

Stock code: 5536



ACTER GROUP CORPORATION LIMITED

**Handbook for the 2025
Annual Meeting of Shareholders**

MEETING TIME: May 22, 2025

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I. Meeting Procedure

ACTER GROUP CORPORATION LIMITED

Procedure for the 2025 Annual Meeting of Shareholders

- 1. Call the Meeting to Order**
- 2. Chairperson Remarks**
- 3. Report Items**
- 4. Proposals**
- 5. Discussion**
- 6. Questions and Motions**
- 7. Adjournment**

II. Agenda of Annual Meeting of Shareholders

ACTER GROUP CORPORATION LIMITED

2025 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Time : 09:00 a.m on Thursday, 22 May, 2025

Method : Visual communication assisted shareholders meeting

Place : B2F, No.201, Sec. 2, Wenxin Rd., Xitun Dist., Taichung City 407, Taiwan
(SWEETEN PLAZA's international hall)

Platform of virtual meeting : The e-Meeting platform of TDCC
(<https://stockservices.tdcc.com.tw>)

Chairperson : Chairman Liang, Chin-Li

1. Call the Meeting to Order

2. Chairperson Remarks

3. Report Items

- (1) To report the distribution of 2024 employee and director compensation.
- (2) To report 2024 Business Report.
- (3) Audit Committee's Review Report of 2024 Financial Statements.
- (4) To report the distribution of 2024 cash dividends.
- (5) To report 2024 Corporate governance report.
- (6) To report the 2024 annual operation of Audit Committee and its communication with the company's chief internal auditor.
- (7) To report the connection and reasonableness between the compensation policy of the directors and managerial officers and performance assessment results in 2024.
- (8) To report the execution of the plan that the company proposes to offer to buy within 15% shares of directly or indirectly reinvestment companies by high-performance employees.
- (9) To report the amendment of the commitment undertaken by the company due to the listing of subsidiary Acter Technology Integration Group Co., Ltd.

(10)To report the amendment of “Rules of Procedure for Board of Directors Meeting.”

4. Proposals

(1)Adoption of the 2024 Business Report and Financial Statements.

(2)Adoption of the Proposal for Distribution of 2024 Profits.

5. Discussion

(1)Discussion on the proposal to amend “Articles of Incorporation.”

(2)Discussion on the proposal to release the director from non-competition restrictions.

6. Questions and Motions

7. Adjournment

III. Report Items

Report No. 1 : To report the distribution of 2024 employee and director compensation. (Proposed by the Board of Directors)

Explanation :

- (1) The Board of Directors resolved that when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. Independent directors shall be excluded from distribution.
- (2) The company proposed to allocate 6% for employee compensation (not less than 3%) in the amount of NTD 201,677,475. It also planned to allocate 3% for the compensation of directors (not higher than 5%) in the amount of NTD 100,838,737.

Report No. 2 : To report 2024 Business Report. (Proposed by the Board of Directors)

Explanation : The 2024 Business Report is attached as pp. [14-33], Attachment 1 and Attachment 2.

Report No. 3 : Audit Committee's Review Report of 2024 Financial Statements. (Proposed by the Board of Directors)

Explanation : The 2024 Audit Committee's Review Report is attached as pp. [34], Attachment 3.

Report No. 4 : To report the distribution of 2024 cash dividends. (Proposed by the Board of Directors)

Explanation : According to the company’s “Articles of Incorporation,” the board of directors is authorized to approve semiannual cash dividends after the end of each half fiscal year. The distribution of 2024 cash dividends is demonstrated in the table below:

Period	Date of the resolution by the board of director	Payment date	Cash Dividends Per Share (NTD)	Total Amount (NTD)
First half	Nov. 08, 2024	Jan. 17, 2025	5	620,404,650
Second half	Feb. 27, 2025	To be resolved	10	1,240,809,300
Total			15	1,861,213,950

Report No. 5 : To report 2024 Corporate governance report. (Proposed by the Board of Directors)

Explanation: The 2024 Corporate governance report is attached as pp. [35-36], Attachment 4.

Report No. 6 : To report the 2024 annual operation of Audit Committee and its communication with the company’s chief internal auditor. (Proposed by the Board of Directors)

Explanation: The 2024 annual operation report of Audit Committee and its communication with the company’s chief internal auditor is attached as pp. [37-41], Attachment 5.

Report No. 7 : To report the connection and reasonableness between the compensation policy of the directors and managerial officers and performance assessment results in 2024. (Proposed by the Board of Directors)

Explanation :

- (1) The company’s compensation procedures for directors and managerial officers are based on the “Rules for Performance Evaluation of Board of Directors and Functional Committees” and

“Employee appraisal guidelines.” In addition to referring to the company’s business performance, future risks, development strategies and industry trends, it also considers individual’s contribution made to the company and provides reasonable compensation. Director’s compensation policy and individual’s compensation is attached as pp. [42-43], Attachment 6.

- (2) According to the correlation analysis between the average compensation and performance assessment of the directors in the industry, it is shown that the company’s compensation level of directors is within a reasonable range. Therefore, the current director compensation policy will be maintained.
- (3) According to the analysis of the annual reports in the industry, the compensation for managerial officers is positively correlated with the overall performance contribution and future risks. The company will maintain this policy and provide reasonable rewards based on individual contributions to the company’s performance.

Report No. 8 : To report the execution of the plan that the company proposes to offer to buy within 15% shares of directly or indirectly reinvestment companies by high-performance employees. (Proposed by the Board of Directors)

Explanation: On November 8, 2023, Board of the company approved that Nova Technology Corp. should waive the cash capital increase of Suzhou Winmax Technology Corp. and release the shares to four holding platforms owned by employees of Suzhou Winmax Technology Corp. and non-mainland Chinese employees. The share release was completed on May 27, 2024, with 13.41% of the shares actually released.

Report No. 9 : To report the amendment of the commitment undertaken by the company due to the listing of subsidiary Acter Technology Integration Group Co., Ltd. (Proposed by the Board of Directors)

Explanation:

- (1) The subsidiary Acter Technology Integration Group Co., Ltd. (hereinafter referred to as Acter Integration) is listed on the stock exchange in China. In accordance with the requirements of the China Securities Regulatory Commission and other securities regulatory authorities, the company was authorized by the shareholders' meeting in 2019 and approved by the audit committee and board of directors on February 25, 2021, to issue a commitment letter to avoid competition.
- (2) To avoid situations where the overall development of the Group is restricted by such commitment for objective reasons, or situations where the fulfillment of the commitment is detrimental to the rights of the shareholders of Acter Integration, exceptions are now allowed based on the original commitment. This amendment takes into account market conditions, the political and economic environment, and risk management to avoid missing business opportunities that could benefit both the company and Acter Integration. As the ultimate parent company, which indirectly owns 65% of Acter Integration, the company will also benefit from its interests, enhancing the value of its investments. Therefore, this amendment is not expected to have a material impact on the finance, business or shareholders' equity. Please refer to pp. [44], Attachment 7 for details.

Report No. 10 : To report the amendment of “Rules of Procedure for Board of Directors Meeting.” (Proposed by the Board of Directors)

Explanation: In order to conform to the amendments of related commercial laws, the company hereby proposes to amend “Rules of Procedure for Board of Directors Meeting.” Please refer to pp. [45], Attachment 8 for details.

IV.Proposals

Proposal No. 1 : Adoption of the 2024 Business Report and Financial Statements.
(Proposed by the Board of Directors)

Explanation :

- (1) Acter Company’s Financial Statements, including the balance sheet, statement of comprehensive income, statement of change in equity, and statement of cash flows, were audited by independent auditors, Chen, Cheng-Hsueh CPA and Lu, Chien-Hui CPA of KPMG Firm. Also Business Report and Financial Statements have been approved by the Board held on Feb. 27, 2025 and examined by the Audit Committee of Acter Company.
- (2) The 2023 Business Report, independent auditors’ report, and the above-mentioned Financial Statements are attached in the Meeting Agenda as, pp. [14-33], Attachment 1 and Attachment 2.

Resolution :

Proposal No. 2 : Adoption of the Proposal for Distribution of 2024 Profits.
(Proposed by the Board of Directors)

Explanation : Please refer to the 2024 Profit Distribution Table as follows.

ACTER GROUP CORPORATION LIMITED
PROFIT DISTRIBUTION TABLE
Year 2024

Unit : NTD

Beginning retained earnings	2,234,872,897
Add: Net profit after tax	2,617,188,413
Less: Remeasurements of defined benefit plans	1,607,287
Less: 10% legal reserve	261,558,113
Add: Reversal of special reserve	254,173
Distributable net profit	4,589,150,083
Distributable items: (Note1)	
1H24 Cash Dividend to shareholders (NTD5 per share)	620,404,650
2H24 Cash Dividend to shareholders (NTD10 per share)	1,240,809,300
Unappropriated retained earnings	2,727,936,133

Note1: Pursuant to Article 27 of the Articles of Incorporation of the Company, it has been resolved by the board of directors and reported to this shareholder's meeting. Please refer to Report No. 4.

Note2: The total amount paid to each shareholder shall be in whole NT dollars and any fractional amount less than one NT dollar shall be rounded to the next NT dollar. The resulting difference shall be recognized by the company as other income or expense.

Note3: If the 2H23 cash dividend payout ratio is affected as a result of changes to the company's outstanding shares due to any reason before the distribution record date and needs to be revised, the chairman is fully authorized to handle such matter.

Resolution :

V. Discussion

Proposal No. 1 : Discussion on the proposal to amend "Articles of Incorporation."
(Proposed by the Board of Directors)

Explanation : In order to conform to the amendments of related commercial laws, the company hereby proposes to amend "Articles of Incorporation."
Please refer to pp. [46], Attachment 9 for details.

Resolution :

Proposal No. 2 : Discussion on the proposal to release the director from non-competition restrictions. (Proposed by the Board of Directors)

Explanation :

- (1) In accordance with Article 209 of Company Law, any director acting for himself/ herself, or for any other person within the scope of the Company business, should explain the important matters of such acts and acquire the approval of the shareholders' meeting.
- (2) It is hereby proposed to release the director from non-competition restrictions. The detail is as follows.

Title/Name	Content of non-competition restrictions to be waived
Chairman/Liang, Chin-Li	Director, Winmax Technology Malaysia Sdn. Bhd.

Resolution :

VI. Questions and Motions

VII. Adjournment

VIII.Attachments

Attachment 1: Business Report

ACTER GROUP CORPORATION LIMITED

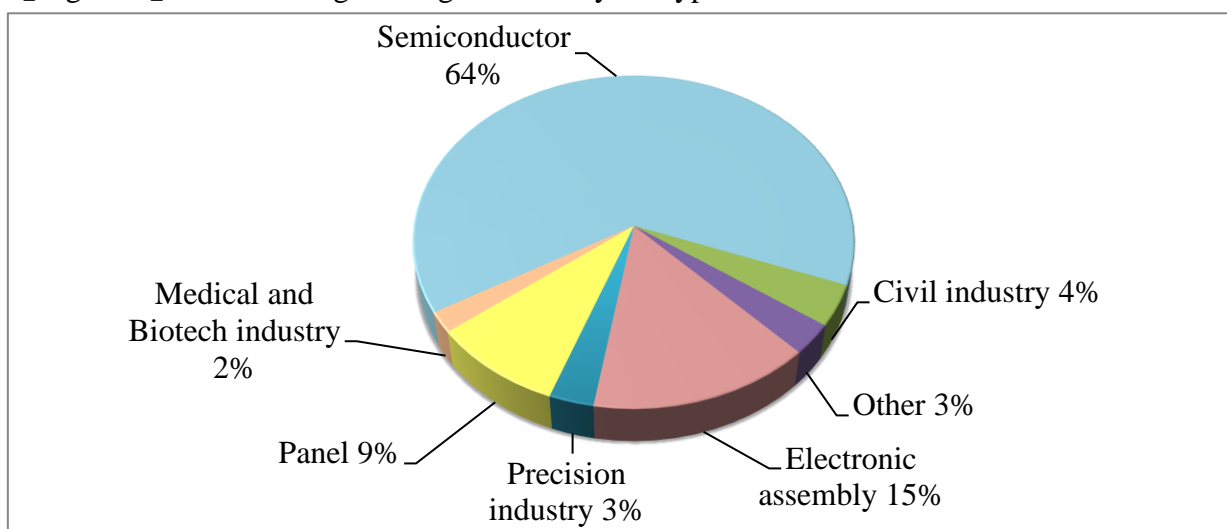
2024 Business Report

1. 2024 Business results

(1) Business plan implementation results

Acter group's multi-regions management strategy has proven effective, coupled with recent global supply chain restructuring and trends toward regionalization and localization, with total consolidated revenue reaching NT\$30.25 billion. In terms of profitability, the net profit after tax amounted to NT\$2.62 billion, which represents a 42.39% increase compared to last year.

【Figure 1】 Ratios of engineering turnover by the type



【Table 1】 Two-Year Comparative IS

Unit : In thousands of New Taiwan Dollars

Items	2024	2023	Annual Change (%)
Operating revenue	30,253,853	25,060,741	20.72
Operating cost	23,676,006	20,142,993	17.54
Gross profit	6,577,847	4,917,748	33.76
Operating expenses	2,170,852	1,653,927	31.25
Operating income	4,406,995	3,263,821	35.03
Non-Operating income and expenses	450,224	252,180	78.53
Income before income taxes	4,857,219	3,516,001	38.15
Tax expense	1,269,208	916,428	38.50
Income after income taxes	3,588,011	2,599,573	38.02
Income after income taxes - attributable to owners of parent	2,617,188	1,838,104	42.39
Earnings per share (\$)	21.09	15.03	40.32

(2) State of budget implementation

This item is not applicable since Acter has not disclosed any financial forecasts.

