



# **GMI Technology Inc.**

## **The First Extraordinary Shareholders' Meeting of 2024**

# **Meeting Manual**

**Time:** December 10, 2024, 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

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**GMI Technology Inc.**  
**Agenda of the First Extraordinary**  
**Shareholders' Meeting of 2024**

Time: December 10, 2024, Tuesday, 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 Agenda
- III. Chairman's Message
- IV. Discussion Items:
  - (I) Proposal to amend certain provisions of the Company's Articles of Incorporation.
  - (II) Discussion on the proposal for leasing company assets to related parties.
- V. Other Proposals and Extempore Motions
- VI. Adjournment

## **I. Discussion Items**

Report 1: Proposed by the Board of Directors

Subject: Proposal to amend certain provisions of the Company's Articles of Incorporation.

Explanation:

The Company plans to revise certain provisions of the Articles of Incorporation to meet operational requirements. Please refer to Appendix 1 on page 3 of this manual for the comparison table of the amended provisions.

Resolution:

Report 2: Proposed by the Board of Directors

Subject: Proposal for leasing company assets to related parties.

Explanation:

1. The Company has signed cloud computing contracts with GMI Computing International Ltd. for 52 units and 127 units, with contract amounts of USD23,402,250 (pre-tax) and USD66,340,470 (pre-tax) respectively. According to IFRS16, the contract terms are identified as finance leases, requiring asset derecognition. In accordance with the Company's Procedure for the Acquisition or Disposal of Assets, transactions amounting to 10% or more of the Company's total assets must be approved by the Board of Directors and submitted to the shareholders' meeting for approval.
2. For the evaluation report, appraisal report, and contract regarding the disposal of assets to related parties, please refer to Appendix 2 on page 4, Appendix 3 on page 10 of this manual.
3. However, regarding this case, if there is a need to change the lease amount, the President should be authorized by the extraordinary shareholders' meeting with full authority to handle the contract signing and subsequent related matters. Furthermore, in accordance with the Audit Committee's resolution, Independent Director Chan Sen has been selected to represent the Company in signing the cloud service contracts for 52 and 127 servers.
4. Taiwan Stock Exchange Letter Tai-Zheng-Shang-Yi-Zi No. 1131804478 pertains to the evaluation report on the internal control deficiencies of the Company. For detailed information, please refer to Attachment 4 on page 14.

Resolution:

## **II. Other Proposals and Extempore Motions**

## **III. Adjournment**

Attachment 1

GMI Technology Inc.  
Comparison Table of Articles Before and After Amendment of the Company's  
Articles of Incorporation

Article	Provisions After Amendment	Provisions Before Amendment	Reason for Amendment
Article 2	The scope of the Company's business: 1. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import. 2. I301010 Information Software Services. 3. CC01050 Data Storage Media Units Manufacturing. 4. CC01060 Wired Communication Equipment and Apparatus Manufacturing. 5. CC01070 Telecommunication Equipment and Apparatus Manufacturing. 6. CC01080 Electronics Components Manufacturing. 7. F118010 Wholesale of Computer Software. 8. F119010 Wholesale of Electronic Materials. 9. F113050 Wholesale of Computers and Clerical Machinery Equipment. 10. IF113070 Wholesale of Telecommunication Apparatus 11. IZ99990 Other Industrial and Commercial Services. 12. F401010 International Trade. 13. I501010 Product Designing. 14. <u>JE01010 Leasing Industry</u> 15. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.	The scope of the Company's business: 1. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import. 2. I301010 Information Software Services. 3. CC01050 Data Storage Media Units Manufacturing. 4. CC01060 Wired Communication Equipment and Apparatus Manufacturing. 5. CC01070 Telecommunication Equipment and Apparatus Manufacturing. 6. CC01080 Electronics Components Manufacturing. 7. F118010 Wholesale of Computer Software. 8. F119010 Wholesale of Electronic Materials. 9. F113050 Wholesale of Computers and Clerical Machinery Equipment. 10. F113070 Wholesale of Telecommunication Apparatus 11. IZ99990 Other Industrial and Commercial Services. 12. F401010 International Trade. 13. I501010 Product Designing. 14. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.	Addition of new business items based on operational needs.
Article 23	According to the original provision. <u>The thirty-first amendment was amended on December 10, 2024.</u>	According to the original provision.	Add amendment date



