

Stock Code: 3312



GMI Technology Inc.

2024 General Shareholders' Meeting

Meeting Manual

Time: June 26, 2024, 9:00 a.m.

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

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

Type of Meeting: Physical Meeting

GMI Technology Inc.

Table of Contents

Chapter I.	Meeting Agenda	
Chapter II.	Agenda of the 2024 General Shareholders' Meeting-----	1
I.	Report Items-----	2
II.	Ratifications-----	3
III.	Election of directors-----	4
IV.	Other Proposals-----	4
V.	Extempore Motions-----	4
VI.	Adjournment-----	4
Chapter III.	Attachments	
I.	Business report-----	5
II.	Audit Committee Review Report-----	12
III.	2023 Financial Statements-----	13
IV.	2023 Schedule of Earnings Distribution-----	29
V.	List of Candidates for Independent Directors-----	30
VI.	List of Directors Released from the Prohibition of Participating in Competitive Business-----	31
Chapter IV.	Appendices	
I.	Articles of Incorporation-----	32
II.	Rules and Procedures for Shareholders' Meeting-----	36
III.	Rules for Director Elections-----	49
IV.	Shareholding of All Directors-----	51
V.	Effect of the Gratis Issue on the Company's Operating Results, Earnings per Share and Shareholders' Return on Investment-----	52

GMI Technology Inc.

Agenda of the 2024 General Shareholders' Meeting

Time: June 26, 2024, Wednesday, 9:00 a.m.

Location: 399 Ruiguang Road, Neihu District, Taipei City (East 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 2023 business report
 - (II) 2023 Audit Committee's review report
 - (III) 2023 Employees' and Directors' Compensation Distribution
- V. Ratifications:
 - (I) The Company's 2023 budget
 - (II) The Company's 2023 earnings distribution
- VI. Election of directors:

Proposal for by-election for an independent director.
- VII. Other Proposals:

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

I. Report Items

Report 1:

Subject: 2023 business report.

Explanation: For 2023 Business Report, please refer to Attachment I on page 5.

Report 2:

Subject: 2023 Audit Committee Review Report.

Explanation: For 2023 Audit Committee Review Report, please refer to Attachment II on page 12.

Report 3:

Subject: 2023 Remuneration distribution report of directors and employees.

Explanation:

1. According to Article 21 of the Articles of Incorporation, the Company's 2023 remuneration for directors and employees is based on the estimated basis of the Company's 2023 net profit before tax of NT\$410,536 thousand (excluding directors and employees) according to the distribution of the Articles of Incorporation.
2. On March 7, 2024, Director remuneration was assigned to the remuneration of the remuneration committee meeting of NT\$8,200,000; staff remuneration of NT\$450,000. The employee's remuneration is issued to the subject in accordance with Article 21 of the Articles of Incorporation.

II. Ratifications

Report:1

Proposed by the Board of Directors

Subject: 2023 Financial Statement

Explanation: The Company's parent Company only financial statements and consolidated financial statements for the year ended December 31, 2023 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 5 and Attachment III on page 13.

Resolution:

Report:2

Proposed by the Board of Directors

Subject: Company's 2023 Earning Distribution.

Explanation:

1. The Company's 2023 net profit after tax is NT\$322,384,746, plus the remeasurement of the defined benefit plans and the statutory surplus and special surplus reserve according to the law, we intend to keep NT\$391,453,333 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\$195,150,546, cash dividend per share of NT\$1.2, 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 IV on page 29.

Resolution:

III. Election of directors

Proposed by the Board of Directors

Subject: Proposal for by-election for an independent director, please elect.

Explanation:

1. Lin, Ming Chieh, an independent director of the Company, resigned on April 12, 2024. It is proposed to fill the vacancy with the election of one independent director in accordance with the "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers." The newly appointed independent director will assume office immediately following the shareholders' meeting and serve a term from June 26, 2024, to June 22, 2025.
2. According to the Articles of Incorporation, 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. According to the Articles of Incorporation, the selection of independent directors follows a candidate nomination system. For the education and professional background information of candidates, please refer to Attachment V on page 30 of this handbook.

Election results:

IV. Other Proposals

Proposed by the Board of Directors

Subject: Proposal for lifting the restriction on prohibition of competitive conduct by 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 VI on the page 31 of this manual for the cancellation of prohibition of competition by directors of the Company.

Resolution:

V. Extempore Motions

VI. Adjournment

Attachment I

GMI Technology Inc.

2023 business report

GMI Corporation's 2023 total annual revenue of NT\$15,303,570 thousand, pre-tax net income NT\$401,886 thousand compared to 2022 revenue NT\$19,312,581 thousand, pre-tax net income NT\$589,791 thousand, an decrease of 20.76% and 31.86% respectively, 2023 consolidated revenue total NT\$15,276,756 thousand, net profit before tax NT\$392,308 thousand compared with the 2022 consolidated revenue of NT\$19,346,503 thousand, consolidated net income before tax of NT\$589,469 thousand, an decrease of 21.04% and 33.45%, respectively. Net income after tax was NT\$1.98 based on weighted average circulated equity in 2023.