(3) Financial structure and profitability

Items		2024
Financial structure	Ratio of liabilities to assets (%)	50.91
	Ratio of long-term capital to fixed assets (%)	2,153.32
Solvency	Current ratio (%)	185.67
	Quick ratio (%)	124.75

Items		2024
Profitability	Return on total assets (%)	11.70
	Return on stockholders' equity (%)	24.07
	Ratio to issued capital (%)	40.17
	(%, Note1)	44.27
	Profit ratio (%)	11.85
	Earnings per share (\$, Note2)	21.09

Note1: In the case of shares issued by a company with no par value or a par value other than NT\$10 per share, the calculation of ratio of the paid-in capital shall be replaced by ratio of the equity attributable to owners of the parent.

Note2: The company's par value per share is NT\$5.

(4) Research and development

The department in charge of technology, research, and development continued to develop different innovative techniques for different industries and projects taking advantage of value-added engineering in order to strengthen our competitive advantages and innovative project management effectiveness. Descriptions are provided as follows:

I. Technology patent development

The group keeps acquiring patents; most of them relating to construction methods, applications and new materials, and software programming of a chemical equipment supply system. Analyze industry and technology trends in order to find R&D items that can facilitate corporate or industrial development and have market value. Make a strategic deployment to continuously obtain patents for engineering core technologies.

II. Talent cultivation and academia-industry cooperation

The company has comprehensive on-the-job training programs in place to help employees develop skills required, and works with scholars to explore new innovations. The company has been collaborating with Taipei Tech, Taiwan Tech, NCUT, NYUST, NKUST, FEU, and HKU in an internship program, and allying with Taipei Tech and NCUT, achieving excellent results in talent development and industry-university collaboration. In June 2024, a collaboration agreement was signed with the NCHU Academia-Industry Collaboration Center to jointly promote innovation and talent development in the field of engineering technology.

III. Energy-saving technologies

In light of rising global emphasis on energy-saving, green and low-carbon lifestyles, the group continues to conduct research into and develop environmental protection related engineering technology and products, develop high-efficiency eco-friendly facilities and energy management technologies, enhance the energy efficiency of energy consumption products, facilitate its integration with intelligent system, and optimize the control, optimize the application of energy-saving technology with our know-how in the field, and build a production environment with more efficient technologies to assist the industry in transformation to net zero emissions.

IV. Continued Developments in Respective Engineering Aspects

- i. In utilization of the technical capability of established Building Information Modeling (BIM) - Revit of Company, take one step further into the Digital Twin application technology for air conditioning system which applies the digital computing and simulation technology in design and construction process so that the design efficiency, optimization design, construction efficiency and efficiency optimization of system energy is improved; the system balance and performance validation is assisted during the completion acceptance process so that the acceptance efficiency is improved; in the operation phase, the BIM, energy model, environmental control model, and monitoring system of physical and digital systems is integrated to perform

the system operation management, system predictive maintenance diagnosis, faults diagnosis, operation optimization analysis, and artificial intelligence mechanical learning so that the risk of unanticipated faults is reduced, the operating costs is decreased, and the system energy efficiency is improved.

- ii. Import the 3D drawing and cooperate with the 3D online platform to improve the quality and efficiency of the project, reduce the correction and adjustment time required for the follow-up pipeline overlay conflicts, and import the ISOGEN software to save time costs, establish the pipeline ISO diagram, so that the pipeline can be factory preset to reduce waste and reduce carbon emissions.
- iii. Develop Dynamo program writing automation modeling to reduce repetitive modeling tasks. Decrease personnel's time spent on checking drawings repeatedly, and improve model output efficiency and drawing accuracy.

2. Summary of business plan for 2025

(1)Business strategy

This year, Acter has set up its growth goals for various divisions and subsidiaries and implemented action plans for each unit. It also implemented the following business policies:

- I. Strengthen corporate governance, enhance enterprise culture and sustainable development
- II. Rooting deeply in this industry, continuously optimize engineering capabilities, pursue a diverse, multi-project integrated engineering service, and strive to use core skills to help companies achieve carbon neutrality, pursue a better future
- III. Maintain constant contact with current customers from mainland China, Southeast Asia, and India develop new customers, create multi-regional business, improve investment efficiency, and expand industrial integration
- IV. Collaborate with international partners to continually expand professional services in the biotechnology, pharmaceutical, and medical industries, as well as in green engineering and circular economy, while deepening expertise in green energy and environmental protection.
- V. Integrating gas and chemical supply systems with manufacturing wet process equipment and waste liquid and solvent systems to develop new generation engineering integration technology and eco-friendly solutions.
- VI. Recruiting more diverse talents and actively training management teams

(2)Expected sales volume and basis for estimates

Acter is a professional manufacturer that applies system integration. For over 40 years, it has provided services which cover cleanrooms, air conditioning, electrical machinery, chemical engineering as well as control and instrument, equipment installation, etc., with the support of its strong and reliable multi-disciplinary and elite engineering team. Aside from its strength and advantage, Acter aims to keep pace with the request of customers. It caters to the needs of clients through constant communication and by establishing brand value and competitive advantage via innovative technology and high quality services.

In addition to serving its existing customers, Acter is aggressively expanding its domestic and overseas markets by identifying new industries and new customers, satisfying the demand for a cross-disciplinary project service with integration system, and expanding industrial integration. As for internal operations, managing the company's integral resources is vital in providing the best and efficient solutions for customers.

(3)Major production and sales policies

Acter provides rapid and flexible integration of services specializing in engineering and technology. It is a comprehensive turnkey service company that handles design and planning, construction, engineering supervision, maintenance after completion and transfer. Acter services offer vertical and horizontal integration and sustainable intensification of industry value-chain across various technologies that impact people's livelihood, biotechnology, green

energy and the medical field as well as the photovoltaic industry, semiconductor industry, biotechnology industry, energy industry, energy engineering, railway stations, high-end housing, hotels, electromechanical solutions for air conditioning systems, biopharmaceutical, medical institutes, etc.

With respect to its manufacturing-retail policy, while considering the needs of its customers, the company shall maintain existing clients, acquire new ones, and enter new industries in order to maintain business volume and achieve stable growth and profit. With regard to engineering, the company shall continuously improve and manage all kinds of projects and energy-saving and green eco-friendly economical engineering in order to create value and provide comprehensive solutions for its customers. As for financial considerations, it shall apply proper financial risk control strategies in handling customers and accelerate the collection rate of accounts receivable.

3. Future development strategies

The company is deeply committed to every project which represents and embodies Acter. It has been a long time since the company focused on the improvement and development of engineering technology. Currently, it has become a diversified engineering technology company through vertical and horizontal integration and continuous development. The content of service and professional engineering method were improved to keep pace with progress. It has continued to expand its service stations given the increasing demand of customers. In order to approach its customers and provide real-time service, Acter service stations are situated all over Taiwan, Mainland China and Southeast Asia.

Engineering system integration service is the core business of Acter. Therefore, when facing the challenges by climate change and industrial transformation, Acter will dedicate to the research and development of innovative green technology. Not only provides customers energy-saving and green eco-friendly economical engineering solutions from the technology end, but also integrates our professional skills, knowledge and experiences to, through cooperation with our subcontractors, build “high value, low power consumption and low pollution” quality spaces. We commit more effort to bring customers more general ideas of green sustainability and responsible services. In the global promotion of ESG and carbon neutrality, with the role of the driver of green project, Acter assists customers to achieve carbon neutrality and pursue a better future together.

4. Effect of the external competitive environment, legal and regulatory environment, and overall business environment

Large-scale construction suppliers offered turnkey solutions that enabled them to gain control of the electricity and machine engineering market, which led to greater competition in the electricity, machine and cleanroom engineering industry. Acter creates value engineering for customers through various contracting opportunities, utilizing its expertise, innovative technologies, and specialized methods to effectively reduce the equipment life cycle costs for customers. In addition, it reduces overhead expense and engineering construction risks. It also forms a stable and cooperative relationship with suppliers, manages quality, strengthens cost control to enhance competitive advantage in bidding. Meanwhile, it develops related business of energy-saving which will not only provide better services for its customers but also contribute to the overall industry environment.

As far as the regulatory environment is concerned, the company periodically reviews changes made to laws and regulations to ensure compliance with requirements of the competent authority and adheres to its belief of legitimate management. Generally speaking, changes to the regulatory environment will not have a major impact on the company.

In the macro business environment, according to the latest research published by the Market Intelligence & Consulting Institute (MIC) regarding AI trends and green data center opportunities, it is estimated that there will be over 8,000 data centers worldwide by 2024, and this number is expected to grow to 16,000 by 2028, doubling from 2024. Given the high-power

density of data centers and increasing awareness of electricity regulation among governments and sustainable carbon reduction, green data centers will become a key focus for future development. The wave of AI technology is driving investment opportunities in semiconductor, data center, and green energy sectors. Additionally, the semiconductor and electronic components industries are accelerating their “N+1” production base development plans. This growth in diverse expansion opportunities is beneficial for the performance of Acter.

5. Sustainability

Oriented to “Implement ESG principles in our core business and develop green initiatives”, Acter is absorbed in the core skills and industrial innovation. By linking United Nation’s Sustainable Development Goals (SDGs), and our core competence, Acter has not only established a responsible supply chain and built a diverse and tolerant workplace, but also been promoting green low-carbon engineering, cultivating industrial talents, attentive to the disadvantaged minority. It is our aspiration to create shared value for the society and win more reputation points with an excellent and sustainable corporate governance approach.

In the future, we will continue to work hard on sustainable development and cooperate with our partners and stakeholders to make the greatest contribution to the bring a positive development to the environment, society and economy.

It deeply appreciates the support of shareholders. Acter hopes to create greater value for the entire organization and its shareholders.

Sincerely yours,

Chairman: Liang, Chin-Li

General Manager: Lai, Ming-Kun & Wang, Chun-Sheng

Accounting Supervisor : Chen, Chung-Sheng

Attachment 2:2024 Independent Auditors' Report and Financial Statements

Independent Auditors' Report

The Board of Directors
Acter Group Corporation Limited:

Opinion

We have audited the accompanying parent company only financial statements of Acter Group Corporation Limited (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policies information.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2024 and 2023, 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 the 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 Parent Company Only 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only 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.

Revenue recognition

Please refer to Note 4(n) "Revenue recognition", Note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Revenue recognition", and Note 6(r) "Revenue from contracts with customers" to the financial statements.

Description of key audit matter

The Company assesses its construction revenue by measuring the proportion that the contract costs incurred for work performed to date bear to the estimated total contract costs; the estimated total contract cost involves judgment and estimation uncertainty of the Company's management. Consequently, revenue recognition is one of the key matters for our audit.

How the matter was addressed in our audit

Our principal audit procedures included: testing the Company's internal control of sales and receipt cycle to assess whether there is any defects and irregularities of internal control systems. Reviewing major contracts to understand the specific terms and risks of the contracts; comparing the actual construction costs incurred with the estimated construction costs to evaluate rationality of the estimation method; assessing whether the Company's accounting policy on revenue recognition is in accordance with the related accounting standards.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only 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 (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 parent company only 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 parent company only 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 parent company only financial statements, including the disclosures, and whether the parent company only 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 Company to express an opinion on the financial statements. 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 parent company only financial statements for the year ended December 31, 2024 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 Cheng-Hsueh Chen and Chien-Hui Lu.

KPMG

Taipei, Taiwan (Republic of China)

February 27, 2025

Notes to Readers

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

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

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

ACTER GROUP CO., LTD.

Balance Sheets

December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(a))	\$ 2,357,661	14	2,770,269	20	2100	Short-term borrowings (Note 6(j))	\$ 80,000	-	-	-
1110	Current financial assets at fair value through profit or loss (Note 6(b))	75,690	-	53,675	-	2130	Current contract liabilities (Note 6(r))	992,266	6	1,682,024	12
1140	Current contract assets (Note 6(r))	1,902,356	11	1,030,629	7	2150	Notes payable	241	-	2,898	-
1150	Notes receivable, net (Note 6(e))	3,948	-	80,901	1	2170	Accounts payable	3,077,054	18	1,616,000	11
1170	Accounts receivable, net (Note 6(e))	3,004,378	17	2,123,132	15	2180	Accounts payable to related parties (Note 7)	18,086	-	115,354	1
1200	Other receivables	4,777	-	6,864	-	2201	Accrued salaries and bonuses	304,983	2	229,967	2
1210	Other receivables from related parties (Note 7)	164,649	1	178,343	1	2216	Dividends payable	620,405	4	558,364	4
1470	Other current assets	317,865	2	201,406	1	2230	Current tax liabilities	329,966	2	99,458	1
1476	Other current financial assets (Note 8)	<u>231,529</u>	<u>1</u>	<u>68,017</u>	<u>1</u>	2250	Current provisions (Note 6(m))	71,597	-	48,749	-
		<u>8,062,853</u>	<u>46</u>	<u>6,513,236</u>	<u>46</u>	2280	Current lease liabilities (Note 6(l))	15,097	-	15,126	-
						2399	Accrued expenses and other current liabilities	<u>358,759</u>	<u>2</u>	<u>309,502</u>	<u>2</u>
								<u>5,868,454</u>	<u>34</u>	<u>4,677,442</u>	<u>33</u>
Non-current assets:						Non-current liabilities:					
1510	Non-current financial assets at fair value through profit or loss (Note 6(b))	41,541	-	-	-						
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	1,491,776	9	753,124	6	2570	Deferred tax liabilities (Note 6(o))	564,912	3	542,590	4
1535	Non-current financial assets at amortized cost (Note 6(d))	19,585	-	-	-	2580	Non-current lease liabilities (Note 6(l))	16,459	-	23,954	-
1550	Investments accounted for using equity method (Note 6(f))	7,444,923	43	6,382,449	45	2640	Net defined benefit liability, non-current (Note 6(n))	12,961	-	15,519	-
1600	Property, plant and equipment (Note 6(g))	101,310	1	95,415	1	2645	Guarantee deposits	<u>152</u>	<u>-</u>	<u>152</u>	<u>-</u>
1755	Right-of-use assets (Note 6(h))	31,114	-	38,594	-			<u>594,484</u>	<u>3</u>	<u>582,215</u>	<u>4</u>
1760	Investment property, net (Note 6(i))	178,819	1	231,016	2			<u>6,462,938</u>	<u>37</u>	<u>5,259,657</u>	<u>37</u>
1840	Deferred tax assets (Note 6(o))	31,277	-	43,345	-		Total liabilities				
1990	Other non-current assets	<u>29,860</u>	<u>-</u>	<u>14,325</u>	<u>-</u>						
		<u>9,370,205</u>	<u>54</u>	<u>7,558,268</u>	<u>54</u>						
							Equity attributable to owners of parent (Note 6 (p)):				
						3110	Ordinary shares	620,405	3	620,405	5
						3200	Capital surplus	3,797,691	22	3,707,948	26
						3300	Retained earnings	5,565,062	32	4,314,371	31
						3400	Other equity interest	<u>986,962</u>	<u>6</u>	<u>169,123</u>	<u>1</u>
							Total equity	<u>10,970,120</u>	<u>63</u>	<u>8,811,847</u>	<u>63</u>
							Total liabilities and equity	<u>\$ 17,433,058</u>	<u>100</u>	<u>14,071,504</u>	<u>100</u>
	Total assets	<u>\$ 17,433,058</u>	<u>100</u>	<u>14,071,504</u>	<u>100</u>						

See accompanying notes to financial statements.