## GMI Technology Inc. Evaluation Report on Leasing Assets to Related Parties

Audit Content	Evaluation Status
Article 9: Procedure for the Acquisition or Disposal of Assets:	
<p>I. When the Company acquires or disposes of assets from/to related parties, in addition to following the procedures set forth in Articles 7, 8, and 10, the Company must also comply with the following provisions regarding relevant resolution procedures and assessment of transaction terms' reasonableness. For transactions amounting to 10% or more of the Company's total assets, appraisal reports from professional appraisers or opinions from certified public accountants must also be obtained in accordance with Articles 7, 8, and 10.</p>	<p>1. This case involves leasing the H100 server to GMI Computing International Ltd. The Taiwan Branch of GMI Computing International Ltd. (referred to as 'GMI Computing') with a total amount of approximately USD 23,402,250 (excluding tax) has, in accordance with regulations, commissioned two professional appraisers, Wau Yuan Property Appraisal Co., Ltd. (referred to as 'Wau Yuan') and China Credit Information Service Ltd. (referred to as 'China Credit Information Service'), to conduct the appraisal, from which reports have been obtained.</p> <p>2. This case involves leasing the H200 server to GMI Computing International Ltd. In accordance with regulations, GMI Computing, with a total amount of approximately USD 66,340,470 (excluding tax), has commissioned two professional appraisers, Wau Yuan and China Credit Information Service to conduct the appraisal, from which reports have been obtained.</p>
II. Evaluation and Operating Procedures	
<p>(I) Purpose, necessity, and expected benefits of acquiring or disposing of assets.</p>	<p>1. With the increase in AI applications, the demand for computing power market has noticeably increased. Thus, to expand business territory, the Company is adopting a diversified management strategy and purchasing AI servers. The original plan was for GMI Technology's team to provide cloud computing services and expand into non-European and American markets, while entrusting the cloud computing services business in European and American markets to GMI</p>

Audit Content	Evaluation Status
	<p>Computing for agency sales. However, after continuous evaluation and consideration, GMI Technology determined that due to the following reasons: ① The AI computing team would take a long time to organize, ② Technical training is difficult, ③ GMI Computing has a higher market familiarity, ④ The need to quickly seize business opportunities, and ⑤ GMI Computing is the first Taiwan-certified NCP (Nvidia Certified Partner) vendor, the Company's board of directors has resolved and approved changing the original plan from self-operating 52 server cloud services to leasing all AI servers to GMI Computing.</p> <p>2. Based on the cooperation model of the first batch of H100 servers, the operational model for the Company's second batch of 127 servers is consistent with the first batch, and all AI servers will be rented to GMI Computing.</p> <p>3. The Company's 52 H100 servers are leased to GMI Computing through a 5-year rental contract, with an estimated total revenue of approximately USD23,402,250. According to the Company's projections, the net profit over 5 years is expected to be around NT\$160 million. Based on valuation reports from professional appraisal firms Wau Yuan and China Credit Information Service, the net present value (NPV) and internal rate of return (IRR) are estimated at NT\$25,200,000 and 12.06% respectively. This indicates that the investment is profitable and exceeds the Company's weighted average cost of capital (WACC), demonstrating the investment's value.</p> <p>4. The Company's 127 H200 servers are leased to GMI Computing through a 5-year rental contract, with an estimated total revenue of approximately USD66,340,470. According to the Company's projections, the net profit over 5 years is expected to be around NT\$440 million. Based on valuation reports from professional appraisal firms Wau Yuan and China Credit Information Service, the net present</p>

