

Stock Code: 6613



NOVA TECHNOLOGY CORP.

Handbook for the 2025

Annual Meeting of Shareholders

(Translation)

Notice to readers

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

MEETING TIME: May 20, 2025

Table of Contents

A.	Meeting Procedure	3
B.	Meeting Agenda	4
	1. Report Items	6
	2. Proposed Resolutions	8
	3. Discussion Items	10
	4. Elections Items	10
	5. Other Matters.....	11
	6. Questions and Motions.....	11
	7. Adjournment.....	11
C.	Attachments	12
	1. Business Report.....	12
	2. 2024 Independent Auditors' Report and Financial Statements	16
	3. Audit Committee's Review Report.....	33
	4. Collection of 2024 Remuneration to the Directors	34
	5. Comparison Table of the Corporate Governance Best Practice Principles	35
	6. Comparison Table of the Rules of Procedure for Board of Directors Meeting.....	37
	7. Comparison Table of the Articles of Incorporation	39
	8. The qualification of the nominated	41
	9. Adjunct Positions of the directors (including independent directors)	44
D.	Appendices	45
	1. Corporate Governance Best Practice Principles < Before the revision>	45
	2. Rules of Procedure for Board of Directors Meeting< Before the revision>....	65
	3. Articles of Incorporation < Before the revision>	71
	4. Rules of Procedure for Shareholder Meetings	79
	5. Procedures for Election of Directors.....	90
	6. Shareholding of All Directors	93
	7. The other explanation.....	94

A. Meeting Procedure

NOVA TECHNOLOGY CORP.

Procedure for the 2025 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairman Remarks
3. Report Items
4. Proposed Resolutions
5. Discussion Items
6. Elections Items
7. Other Matters
8. Questions and Motions
9. Adjournment

B. Meeting Agenda

NOVA TECHNOLOGY CORP.

2025 Annual Shareholders' Meeting Agenda

(Translation)

Time : 9:00 a.m on Tuesday, May 20, 2025

Place : 2F, No.76, Sec.2, Jiafeng S. Rd., Zhubei City, Hsinchu County 302054,
Taiwan (Zenfar APEC business center)

Meeting type : Hybrid Shareholders' Meeting
(physical shareholders meeting supported by video conferencing)

E-Meeting Platform : Taiwan Depository & Clearing Corporation
(<https://stockservices.tdcc.com.tw/evote/index.html>)

Chairman : Mr. Chin-Li Liang, Chairman of the Board of Directors.

1. Call the Meeting to Order

2. Chairman Remarks

3. Report Items

- (1) To report the business of 2024.
- (2) 2024 Audit Committee's Review Report.
- (3) To report 2024 remuneration to directors and employees' compensation.
- (4) To report the cash dividend distribution of 2024.
- (5) To report the collection of 2024 remuneration to the directors.
- (6) To report the amendments of the Company's "Corporate Governance Best Practice Principles" and "Rules of Procedure for Board of Directors Meeting".
- (7) Status of implementation of the 1th domestic unsecured convertible bonds.

4. Proposed Resolutions

- (1) To approve 2024 Business Report and Financial Statements.
- (2) To approve the proposal for distribution of 2024 profits.

5. Discussion Items

- (1) To amend the Company's "Articles of Incorporation".

6. Elections Item

- (1) To elect 7 members of the 11th Board of Directors. (Including 4 independent directors)

7. Other Matters

- (1) To release the directors from non-competition restrictions.

8. Questions and Motions

9. Adjournment

Report Items

Report No. 1 : To report the business of 2024. (Proposed by the Board of Directors)

Explanation : For the company's 2024 business reports and financial related statements are attached hereto as Attachments 1 and 2. (page 12 ~ 32)

ReportNo. 2 : 2024 Audit Committee's Review Report. (Proposed by the Board of Directors)

Explanation : The Audit Committee's Review Report is attached hereto as Attachment 3. (page 33)

Report No. 3 : To report 2024 remuneration to directors and employees' compensation. (Proposed by the Board of Directors)

Explanation :

- (1) According to the Article 19-1 of the Articles of Incorporation.
- (2) The company proposed to allocate 5% for employee compensation (not less than 3%) in the amount of NT\$85,291,374. It also planned to allocate 2% for the remuneration of directors (not higher than 5%) in the amount of NT\$34,116,550. The employees' and directors' remuneration are to be distributed in cash. There is no difference between the amount of employees' and directors' remuneration recognized in the 2024 financial statements.

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

Explanation : Cash dividends on common shares for the first half of 2024 at the total amount of NT\$225,759,063 (NT\$2.90173206 per share) were distributed on March 14, 2025; cash dividends on common shares for the second half of 2024 at the total amount of NT\$700,213,365 (NT\$9 per share). When distributing cash dividends, 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 up to the next NT dollar. The resulting difference shall be recognized as a Company expense. If the distribution of earnings for the second half of the 2024 needs to be adjusted due to a change in the total number of the Company's outstanding shares, resulting in a change in the dividend

payout ratio, it is proposed to authorize the Chairman to handle the matter at his discretion.