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

ACTER GROUP CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2024		2023	
		Amount	%	Amount	%
	Operating revenues: (Note 6(r))				
4521	Engineering revenue	\$ 8,734,189	100	6,072,801	100
4529	Allowances	(4,972)	-	(3,842)	-
		<u>8,729,217</u>	<u>100</u>	<u>6,068,959</u>	<u>100</u>
	Operating costs:				
5520	Cost of engineering sales (Notes 6(n), (s) and 7)	<u>6,655,957</u>	<u>76</u>	<u>4,889,572</u>	<u>81</u>
	Gross profit	<u>2,073,260</u>	<u>24</u>	<u>1,179,387</u>	<u>19</u>
	Operating expenses: (Notes 6(n) and (s))				
6100	Selling expenses	40,428	-	31,011	-
6200	Administrative expenses	362,617	5	296,621	5
6450	Expected credit gain (Note 6(e))	(1,301)	-	(3,797)	-
		<u>401,744</u>	<u>5</u>	<u>323,835</u>	<u>5</u>
	Operating income	<u>1,671,516</u>	<u>19</u>	<u>855,552</u>	<u>14</u>
	Non-operating income and expenses: (Notes 6(t) and 7)				
7050	Finance costs	(995)	-	(2,217)	-
7100	Interest income	57,960	1	29,986	-
7010	Other income	76,296	1	57,846	1
7070	Share of profits of associates accounted for using equity method	1,220,188	14	1,167,845	19
7020	Other gains and losses, net	<u>33,810</u>	<u>-</u>	<u>31,016</u>	<u>1</u>
		<u>1,387,259</u>	<u>16</u>	<u>1,284,476</u>	<u>21</u>
	Profit from continuing operations before tax	<u>3,058,775</u>	<u>35</u>	<u>2,140,028</u>	<u>35</u>
7950	Less: Income tax expense (Note 6(o))	<u>441,587</u>	<u>5</u>	<u>301,924</u>	<u>5</u>
	Net income	<u>2,617,188</u>	<u>30</u>	<u>1,838,104</u>	<u>30</u>
8300	Other comprehensive income (loss):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Gains on remeasurements of defined benefit plans (Note 6(n))	1,600	-	1,027	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	685,623	8	287,415	5
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, that will not be reclassified to profit or loss	(3,207)	-	2,364	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		<u>684,016</u>	<u>8</u>	<u>290,806</u>	<u>5</u>
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	177,342	1	(62,608)	(1)
8367	Unrealized (losses) gains from investments in debt instruments measured at fair value through other comprehensive income	(9,658)	-	33,196	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note 6(o))	(35,468)	-	12,521	-
		<u>132,216</u>	<u>1</u>	<u>(16,891)</u>	<u>-</u>
8300	Other comprehensive income, net of tax	<u>816,232</u>	<u>9</u>	<u>273,915</u>	<u>5</u>
8500	Total comprehensive income	<u>\$ 3,433,420</u>	<u>39</u>	<u>2,112,019</u>	<u>35</u>
	Earnings per share (attributable to shareholders of the parent) (Note 6(q))				
9750	Basic earnings per share (NT dollars)	<u>\$ 21.09</u>		<u>15.03</u>	
9850	Diluted earnings per share (NT dollars)	<u>\$ 20.98</u>		<u>14.58</u>	

See accompanying notes to financial statements.

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

ACTER GROUP CO., LTD.
Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(In Thousands of New Taiwan Dollars)

	Retained earnings						Other equity				
	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total Other equity interest	Total equity
Balance on January 1, 2023	\$ 574,673	11,721	3,055,511	938,212	171,385	2,934,378	4,043,975	(92,101)	(9,047)	(101,148)	7,584,732
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	-	292,529	-	(292,529)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,571,352)	(1,571,352)	-	-	-	(1,571,352)
Reversal of special reserve	-	-	-	-	(152,133)	152,133	-	-	-	-	-
Profit for the year ended December 31, 2023	-	-	-	-	-	1,838,104	1,838,104	-	-	-	1,838,104
Other comprehensive income (loss)	-	-	-	-	-	3,391	3,391	(50,087)	320,611	270,524	273,915
Total comprehensive income (loss)	-	-	-	-	-	1,841,495	1,841,495	(50,087)	320,611	270,524	2,112,019
Conversion of convertible bonds	45,732	(11,721)	513,709	-	-	-	-	-	-	-	547,720
Changes in ownership interests in subsidiaries	-	-	138,712	-	-	-	-	-	-	-	138,712
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	253	253	-	(253)	(253)	-
Exercise the right of disgorgement	-	-	16	-	-	-	-	-	-	-	16
Balance on December 31, 2023	\$ 620,405	-	3,707,948	1,230,741	19,252	3,064,378	4,314,371	(142,188)	311,311	169,123	8,811,847
Balance on January 1, 2024	\$ 620,405	-	3,707,948	1,230,741	19,252	3,064,378	4,314,371	(142,188)	311,311	169,123	8,811,847
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	-	209,950	-	(209,950)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,364,890)	(1,364,890)	-	-	-	(1,364,890)
Reversal of special reserve	-	-	-	-	(713)	713	-	-	-	-	-
Other changes in capital surplus	-	-	85	-	-	-	-	-	-	-	85
Profit for the year ended December 31, 2024	-	-	-	-	-	2,617,188	2,617,188	-	-	-	2,617,188
Other comprehensive income (loss)	-	-	-	-	-	(1,607)	(1,607)	141,874	675,965	817,839	816,232
Total comprehensive income	-	-	-	-	-	2,615,581	2,615,581	141,874	675,965	817,839	3,433,420
Changes in ownership interests in subsidiaries	-	-	89,658	-	-	-	-	-	-	-	89,658
Balance on December 31, 2024	\$ 620,405	-	3,797,691	1,440,691	18,539	4,105,832	5,565,062	(314)	987,276	986,962	10,970,120

See accompanying notes to financial statements.

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

ACTER GROUP CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from operating activities:		
Profit before tax	\$ 3,058,775	2,140,028
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense (including investment property)	23,517	21,210
Amortization expense	11,699	5,494
Excepted credit gain	(1,301)	(3,797)
Net loss (profit) on financial assets or liabilities at fair value through profit or loss	285	(45,724)
Interest expense	995	2,217
Interest income	(57,960)	(29,986)
Dividend income	(37,520)	(24,736)
Shares of profit of subsidiaries, associates and joint ventures accounted for using equity method	(1,220,188)	(1,167,845)
(Gain) loss on disposal of property, plant and equipment	(190)	2
(Gain) loss on disposal of investment properties	(8,336)	14
Profit from lease modification and others	(52)	(8)
Total adjustments to reconcile profit	(1,289,051)	(1,243,159)
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in financial assets at fair value through profit or loss, mandatorily measured at fair value	(24,344)	381,601
(Increase) decrease in contract assets	(871,727)	1,141,102
Decrease (increase) in notes receivable	76,953	(32,071)
(Increase) decrease in accounts receivable	(879,945)	1,199,404
Increase in other operating assets	(266,196)	(20,292)
Total changes in operating assets	(1,965,259)	2,669,744
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(689,758)	828,687
Decrease in notes payable	(2,657)	(3,809)
Increase (decrease) in accounts payable (including related parties)	1,363,786	(1,191,408)
Increase in provisions	22,848	17,947
Increase in other operating liabilities	132,251	44,186
Total changes in operating liabilities	817,470	(304,397)
Total adjustments	(2,436,840)	1,122,188
Cash inflow generated from operations	621,935	3,262,216
Interest received	59,881	23,319
Interest paid	(931)	(410)
Income taxes paid	(212,157)	(350,915)
Net cash flows from operating activities	468,728	2,934,210
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(154,705)	(242,973)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	709
Acquisition of financial assets at amortized cost	(19,500)	-
Acquisition of financial assets at fair value through profit or loss	(39,497)	-
Acquisition of investments accounted for using equity method	(32,016)	(33,000)
Proceeds from liquidation of investments accounted for using equity method	29,756	-
Acquisition of property, plant and equipment	(11,276)	(1,316)
Proceeds from disposal of property, plant and equipment	190	-
(Decrease) increase in refundable deposits	(788)	128
Acquisition of intangible assets	(27,242)	(6,272)
Acquisition of investment properties	-	(229)
Proceeds from disposal of investment properties	58,497	-
Decrease (increase) in other non-current assets	796	(1,742)
Dividends received	553,305	749,286
Net cash flows from investing activities	357,520	464,591
Cash flows from financing activities:		
Increase in short-term loans	195,000	-
Decrease in short-term loans	(115,000)	-
Repayments of bonds	-	(100)
Exercise the right of disgorgement	-	16
Payment of lease liabilities	(16,092)	(14,870)
Cash dividends paid	(1,302,849)	(1,415,684)
Other changes in capital surplus	85	-
Net cash flows used in financing activities	(1,238,856)	(1,430,638)
Net (decrease) increase in cash and cash equivalents	(412,608)	1,968,163
Cash and cash equivalents at beginning of period	2,770,269	802,106
Cash and cash equivalents at end of period	\$ 2,357,661	2,770,269

See accompanying notes to financial statements.

Representation Letter

The entities that are required to be included in the combined financial statements of Acter Group Corporation Limited as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements." endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Acter Group Corporation Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Acter Group Corporation Limited

Chairman: Liang, Chin-Li

Date: February 27, 2025

Independent Auditors' Report

To the Board of Directors of Acter Group Corporation Limited:

Opinion

We have audited the consolidated financial statements of Acter Group Corporation Limited (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2024 and 2023, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, 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 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 for the year ended December 31, 2024. 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.

Revenue recognition

Please refer to Note 4(p) “Revenue”, Note 5 “Significant accounting assumptions and judgments, and major sources of estimation uncertainty: Revenue recognition”, and Notes 6(v) “Revenue from contracts with customers” to the consolidated financial statements.

Description of key audit matter

The Group assesses its revenue by measuring the proportion that the contract costs incurred for work performed to date bear to the estimated total contract costs; the estimated total contract cost involves judgment and estimation uncertainty of the Group's management. Consequently, revenue recognition is one of the key matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing the Group's internal control of sales and receipt cycle to assess whether there is any defects and irregularities of internal control systems; reviewing major contracts to understand the specific terms and risks of contracts; comparing the actual construction costs incurred with the estimated construction costs to evaluate rationality of the estimation method; assessing whether the Group's accounting policy on revenue recognition is in accordance with the related accounting standards.