Audit Content	Evaluation Status
	<p>value (NPV) and internal rate of return (IRR) are estimated at NT\$34,200,000 and 12.83% respectively. This indicates that the investment is profitable and exceeds the Company's weighted average cost of capital (WACC), demonstrating the investment's value.</p> <p>5. In summary, the leasing of the aforementioned servers will generate pre-tax net profits of NT\$160 million and NT\$440 million over five years, respectively. The returns are better than that of the Company's core businesses, and the Company does not have to bear the market price risk of computing power, nor the substantial costs of AI personnel and related setup costs.</p>
<p>(II) Reasons for selecting related parties as transaction counterparts.</p>	<p>With the further development of AI technology, data sovereignty and regional trends are becoming increasingly important. Especially during the inference phase, Taiwan must establish local computing resources to ensure local data processing and storage, thereby safeguarding data sovereignty and regional advantages. Embracing this trend, GMI Technology hopes to become a pioneer in the AI field among Taiwanese enterprises and seeks to collaborate with GMI Computing to jointly promote AI development in Taiwan. The main reason for choosing GMI Computing as a partner is due to the following advantages:</p> <ol style="list-style-type: none"> <li>(1) Vertically integrated one-stop AI cloud platform: GMI Computing offers comprehensive solutions from hardware to software for various AI needs.</li> <li>(2) Strong industry customization capability: GMI Computing is able to provide tailored AI solutions with deep industry insights.</li> <li>(3) Strong supply chain advantage: GMI Computing has established a company in the United States, which can shorten delivery cycles and obtain important key information for OEM/ODM in advance.</li> <li>(4) Top AI talent team: The team at GMI Computing comprises world-class AI experts with extensive experience and innovative capabilities.</li> <li>(5) Comprehensive customer service: GMI Computing provides extensive customer</li> </ol>



Audit Content	Evaluation Status
	support, including technical support, management services, and customized solutions, ensuring that customer needs are fully met.
(III) Information for evaluating the reasonableness of the proposed transaction terms for obtaining real estate or its usage rights from related parties, according to the provisions of Subparagraphs (1) to (4), Paragraph 3, Article 3.	N/A.
(IV) Date and price of acquisition by related parties, transaction counterparties, and their relationship with the Company and related parties.	N/A.
(V) Monthly cash inflows and outflows forecast for the year, starting from the anticipated contract month, and assess the need for the transaction and the rationality of fund utilization.	Please refer to the attached table for the cash receipt and expenditure forecast for each month in the year following the expected contract signing month, and the explanation of the reasonableness of fund utilization. For the necessity of the transaction, please refer to the explanation in Section Two, Evaluation and Operating Procedures, Subsection (1) on the purpose, necessity, and expected benefits of asset acquisition or disposal.
(VI) The valuation report issued by a professional appraiser obtained in accordance with the preceding article, or the opinion of an accountant.	<p>The total amount for leasing the H100 servers in this case is USD 23,402,250 (excluding tax). Wau Yuan and China Credit Information Service, two professional appraisers, were commissioned according to regulations to conduct the valuation, from which reports have been obtained.</p> <p>The total amount for leasing the H200 servers in this case is USD 66,340,470 (excluding tax). Wau Yuan and China Credit Information Service, two professional appraisers, were commissioned according to regulations to conduct the valuation, from which reports have been obtained.</p>
(VII) Restrictions and other important terms of this transaction.	<ol style="list-style-type: none"> <li>1. GMI Computing shall not sell, transfer, guarantee, mortgage, or dispose of the leased equipment in any way that could harm the Company's interests.</li> <li>2. GMI Computing shall exercise due care in managing leased equipment and assume the risk of equipment damage (excluding normal wear and tear) and loss that may occur during the lease period.</li> </ol>

Audit Content	Evaluation Status
	3. GMI Computing must ensure the security of customer data and take full responsibility and provide compensation for any data breaches.