Report No. 5 : To report the collection of 2024 remuneration to the directors.
(Proposed by the Board of Directors)

Explanation :

(1) Policies, standards, and packages, procedure for determining remuneration to Directors and Independent Directors, and linkage thereof to operating performance and future risk exposure:

I. Director

Remuneration for directors shall be determined according to the company's Regulations Governing Remuneration Paid to Directors and Functional Committee. And include corporate sustainability indicators such as legal compliance, corporate governance, risk control, corporate social responsibility. Remuneration for directors includes transportation and attendance fare for directors per meeting. According to Article 19-1 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 income before tax exclude the amount of employees' and directors' remuneration as remuneration to directors and is stipulated with the Company's performance. The remuneration to directors shall be approved by Remuneration Committee and Board of Directors. The Directors' remuneration will not be paid to Independent Directors.

II. Independent Director

Remuneration for Independent directors shall be determined according to the company's Regulations Governing Remuneration Paid to Directors and Functional Committee. Remuneration for independent directors includes fixed fee, transportation and attendance fee per meeting. 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 remuneration.

(2) The collection of 2024 remuneration to the directors is attached hereto as Attachment 4 (page 34).

Report No. 6 : To report the amendments of the Company's "Corporate Governance Best Practice Principles" and "Rules of Procedure for Board of Directors Meeting".

(Proposed by the Board of Directors)

Explanation : In order to conform to the amendments of related laws and meet the needs of the company's operations, the company hereby amended "Corporate Governance Best Practice Principles" and "Rules of Procedure for Board of Directors Meeting" are attached hereto as Attachments 5 and 6 (page 35 ~ 38).

Report No. 7 : Status of implementation of the 1th domestic unsecured convertible bonds.

(Proposed by the Board of Directors)

Explanation : The Company's 1st domestic unsecured convertible bonds issued in 2022, totaling 8,000 bonds, were fully converted on January 22, 2025, resulting in the issuance of a total of 9,945,485 common shares.

Proposed Resolutions

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

Explanation :

(1) The Parent Company Only Financial Statements and Consolidated Financial Statements of the Company in 2024 have been approved at the Board of Directors on February 25, 2025 and audited by Chien-Hui Lu and Cheng-Hsueh Chen the CPA of KPMG Firm. The Financial Statements mentioned above, along with Business Report, have been verified by the Audit Committee and the review report was issued, accordingly.

(2) 2024 Business Report, Independent Auditors' Report, and the aforementioned Financial Statements are attached hereto as Attachments 1 and 2. (page 12 ~ 32)

Resolution :

Proposal No. 2 : To approve the proposal for distribution of 2024 profits.
(Proposed by the Board of Directors)

Explanation : The 2024 Profit Distribution Table as follows:

**NOVA TECHNOLOGY CORP.
PROFIT DISTRIBUTION TABLE
Year 2024**

Unit: NTD	
Beginning retained earnings	1,013,119,921
Less: Remeasurement of Defined Benefit Obligation	340,000
Less: Subsidiary capital increase and share-based compensation transactions	27,847,477
Add: Net Income of 2024	1,278,792,751
Less: 10% Legal reserve	125,060,527
Retained Earnings Available for Distribution as of December 31, 2024	2,138,664,668
Distribution items:	
Less: Cash Dividend to shareholders in the first half of 2024	225,759,063
Less: Cash Dividend to shareholders in the second half of 2024	700,213,365
Unappropriated retained earnings	1,212,692,240

Note 1: Cash dividend distribution has been resolved by the Board of Directors and reported to this shareholder's meeting.

Note 2: If the distribution of earnings for the second half of the 2024 needs to be adjusted due to a change in the total number of the Company's outstanding shares, resulting in a change in the dividend payout ratio, it is proposed to authorize the Chairman to handle the matter at his discretion.

Resolution :

Discussion Items

Proposal No. 1 : To amend the Company's "Articles of Incorporation". (Proposed by the Board of Directors)

Explanation : In order to conform to the amendments of related laws and meet the needs of the company's operations, the company hereby amended "Articles of Incorporation" is attached hereto as Attachment 7 (page 39 ~ 40).

Resolution :

Elections Items

Proposal No. 1 : To elect 7 members of the 11th Board of Directors. (Including 4 independent directors) (Proposed by the Board of Directors)

Explanation :

- (1) The term of directors of the 10th Board will expire on May 23, 2025. According to the Article 192-1 and 199-1 of Company Act and Article 14 of Articles of Incorporation, the company proposes to re-elect new Board members at this year's Annual Shareholders' Meeting.
- (2) According to the Article 7 of the Procedures for Election of Directors and Article 14 of Articles of Incorporation, the company proposes to duly elect 7 new Board members by nomination. (including 4 independent directors) The tenure of newly elected directors shall be 3 years, commencing on May 20, 2025 and expiring on May 19, 2028.
- (3) The qualification of the nominated. Please refer to Attachment 8 (page 41~ 43) for details.