Other Matter

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

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

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

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

Auditor's 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 auditor's 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 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 for the year ended December 31, 2024 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 Chen, Cheng-Hsueh and Lu, Chien-Hui.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 2025

Notes to Readers

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(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese.)
ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 9,899,280	29	8,951,209	32	2100	Short-term borrowings (note 6(m))	\$ 479,667	2	540,595	2
1110	Current financial assets at fair value through profit or loss (note 6(b))	664,261	2	391,908	1	2130	Current contract liabilities (note 6(v))	4,042,698	12	3,465,368	13
1120	Current financial assets at fair value through other comprehensive income (note 6(c))	-	-	76,497	-	2150	Notes payable	165,477	1	145,089	1
1140	Current contract assets (note 6(v))	6,581,692	19	4,336,539	16	2170	Accounts payables	7,610,587	22	6,189,104	22
1150	Notes receivable, net (note 6(e))	521,095	2	327,212	1	2180	Accounts payables to related parties(note 7)	-	-	578	-
1170	Accounts receivables, net (note 6(e))	8,606,782	25	6,268,797	23	2201	Accrued salaries and bonuses	961,852	3	732,701	3
1200	Other receivables	21,806	-	23,284	-	2216	Dividends payable	716,575	2	659,571	2
1220	Current income tax assets	35,163	-	30,126	-	2230	Current tax liabilities	749,934	2	514,331	2
130X	Inventories, net (note 6(f))	1,637,488	5	2,146,984	8	2250	Current provisions (note 6(p))	565,539	2	377,752	1
1410	Prepayments	1,031,873	3	1,003,844	4	2280	Current lease liabilities (note 6(o))	70,473	-	65,917	-
1470	Other current assets	580,613	2	439,348	2	2321	Bonds payable, current portion (note 6(n))	44,330	-	-	-
1476	Other current financial assets (note 8)	384,218	1	608,732	2	2399	Other current liabilities and accrued expenses (note 9)	730,961	2	553,518	2
		<u>29,964,271</u>	<u>88</u>	<u>24,604,480</u>	<u>89</u>			<u>16,138,093</u>	<u>48</u>	<u>13,244,524</u>	<u>48</u>
Non-current assets:						Non-Current liabilities:					
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	41,541	-	-	-	2530	Bonds payable (note 6(n))	-	-	315,115	1
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	2,337,992	7	1,416,444	5	2550	Non-current provisions (note 6(p))	2,500	-	-	-
1535	Non-current financial assets at amortized cost (note 6(d))	39,163	-	-	-	2570	Deferred tax liabilities (note 6(r))	1,107,953	3	812,835	3
1550	Investments accounted for using equity method (note 6(g))	78,194	-	45,089	-	2580	Non-current lease liabilities (note 6(o))	72,450	-	77,300	-
1600	Property, plant and equipment (note 6(i))	833,112	2	767,506	3	2640	Net defined benefit liability, non-current (note6(q))	30,221	-	51,945	-
1755	Right-of-use assets (note 6(j))	198,626	1	166,851	1	2645	Guarantee deposits received	152	-	152	-
1760	Investment property, net (note 6(k))	218,142	1	233,604	1			<u>1,213,276</u>	<u>3</u>	<u>1,257,347</u>	<u>4</u>
1780	Intangible assets (note 6(l))	81,349	-	75,297	-		Total liabilities	<u>17,351,369</u>	<u>51</u>	<u>14,501,871</u>	<u>52</u>
1840	Deferred tax assets (note 6(r))	221,267	1	223,014	1		Equity attributable to owners of parent (note 6 (s)):				
1990	Other non-current assets (note 8)	64,022	-	54,407	-	3110	Ordinary share	620,405	2	620,405	2
		<u>4,113,408</u>	<u>12</u>	<u>2,982,212</u>	<u>11</u>	3200	Capital surplus	3,797,691	11	3,707,948	13
						3300	Retained earnings	5,565,062	16	4,314,371	16
						3400	Other equity	986,962	3	169,123	1
							Total equity attributable to owners of parent	10,970,120	32	8,811,847	32
						36XX	Non-controlling interests	5,756,190	17	4,272,974	16
							Total equity	16,726,310	49	13,084,821	48
Total assets		<u>\$ 34,077,679</u>	<u>100</u>	<u>27,586,692</u>	<u>100</u>		Total liabilities and equity	<u>\$ 34,077,679</u>	<u>100</u>	<u>27,586,692</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2024		2023	
		Amount	%	Amount	%
	Operating Revenues (note 6(v)):				
4521	Engineering revenue	\$ 29,735,012	98	24,603,937	98
4529	Allowances	(15,406)	-	(9,107)	-
		29,719,606	98	24,594,830	98
4110	Sales and other	534,247	2	465,911	2
		30,253,853	100	25,060,741	100
	Operating costs:				
5520	Cost of engineering sales (note 6(o) and 7(b))	23,193,267	77	19,759,161	78
5110	Costs of sales (note 6(f))	482,739	2	383,832	2
		23,676,006	79	20,142,993	80
	Gross profit from operations	6,577,847	21	4,917,748	20
	Operating expenses (note 6(o)):				
6100	Selling expenses	305,988	1	280,114	1
6200	Administrative expenses	1,309,719	4	1,011,471	4
6300	Research and development expenses	361,457	1	370,516	2
6450	Expected credit loss (gain) (note 6(e))	193,688	1	(8,174)	-
		2,170,852	7	1,653,927	7
	Net operating income	4,406,995	14	3,263,821	13
	Non-operating income and expenses (note 6 (x))				
7050	Finance costs	(24,844)	-	(34,170)	-
7100	Interest income	184,911	1	129,306	1
7010	Other income	139,884	-	126,701	-
7070	Share of profit of associates accounted for using equity method, net (note 6(g))	28,369	-	21,620	-
7020	Other gains and losses, net	121,904	-	8,723	-
		450,224	1	252,180	1
	Profit from counting operations before tax	4,857,219	15	3,516,001	14
7950	Less: tax expenses (note 6(r))	1,269,208	4	916,428	4
	Profit from counting operation	3,588,011	11	2,599,573	10
8300	Other comprehensive income (loss):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	(Losses) gains on remeasurements of defined benefit plans (note 6(q))	(1,798)	-	5,627	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	713,396	2	345,974	2
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		711,598	2	351,601	2
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	221,572	1	(79,766)	-
8367	Unrealized (losses) gains from investments in debt instruments measured at fair value through other comprehensive income	(9,657)	-	33,196	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(r))	(61,818)	-	18,982	-
		150,097	1	(27,588)	-
8300	Other comprehensive income, net of tax	861,695	3	324,013	2
8500	Total comprehensive income	\$ 4,449,706	14	2,923,586	12
	Profit, attributable to:				
8610	Owners of parent	\$ 2,617,188	7	1,838,104	7
8620	Non-controlling interests	970,823	3	761,469	3
		\$ 3,588,011	11	2,599,573	10
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 3,433,420	11	2,112,019	9
8720	Non-controlling interests	1,016,286	3	811,567	3
		\$ 4,449,706	14	2,923,586	12
	Earnings per share (Expressed in New Taiwan Dollars) (note 6(u))				
9750	Basic earnings per share	\$ 21.09		15.03	
9850	Diluted earnings per share	\$ 20.98		14.58	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent											
	Retained earnings						Other equity					
	Ordinary shares	Advance receipts	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total Other equity	Non-controlling interests	Total equity
Balance at January 1, 2023	\$ 574,673	11,721	3,055,511	938,212	171,385	2,934,378	4,043,975	(92,101)	(9,047)	(101,148)	3,213,943	10,798,675
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	-	292,529	-	(292,529)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,571,352)	(1,571,352)	-	-	-	-	(1,571,352)
Reversal of special reserve	-	-	-	-	(152,133)	152,133	-	-	-	-	-	-
Profit for the year ended December 31,2023	-	-	-	-	-	1,838,104	1,838,104	-	-	-	761,469	2,599,573
Other comprehensive income for the year ended December 31,2023	-	-	-	-	-	3,391	3,391	(50,087)	320,611	270,524	50,098	324,013
Total comprehensive income	-	-	-	-	-	1,841,495	1,841,495	(50,087)	320,611	270,524	811,567	2,923,586
Conversion of convertible bonds	45,732	(11,721)	513,709	-	-	-	-	-	-	-	-	547,720
Changes in ownership interests in subsidiaries	-	-	138,712	-	-	-	-	-	-	-	-	138,712
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	253	253	-	(253)	(253)	-	-
Exercise the right of disgorgement	-	-	16	-	-	-	-	-	-	-	-	16
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	247,464	247,464
Balance at December 31, 2023	\$ 620,405	-	3,707,948	1,230,741	19,252	3,064,378	4,314,371	(142,188)	311,311	169,123	4,272,974	13,084,821
Balance at January 1,2024	\$ 620,405	-	3,707,948	1,230,741	19,252	3,064,378	4,314,371	(142,188)	311,311	169,123	4,272,974	13,084,821
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	-	209,950	-	(209,950)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,364,890)	(1,364,890)	-	-	-	-	(1,364,890)
Reversal of special reserve	-	-	-	-	(713)	713	-	-	-	-	-	-
Change in other capital surplus	-	-	85	-	-	-	-	-	-	-	-	85
Profit for the year ended December 31,2024	-	-	-	-	-	2,617,188	2,617,188	-	-	-	970,823	3,588,011
Other comprehensive income for the year ended December 31,2024	-	-	-	-	-	(1,607)	(1,607)	141,874	675,965	817,839	45,463	861,695
Total comprehensive income	-	-	-	-	-	2,615,581	2,615,581	141,874	675,965	817,839	1,016,286	4,449,706
Changes in ownership interests in subsidiaries	-	-	89,658	-	-	-	-	-	-	-	-	89,658
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	466,930	466,930
Balance at December 31, 2024	\$ 620,405	-	3,797,691	1,440,691	18,539	4,105,832	5,565,062	(314)	987,276	986,962	5,756,190	16,726,310

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)
ACTER GROUP CORPORATION LIMITED AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 4,857,219	3,516,001
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses (including investment property)	147,469	135,300
Amortization expenses	48,396	38,738
Expected credit loss (gain)	193,688	(8,174)
Interest expense	24,844	34,170
Interest income	(184,911)	(129,306)
Dividend income	(63,244)	(42,784)
Shares of profit of associates accounted for using equity method	(28,369)	(21,620)
Net gain on financial assets or liabilities at fair value through profit or loss	(5,113)	(59,324)
(Gain) loss from disposal of property, property plant, equipment	(2,231)	1,505
(Gain) loss on disposal of investment properties	(8,336)	14
Loss on disposal of intangible assets	39	1,421
Loss on disposal of investments	23	30,399
Lease modification benefits and others	(435)	(1,113)
Total adjustments to reconcile loss (profit)	<u>121,820</u>	<u>(20,774)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in financial assets at fair value through profit or loss, mandatorily measured at fair value	(269,790)	980,781
(Increase) decrease in contract assets	(2,245,153)	1,737,791
Increase in notes receivable	(241,468)	(87,729)
(Increase) decrease in accounts receivables	(2,489,442)	1,878,803
Decrease (increase) in inventories	509,496	(900,946)
Decrease (increase) in other operating assets	54,618	(720,950)
Total changes in operating assets	<u>(4,681,739)</u>	<u>2,887,750</u>
Changes in operating liabilities:		
Increase (decrease) in contract liabilities	577,330	(111,531)
Increase (decrease) in notes payable	20,388	(32,827)
Increase (decrease) in accounts payables (including related parties)	1,420,905	(1,188,773)
Increase in provisions	182,204	110,008
Increase in other operating liabilities	384,711	47,980
Total changes in operating liabilities	<u>2,585,538</u>	<u>(1,175,143)</u>
Total adjustments	<u>(1,974,381)</u>	<u>1,691,833</u>
Cash inflow generated from operations	2,882,838	5,207,834
Interest received	186,828	121,997
Interest paid	(21,992)	(28,972)
Income taxes paid	(803,595)	(943,244)
Net cash flows from operating activities	<u>2,244,079</u>	<u>4,357,615</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(198,675)	(286,139)
Proceeds from disposal of financial assets at fair value through other comprehensive income	80,251	709
Acquisition of financial assets at amortized cost	(39,000)	-
Acquisition of financial assets at fair value through profit or loss	(39,498)	-
Acquisition of property, plant and equipment	(151,365)	(137,168)
Proceeds from disposal of property, plant and equipment	3,295	353
Acquisition of intangible assets	(53,360)	(23,912)
Acquisition of use-of-right assets	(37,078)	(589)
Acquisition of investment properties	-	(229)
Proceeds from disposal of investment properties	58,497	-
Increase in other non-current assets	(10,195)	(14,286)
Dividends received	63,244	42,784
Net cash flows used in investing activities	<u>(323,884)</u>	<u>(418,477)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	1,682,304	1,538,622
Decrease in short-term loans	(1,762,268)	(1,341,739)
Redeemed of bonds	-	(100)
Exercise the right of disgorgement	-	16
Payment of lease liabilities	(81,744)	(77,134)
Cash dividends paid	(1,302,849)	(1,415,684)
Change in other capital surplus	85	-
Change in non-controlling interests	208,674	21,729
Net cash flows used in financing activities	<u>(1,255,798)</u>	<u>(1,274,290)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>283,674</u>	<u>(124,421)</u>
Net increase in cash and cash equivalents	948,071	2,540,427
Cash and cash equivalents at beginning of period	8,951,209	6,410,782
Cash and cash equivalents at end of period	<u><u>\$ 9,899,280</u></u>	<u><u>8,951,209</u></u>

See accompanying notes to consolidated financial statements.

Attachment 3: Audit Committee's Review Report

ACTER GROUP CORPORATION LIMITED

Audit Committee's Review Report

This company's 2024 financial statements have been approved by the Audit Committee and resolved by the board of directors. The foregoing financial statements have been audited by CPA of KPMG under commission to the board, and the auditor has issued an audit report relating to the financial statements.

This company's 2024 business report and earnings distribution proposal have been prepared and issued by the board of directors. The foregoing business report and earnings distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

2025 shareholders meeting of ACTER GROUP CORPORATION LIMITED

ACTER GROUP CORPORATION LIMITED

Chairman of the Audit Committee: Chiu, Hui-Yin

February 27, 2025

Attachment 4: Corporate Governance Report

- I. The company has established a great corporate governance systems and effective corporate governance framework, and has deployed an adequate number of corporate governance personnel, appointed an officer of financial division as the chief corporate governance officer to be in charge of corporate governance affairs and designated Chairman and Board of Directors to be in charge of supervision.
- II. In 2024, in order to respond to the international trend of sustainable development, the competent authorities have gradually increased the demand for environmental, social and governance (ESG) information. The TWSE strengthens ESG information disclosure of listed companies with reference to international sustainability-related standards. A total of 29 indicators on seven major topics were disclosed in the initial stage, including emission of greenhouse gases, energy management, water resource management, waste management, manpower development, communication between the board of directors and investors, etc. In addition, in order to meet the net zero emissions by 2050 and encourage enterprises to reduce carbon for sustainable business practices, the FSC promotes the sustainable development roadmap for listed companies on March 3, 2022. The company has a par value of \$5 per share and a net worth exceeding \$10 billion in 2024. As a second-stage company, it is required to complete the process by 2027, but the company plans to complete it by 2026, following the timeline for first-stage companies. The summary of the key points, which was competent by authorities in 2024 and the implementation of the company are as follows. Other relevant corporate governance operations have been disclosed in the company's Annual Report.