## GMI Technology Inc.

(A) Monthly cash inflows and outflows forecast for the year, starting from the anticipated contract month, and the rationality of fund utilization.

(1) Monthly cash inflows and outflows forecast for the year, starting from the anticipated contract month - Leasing of 52 H100 servers

Unit: NT\$ thousand

Item	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025	Total
Initial cash balance	1,793,042	1,856,809	1,920,576	1,909,343	1,973,110	2,036,877	2,052,794	2,116,561	2,180,328	2,096,245	2,060,012	2,023,779	1,793,042
Non-financing income	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	1,512,000	18,144,000
Non-financing expenditure	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	16,932,000
Expense expenditure	37,233	37,233	37,233	37,233	37,233	37,233	37,233	37,233	37,233	37,233	37,233	37,233	446,796
Repayment of short-term loans		-	75,000	-	-	47,850	-	-	147,850	100,000	100,000	147,850	618,550
Ending cash balance	1,856,809	1,920,576	1,909,343	1,973,110	2,036,877	2,052,794	2,116,561	2,180,328	2,096,245	2,060,012	2,023,779	1,939,696	1,939,696

(2) Monthly cash inflows and outflows forecast for the year, starting from the anticipated contract month - Leasing of 127 H200 servers

Unit: NT\$ thousand

Item	March 2025	April 2025	May 2025	June 2025	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	Total
Initial cash balance	2,254,504	2,199,751	2,193,748	2,187,745	2,132,992	2,126,989	2,120,986	2,066,233	2,060,230	2,054,227	2,048,224	2,042,221	2,254,504
Non-financing income	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	1,547,000	18,564,000
Non-financing expenditure	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	1,411,000	16,932,000
Expense expenditure	42,003	42,003	42,003	42,003	42,003	42,003	42,003	42,003	42,003	42,003	42,003	42,003	504,036
Repayment of short-term loans	148,750	100,000	100,000	148,750	100,000	100,000	148,750	100,000	100,000	100,000	100,000	100,000	1,346,250
Ending cash balance	2,199,751	2,193,748	2,187,745	2,132,992	2,126,989	2,120,986	2,066,233	2,060,230	2,054,227	2,048,224	2,042,221	2,036,218	2,036,218

(3) Reasonableness of fund utilization

1. The procurement of H100 by GMI Technology uses NT\$250 million of its own funds, with an additional NT\$250 million (50%) financed by a short-term loan from China Trust Bank, resulting in minimal impact on overall finances.
2. The future procurement of 127 units of H200 is expected to amount to approximately NT\$1.5 billion. Currently, GMI Technology is in discussions with three banks to select the best rate and loan term to mitigate any short-term financial impact.

Attachment 3

**Letter to the management of GMI Technology Inc.:**

Our company has been commissioned by your company to evaluate the 'Evaluation Report on the Reasonableness of the Lease Contract' (evaluation target) [FI] at fair value as of September 23, 2024, to be submitted to your company as a reference for contract value.

The evaluation criteria for this evaluation operation are based on the Valuation Standards issued by the Accounting Research and Development Foundation, the International Valuation Standards (IVS), the operational standards of the National Association of Certified Valuers and Analysts (NACVA), the International Financial Reporting Standards (IFRSs), the International Accounting Standards (IASs), the Enterprise Accounting Standards, and the Generally Accepted Accounting Principles (GAAP) for value assessment. This detailed report is based on the assumption that the target company continues to operate, that there are no significant changes in the industry, and that the information provided by the commissioning unit is accurate and without intentional concealment. The comprehensive conclusions are derived from online interviews, industry research, selection of evaluation methods, financial analysis, and reasonableness analysis as follows:

Evaluation Reference Date	Evaluation Subject	Fair value
September 23, 2024	Cloud Service Agreement	NT\$34,200 thousand

The matters, opinions, and conclusions presented in this report are expressed based on professional judgment and are considered to be reasonable and appropriate. This report's analysis is based on financial projections and related financial information that have been reviewed by your company's management. These opinions and discussions are premised on the assumption that, as of the valuation date, the subject enterprise has no equity disputes, litigation, or contingent matters that could significantly impact value-related factors, among other relevant assumptions. The conclusions are drawn from our company's fair, objective, and independent position,

and are based on various assumptions and limiting conditions outlined in this report.