Looking back on the year 2023, it was filled with challenges. Factors such as high interest rates, soaring inflation, and underperformance in the post-pandemic Chinese economy contributed to significant downward risks for the overall economy and aggregate demand. Consequently, global demand for consumer electronics products weakened. Coupled with elevated market inventories and frozen customer demand, manufacturing activities in various countries slowed down. Moreover, the expansion of the US-China chip ban, the ongoing conflict between Russia and Ukraine, and the unresolved situation in the Middle East have led to a global geopolitical trend towards group confrontation. As a result, instability in global economic development and demand in the consumer electronics components market has had a profound impact. Nevertheless, we maintain close collaboration with parts suppliers and product manufacturers to address the rapid changes in the market and the decline in customer demand. We closely monitor the dynamics of the supply chain and develop appropriate action strategies and execution capabilities to respond to market reversals and effectively manage potential risks.

In 2023, the Company is continuing to implement comprehensive and thorough operational management initiatives:

1. **Enhancing Market Development Capability:** Alongside our efforts to consolidate existing markets, we will also prioritize expanding into new markets, introducing new products, and exploring new applications. This strategic approach will enable us to tap into limitless business opportunities across various sectors, thereby expanding the Company's scale and revenue in the market.

2. **Enhancing Supplier Relationships:** We strive to continuously strengthen our close cooperation with suppliers, while also deepening and expanding our product lines to meet the diverse needs of the market and our customers.
3. **Enhancing Efficiency and Quality:** We are committed to continuously strengthening our internal management and control processes to enhance the efficiency and quality of inbound and outbound shipments. By doing so, we aim to increase customer satisfaction and market competitiveness, while also improving and maximizing our overall operational effectiveness.

Looking ahead to the year 2024, the Company has continued to experience steady growth in the field of wireless communications and in projects with Chinese network communication operators. In particular, it has achieved impressive results in emerging technology areas such as VDSL, XPON, electric vehicles, and the Internet of Things (IoT) in recent years. Additionally, by securing cooperation and support from component suppliers and product manufacturers, the Company has been able to provide customers in the fields of smart healthcare, smart retail, smart entertainment, and smart manufacturing with comprehensive solutions for AI products. This has positioned the Company ahead of its competitors in terms of operations and allowed it to enter the next new era of development and business opportunities, thereby achieving its goal of sustainable development.

The Company's major business plan for 2024 is as follows:

Operation direction

In the 2024 electronic components market, the Company's management team will continue to pay special attention to several supply and demand issues under high inventory and uncertainty:

1. **Continue to 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.
2. **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.

3. 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.
4. 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.
5. 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: In 2024, in response to the impact of geopolitical factors, coupled with changes in international trade relationships, the Companies will pay closer attention to the supply chain of raw materials and components, ensuring stable access to supplies and enabling rapid responses and decision-making in case of issues.
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: Actively building strong partnership relationships with customers, gaining deeper insights into their needs and requirements, and providing professional technical support and after-sales service to continually enhance customer satisfaction.
4. Technical innovation: The Company keeps pace with technological innovation by constantly introducing new products and offering total solutions to meet the diverse needs of various application markets with the electronics industry constantly evolving.
5. ESG sustainable development: In the process of company operations, apart from complying with environmental regulations and taking effective measures to protect the environment, the Company also moves towards the goal and direction of ESG sustainable development. This not only meets the requirements of social responsibility but also contributes significantly to promoting overall social welfare and environment.

6. Talent training: As a long-term sustainable operation 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. The Company employs a range of efficient management system tools to accurately monitor inventory levels, ensuring timely replenishment while avoiding unnecessary purchases and reducing inventory costs. For example, integrating inventory levels, purchase and sales records for analysis, and utilizing Oracle system management for accurate inventory management.
8. Sales forecasting: We consistently make accurate predictions and adjustments based on market demand to ensure appropriate purchasing decisions. In addition to analyzing market trends, competitive situations, and customer demands, combining precise financial management systems can assist us in sales forecasting to better control procurement 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 2024, the Company's management team continues to focus on several new market applications and aims to achieve the following 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 2024. 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 2024 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 to meet customer needs. 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 to meet customer needs 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 2024.

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 2024.

4. Wireless and broadband communication application market:

According to market research firm reports, the global wireless broadband market is projected to grow at a compound annual growth rate of 24.47%, reaching \$42.97 billion by the year 2023 and \$199.74 billion by the year 2030.

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 2024.

5. Developing overseas application markets:

In the past, we have focused on the development of the Greater China market, and in 2024. We will also distribute some human resources to operate in the overseas market. In the midst of the competition between China and the United States, major electronics contract manufacturers are increasing their efforts to develop electronic markets beyond China. India and Vietnam, for instance, are both significant global electronic markets, making them highly promising markets for conducting electronic product businesses.