Summary of the key points	Implementation
The corporate governance evaluation	The company was ranked on top 5% in the corporate governance evaluation for 9 consecutive years
Timetables for the greenhouse gas inventories and verification	Acter, Novatech, RAYZHER, Acter Integration, Shenzhen Sheng Huei have obtained the 2023 assurance report.
Sustainable Information Management	Revise "Other Management Control Activities." of internal control systems to establish a sustainable information management internal control system.

- III. The company's corporate governance reports are as follows

Item	Reporting day to the board of directors	Responsible unit
Implementation of 2023 corporate governance	2024/2/26	Financial division
Implementation of ethical corporate management	2024/11/8	General manager
Report of climate change's risks, opportunities, actions and results	2024/11/8	General manager
Implementation of sustainable development	2024/11/8	General administration division
Intellectual property management plan	2024/11/8	General administration division
Implementation of risk management	2024/11/8	Auditing office
Communication mechanisms and implementation results for stakeholders	2024/11/8	Financial division, general administration division and procurement department

V. Future Challenges

Item	Company Response
Aligning with the IFRS sustainability disclosure standards blueprint, data collection and statistics for Scope 3 greenhouse gas emissions under IFRS Sustainability Standard S2.	By 2025, develop the methodology and selected emission factors for Scope 3 categories 1, 5, 9, 11, and 12 for the three companies: Acter, Novatech, and RAYZHER. After approval by the verification organization, promote it to other group companies.
Institutional investors' activism legislation is planned by the Financial Supervisory Commission in 2024, with coordinated actions to be implemented. The Stock Exchange plans to revise its governance assessment criteria in 2025 to guide institutional investors who have signed governance codes to engage in appropriate collective engagement.	Continued focus and improvement on sustainable issues, allowing institutional investors to align with us in the sustainable trend, resulting in positive impact on company reputation and market value through quick consensus.

Attachment 5:Annual operation report of Audit Committee and its communication with the company's chief internal auditor

The Company's Audit Committee is composed of all independent directors. It holds regularly meetings before the board of directors to review the implementation of the company's internal control system and internal audit, major financial business behaviors, and appropriate communicate with CPAs to supervise company's operations and risk control.

1. Audit Committee's main responsibilities is to review the following matters:
 - (1) The adoption of or amendments to the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
 - (2) Assessment of the effectiveness of the internal control system.
 - (3) The procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
 - (4) Matters in which a director is an interested party.
 - (5) Asset transactions or derivatives trading of a material nature.
 - (6) Loans of funds, endorsements, or provision of guarantees of a material nature.
 - (7) The offering, issuance, or private placement of equity-type securities.
 - (8) The hiring or dismissal of a certified public accountant, or their compensation.
 - (9) The appointment or discharge of a financial, accounting, or internal audit officer.
 - (10) Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
 - (11) Business report and proposal for earnings distribution or offsetting of deficit.
 - (12) Other material matters as may be required by the company or by the competent authority.
2. Audit Committee's work of 2024 :
 - (1) Review the financial reports.
 - (2) Review the amendments to the internal control system and assessment of the effectiveness of the internal control system.
 - (3) Review the endorsements or guarantees for others.
 - (4) Review the subscription of securities.
 - (5) Review the loans of funds.
 - (6) Review the amendments to the "Procedure for Acquisition or Disposal of Assets."
 - (7) Review the hiring of a certified public accountant and conduct assessments of CPA independence and competence based on a written statement issued by a CPA and AQIs.
 - (8) Review the amendment of the commitment undertaken by the company due to the listing of subsidiary Acter Technology Integration Group Co., Ltd. and enter into a supplemental agreement on non-competition agreement.
3. If any of the following circumstances exists, specify the Audit Committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of Audit Committee resolutions, and the measures taken by the company based on the opinions of the Audit Committee:
 - (1) Circumstances referred to in Article 14-5 of the Securities and Exchange Act.
 - (2) Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors.Resolutions of the company are as follows.

Audit Committee Meetings	Major resolutions	Circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors
Jan. 25, 2024	1. Approved to loan funds to subsidiary - Enrich Tech Co., Ltd.	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Feb. 26, 2024	1. Resolved to approve the company's 2023 business report and financial statements.	✓	None
	2. Resolved to approve the company's 2023 statement of internal control system.	✓	None
	3. Resolved to approve the evaluation of qualification and independence, and remuneration of the Certified Public Accountants.	✓	None
	4. Approved to amend the company's "Procedures for Acquisition and Disposal of Assets."	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Apr. 11, 2024	1. Approved to release the directors and their representatives from non-competition restrictions.	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Aug. 27, 2024	1. Resolved to approve the amendment of the non-competition commitment provided for subsidiary Acter Technology Integration Group Co., Ltd. due to its listing.	✓	None
	2. Resolved to approve the supplementary agreement for the non-competition agreement with subsidiary Sheng Huei International Co. Ltd. and Acter Technology Integration Group Co., Ltd.	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Nov. 08, 2024	1. Approved to amend the company's "Other Management Control Activities."	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		

4. There is no independent directors' avoidance of motions in conflict of interest in 2024.
5. There are no major transactions with related parties not belonging to the group in 2024.
6. Communications between the independent directors, the Company's chief internal auditor and CPAs
CPAs and internal auditors report to the independent directors the results of the annual, quarterly, or semi-annual audited (reviewed) financial statements, or the functioning of internal controls through the Audit Committee meetings. In the meetings, independent directors are given

sufficient opportunities to communicate with the CPAs and internal auditors face to face, which provides independent directors with sufficient overview of the company's operations and helps them to supervise appropriately. In addition to holding Audit Committee meetings quarterly, the independent directors also maintain regular e-mail contact with the CPAs and internal auditors in order to stay informed of the company's operations. The company holds a Closed-door meeting between the chief internal auditor and the independent directors at least once a year. Results of communication between the independent directors, the internal auditors and the CPAs in 2024 are listed in the table below and have been revealed on the company's website.

(1) Communications between the independent directors and the internal auditors

Date	Communication matters	Execution results
Jan. 25, 2024 Closed-door Meeting	<ul style="list-style-type: none"> ■ 2023 self-assessment of the internal control system ■ 2023 special audit implementation status ■ 2024 Annual work plan 	<ul style="list-style-type: none"> ■ No comments
Feb. 26, 2024 Audit committee meeting	<ul style="list-style-type: none"> ■ Internal audit activities report (2023/10~2023/12) ■ 2023 Statement of the internal control system 	<ul style="list-style-type: none"> ■ No comments ■ Submit to the board of directors after approval
May 09, 2024 Audit committee meeting	<ul style="list-style-type: none"> ■ Internal audit activities report (2024/01~2024/03) 	<ul style="list-style-type: none"> ■ No comments
Aug. 08, 2024 Audit committee meeting	<ul style="list-style-type: none"> ■ Internal audit activities report (2024/04~2024/06) 	<ul style="list-style-type: none"> ■ No comments
Nov. 08, 2024 Audit committee meeting	<ul style="list-style-type: none"> ■ Internal audit activities report (2024/07~2024/09) ■ 2024 Risk management reports ■ 2025 Annual audit plans ■ To amend the company's "Other Management Control Activities - Management of Sustainable Information." 	<ul style="list-style-type: none"> ■ No comments ■ Submit to the board of directors after approval
Oct. 01, 2024 Communication via e-mail or phone call	<ul style="list-style-type: none"> ■ In the points of personal data protection management and execution testing steps, it is mentioned that "personnel entering and exiting the data center must register for control." Is there electronic access control in place that requires a card swipe to enter, or is registration alone sufficient? If someone enters without registering or forgets to register, how can we know someone has entered? 	<ul style="list-style-type: none"> ■ The data center is equipped with electronic access control, and entry requires card swiping (only IT staff have cards). Non-IT personnel (e.g., vendors performing system maintenance or repairs) must be accompanied by IT staff and fill out a "Data Center Access Log." The data center is also monitored by a surveillance system.
Nov. 01, 2024 Communication via e-mail or phone call	<ul style="list-style-type: none"> ■ Subsidiary (Thailand): The abnormal ratio of procurement indicators (purchase request date > delivery deadline) seems high. What improvement measures can be taken? Regarding issue 3, the phenomenon may extend the company's warranty 	<ul style="list-style-type: none"> ■ Out of 18 anomalies, 14 are concentrated in four projects (which share the same delivery deadlines, causing a higher anomaly rate). After reviewing recent purchase orders, the delivery deadlines have been

Date	Communication matters	Execution results
	period by 8 months. Is it possible to maintain the original acceptance date?	adjusted based on actual execution needs. <ul style="list-style-type: none"> ■ The warranty period starts from the “date of acceptance” and is based on the duration specified in the contract. For projects of similar scale, clients typically complete the acceptance process about 3 to 6 months after completion and start the warranty period from the date of acceptance. In this case, the client intentionally delayed the acceptance process by requesting further modifications, prolonging the payment and the issuance of the warranty. The subsidiary in Thailand has since stopped taking projects from this client.
Nov. 29, 2024 Communication via e-mail or phone call	<ul style="list-style-type: none"> ■ The internal control deficiency tracking report in Thailand mentions that it's expected to apply for the remaining 5% warranty payment from the client in early November 2024. How did it turn out? 	<ul style="list-style-type: none"> ■ The warranty claim was submitted to the client on November 22, 2024, and we are currently awaiting their reply for confirmation. Related billing information is attached.

(2) Communications between the independent directors and the CPAs

Date	Communication matters	Execution results
Jan. 25, 2024 Closed-door Meeting	<ul style="list-style-type: none"> ■ Closed door meeting between the CPAs and the independent directors 	No comments
Jan. 25, 2024 KAM Meeting	<ul style="list-style-type: none"> ■ 2023 Key Audit Matters of the financial report 	No comments
Feb. 26, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> ■ Consolidated financial reports of 2023 	No comments
May 09, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> ■ Consolidated financial statements for three months ended March 31, 2024 	No comments
Aug. 08, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> ■ Consolidated financial statements for six months ended June 30, 2024 	No comments
Nov. 08, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> ■ Consolidated financial statements for nine months ended September 30, 2024 	No comments

7. Audit Committee's attendance in 2024

A total of 7 Audit Committee meetings were held in 2024, with the attendance of independent directors as follows:

Title	Name	Attendance in Person	By Proxy	Attendance rate	Remarks
Convener	Yeh, Hui-Hsin	4	0	100%	Term expired on May 24, 2024

Title	Name	Attendance in Person	By Proxy	Attendance rate	Remarks
Convener	Chiu, Hui-Yin	3	0	100%	Was newly elected May 24, 2024
Member	Yang, Qian	4	0	100%	Term expired on May 24, 2024
Member	Wang, Mao-Rong	4	0	100%	Term expired on May 24, 2024
Member	Huang, Tzu-Pei	6	1	85.7%	Was re-elected on May 24, 2024
Member	Chi, Chih-Yi	3	0	100%	Was newly elected May 24, 2024
Member	Liang, Lien-Wen	3	0	100%	Was newly elected May 24, 2024

Attachment 6: Director's compensation policy and individual's compensation

Compensation for directors includes the transportation and attendance fare for directors attending the board meetings, attendance fare for members of functional committee attending the committee, executive business expense, and the annual compensation for directors in accordance with the Articles of Incorporation. According to Article 26-1 of the Articles of Incorporation, when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. Total compensation paid to directors are reviewed by the Remuneration Committee in consideration of the company's business performance, the general pay levels in the industry and be submitted to the board of directors for approval. Compensation for individual director is determined in accordance with the "Regulations governing remuneration paid to directors and functional committee." The company takes into account the results of the performance evaluation of directors to calculate the points of each director. Such as the degree of participation in the company's operations, the attendance rate for the year, whether to serve as the chairman and other items. Then distributes the total amount approved by the board of directors according to the proportion.

Independent directors receive a fixed amount of compensation per month and do not participate in the distribution of annual compensation for directors. If an independent director is appointed as a member of any functional committee by the board of directors of the company, he/she will receive additional compensation paid to members of functional committee.

