012.

The third amendment was made on June 17, 2019.

The fourth amendment was made on July 22, 2021.

Appendix IV

Shareholding of All Directors

- I. The total number of shares issued by the Company amounted to 162,625,455 shares as at the closing date of the 2023 Annual Shareholders' Meeting (April 21, 2023).
- II. According to the “Implementation Rules for Public Issue Directors, Supervisors Shareholding and Verification Rules”, all directors shall hold a statutory minimum of 9,757,527 shares.
- III. The shareholders' shareholdings of individual and all directors' shareholders' shareholdings as at the date of the shareholders' meeting cessation (21 April 2023) are as follows:

Title	Name	Number of shares held on book closure date
Chairman	Dejie Investment Co., Ltd. Representative: Yeh, Chia-Wen	52,782,278
Director	Dejie Investment Co., Ltd. Representative: Yeh, Po-Chun	
Director	Dejie Investment Co., Ltd. Representative: Ivan Liu	
Director	Dejie Investment Co., Ltd. Representative: Wang, Kuo-Chang	
Independent Director	Jan, Sen	0
Independent Director	Lin, Ming-Chieh	133,383
Independent Director	Ko, Yen-Hui	0
Total		52,915,661

Appendix V

Effect of the Gratis Issue on the Company's Operating Results, Earnings per Share and Shareholders' Return on Investment

Unit: NT\$1,000 (except EPS is NT\$)

Item	Year	2023 (Estimated)	
Beginning paid-in capital (NT\$)		1,626,254	
Distribution of dividends this year (Note 1)	Cash dividend per share (NT\$)	NT\$2	
	Number of allotted shares per share for capital increase from earnings (share)	—	
	Number of allotted shares per share for capital increase from capital reserve (share)	—	
Change in operating performance	Operating profit		
	Operating profit increase (decrease) ratio over the same period last year		
	Net income after tax		
	Net income after tax increase (decrease) ratio over the same period last year		
	Earnings per share		
	Earnings per share increase (decrease) ratio over the same period last year		
	Average annual return on investment (annual average P/E ratio)		
Pro-forma earnings per share and P/E ratio	If capital increase by retained earnings is entirely replaced by cash dividend distribution	Pro-forma earnings per share	
		Pro-forma average annual return on investment return on investment of return on investment	
	If capital reserve is not used for capital increase	Pro-forma earnings per share	
		Pro-forma average annual return on investment return on investment of return on investment	
	If capital reserve to capital increase has not yet been undertaken and the surplus to capital increase is changed to cash dividend	Pro-forma earnings per share	
		Pro-forma average annual return on investment return on investment of return on investment	

inapplicable

Note: The Company has not announced the 2023 financial forecast, so there is no need to disclose the 2023 estimate information.