Business Objective: The Company's number of new clients in the Greater China market increased by 10 to 20 active customers in 2024.

6. Investing in the development of smart healthcare algorithms and artificial intelligence computing power-related fields:

As digital technology continues to advance in various fields, the development of healthcare is progressing, with artificial intelligence (AI) programs (especially machine learning algorithms) becoming increasingly essential components of many medical devices. One of the major benefits of machine learning is its capacity to generate substantial amounts of data on a daily basis during service provision and automatically analyze and make informed decisions based on this data. In the last ten years, the US FDA has reviewed and authorized a growing number of medical devices with artificial intelligence capabilities for legal sale in the United States. The successful collaboration on our research project on audio artificial intelligence algorithms with the National Yang Ming Chiao Tung University in 2023

has bolstered our confidence and led to increased investment in this field.

Business Target: The Company achieved a 5% increase in gross profit margin in the operation and sales of high-end artificial intelligence computing power in 2024.

GMI Technology Inc.

Chairman Yeh, Chia-Wen

General Manager Ivan Liu

Accounting Manager Lin, Che-Jen

Attachment II

GMI Technology Inc.

Audit Committee's Audit Report

The Company's 2023 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:

2024 Annual Shareholders' Meeting of GMI Technology Inc.

GMI Technology Inc.

Convener of the Audit Committee: Jan, Sen

May 9, 2024

Attachment III

Independent Auditors' Report

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

Opinion

We have audited the financial statements of G.M.I. Technology Inc.(“the Company”), which comprise the balance sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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(m) “Revenue Recognition” for accounting policy, and note 6(p) Revenue from Customer Contracts, of the 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 returns and allowances after year end.

Other Matter

We did not audit the financial statements of Unitech Electronics Co., Ltd. and Global Mobile Internet Co., Ltd., subsidiaries of the Company. 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 Electronics Co., Ltd. and Global Mobile Internet Co., Ltd., is based solely on the reports of other auditors. The financial statements of Unitech Electronics Co., Ltd. and Global Mobile Internet Co., Ltd. reflect total assets constituting 3.56% and 2.88% of the consolidated total assets at December 31, 2023 and 2022, respectively, and the related share of profit of subsidiaries, associates and joint ventures accounted for using the equity method constituting 1.46% and 1.62% of total Earning before tax for the years then ended respectively.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Standards on Auditing of 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 the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the 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 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 Company'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 Company'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 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 conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent 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 investment in other entities accounted for using the equity method to express an opinion on this financial statement. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate 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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our 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 12, 2024

Notes to Readers

The accompanying parent company only financial statements are intended only to present the statement of financial position, financial performance and its 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 parent company only financial statements are those generally accepted and applied in the Republic of China.