Unit: NT\$ thousand, Thousand Shares

Unit: NT\$ thousand, Thousand Shares

Title	Name	Compensation								Sum of A+B+C+D and ratio to net income				Relevant compensation received by directors who are also employees								Sum of A+B+C+D+E+F+G and ratio to net income				Compensation paid to directors from an invested company other than the company's subsidiary
		Base Compensation (A)		Severance Pay (B)		Compensation to Directors (C)		Allowances (D)						Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company		(Note 1)		The company	(Note 1)	The company	(Note 1)	The company		(Note 1)		The company	(Note 1)	The company	(Note 1)	
										Sum	%	Sum	%					Cash	Stock	Cash	Stock					
Chairman	Liang, Chin-Li	3,446	11,178	0	0	56,021	56,021	96	238	59,563	2.28	67,437	2.58	16,823	19,908	0	0	5,000	0	5,000	0	81,386	3.11	92,345	3.53	30
Director	Yang, Jung-Tang (Note2)	0	0	0	0	0	0	60	60	60	0.00	60	0.00	0	0	0	0	0	0	0	0	60	0.00	60	0.00	None
Director	Hu, Tai-Tsen	0	199	0	0	22,409	22,409	90	90	22,499	0.86	22,698	0.87	0	0	0	0	0	0	0	0	22,499	0.86	22,698	0.87	None
Director	Xiang-Hui Development Co., Ltd. (Note2)	0	0	0	0	22,409	22,409	0	0	22,409	0.86	22,409	0.86	0	0	0	0	0	0	0	0	22,409	0.86	22,409	0.86	None
	Representative: Wu, Pi-Huei (Note2)	378	378	0	0	0	0	42	42	420	0.02	420	0.02	0	0	0	0	0	0	0	0	420	0.02	420	0.02	None
Independent Director	Yeh, Hui-Hsin (Note2)	400	400	0	0	0	0	60	60	460	0.02	460	0.02	0	0	0	0	0	0	0	0	460	0.02	460	0.02	None

Title	Name	Compensation								Sum of A+B+C+D and ratio to net income				Relevant compensation received by directors who are also employees								Sum of A+B+C+D+E+F+G and ratio to net income				Compensation paid to directors from an invested company other than the company's subsidiary
		Base Compensation (A)		Severance Pay (B)		Compensation to Directors (C)		Allowances (D)						Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company	(Note 1)	The company		(Note 1)		The company	(Note 1)	The company	(Note 1)	The company		(Note 1)		The company	(Note 1)	The company	(Note 1)	
										Sum	%	Sum	%					Cash	Stock	Cash	Stock					
Independent Director	Yang, Qian (Note2)	400	400	0	0	0	0	42	42	442	0.02	442	0.02	0	0	0	0	0	0	0	0	442	0.02	442	0.02	None
Independent Director	Wang, Mao-Rong (Note2)	400	400	0	0	0	0	48	48	448	0.02	448	0.02	0	0	0	0	0	0	0	0	448	0.02	448	0.02	None
Independent Director	Huang, Tzu-Pei	960	960	0	0	0	0	78	78	1,038	0.04	1,038	0.04	0	0	0	0	0	0	0	0	1,038	0.04	1,038	0.04	None
Independent Director	Chi, Chih-Yi (Note2)	560	1,120	0	0	0	0	48	72	608	0.02	1,192	0.05	0	0	0	0	0	0	0	0	608	0.02	1,192	0.05	None
Independent Director	Chiu, Hui-Yin (Note2)	560	1,120	0	0	0	0	42	66	602	0.02	1,186	0.05	0	0	0	0	0	0	0	0	602	0.02	1,186	0.05	None
Independent Director	Liang, Lien-Wen (Note2)	560	560	0	0	0	0	42	42	602	0.02	602	0.02	0	0	0	0	0	0	0	0	602	0.02	602	0.02	None

Note1: Refers to all companies in the consolidated financial statements

Note2: The company held a re-election on May 24, 2024. Following the re-election, director Yang, Jung-Tang and independent directors Yeh, Hui-Hsin, Yang, Qian, and Wang, Mao-Rong did not continue their terms. At the same time, Wu, Pi-Huei, the representative of Xiang-Hui Development Co., Ltd., and independent directors Chi, Chih-Yi, Chiu, Hui-Yin, and Liang, Lien-Wen were newly elected.

Attachment 7: Comparison Table of the commitment letter

After The Revision	Before The Revision
<p>If the company and its subsidiaries which are directly or indirectly controlled by the company have any business opportunities in regions other than Taiwan to participate in or acquire equity interests in any business which may compete with the business operated by Acter Integration and its subsidiaries, the company shall immediately notify Acter Integration in an appropriate manner to offer such business opportunities to Acter Integration and its subsidiaries in a preferential manner, so that Acter Integration or its subsidiaries may, under the same conditions, have priority in acquiring the assets or shareholdings involved in the business to avoid competing with Acter Integration. <u>If Acter Integration believes that the aforesaid business opportunities/businesses are in line with the business development needs of Acter Integration and its subsidiaries, but due to objective reasons beyond its control such as relevant laws and regulations, policy changes, natural disasters, etc., it is not suitable for Acter Integration and its subsidiaries to implement such business opportunities/businesses directly, or it is not conducive to the safeguarding of the interests of Acter Integration. From the perspective of supporting the development of Acter Integration, the company may, on the basis of full consultation with Acter Integration, invest in, acquire or cultivate such business opportunities/businesses on behalf of Acter Integration by the company or other enterprises under the company's control in the first instance. The company undertakes that, upon the relevant business or assets meeting the conditions for injection into Acter Integration or its subsidiaries, it will, on the premise of complying with the relevant laws, regulations and regulatory rules, and in the interests of Acter Integration, give priority to the transfer of the relevant business or assets to Acter Integration or its subsidiaries at a fair price.</u></p>	<p>If the company and its subsidiaries which are directly or indirectly controlled by the company have any business opportunities in regions other than Taiwan to participate in or acquire equity interests in any business which may compete with the business operated by Acter Integration and its subsidiaries, the company shall immediately notify Acter Integration in an appropriate manner to offer such business opportunities to Acter Integration and its subsidiaries in a preferential manner, so that Acter Integration or its subsidiaries may, under the same conditions, have priority in acquiring the assets or shareholdings involved in the business to avoid competing with Acter Integration.</p>

Attachment 8: Comparison Table of the Rules of Procedure for Board of Directors Meeting

Article	After The Revision	Before The Revision
Article 12	<p>The chairman of the board of directors shall announce the start of the meeting when the majority of all directors attend the meeting upon the meeting time.</p> <p>However, if less than the majority of all directors attend the meeting upon the meeting time, the chairman may declare a postponement of the meeting <u>on the same day</u>. There shall be no more than two postponements. If the quorum is still not met after two postponements, the chairman shall re-convene the meeting in accordance with Section 1, Article 3 and shall not make any provisional resolution for the issues to be discussed in such board meeting.</p>	<p>The chairman of the board of directors shall announce the start of the meeting when the majority of all directors attend the meeting upon the meeting time.</p> <p>However, if less than the majority of all directors attend the meeting upon the meeting time, the chairman may declare a postponement of the meeting. There shall be no more than two postponements. If the quorum is still not met after two postponements, the chairman shall re-convene the meeting in accordance with Section 1, Article 3 and shall not make any provisional resolution for the issues to be discussed in such board meeting.</p>
Article 13	<p>Discussions in board meetings shall be carried out in accordance with the agenda fixed in the meeting notice. However, the order can be changed by agreement by the majority of attending directors. Without the consent by the majority of attending directors, the chairman shall not announce the end of the meeting.</p> <p>During the proceeding of the board meeting, if the number of directors present is less than the majority of the attending directors and if a director present proposes a suspension, the chairman shall declare the suspension of the meeting and section 2 of the previous articles shall be applied mutatis mutandis. <u>During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in preceding paragraph, the provisions of Article 10, paragraph 3 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.</u> During the meeting, the chairman may declare recess or negotiation in consideration of the time.</p>	<p>Discussions in board meetings shall be carried out in accordance with the agenda fixed in the meeting notice. However, the order can be changed by agreement by the majority of attending directors. Without the consent by the majority of attending directors, the chairman shall not announce the end of the meeting.</p> <p>During the proceeding of the board meeting, if the number of directors present is less than the majority of the attending directors and if a director present proposes a suspension, the chairman shall declare the suspension of the meeting and section 2 of the previous articles shall be applied mutatis mutandis. During the meeting, the chairman may declare recess or negotiation in consideration of the time.</p>
Article 22	<p>These rules were established on June 16, 2009.</p> <p>These rules were amended on November 4, 2022.</p> <p><u>These rules were amended on August 8, 2024.</u></p>	<p>These rules were established on June 16, 2009.</p> <p>These rules were amended on November 4, 2022.</p>

Attachment 9: Comparison Table of the Articles of Incorporation

Aritcle	After The Revision	Before The Revision
Aritcle 26-1	<p>When distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors.</p> <p>The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation.</p> <p><u>At least 30% of the amount of employees' compensation from the preceding paragraph shall be allocated for compensation distributions for non-executive employees.</u></p>	<p>When distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation.</p>
Aritcle 30	<p>These articles of association were established on 10 February, 1979...</p> <p>Twenty ninth amendment was made on 24 May, 2024.</p> <p><u>Thirtieth amendment was made on 22 May, 2025.</u></p>	<p>These articles of association were established on 10 February, 1979...</p> <p>Twenty ninth amendment was made on 24 May, 2024.</p>

IX.Appendices

Appendix 1:Articles of Incorporation< Before the revision >

Articles of Incorporation

Chapter 1 General

Article 1. The company is organized and incorporated as a company limited by stock in accordance with the Company Law and is named ACTER GROUP CORPORATION LIMITED.

Article 2. The company operates the following businesses:

1. E501011 Water Pipe Construction
2. E599010 Pipe Lines Construction
3. E601010 Electric Appliance Construction
4. E601020 Electric Appliance Installation
5. E602011 Frozen and Air-conditioning Engineering
6. E603010 Cables Construction
7. E603040 Fire Fighting Equipments Construction
8. E603050 Cybernation Equipments Construction
9. E603090 Illumination Equipments Construction
10. E603100 Electric Welding Construction
11. E606010 Electricity Equipments Checking and Maintenance
12. E801010 Building Maintenance and Upholstery
13. E801020 Doors and Windows Construction
14. E801030 Interior Light Rigid Frame Construction
15. EZ05010 Apparatus Installation Construction
16. EZ09010 Static Electricity Protecting and Clearing Construction
17. EZ15010 Warming and Cooling Maintainance Construction
18. J101050 Sanitary and Pollution Controlling Services
19. J101060 Wastewater (Sewage) Treatment
20. IG03010 Energy Technical Services
21. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3. The company may provide guarantees to other persons and is not restricted by Article 16 of the Company Law. The rules for endorsement and guarantee shall be implemented following approval by the shareholder meeting. The same procedures shall be applicable to any amendment thereof.

Article 4. The total amount of investment made by the company in other invested companies shall not be restricted by Article 13 of the Company Law. The board of directors is authorized to make such investment.

Article 5. The company's headquarters is located in Taichung City, Taiwan. As required, the board of directors may pass a resolution to establish domestic and overseas branch offices following approval by the competent authority.

Article 6. The company shall make public announcements in accordance with the Company Law and other relevant laws and regulations.

Chapter 2 Shares

Article 7. The company's total capital is fixed at NT\$720,000,000, divided into 144 million shares, at NT\$5 per share, to be issued in several batches. The board of directors may pass resolutions to issue the unissued shares in accordance with actual needs.

Article 8. The company may issue shares without share certificates, provided that a securities depository institution shall be engaged for registration.

Article 9. Matters related to the shares of the company shall be handled in accordance with relevant legislations and rules of the competent authority.

Article 9-1. Treasury stocks bought back by the company in accordance with the Company Act, new shares issued by the company, employee stock warrants or the restricted employee shares can be granted to employees of parents or subsidiaries of the company whom meeting certain conditions set by the company.

Chapter 3 Shareholder Meetings

Article 10. Shareholder meetings are divided into regular meetings and special meetings. Regular meetings shall be convened once a year within 6 months from the end of each accounting year. Special meetings shall be convened in accordance with the law as required. The rules for convening shareholder meetings shall be in accordance with relevant legislations. After the resolution of the board of directors, shareholder meetings can be held by means of visual communication assisted shareholders meeting, visual communication shareholders meeting or other methods promulgated by the central competent authority. The company shall comply with the conditions, procedures and other matters made by the securities competent authority.

Article 11. Any shareholder who cannot attend a shareholder meeting may issue a proxy to designate a representative to attend the meeting on its behalf in accordance with Article 177 of the Company Law.

Article 12. The chairman shall serve as the chairman of shareholder meetings. If the chairman is absent, the chairman will designate one director to serve such duty. If no designation is made, one person shall be elected from among the directors to serve the duty.

Article 13. Shareholders of the company enjoy one vote per share, provided that no voting right shall be enjoyed under the circumstances as provided in Article 179 of the Company Law.

Article 14. Unless otherwise provided by law, shareholder resolutions shall be passed by the majority of shareholder voting rights in a meeting that is attended by shareholders representing the majority of total outstanding shares.

Article 15. Resolutions made in shareholder meetings shall be recorded in the minutes and signed and affixed thereon by the chairman. The minutes shall be sent to all shareholders within 20 days after the meeting. The minutes shall summarize the proceedings, and the results of the discussions shall be kept permanently. The shareholder attendance sheets and proxies shall be kept for at least one year.
This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

Article 15-1 Any proposal to cancel and publicly issue company shares shall be made to the shareholder meeting for resolution. This provision shall not be modified during the period when the company's shares are listed in the OTC market or stock exchange (Gre-Tai market).

Chapter 4 Directors

Article 16. The company has 5 to 9 directors, all to be elected from among the nominees listed in the roster of director candidates under the candidate nomination system by the shareholder meeting for terms of 3 years. The same person may be elected again upon expiry of the term.

The directors of the company shall be elected by single selection, registered and accumulated election method. Each share is entitled to the same number of voting rights as the number of directors to be elected. The votes may be cast to one single candidate or be distributed among several candidates. The candidates receiving more votes shall be elected directors. If this method requires amendment, it shall be carried out in accordance with Article 172 of the Company Law and a table of comparison for such method shall be included in the agenda for convening the meeting.

The total number of registered shares of the company that may be held by all directors shall be determined by the standard established in accordance with the "Guidelines for Shareholding Percentage by Directors and Supervisors of Publicly Traded Companies and Audit Practice" promulgated by the Financial Supervisory Commission of the Executive Yuan.

Article 16-1. The company shall purchase liability insurance during the terms of directors to cover the liability for compensation borne by them in accordance with the law within the scope of their duties.