The Company and its affiliated institutions have no conflicts of interest with the aforementioned companies, and there are no current or foreseeable future investments or other interests that could affect the impartiality of this evaluation. The expenses incurred for this report are determined based on the estimated manpower and time invested, and do not include any contingent payments related to the findings of the report.

Upon completion, this evaluation report shall be submitted to your company's management as a reference for contract value. Users of the report should read its contents carefully to avoid misuse.

Footnote:

[F1] According to IFRS 13 'Fair Value Measurement,' fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

[F2] Accredited Senior Appraiser (ASA) - Business Valuation; CVA: Certified Valuation Analyst; MRICS: Member of the Royal Institution of Chartered Surveyors.

Wau Yuan Property Appraisal Co., Ltd.

Chen, Shu-Chen

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Chen, Shu-Chen, ASA, CVA, MRICS

October 14, 2024

## Letter to the management of GMI Technology Inc.:

Our company has been commissioned by your company to evaluate the 'Evaluation Report on the Reasonableness of the Lease Contract' (evaluation target) at fair value as of September 23, 2024, to be submitted to your company as a reference for contract value.

The evaluation criteria for this evaluation operation are based on the Valuation Standards issued by the Accounting Research and Development Foundation, the International Valuation Standards (IVS), the operational standards of the National Association of Certified Valuators and Analysts (NACVA), the International Financial Reporting Standards (IFRSs), the International Accounting Standards (IASs), the Enterprise Accounting Standards, and the Generally Accepted Accounting Principles (GAAP) for value assessment. This detailed report is based on the assumption that the target company continues to operate, that there are no significant changes in the industry, and that the information provided by the commissioning unit is accurate and without intentional concealment. The comprehensive conclusions are derived from online interviews, industry research, selection of evaluation methods, financial analysis, reasonableness analysis, and Monte Carlo value assessment processes as follows:

Evaluation Reference Date	Evaluation Subject	Fair value
September 23, 2024	Cloud Service Agreement	NT\$25,200 thousand

The matters, opinions, and conclusions presented in this report are expressed based on professional judgment and are considered to be reasonable and appropriate. This report's analysis is based on financial projections and related financial information that have been reviewed by your company's management. These opinions and discussions are premised on the assumption that, as of the valuation date, the subject enterprise has no equity disputes, litigation, or contingent matters that could significantly impact value-related factors, among other relevant assumptions. The conclusions are drawn from our company's fair, objective, and independent position, and are based on various assumptions and limiting conditions outlined in this

report.

The Company and its affiliated institutions have no conflicts of interest with the aforementioned companies, and there are no current or foreseeable future investments or other interests that could affect the impartiality of this evaluation. The expenses incurred for this report are determined based on the estimated manpower and time invested, and do not include any contingent payments related to the findings of the report.

Upon completion, this evaluation report shall be submitted to your company’s management as a reference for contract value. Users of the report should read its contents carefully to avoid misuse.

Footnote:

- [F1] According to IFRS 13 ‘Fair Value Measurement,’ fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- [F2] Accredited Senior Appraiser (ASA) - Business Valuation; CVA: Certified Valuation Analyst; MRICS: Member of the Royal Institution of Chartered Surveyors.