The auditors' report and the accompanying parent company only 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 auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
G.M.I. Technology Inc.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2023		December 31, 2022		Liabilities and Equity		December 31, 2023		December 31, 2022	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note (6)(a))	\$ 1,404,706	22	1,367,298	17	2100	Short-term borrowings (notes (6)(h) and (8))	\$ 1,350,950	21	2,238,874	27
1150	Notes receivable (notes (6)(b) and (p))	91,684	1	96,006	1	2110	Short-term notes and bills payable(note (6)(g))	199,601	3	379,163	5
1170	Accounts receivable(notes (6)(b)(p) and (8))	2,975,358	45	3,324,349	40	2170	Accounts payable	212,136	3	394,332	5
1180	Accounts receivable due from related parties, net(notes (6)(b)(p) and (7))	193,053	3	170,783	2	2180	Accounts payable to related parties (note (7))	1,909,752	29	2,264,502	27
1200	Other receivables	18,589	-	14,950	-	2219	Payables, others	68,964	1	62,449	1
1220	Current income tax assets	22,621	-	6,529	-	2220	Payables to related parties (note (7))	4,923	-	-	-
130X	Inventories (note (6)(c))	1,015,021	16	2,307,205	28	2230	Current income tax liabilities	27,871	-	3,287	-
1476	Other current financial assets (note (8))	225,303	3	231,773	3	2280	Current lease liabilities (note (6)(j))	5,058	-	5,573	-
1470	Other current assets:	85,698	1	80,192	1	2300	Other current liabilities	14,531	-	19,153	-
	Total current assets	<u>6,032,033</u>	<u>91</u>	<u>7,599,085</u>	<u>92</u>	2322	Long-term borrowings, current portion (notes (6)(i) and (8))	26,775	-	11,900	-
Non-current assets:							Total Current liabilities	<u>3,820,561</u>	<u>57</u>	<u>5,379,233</u>	<u>65</u>
1550	Investments accounted for using equity method (notes (6)(d) and (7))	254,593	4	268,137	3		Non-Current liabilities:				
1600	Property, plant and equipment (note (6)(e))	326,638	5	328,914	4	2540	Long-term borrowings (notes (6)(i) and (8))	175,525	3	202,300	2
1755	Right-of-use assets(note (6)(f))	7,144	-	8,396	-	2580	Non-current lease liabilities (note (6)(j))	2,209	-	2,892	-
1840	Deferred tax assets (note (6)(l))	26,863	-	36,038	1	2650	Non-current recognized liabilities defined benefit plan (note (6)(d))	6,605	-	-	-
1975	Net defined benefit assets- non current (note (6)(k))	2,387	-	1,426	-		Total Non-current liabilities	<u>184,339</u>	<u>3</u>	<u>205,192</u>	<u>2</u>
1900	Other non-current assets	4,061	-	1,667	-		Total liabilities	<u>4,004,900</u>	<u>60</u>	<u>5,584,425</u>	<u>67</u>
	Total non-current assets	<u>621,686</u>	<u>9</u>	<u>644,578</u>	<u>8</u>		Share capital (notes (6)(m) and (n)):				
						3110	Ordinary share	1,626,254	24	1,626,254	20
						3200	Capital surplus	223,116	3	223,116	3
						3310	Legal reserve	146,600	2	101,075	1
						3320	Special reserve	-	-	113,848	1
						3350	Unappropriated retained earnings	618,896	10	552,882	7
						3400	Other equity	33,953	1	42,063	1
							Total equity	<u>2,648,819</u>	<u>40</u>	<u>2,659,238</u>	<u>33</u>
Total assets		<u>\$ 6,653,719</u>	<u>100</u>	<u>8,243,663</u>	<u>100</u>		Total liabilities and equity	<u>\$ 6,653,719</u>	<u>100</u>	<u>8,243,663</u>	<u>100</u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
G.M.I. Technology Inc.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (notes (6)(p) and (7))	\$ 15,303,570	100	19,312,581	100
5000	Operating costs (notes (6)(c) and (7))	14,427,898	94	18,264,923	95
	Gross profit (loss) from operations	875,672	6	1,047,658	5
	Operating expenses (notes (6)(j)(k)(n)(q) and (7)):				
6100	Selling expenses	286,398	2	286,468	1
6200	Administrative expenses	134,885	1	133,066	1
6300	Research and development expenses	24,022	-	22,920	-
6450	Impairment loss (impairment gain) determined in accordance with IFRS 9 (note (6)(b))	(19,479)	-	10,012	-
	Total operating expenses	425,826	3	452,466	2
	Net operating income (loss)	449,846	3	595,192	3
	Non-operating income and expenses (notes (6)(d)(j) and (r)):				
7100	Interest income	27,368	-	7,343	-
7010	Other income	25,811	-	5,160	-
7020	Other gains and losses	8,198	-	70,000	-
7050	Finance costs	(73,980)	-	(62,149)	-
7060	Share of profit of associates accounted for using equity method	(35,357)	-	(25,755)	-
	Total non-operating income and expenses	(47,960)	-	(5,401)	-
7900	Profit before income tax	401,886	3	589,791	3
7950	Less: Income tax expenses (note (6)(l))	79,501	1	135,845	1
	Profit	322,385	2	453,946	2
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Remeasurements of defined benefit plans (note (6)(k))	557	-	1,173	-
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	-	-	-	-
		557	-	1,299	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements	(7,847)	-	151,895	1
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	(263)	-	4,016	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(8,110)	-	155,911	1
8300	Other comprehensive income	(7,553)	-	157,210	1
	Total comprehensive income	\$ 314,832	2	611,156	3
	Earnings per share (note (6)(o))				
	Basic earnings per share	\$ 1.98		3.08	
	Diluted earnings per share	\$ 1.98		3.08	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
G.M.I. Technology Inc.

Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Total other equity interest		Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	
Balance at January 1, 2022	\$ 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 appropriated	-	-	-	37,663	(37,663)	-	-	-
Cash dividends of ordinary share	-	-	-	-	(275,251)	-	-	(275,251)
Capital increase by cash	250,000	175,000	-	-	-	-	-	425,000
Share-based payment transaction	-	3,139	-	-	-	-	-	3,139
Balance at December 31, 2022	1,626,254	223,116	101,075	113,848	552,882	42,025	38	2,659,238
Profit for the period	-	-	-	-	322,385	-	-	322,385
Other comprehensive income or loss for the period	-	-	-	-	557	(8,515)	405	(7,553)
Total comprehensive income	-	-	-	-	322,942	(8,515)	405	314,832
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	45,525	-	(45,525)	-	-	-
Special reserve	-	-	-	(113,848)	113,848	-	-	-
Cash dividends of ordinary share	-	-	-	-	(325,251)	-	-	(325,251)
Balance at December 31, 2023	\$ 1,626,254	223,116	146,600	-	618,896	33,510	443	2,648,819