Article 16-2. The company may have independent directors among the above-mentioned number of directors in accordance with Article 14-2 of the Securities Transaction Act. The number of independent directors will not less than three in number and not less than one-third of the total number of directors. If the chairman of the board of directors and the general manager or a person holding an equivalent position are the same person or are spouses or relatives within the first degree of kinship, then according to Article 4 of the Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEX Listed Companies, the company shall appoint not less than four independent directors. They shall be elected under the candidate nomination system under Article 192-1 of the Company Law. The professional qualifications, shareholding, restrictions on serving other functions, determination of independence and other compliance matters with regard to independent directors shall be in accordance with relevant rules of the securities competent authority.

Article 17. If one-third or more of the director's seats are vacant, or if all independent directors are dismissed, the board of directors shall convene a special shareholder meeting within 60 days to fill the vacancies.

Article 18. The directors shall organize the board of directors. A chairman shall be elected from among the directors by majority of the directors attending a meeting that is attended by 2/3 or more of the directors to execute all matters of the company.

Article 18-1. The chairman of the board of directors shall internally preside the shareholders' meeting, the meeting of the board of directors, and the meeting of the managing

directors; and shall externally represent the company. The chairman is authorized to handle all significant matter of the company, but chairman right still restrict by Company's Corporate Charter, resolution of shareholder's meeting and director meeting.

Article 19. Unless otherwise provided by Company Law, board meetings shall be convened by the chairman. If the chairman is on leave or cannot perform the duty due to any reason, the representative shall be in accordance with Article 208 of the Company Law.

Article 19-1. The agenda of the board meeting shall be included in the convening notice and sent to all directors 7 days in advance. However, a meeting may be convened at any time in case of an emergency. The notice may be sent in writing, by email or fax.

Article 20. Unless otherwise provided for in other law, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting, the others director may accept the appointment to act as the proxy referred to in the preceding paragraph of one other director only. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 21. Board meetings shall be recorded in the minutes and signed with a seal affixed by the chairman. The minutes shall be distributed to all directors within 20 days after the meeting. Minutes shall summarize the proceedings and results of the meeting and shall be kept permanently together with the attendance sheets and proxies by attending directors.

Article 22. The company is configured with an audit committee in compliance with the requirements established under Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all independent directors. The Committee or its members are in charge of exercising functions as supervisors indicated in the Company Act, the Securities and Exchange Act, and other laws and regulations.

Article 23. The expenses entailed through exercising their duties by the directors of the company shall be determined by the board of directors based on the common standard of the industry.

Chapter 5 Managers and Staff

Article 24. The company may have managers, whose hiring, dismissal and remuneration shall be in accordance with Article 29 of the Company Law.

Article 25. The company may hire consultants or important staff by board resolution.

Chapter 6 Closing

Article 26. The board of directors shall prepare the following statements at the end of the company's accounting year, submit them to the Audit Committee for inspection 30 days prior to the general shareholder meeting and then submit them to the general shareholder meeting for recognition:

(1) Business report, (2) financial statements, (3) profit distribution or loss compensation proposal.

Article 26-1. When distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. The distribution of compensation to employees and directors shall be resolved with a majority vote of directors attended by at least two-thirds of total directors and reported to the shareholder's meeting.

Compensation to employees can be distributed in the form of shares or in cash and employees of parents or subsidiaries of the company meeting certain conditions set by the company can receive it as well.

Article 27. The company's surplus earning distribution or loss off-setting proposal may be proposed after the end of each half fiscal year.

When distributing the surplus earnings for each half fiscal year, the company shall first estimate and reserve the taxes to be paid, offset its losses, estimate and reserve the amount of employees' and directors' compensation, set aside or reverse a legal capital reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the company, then set aside a special capital reserve in accordance with law and the competent authority.

If there is a balance left over, the balance, together with the accumulated undistributed surplus in the previous period, shall be drafted by the board of directors for a distribution proposal. When the company distributes its surplus by issuing new shares, it shall follow the Article 240 of the Company Act; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors.

If there is a surplus earning following annual closing, the company shall first pay the taxes and offset its losses, then distribute it in the following order:

1. Set aside a 10% legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply;
2. Special reserve in accordance with law and the competent authority.
3. If there is a balance left over, the balance, together with the accumulated undistributed surplus in the previous period, shall be drafted by the board of directors for a distribution proposal. When the company distributes its surplus by issuing new shares, it shall be resolved at the shareholders' meeting; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting.

In accordance with the Article 241 of the Company Act, when the company distributes its legal reserve and the capital reserve, in whole or in part, by issuing new shares or by cash distribution which shall be distributed as dividend shares to its original shareholders in proportion to the number of shares being held by each of them, it shall be distributed in accordance with the resolution in the preceding paragraph.

The company reserves a portion of the surplus depending on its current environment, growth stage and long term financial planning. The remaining amount will be distributed by the board of directors as shareholder dividend based on the capital situation and economic development of the current year and cash dividend shall account

for 10% or more of the total shareholder dividend.

Chapter 7 Miscellaneous

Article 28. The enforcement rules of the company's articles of association shall be further determined by the board of directors.

Article 29. Any matter not provided for under these articles of association shall be in accordance with the Company Law or other legislations.

Article 30. These articles of association were established on 10 February, 1979.

First amendment was made on 23 July, 1981.

Second amendment was made on 7 February, 1983.

Third amendment was made on 8 September, 1984.

Fourth amendment was made on 29 July, 1991.

Fifth amendment was made on 15 December, 1993.

Sixth amendment was made on 21 January, 1994.

Seventh amendment was made on 27 July, 1995.

Eighth amendment was made on 28 March, 1997.

Ninth amendment was made on 15 November, 1999.

Tenth amendment was made on 1 December, 2001.

Eleventh amendment was made on 12 March, 2002.

Twelfth amendment was made on 5 April, 2002.

Thirteenth amendment was made on 20 June, 2002.

Fourteenth amendment was made on 3 May, 2004.

Fifteenth amendment was made on 29 October, 2004.

Sixteenth amendment was made on 3 May, 2005.

Seventeenth amendment was made on 10 November, 2008.

Eighteenth amendment was made on 16 June, 2009.

Nineteenth amendment was made on 4 November, 2009.

Twentieth amendment was made on 10 June, 2010.

Twenty first amendment was made on 15 June, 2011.

Twenty second amendment was made on 18 June, 2012.

Twenty third amendment was made on 28 May, 2015.

Twenty fourth amendment was made on 31 May, 2016.

Twenty fifth amendment was made on 26 May, 2017.

Twenty sixth amendment was made on 30 May, 2018.

Twenty seventh amendment was made on 29 May, 2019.

Twenty eighth amendment was made on 26 May, 2022.

Twenty ninth amendment was made on 24 May, 2024.

Acter Group Corporation Limited

Chairman: Liang, Chin-Li

Appendix 2: Rules of Procedure for Shareholder Meetings

Rules of Procedure for Shareholder Meetings

Article 1. Basis and Purpose of Establishment

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. Scope

The company's shareholder meetings shall be carried out in accordance with these rules.

Article 3. Definition

Shareholders referred to in these rules mean the shareholders themselves, solicitors and proxies.

Article 4. 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 5. Convening Shareholder Meetings and Meeting Notices

Unless otherwise provided by law, the company's shareholder meetings shall be convened by the board of directors.

Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a virtual shareholders meeting shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

Changes to how the company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of 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. If, however, the company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 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.

The company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.

2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

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 dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders. None of the above matters may be raised by an extraordinary motion.

If the meeting notice has specified the re-election of directors and the date they assumed their duties, as the re-election is completed on the shareholders' meeting, resolution of assuming date should not be changed by means of an extraordinary motion or other means in the same meeting.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the company a proposal for discussion at a regular shareholders meeting. Such proposals are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, 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. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the company shall publicly announce that it will receive shareholder proposals in writing or by way of electronic transmission, 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 6. Attending Shareholder Meetings by Proxy and Authorization

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 5 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.

After a proxy form has been delivered to the company, if the shareholder intends to attend the meeting in person, a written notice of proxy cancellation shall be submitted to the company before 2

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.

If, after a proxy form is delivered to the company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the company 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.

Article 7. Principles determining the time and place of a shareholders meeting

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.

The restrictions on the place of the meeting shall not apply when the company convenes a virtual-only shareholders meeting.

Article 8. Preparation of Documents such as Attendance Book

The company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The company may not freely add other supporting documents that shareholders attending meetings should present. 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.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the company two days before the meeting date.

In the event of a virtual shareholders meeting, the company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 8-1. Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice

To convene a virtual shareholders meeting, the company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

- (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - (3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.

Article 9. The chairman and non-voting participants of a shareholders meeting

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 chairman, or, if there are no managing directors, one of the directors shall be appointed to act as chairman. 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 chairman.

When a managing director or a director serves as chairman, 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 chairman.

The Chairman shall preside over shareholders' meetings called for by the Board of Directors in person and more than half of all Board directors plus at least one member from respective functional committees shall attend the meetings and document their attendance in shareholders' meeting minutes.

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

The tasks of the chairman are as follows:

1. Calling the general meeting to order at the time scheduled and adjourning or recessing the meeting, and presiding over the meeting in accordance with the procedure.
2. Maintaining the order at the meeting place and ensuring the compliance with the Rules of Procedure.
3. Admitting the status of spokesman.
4. Referring the motions.

5. Calling to discuss and vote of proposals in order and announcing the voting results.
6. Signing the meeting minutes and relevant documents.
7. Replying to all the parliamentary inquiries and determining the question of privilege and point of order.

Article 10. Audio or Video Recording of Shareholder Meetings Proceedings

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 and retain them for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, the company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 11. Calculation of Shares Represented in Shareholder Meeting and Proceeding with the Meeting

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 and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairman shall call the meeting to order at the appointed meeting time and announce the relevant information such as the number of non-voting rights and the number of shares present. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 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. In the event of a virtual shareholders meeting, the company shall also declare the meeting adjourned at the virtual meeting platform.

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 Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the company in accordance with Article 8.

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

Article 12. Discussions of Proposals

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant proposals (including the extraordinary motions or amendment of the existing proposals) shall be resolved case by case. 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 chairman 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 chairman 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 chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chairman 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 chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed, call for a vote, and arrange an adequate time to vote.

Article 13.Shareholder speech

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 chairman.

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 chairman, 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 chairman 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 chairman and the shareholder that has the floor; the chairman 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 chairman may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 14.Calculation of voting shares and recusal system

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 3 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 15. Voting of Resolution, Voting Supervision and Vote Counting

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.

When the company holds a shareholders' meeting, it shall adopt electronic voting and may allow the shareholders to exercise voting rights in writing. When voting rights are exercised in writing or by electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights in writing or by electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights in writing or by electronic means under the preceding paragraph shall deliver a written declaration of intent to the company before 2 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.

After a shareholder has exercised voting rights in writing or by electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, 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, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or by electronic means shall prevail. When a shareholder has exercised voting rights both in writing or by 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.

If a shareholder of a company whose shares have been issued in public holds shares for others, such shareholder may exercise his/her/its voting power separately.

When there is an amendment or an alternative to a proposal, the chairman 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 chairman, 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 convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the company convenes a hybrid shareholders meeting, if shareholders who have registered to

attend the meeting online in accordance with Article 8 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 16.Election Matters

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, and the list of unsuccessful directors and supervisors and the number of voting rights they have obtained.

Where re-election of all directors is effected, by a resolution adopted by a shareholders' meeting, prior to the expiration of the term of office of existing directors, and in the absence of a resolution that existing directors will not be discharged until the expiry of their present term of office, all existing directors shall be deemed discharged in advance. The aforesaid resolution of re-election shall be attended by shareholders who represent more than one-half of the total number of issued and outstanding shares

The ballots for the election referred to in paragraph 1 shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 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 17.Meeting Records and Signature Matters

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 chairman 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 Market Observation Post System.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, a summary of the deliberations, and the voting results (including the weighted voting). When an election of directors is held, the number of weighted votes each candidate wins shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the company.

Where a virtual 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 chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 18.Public Disclosure

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 proxies, and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During the company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released 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 Market Observation Post System within the prescribed time period.

Article 19.Maintaining order at the meeting place

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

The chairman 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 bearing the word "Proctor."

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 chairman may prevent the shareholder from so doing.

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

Article 20.Recess and resumption of a shareholders meeting

When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman 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 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 5 days in accordance with Article 182 of the Company Act.

Article 21.Disclosure of information at virtual meetings

In the event of a virtual shareholders meeting, the company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 22.Location of the chair and secretary of virtual-only shareholders meeting

When the company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair or the designated person shall declare the address of their location when the meeting is called to order.

Article 23.Handling of disconnection

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair or the designated person shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations

Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the first paragraph, the company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.

Article 24. Handling of digital divide

When convening a virtual-only shareholders meeting, the company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.

Article 25. Implementation

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Article 26. Establishment and Amendment Dates

These rules were established on 3 May 2005.

These rules were amended on 16 June 2009.
These rules were amended on 15 June 2011.
These rules were amended on 18 June 2012.
These rules were amended on 19 June 2013.
These rules were amended on 28 May 2015.
These rules were amended on 27 May 2020.
These rules were amended on 23 July 2021.
These rules were amended on 26 May 2022.
These rules were amended on 24 May 2024.

Appendix 3: Rules of Procedure for Board of Directors Meeting< Before the revision >

Rules of Procedure for Board of Directors Meeting

Article 1. Purpose and Basis of Establishment

These rules are established in accordance with the “Board Meeting Rules for Publicly Traded Companies” and Article 31 of the “Practical Rules for Governance of Publicly Traded Companies” in order to establish good governance system for the company’s board of directors, sound supervision functions and reinforced management functions.

Article 2. Scope of Rules

Unless otherwise provided by relevant legislations or the company’s articles of association, meeting rules of the company’s board of directors shall be in accordance with these rules.