Wau Yuan Property Appraisal Co., Ltd.  
Chen, Shu-Chen

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Chen, Shu-Chen, ASA, CVA, MRICS  
October 14, 2024



## **Evaluation Report on the Reasonableness of the Lease Contract for 52 GPU Super Servers SYS-821GE-TNHR Commissioned by GMI Technology Inc.**

To GMI Technology Inc.:

Authorized by GMI Technology Inc. (referred to as "GMI Technology" or "your company"), China Credit Information Service Ltd. (referred to as "our company") has completed the evaluation of the reasonableness of the lease contract for 52 GPU Super Servers SYS-821GE-TNHR. The purpose of this evaluation is to provide GMI Technology Inc. with a reference for the reasonableness of the lease contract.

This report assesses the reasonableness of the lease contract for the assets and equipment of GMI Technology Inc. as of August 31, 2024. In the evaluation process, the information provided by your company is used as the main reference, and it is assumed that the aforementioned data is accurate. If the provided information is found to be false or concealed, resulting in losses to others or causing litigation, the responsible parties, including the company and other information providers, shall be held accountable according to the law. Our company does not assume such responsibilities.

According to the analysis and comprehensive evaluation of this report, the internal rate of return (IRR) of the 52 GPU Super Servers SYS-821GE-TNHR on the evaluation date is 12.06%.

The valuation report is to be used solely for the stated purpose of the evaluation. Any improper use that results in losses to others or causes litigation shall be the legal responsibility of the user, and the Company and evaluators will not be held liable. This disclaimer is hereby declared.

Evaluation Unit: China Credit Information Service Ltd.

Address: 13F., No. 131, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei Cit,  
Taiwan (R.O.C.)

October 9, 2024

# **Evaluation Report on the Reasonableness of the Lease Contract for 127 GPU Super Servers SYS-821GE-TNHR Commissioned by GMI Technology Inc.**

To GMI Technology Inc.:

Authorized by GMI Technology Inc. (referred to as "GMI Technology" or "your company"), China Credit Information Service Ltd. (referred to as "our company") has completed the evaluation of the reasonableness of the lease contract for 127 GPU Super Servers SYS-821GE-TNHR. The purpose of this evaluation is to provide GMI Technology with a reference for the reasonableness of the lease contract.

This report assesses the reasonableness of the lease contract for the assets and equipment of GMI Technology as of August 31, 2024. In the evaluation process, the information provided by your company is used as the main reference, and it is assumed that the aforementioned data is accurate. If the provided information is found to be false or concealed, resulting in losses to others or causing litigation, the responsible parties, including the company and other information providers, shall be held accountable according to the law. Our company does not assume such responsibilities.

According to the analysis and comprehensive evaluation of this report, the internal rate of return (IRR) of the 127 GPU Super Servers SYS-821GE-TNHR on the evaluation date is 12.83%.

The valuation report is to be used solely for the stated purpose of the evaluation. Any improper use that results in losses to others or causes litigation shall be the legal responsibility of the user, and the Company and evaluators will not be held liable. This disclaimer is hereby declared.

Evaluation Unit: China Credit Information Service Ltd.

Address: 13F., No. 131, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei Cit,  
Taiwan (R.O.C.)

October 14, 2024

## **GMI Technology Inc. Risk Assessment Report for Lease Equipment Asset Preservation Measures**

### **I. Explanation:**

In response to a letter dated 11/05 from the Taiwan Stock Exchange, regarding the Company's acquisition of assets using operating funds and loans, which are then leased to the related party GMI Computing, and in consideration of the new leasing business and the fact that the transaction involves a related party, Taiwan Stock Exchange has requested that the Company should report to the Audit Committee and Board of Directors on asset preservation measures and risk assessment for the leased equipment.