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

G.M.I. Technology Inc.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit before tax	\$ 401,886	589,791
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	12,814	10,972
Expected credit loss (Reversal of expected (credit loss))	(19,479)	10,012
Interest expense	73,980	62,149
Interest income	(27,368)	(7,343)
Share-based payments	-	3,139
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	35,357	25,755
Loss (gain) on disposal of investments	(38)	-
Total adjustments to reconcile profit (loss)	75,266	104,684
Changes in operating assets and liabilities:		
Decrease in notes receivable	4,166	37,881
Decrease in accounts receivable	366,084	524,583
(Increase) decrease in accounts receivable due from related parties	(22,859)	33,025
(Increase) decrease in other receivable	(3,129)	(306)
Decrease (increase) in inventories	1,302,090	(1,135,312)
(Increase) decrease in other current assets	(5,920)	40,254
Total changes in operating assets	1,640,432	(499,875)
(Decrease) increase in accounts payable	(183,273)	231,431
Decrease in accounts payable to related parties	(353,268)	(712,195)
Increase (decrease) in other payable	11,198	(32,982)
Increase in other payable to related parties	4,923	-
Decrease in other current liabilities	(4,493)	(42,067)
Decrease in net defined benefit liability	(404)	(391)
Total changes in operating liabilities	(525,317)	(556,204)
Total adjustments	1,190,381	(951,395)
Cash inflow (outflow) generated from operations	1,592,267	(361,604)
Interest received	26,835	6,424
Interest paid	(78,672)	(58,291)
Income taxes refund (paid)	(61,922)	(238,905)
Net cash flows from (used in) operating activities	1,478,508	(652,376)
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(21,841)	-
Acquisition of property, plant and equipment	(2,701)	(31,006)
Increase in other financial assets	6,050	(1,083)
Decrease in other non-current assets	(2,398)	2,146
Dividends received	6,408	3,966
Net cash flows from (used in) investing activities	(14,482)	(25,977)
Cash flows from (used in) financing activities:		
Increase in short-term loans	7,355,369	8,929,732
Decrease in short-term loans	(8,249,542)	(8,130,114)
Increase in short-term notes and bills payable	3,355,559	2,368,379
Decrease in short-term notes and bills payable	(3,535,121)	(2,548,169)
Repayments of long-term debt	(11,900)	(11,900)
Payment of lease liabilities	(7,777)	(5,433)
Cash dividends paid	(325,251)	(275,251)
Proceeds from issuing shares	-	425,000
Net cash flows from (used in) financing activities	(1,418,663)	752,244
Effect of exchange rate changes on cash and cash equivalents	(7,955)	(69,264)
Net increase (decrease) in cash and cash equivalents	37,408	4,627
Cash and cash equivalents at beginning of period	1,367,298	1,362,671
Cash and cash equivalents at end of period	\$ 1,404,706	1,367,298

See accompanying notes to 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. and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, the consolidated statement 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 material accounting policies.

In our opinion, based on our audits and the report 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants Certified Public Accountants and Standards on Auditing of 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 Norm of Professional Ethics for Certified Public Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. 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 judgment, were of most significance in our audit of the consolidated financial statements of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report:

1. Revenue Recognition

Please refer to note 4(m) “Revenue Recognition” for accounting policy, and note 6(q) 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.

Other Matter

We did not audit the financial statements of Unitech Electronics Co., Ltd. and Global Mobile Internet Co., Ltd. subsidiaries of the Group. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Unitech Electronics Co., Ltd. and Global Mobile Internet Co., Ltd., is based solely on the report of another auditor. The investment in Unitech Electronics Co., Ltd. and Global Mobile Internet Co., Ltd. accounted for using the equity method constituting 3.50% and 2.86% of consolidated total assets at December 31, 2023 and 2022, respectively, and the related share of profit of subsidiaries, associates and joint ventures accounted for using the equity method constituting 1.50% and 1.62% of total Earning before tax for the years then ended respectively.

The Company has prepared its parent-company-only financial report for the years 2023 and 2022, 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 or supervisors) are responsible for overseeing the Group's financial reporting process.

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 auditor's 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 Standards on Auditing of 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 the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 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 conditions 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 represent 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 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 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 matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our 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 12, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and its 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 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 auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
G.M.I. Technology Inc. and subsidiaries