Article 3. Convening and Notice of Meetings

The company’s board of directors shall meet at least once every quarter. The agenda shall be specified when a meeting is convened and notified to all directors seven days in advance. However, a meeting may be convened at any time in case of emergency.

The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients.

In case of any event under Section 1, Article 8, the matter shall be included in the agenda for convening the meeting and shall not be raised as motion.

Article 4. Principles for Meeting Location and Time

Board meetings shall be held in the company’s location and within the company’s business hours or any other location or time that allows the directors to be present and appropriate for convening a board meeting.

Article 5. Meeting Notice and Meeting Information

For regular board meetings convened by the company, the meeting affairs department designated by the board of directors shall seek each director’s opinions in advance in order to plan and prepare the agenda for the board meeting. All directors shall be notified according to the time provided under Section 1, Article 3 to attend the meeting. Audit supervisors shall also be invited to attend the meeting. Sufficient meeting information shall be provided and sent together with the notice to convene the meeting.

If any director deems that the meeting information is not sufficient, it may request the meeting affairs division to supplement the information. If any director deems that the proposal information is not sufficient, the board of directors may resolve to postpone the discussion.

Article 6.Preparation of Documents such as Attendance Sheet and Director Attendance by Proxy

When the company convenes a board meeting, an attendance sheet shall be prepared for signatures by attending directors. Directors shall attend board meetings in person. Any director who cannot attend the meeting in person may appoint another director as his representative to attend the meeting in accordance with the articles of association. Any director attending the meeting through video conference shall be deemed to have participated in the meeting in person.

When a director appoints another director to attend the board meeting on his behalf, a proxy shall be issued each time and the scope of authorization for the items under the agenda shall be specified. A proxy holder shall represent no more than one person.

Article 7.Agenda

The agenda of a regular board meeting shall include at least the following:

1. Report Items:
 - (1) Records and execution status of last meeting.
 - (2) Report about important financial activity.
 - (3) Report about internal audit activity.
 - (4) Other important report items.
2. Discussion Items:
 - (1) Discussion items reserved since last meeting.
 - (2) Discussion items of this meeting.
3. Motions.

Article 8.Matters subject to Board Discussion

The following matters of the company shall be subject to discussion by the board of directors:

1. The company's operational plan.
2. Annual financial report, and financial reports for the second quarter, audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Procedure for significant financial activities such as acquisition or disposal of asset, derivative product transaction, capital lending, endorsement or guarantee established or amended in accordance with Article 36-1 of the Securities Transaction Act.
5. Placement, offer or private placement of securities in the nature of share entitlement.
6. If the board of directors does not have managing directors, the election or discharge of the chairman of the board of directors.
7. Dismissal of finance, accounting or internal audit supervisor.
8. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.

9. Significant matters subject to shareholder resolution or board resolution or rules by the competent authority in accordance with Article 14-3 of the Securities Transaction Act and other legislations or articles of association.

The term “related party” in subparagraph 8 of the preceding paragraph means a related party as defined in the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.”

The term “major donation to a non-related party” means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term “within a 1-year period” in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10, 2.5 percent of shareholders’ equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under this paragraph.

At least one independent director shall attend the board meeting in person. For any matter that shall be submitted to the board of directors for approval under paragraph 1, all independent directors shall attend the meeting in person. If an independent director is unable to attend in person, it shall appoint another independent director to attend on his behalf. If the independent director has any objection or reservation opinion, it shall be included in the minutes of the board meeting. If the independent director cannot attend the meeting in person to express his objection or reservation opinions, unless there is justifiable reason, a written opinion shall be provided in advance and recorded in the minutes of the board meeting.

Article 9. Authorization Principle

Other than matters subject to discussions by the board of directors of the company under Section 1, Article 8, the chairman may be authorized by the board of directors in accordance with law or articles of association to exercise the duties of the board of directors during recess period of the board of directors. The scope of authorization is as follows:

1. Duties that may be authorized by the board of directors in accordance with law.
2. Provisions under the “Delegation of Authority Table” of the company.
3. In accordance with the company’s management charter, system and rules.
4. Appointment of directors and supervisors of subsidiaries.
5. Determination of record date for capital increase or capital decrease and record date for cash dividend distribution.
6. All other important company matters that are not restricted by law, articles of association, shareholder resolution and board resolution, provided that matters involving company’s important interest shall still be resolved by the board of directors.

Article 10. Chairman and Representative

Where a meeting of the board of directors is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

If the chairman is on leave or cannot exercise the duty due to any reason, the vice chairman shall perform such duty. If there is no vice chairman or if the vice chairman is also on leave or cannot exercise the duty due to any reason, the chairman shall appoint one managing director to serve the duty. If there is no managing director, one director shall be appointed. If the chairman does not make an appointment, one person shall be elected from among the managing directors or directors.

Article 11. Reference Information and Attendees

When the company convenes a board meeting, the meeting affairs department designated by the board of directors shall prepare relevant information for reference at any time by participating directors.

As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants, to report about the business status of the company, to answer questions raised by the directors and to assist directors to understand the current status of the company and make appropriate resolutions.

When necessary, certified public accountants, attorneys, or other professionals retained by the company may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

Article 12. Procedure for Convening Meeting

The chairman of the board of directors shall announce the start of the meeting when the majority of all directors attend the meeting upon the meeting time.

However, if less than the majority of all directors attend the meeting upon the meeting time, the chairman may declare a postponement of the meeting. There shall be no more than two postponements. If the quorum is still not met after two postponements, the chairman shall re-convene the meeting in accordance with Section 1, Article 3 and shall not make any provisional resolution for the issues to be discussed in such board meeting.

All directors referred to above means directors actually in place.

Article 13. Discussion

Discussions in board meetings shall be carried out in accordance with the agenda fixed in the meeting notice. However, the order can be changed by agreement by the majority of attending directors. Without the consent by the majority of attending directors, the chairman shall not announce the end of the meeting.

During the proceeding of the board meeting, if the number of directors present is less than the majority of the attending directors and if a director present proposes a suspension, the chairman shall declare the suspension of the meeting and section 2 of the previous articles shall be applied mutatis mutandis. During the meeting, the chairman may declare recess or negotiation in consideration of the time.

After the attending directors speak, the chairman may give feedback, designate relevant staff to provide feedback or designate a professional attending the meeting to provide relevant and required information.

If any director speaks repeatedly about the same issue or if the opinion is outside the scope of the issue under discussion, affecting opinions to be stated by other directors or interfering with the proceedings of the meeting, the chairman may prevent such director from speaking.

Article 14. Voting Method

When the chairman considers that an issue has been duly discussed and that voting may take place, he may declare the end of discussion and propose voting.

When an issue is voted upon, if the chairman consults the attending directors and if there is no objection, the resolution shall be deemed passed with the same effect as passing a resolution by voting. If there is any objection after the chairman's consultation, the issue shall be subject to voting.

Voting shall take place in one of the following manners chosen by the chairman. If any attendee has any objection, the decision shall be made based on majority opinion:

1. Voting by show of hands or voting device.
2. Voting by verbal statement.
3. Voting by ballots.
4. Voting method chosen by the company.

Directors present under the previous two sections shall not include any director who is not allowed to exercise voting right in accordance with Section 1, Article 16.

Article 15. Voting, Vote Supervision and Vote Calculation Method

Unless otherwise provided by the Securities Transaction Act and the Company Law, resolutions by the board of directors of the company shall be approved by a majority of directors present in a meeting that is attended by the majority of all directors.

If any proposal is amended or replaced by an alternative proposal, the chairman shall decide the voting order together with the original proposal. If one of the proposals has already been passed, the

other proposals shall be deemed denied and no further voting shall be necessary.

If voting for an issue requires vote supervision and vote calculation staff, the chairman shall designate such staff, provided that the vote supervision staff shall be a director.

The result of voting shall be reported and recorded immediately.

Article 16.System of Interest Avoidance

Directors and other corporate representatives shall have a high degree of self discipline. During review of the following agendas, they may state the important aspects of the interested party relationship at the respective meeting and reply to questions but may not participate in the discussion or voting, should excuse themselves during discussion and voting and shall not exercise voting rights on behalf of other directors:

1. A director or a juristic person that the director represents is an interested party in relation to an agenda item and therefore prejudice the interest of the company.
2. The director deems avoidance necessary.
3. Avoidance is resolved by the board of directors.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

Regarding board resolutions and directors who shall not exercise voting rights in accordance with the two preceding section, Section 2, Article 180 of the Company Law shall be applied *mutatis mutandis* in accordance with Section 4, Article 206.

Article 17.Meeting Records and Signatures

Discussions in board meetings shall be recorded into the minutes. The minutes shall record the following matters in detail:

1. Term (or year) of the meeting, time and location;
2. Chairman's name;
3. Director attendance status, including names and numbers of attendees, those on leave and those absent;
4. Names and titles of attendees;
5. Name of minutes taker;
6. Report matters;
7. Discussion matters: Resolution method and result of each proposal, summary opinions by directors, experts and other persons, the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal, objection or reservation opinions with records or written statements, and written opinions of independent directors issued in accordance with Section 5,

Article 8.

8. Motion: Name of proposer, resolution method and result of proposal, summary opinions of directors, experts and other persons, the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal, and objection or reservation opinions with records or written statements.

9. Other matters to be recorded.

The meeting affairs staff of the board of directors shall properly compile and record meeting reports.

If any of the following matters is discussed in a board meeting, in addition to recording it in the minutes, public announcement shall also be made on the information declaration website designated by the competent authority within 2 days from the date of the board meeting:

1. Matters for which independent director has any objection or reservation opinion with record or written statement.
2. Matters not approved by the audit committee of any company that has an audit committee and approved by 2/3 of all directors.

The attendance sheet of the board of directors is part of the minutes and should be maintained properly during the validity period of the company.

Minutes shall be signed with seal affixed by the chairman and minute keeper of the meeting and distributed to each director within 20 days from the meeting. Minutes shall be included as important files of the company and shall be maintained properly and permanently during the validity period of the company.

The preparation and issuance of the minutes under the first section may be done in electronic manner.

Article 18. Video or Audio Recording of Meeting

The proceedings of board meetings shall be fully recorded or videotaped and shall be kept for at least 5 years, which may be done in electronic manner.

Before expiry of the period of safekeeping under the previous section, in case of any litigation in relation to any matter resolved by the board of directors, the relevant audio or video recording information shall be kept until the end of litigation.

For any meeting held through video conference, the video and audio information are part of the meeting minutes and shall be kept properly within the validity period of the company.

Article 19. Public Announcement

If any matter resolved by the board of directors involves significant information defined by legislation or rules of the Gre-Tai Securities Market of the R.O.C., the company shall make public announcement on the information declaration website designated by the competent authority within

the stipulated deadline.

Article 20.Cancellation of Board Meeting

If any board meeting of the company must be cancelled due to any special situation after the notice of meeting has been sent to each director, the person convening the meeting shall inform each director in writing at least three days prior to the original meeting date. In case of any sudden incident rendering it necessary to cancel the originally scheduled board meeting and the directors cannot be notified within the above deadline, the person convening the meeting may inform the directors by telephone or in other manner at least three hours prior to the originally scheduled meeting time and confirm that each director has received the notice.

Article 21.Implementation

The establishment of these meeting rules shall be approved by the board of directors of the company, and submitted and reported to the shareholder meeting. Any subsequent amendment hereof may be resolved by the board of directors under authorization.

Article 22.Date of Implementation and Amendment

These rules were established on June 16, 2009.

These rules were amended on March 25, 2011.

These rules were amended on April 30, 2012.

These rules were amended on October 30, 2012.

These rules were amended on July 30, 2015.

These rules were amended on August 10, 2017.

These rules were amended on February 27, 2020.

These rules were amended on November 6, 2020.

These rules were amended on November 4, 2022.

Appendix 4:Shareholding of Directors

1. As of March 24, 2025, the company's registered capital is NT\$720,000,000, the issued capital of the company is NT\$620,404,650, with a total issued common shares of 124,080,930.
2. As the independent director of the company exceed one-half of the total directorships, and the company has established the audit committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for directors and supervisors do not apply.
3. As of March 24, 2025, the actual collective shareholdings of directors were shown as below:

Position	Name	Date elected	Term (Years)	Directors	
				Shares	Shareholding ratio
Chairman	Liang, Chin-Li	May 24, 2024	3	4,609,734	3.72%
Directors	Hu, Tai-Tsen	May 24, 2024	3	1,307,178	1.05%
Directors	Xiang-Hui Development Co., Ltd. Representative: Wu, Pi-Huei	May 24, 2024	3	5,395,776	4.35%
Independent Director	Huang, Tzu-Pei	May 24, 2024	3	0	0.00%
Independent Director	Chi, Chih-Yi	May 24, 2024	3	0	0.00%
Independent Director	Chiu, Hui-Yin	May 24, 2024	3	0	0.00%
Independent Director	Liang, Lien-Wen	May 24, 2024	3	0	0.00%
combined shareholding of all directors				11,312,688	9.12%

Appendix 5:Directors and employees compensation

Unit : NTD\$

Items	The Board adopted a proposal(A)	already expensed under the Company's 2024 income statements(B)	DIF (A-B)	Difference reason and dealing with the situation
Employees' stock compensation	0	0	0	No different
Employees' cash compensation	201,677,475	201,677,475	0	
Directors' compensation	100,838,737	100,838,737	0	

Appendix 6: The other explanation

1. The company's response about shareholder's proposal in this Annual Shareholder's Meeting:
 - (1) According to the article 172-1 of the Company Act, Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal and the number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words.
 - (2) The company has announced on the Market Observation Post System that the shareholders can submit a written proposal for discussion at the shareholders meeting. The period is March 14, 2025 to March 24, 2025.
 - (3) The company had not received any proposals from shareholders.