### **II. Description of the anticipated asset preservation measures and risk assessment for GMI Technology's leased assets is as follows:**

1. Evaluation and description of asset preservation measures such as obtaining collateral, joint and several guarantee letters from responsible persons, and deposits from related parties (GMI Computing) by GMI Technology are as follows:
  - a. Collateral: Both parties plan to sign a separate Equipment Lease Agreement in Chinese, which stipulates obtaining legally binding guarantee letters and promissory notes from the related party (GMI Computing) to ensure the fulfillment of all obligations under this agreement. (The aforementioned guarantee letters and 12-period promissory notes will be obtained when signing the contract with GMI Computing after the contract proposal is approved by the Board of Directors.)
  - b. Asset Preservation: The contract stipulates that the related party (GMI Computing, GMIC) shall not sell, transfer, secure, mortgage, or make any disposition that could potentially damage GMI Technology's interests. If any third party infringes upon the ownership of the equipment, whether through management seizure or any disposition, GMIC must come forward to prove that the equipment is the property of GMI Technology and immediately notify GMI Technology to reclaim it.

- c. Early Termination and Compensation: The contract stipulates that during the contract period, neither party may propose mid-term or early termination. However, in the event of force majeure (such as natural disasters, war, government actions, etc.), if either party is unable to fulfill contractual obligations due to force majeure, they must notify the other party and provide relevant proof within 7 days after the force majeure event occurs. Both parties should extend the lease term or negotiate adjustments to the performance conditions as necessary. If the force majeure event lasts for more than 90 days, both parties have the right to reassess the conditions of the contract's continuation.
2. Management measures and monitoring mechanisms:
- (1) The Equipment Leasing Procedures have been amended by the Company. These procedures were approved and implemented by the Board of Directors on November 20, 2024.
  - (2) To ensure a clear understanding and proper management of GMI Computing's lease rentals and the condition of the leased assets, the lease agreement stipulates the following information:
    - a. The related party (GMIC) must provide monthly self-prepared financial statements and monthly operational status information, including but not limited to: equipment utilization rate, serviceability rate, anonymized customer list, and unit price to GMI Technology.
    - b. The related party (GMIC) must provide annually audited financial statements or tax reports.
    - c. The related party (GMIC) is solely responsible for the security of customer data and shall bear all associated risks and liabilities.
    - d. The related party (GMIC) must provide quarterly data on computing power capacity, sales, and other relevant metrics for review.
    - e. The related party (GMIC) should provide a cash flow forecast for the next five years during the contract year and update it on an annual basis.
    - f. The related party (GMIC) should regularly maintain and service the leased equipment and submit monthly reports to Party A on the equipment status and usage, including but not limited to: equipment operating conditions, serviceability rate, maintenance

records, and equipment utilization rate. Party B should provide equipment inspection reports as required by Party A to ensure the proper functioning of the equipment. If Party B fails to submit the equipment status report as agreed, Party A may, as appropriate, charge a management fee or adjust the rental terms.

- g. The related party (GMIC) must ensure the security of customer data and take full responsibility and provide compensation for any data breaches. If GMIC violates this obligation, GMI Technology has the right to terminate the contract early and claim damages. If any of the above items are not provided or paid as agreed, GMI Technology will cancel the credit terms given to the related party (GMIC) and switch to collecting the next month's (or period's) payment in advance.
- (3) Report the progress and effectiveness evaluation of this leasing business to the Board of Directors on a quarterly basis.
  - (4) Auditors shall conduct a special audit report on this leasing business and report to the Board of Directors.

### **III. Conclusion:**

The aforementioned asset preservation measures, management measures, and monitoring mechanisms for the planned lease equipment have been carefully evaluated after extensive consultations with accountants and legal consultants by the Company's management unit. After internal careful assessment, these operational risks are considered within an acceptable range, and are therefore submitted to the Audit Committee and Board of Directors for review and reference.