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2023		December 31, 2022		Liabilities and Equity		December 31, 2023		December 31, 2022	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note (6)(a))	\$ 1,497,908	23	1,455,659	18	2100	Short-term borrowings (notes (6)(i)and (8))	\$ 1,350,950	20	2,238,874	27
1150	Notes receivable (notes (6)(c)(q))	91,684	1	96,006	1	2110	Short-term notes and bills payable (note (6)(h))	199,601	3	379,163	5
1170	Accounts receivable (notes (6)(c)(q) and (8))	3,081,975	46	3,442,658	42	2170	Accounts payable	212,926	3	397,049	5
1181	Accounts receivable due from related parties (notes (6)(c)(q) and (7))	7,161	-	71	-	2180	Accounts payable to related parties (note (7))	1,909,752	28	2,264,502	27
1200	Other receivables	21,549	-	17,899	-	2219	Other payables	83,892	1	79,774	1
1220	Current income tax assets	22,641	-	6,529	-	2220	Other payables to related parties (note (7))	4,923	-	-	-
130X	Inventories (note (6)(d))	1,030,721	16	2,319,295	27	2230	Current income tax liabilities	27,871	1	3,287	-
1476	Other financial assets - current (note (8))	225,303	3	231,773	3	2280	Current lease liabilities (note (6)(k))	13,065	-	12,785	-
1470	Other current assets	87,497	1	80,192	1	2300	Other current liabilities	32,795	1	21,866	-
	Total current assets	<u>6,066,439</u>	<u>90</u>	<u>7,650,082</u>	<u>92</u>	2322	Long-term borrowings, current portion (notes (6)(j)and (8))	26,775	-	11,900	-
Non-current assets:							Total current liabilities	<u>3,862,550</u>	<u>57</u>	<u>5,409,200</u>	<u>65</u>
1510	Non-current financial assets at fair value through profit or loss (note (6)(b))	70,185	1	-	-		Non-Current liabilities:				
1550	Investments accounted for using the equity method (notes (6)(e) and (7))	236,679	3	237,492	3	2540	Long-term borrowings(notes (6)(j)and (8))	175,525	3	202,300	2
1600	Property, plant and equipment (notes (6)(f) and (8))	329,717	5	331,763	4	2580	Non-current lease liabilities(note (6)(k))	8,563	-	16,768	-
1755	Right-of-use assets (note (6)(g))	20,510	-	28,937	-		Total non-current liabilities	<u>184,088</u>	<u>3</u>	<u>219,068</u>	<u>2</u>
1840	Deferred income tax assets (note (6)(m))	26,863	1	36,038	1		Total liabilities	<u>4,046,638</u>	<u>60</u>	<u>5,628,268</u>	<u>67</u>
1975	Net defined benefit assets- non current (note (6)(l))	2,387	-	1,426	-		Equity attributable to owners of the parent company (notes (6)(n) and (o)):				
1900	Other non-current assets	4,061	-	1,768	-	3110	Ordinary share	1,626,254	24	1,626,254	20
	Total noncurrent assets	<u>690,402</u>	<u>10</u>	<u>637,424</u>	<u>8</u>	3200	Capital surplus	223,116	3	223,116	3
						3310	Legal reserve	146,600	2	101,075	1
						3320	Special reserve	-	-	113,848	1
						3350	Unappropriated retained earnings	618,896	9	552,882	7
						3400	Other equity	33,953	1	42,063	1
							Total equity attributable to owners of parent:	<u>2,648,819</u>	<u>39</u>	<u>2,659,238</u>	<u>33</u>
						36XX	Non-controlling interests	61,384	1	-	-
							Total equity	<u>2,710,203</u>	<u>40</u>	<u>2,659,238</u>	<u>33</u>
							Total liabilities and equity	<u>\$ 6,756,841</u>	<u>100</u>	<u>8,287,506</u>	<u>100</u>
	Total assets	<u>\$ 6,756,841</u>	<u>100</u>	<u>8,287,506</u>	<u>100</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 Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2023		2022	
		Amount	%	Amount	%
4000	Operating revenues (notes (6)(q) and (7))	\$ 15,276,756	100	19,346,503	100
5000	Operating costs (notes (6)(d) and (7))	14,411,104	94	18,295,415	95
	Gross profit (loss) from operations	<u>865,652</u>	<u>6</u>	<u>1,051,088</u>	<u>5</u>
	Operating expenses (notes (6)(k)(l)(o) and (r)):				
6100	Selling expenses	305,374	2	319,425	1
6200	Administrative expenses	135,176	1	133,066	1
6300	Research and development expenses	35,439	-	22,920	-
6450	Impairment loss (impairment gain) determined in accordance with IFRS 9 (note (6)(c))	(19,182)	-	8,232	-
	Total operating expenses	<u>456,807</u>	<u>3</u>	<u>483,643</u>	<u>2</u>
	Net operating income	<u>408,845</u>	<u>3</u>	<u>567,445</u>	<u>3</u>
	Non-operating income and expenses (notes (6)(f)(k) and (s)):				
7100	Interest income	28,182	-	7,815	-
7010	Other income	25,270	-	5,501	-
7020	Other gains and losses, net	(824)	-	62,113	-
7050	Finance costs	(75,050)	-	(62,978)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	5,885	-	9,573	-
	Total non-operating income and expenses	<u>(16,537)</u>	<u>-</u>	<u>22,024</u>	<u>-</u>
7900	Profit before income tax	392,308	3	589,469	3
7950	Less: Income tax expense(note (6)(m))	79,501	1	135,523	1
	Profit	<u>312,807</u>	<u>2</u>	<u>453,946</u>	<u>2</u>
8300	Other comprehensive income (loss):				
8310	Items that may not reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (note (6)(l))	557	-	1,173	-
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	-	-	-	-
		<u>557</u>	<u>-</u>	<u>1,299</u>	<u>-</u>
8360	Items that may be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(7,847)	-	151,895	1
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	(263)	-	4,016	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		<u>(8,110)</u>	<u>-</u>	<u>155,911</u>	<u>1</u>
8300	Other comprehensive income, net	<u>(7,553)</u>	<u>-</u>	<u>157,210</u>	<u>1</u>
	Comprehensive income	<u>\$ 305,254</u>	<u>2</u>	<u>611,156</u>	<u>3</u>
	Profit (loss), attributable to:				
	Owners of parent	\$ 322,385	2	453,946	2
	Non-controlling interests	(9,578)	-	-	-
		<u>\$ 312,807</u>	<u>2</u>	<u>453,946</u>	<u>2</u>
	Comprehensive income attributable to:				
	Owners of parent	\$ 314,832	2	611,156	3
	Non-controlling interests	(9,578)	-	-	-
		<u>\$ 305,254</u>	<u>2</u>	<u>611,156</u>	<u>3</u>
	Earnings per share (note (6)(p))				
	Basic earnings per share	<u>\$ 1.98</u>		<u>3.08</u>	
	Diluted earnings per share	<u>\$ 1.98</u>		<u>3.08</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, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest			Total equity
	Share capital	Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Non-controlling interests		
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings					
Balance at January 1, 2022	\$ 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 or loss 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 on 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 at December 31, 2022	1,626,254	223,116	101,075	113,848	552,882	42,025	38	-	2,659,238	
Profit for the period	-	-	-	-	322,385	-	-	(9,578)	312,807	
Other comprehensive income or loss for the period	-	-	-	-	557	(8,515)	405	-	(7,553)	
Total comprehensive income	-	-	-	-	322,942	(8,515)	405	(9,578)	305,254	
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	45,525	-	(45,525)	-	-	-	-	
Special reserve	-	-	-	(113,848)	113,848	-	-	-	-	
Cash dividends on ordinary shares	-	-	-	-	(325,251)	-	-	-	(325,251)	
Changes in non-controlling interests	-	-	-	-	-	-	-	70,962	70,962	
Balance at December 31, 2023	\$ 1,626,254	223,116	146,600	-	618,896	33,510	443	61,384	2,710,203	