Review Unit:  
President's Office

Evaluation Unit:  
New Market Development Department

## 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"> <li>1. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import.</li> <li>2. I301010 Information Software Services.</li> <li>3. CC01050 Data Storage Media Units Manufacturing.</li> <li>4. CC01060 Wired Communication Equipment and Apparatus Manufacturing.</li> <li>5. CC01070 Telecommunication Equipment and Apparatus Manufacturing.</li> <li>6. CC01080 Electronics Components Manufacturing.</li> <li>7. F118010 Wholesale of Computer Software.</li> <li>8. F119010 Wholesale of Electronic Materials.</li> <li>9. F113050 Wholesale of Computers and Clerical Machinery Equipment.</li> <li>10. F113070 Wholesale of Telecommunication Apparatus.</li> <li>11. IZ99990 Other Industrial and Commercial Services.</li> <li>12. F401010 International Trade.</li> <li>13. I501010 Product Designing.</li> <li>14. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.</li> </ol>
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

	<p>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.</p> <p>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.</p>
Article 21-1.	<p>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.</p> <p>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.</p>
<b>Chapter VII. Supplementary Provisions</b>	
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.	<p>This charter was established on September 11, 1995.</p> <p>The first amendment was amended on October 22, 1996.</p> <p>The second amendment was amended on July 20, 1997.</p> <p>The third amendment was amended on October 27, 1997</p> <p>The fourth amendment was amended on November 20, 1997.</p> <p>The fifth amendment was amended on March 30, 1998.</p> <p>The sixth amendment was amended on November 20, 1998.</p> <p>The seventh amendment was amended on February 12, 1999.</p> <p>The eighth amendment was amended on March 6, 1999.</p> <p>The ninth amendment was amended on August 2, 1999.</p> <p>The tenth amendment was amended on June 7, 2000.</p> <p>The eleventh amendment was amended on October 29, 2001.</p> <p>The twelfth amendment was amended on January 11, 2002.</p> <p>The thirteenth amendment was amended on May 3, 2002.</p> <p>The fourteenth amendment was amended on November 28, 2002.</p> <p>The fifteenth amendment was amended on February 6, 2003.</p> <p>The sixteenth amendment was amended on May 29, 2003</p> <p>The seventeenth amendment was amended on June 23, 2004.</p> <p>The eighteenth amendment was amended on June 22, 2005.</p> <p>The nineteenth amendment was amended on June 23, 2006.</p> <p>The twentieth amendment was amended on June 21, 2007.</p> <p>The twenty-first amendment was amended on June 25, 2008.</p> <p>The twenty-second amendment was amended on June 23, 2009.</p> <p>The twenty-third amendment was amended on June 17, 2010.</p> <p>The twenty-fourth amendment was amended on June 21, 2012.</p> <p>The twenty-fifth amendment was amended on June 24, 2013.</p> <p>The twenty-sixth amendment was amended on June 21, 2016.</p> <p>The twenty-seventh amendment was amended on June 15, 2017.</p> <p>The twenty-eighth amendment was amended on June 17, 2019.</p> <p>The twenty-ninth amendment was amended on June 24, 2020.</p> <p>The thirtieth amendment was amended on June 23, 2022.</p>

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' shareholders' shareholders' shareholdings in the recent fiscal year combined more than 30 percent of its shareholders' shareholders' shareholders' shareholdings shall complete the transmission of the electronic file 30 days before the regular shareholders' meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.
- The shareholders' meeting handbook and supplemental meeting materials referred to in the preceding paragraph shall be provided for the shareholders to review on the day of the shareholders' meeting through the following methods:

- I. The materials shall be distributed on-site at the meeting place when holding physical shareholders' meetings.
- II. The materials shall be distributed on-site at the meeting place as well as uploaded as electronic files to the video conference platform when holding hybrid shareholders' meetings.
- III. The materials shall be uploaded as electronic files to the video conference platform when holding shareholders' meetings through video conferencing.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

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

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

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

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

#### 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 (November 11, 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' shareholders' shareholdings as at the date of the shareholders' meeting cessation (November 11, 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	Lee, Wei-Chang	0
Independent Director	Chou, Chung-Chie	0
Total		52,782,278