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 Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit before income tax	\$ 392,308	589,469
Adjustment:		
Adjustments to reconcile profit (loss):		
Depreciation expense	22,324	20,607
Expected credit (gain) loss	(19,182)	8,232
Interest expense	75,050	62,978
Interest revenue	(28,182)	(7,815)
Share-based payments transactions	-	3,139
Gain on financial assets at fair value through profit or loss	(185)	-
Share of loss of associates accounted for using equity method	(5,885)	(9,573)
Loss from disposal of property, plant and equipment	45	45
Loss from disposal of investments	(38)	-
Gain from lease modification	(9)	-
Total adjustments to reconcile profit	<u>43,938</u>	<u>77,613</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in notes receivable	4,166	37,881
Decrease in accounts receivable	375,344	537,843
(Increase) decrease in accounts receivable due from related parties	(7,091)	37,956
Decrease in other receivable	(3,195)	(3)
Decrease (increase) in inventories	1,298,206	(1,106,352)
(Increase) decrease in other current assets	(7,716)	40,254
Total changes in operating assets	<u>1,659,714</u>	<u>(452,421)</u>
Changes in operating liabilities:		
Increase (decrease) in accounts payable	(184,867)	232,167
Increase (decrease) in accounts payable to related parties	(350,763)	(714,402)
Increase (decrease) in other payable	9,050	(41,839)
Increase (decrease) in other payable to related parties	4,923	-
Increase (decrease) in other current liabilities	11,345	(41,085)
Increase (decrease) in net defined benefit liability	(404)	(391)
Total changes in operating liabilities	<u>(510,716)</u>	<u>(565,550)</u>
Total adjustments	<u>1,192,936</u>	<u>(940,358)</u>
Cash inflow (outflow) from operations	1,585,244	(350,889)
Interest received	27,649	6,897
Interest paid	(79,742)	(59,120)
Income taxes (paid)	(61,942)	(238,582)
Net cash flows from operating activities	<u>1,471,209</u>	<u>(641,694)</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss	(70,000)	-
Acquisition of property, plant and equipment	(4,391)	(31,810)
Decrease (increase) in other financial assets	6,050	(1,083)
(Increase) decrease in other non-current assets	(2,306)	2,258
Dividends received	6,408	3,966
Net cash flows used in investing activities	<u>(64,239)</u>	<u>(26,669)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowing	7,355,369	8,929,732
Decrease in short-term borrowing	(8,249,542)	(8,130,114)
Increase in short-term notes and bills	3,355,559	2,368,379
Decrease in short-term notes and bills	(3,535,121)	(2,548,169)
Repayments of long-term debt	(11,900)	(11,900)
Payment of lease liabilities	(15,444)	(13,599)
Cash dividends paid	(325,251)	(275,251)
Proceeds from issuing shares	-	425,000
Contribution by non-controlling interests	71,000	-
Net cash flows from (used in) financing activities	<u>(1,355,330)</u>	<u>744,078</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(9,391)</u>	<u>(67,773)</u>
Net increase (decrease) in cash and cash equivalents	42,249	7,942
Cash and cash equivalents at beginning of period	1,455,659	1,447,717
Cash and cash equivalents at end of period	<u>\$ 1,497,908</u>	<u>1,455,659</u>

See accompanying notes to consolidated financial statements.

Attachment IV

GMI Technology Inc. 2023 Schedule of Earnings Distribution

Unit: NT\$

Beginning balance of retained earnings	\$295,955,859
Plus: Net profit after current tax	322,384,746
Plus: Determine the benefit plan and then measure the number	557,498
Less: Nomination of statutory surplus	<u>-32,294,224</u>
Earnings available for distribution	586,603,879
Distribution item:	
Less: Dividend - Cash dividend (NT\$1.2)	<u>-195,150,546</u>
Unappropriated retained earnings at the end of period	<u><u>\$391,453,333</u></u>

Chairman:
Yeh, Chia-Wen

General Manager:
Ivan Liu

Accounting Manager:
Lin, Che-Jen

Attachment V

List of Candidates for Independent Directors

Job Title	Name	Academic Qualifications	Working Experience	Current Position	Shareholding
Independent Director	Chou, Chung-Chi	Master of Science in Mathematics, Colorado State University, USA Bachelor of Mathematics, Fu Jen Catholic University	Independent Director of Fubon Financial Holding Co., Ltd Chairman of CTCI Advanced Systems Inc. Director of EasyCard Corporation Senior Consultant, Chairman's Office, Chunghwa Telecom Co., Ltd. President of Taiwan Star Telecom Corporation Limited Chief Operating Officer (COO) of the Enterprise Business Group at Taiwan Mobile Co., Ltd. President/ Chief Operating Officer (COO) Taiwan Fixed Network Co., Ltd. CEO of Fuh Yang Media Technology Co., Ltd Executive Vice President / General Manager, Taiwan Region, PCCW-HKT Special Assistant to the General Manager, Taiwan Taicom Fujitsu Telecom Company, Limited	Independent Director of Yulon Motor Co., Ltd. Independent Director of Yulon Finance Corporation Independent Director of Standard Foods Corp.	0

Attachment VI

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

Title	Name	Adjunct positions in other companies
Independent Director	Chou, Chung-Chi	Independent Director of Yulon Motor Co., Ltd. Independent Director of Yulon Finance Corporation Independent Director of Standard Foods Corp.

Appendix I

GMI Technology Inc. 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., (<u>English name is GMI Technology Inc.</u>).
Article 2.	The scope of the Company's business: <ol style="list-style-type: none"> 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.	Shareholders of the Company shall have one voting right per <u>share</u> unless otherwise provided by law.
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 192-1 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 number of independent directors among the board members In the Company shall not be fewer than three, and they shall constitute no less than one-fifth of the total board seats. Their selection follows the nomination system specified in Article 192-1 of the Company Act.
Article 14-2.	The Company has set up an audit committee according to Article 14-4 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 208 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.	Deleted.
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 amended on May 3, 2002. The fourteenth amendment was amended on November 28, 2002. The fifteenth amendment was amended on February 6, 2003. The sixteenth amendment was amended on May 29, 2003 The seventeenth amendment was amended on June 23, 2004. The eighteenth amendment was amended on June 22, 2005. The nineteenth amendment was amended on June 23, 2006. The twentieth amendment was amended on June 21, 2007. The twenty-first amendment was amended on June 25, 2008. The twenty-second amendment was amended on June 23, 2009. The twenty-third amendment was amended on June 17, 2010. The twenty-fourth amendment was amended on June 21, 2012. The twenty-fifth amendment was amended on June 24, 2013. The twenty-sixth amendment was amended on June 21, 2016. The twenty-seventh amendment was amended on June 15, 2017.

The twenty-eighth amendment was amended on June 17, 2019. The twenty-ninth amendment was amended on June 24, 2020. The thirtieth amendment was amended on June 23, 2022.
--

GMI Technology Inc.

Chairman Yeh, Chia-Wen

Appendix II

GMI Technology Inc. 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 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.

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.

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 May 29 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 Technology Inc. **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.

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 2024 Annual Shareholders' Meeting (April 28, 2024).
- 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' shareholdings as at the date of the shareholders' meeting cessation (April 28, 2024) 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	
Director	Dejie Investment Co., Ltd. Representative: Shen, Che-Sheng	
Independent Director	Jan, Sen	0
Independent Director	Ko, Yen-Hui	0
Independent Director	Li, Wei-Chang	0
Total		52,782,278

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\$)

Year Item		2024 (Estimated)
Beginning paid-in capital (NT\$)		1,626,254
Distribution of dividends this year	Cash dividend per share (NT\$)	1.2
	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	inapplicable
	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 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 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 of return on investment

Note: The Company has not announced the 2024 financial forecast, so there is no need to disclose the 2024 estimate information.