Voting by Poll :

Other Matters

Proposal No. 1 : To release the directors from non-competition restrictions.
(Proposed by the Board of Directors)

Explanation :

- (1) According to Paragraph 1, Article 209 of Company Act, 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 proposed to submit to the 2025 Annual Meeting for approval on the lifting of newly-elected directors of non-competition restrictions directors, who participate in the operations of other company that engages in the same or similar business as the Company. Please refer to Attachment 9 (page 44) for details.

Resolution :

Questions and Motions

Adjournment

Business Report of 2024

2024 Business Review

A. Implementation results of business plan

Nova Tech has built a solid reputation and a stable customer base in the high-tech industry over many years. In recent years, the strong demand for semiconductor expansion across the Taiwan Strait has led to significant growth in overall revenue and profit. In 2024, the consolidated operating revenue reached NTD10,382 million, an increase of 13.6% compared to 2023. In terms of profit, the consolidated net profit attributable to the parent company in 2024 was NTD 1,279 million, an increase of 22.7% compared to 2023.

Unit: NTD thousands, %

Item	2024	2023	Diff.
Operating revenue	10,382,310	9,139,994	13.6
Operating Cost	7,287,607	6,815,037	6.9
Gross profit	3,094,703	2,324,957	33.1
Operating expenses	1,172,540	847,646	38.3
Operating income	1,922,163	1,477,311	30.1
Non-Operating income and expenses	168,711	91,233	84.9
Income before income taxes	2,090,874	1,568,544	33.3

(1) State of 2024 budget implementation :

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

(2) Financial structure and profitability

Item		2024	2023	
Financial Structure	Debt to asset ratio (%)	46.63	53.85	
	Long-term capital to property, plant and equipment (%)	1,608.96	1,356.49	
Solvency	Current ratio (%)	212.42	187.35	
	Quick ratio (%)	140.21	98.31	
Profitability	Return on assets (%)		13.36	10.89
	Return on stockholders' equity (%)		26.45	25.33
	Ratio to issued capital (%) (Note)	Operating income	38.66	40.21
		Pre-tax income	42.06	43.74
	Profit ratio (%)		14.51	12.62
	Basic after-tax EPS (NTD) (Par value NT\$5 per share)		17.10	14.95

Note: 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.

B. Technology and R&D Overview:

Although facing the overall economic slump, Nova Tech actively invests in R&D aspect. The R&D department continuously develops various innovative engineering methods and equipment improvements for different industries and projects in order to meet customers' needs and enhance our advantages. Including the development of the online mixed acid system,

optimization of cleaning machines, etc.

Business Plan for 2025

A. Business objectives

- (1) Implement corporate governance and deepen corporate culture.
- (2) Sustaining the relationship with existing customers in Taiwan, mainland China and Other Asia, developing new customers to improve operational efficiency.
- (3) Strengthen cooperation with international partners and collaborate with universities to develop the professional and technical capabilities of green energy, water resources engineering as well as high-tech manufacture equipment.
- (4) Recruiting multiple talents and actively training management teams.

B. Sales forecast and sales policy

The supply and demand status of the foundry market in the medium to long term will gradually shift towards a more diversified capacity layout across different regions. According to the SEMI International Semiconductor Industry Association's Global Fab Forecast report for the fourth quarter of 2024 (covering 2023 to 2025), the global semiconductor industry plans to launch up to 97 new high-capacity fabs during this period, including 48 fabs to be commissioned in 2024 and 32 fabs in 2025. The wafer sizes range from 12 inches to 2 inches. By 2025, 18 new fabs will be under construction, including three 8-inch fabs and 15 12-inch fabs. Most of these fabs are expected to begin mass production between 2026 and 2027. This capacity expansion is primarily driven by the ongoing demand in front-end logic technology for high-performance computing (HPC) applications and the continued rise of generative AI penetration in edge devices. To meet the growing computational demand of large language models (LLM), the semiconductor industry is accelerating the establishment of advanced computing capabilities. Major chipmakers are actively expanding their advanced process capacities (7nm and below), with an annual growth rate surpassing the industry average, reaching 16%. By 2025, monthly capacity will increase by 300,000 wafers, reaching 2.2 million wafers per month. Mainstream processes (8nm to 45nm) are also expected to see a 6% increase in capacity, driven by China's chip self-sufficiency strategy and anticipated demand from automotive and IoT applications, reaching the milestone of 15 million wafers per month by 2025.

Future development strategy

High-tech process supply systems are mainly used in semiconductor, optoelectronics, and other high-investment industries, where safety and quality requirements are competitive. The technology and demand of high-tech industries are changing with each passing day, which can adapt to the changes in the market and raise the development of the business, so that they can survive and grow rapidly under the elimination mechanism of market. In the situation where the competition between domestic and foreign peers has become more intense, technological capabilities, scale economies, efficiency enhancement, and integration services are the winning factors. In view of this, the company continued to carry out research and development of related products, seeking cooperation between domestic and foreign advanced products and manufacturers, and constantly self-improvement, in response to market demand and future development. The Company will seek for the opportunities in integration of industrial up-stream and down-stream to increase the overall synergy.

Due to climate and environmental changes, water shortages are spreading throughout the world. The World Meteorological Organization predicts that one billion people will face drinking water crisis in the global coastal areas in 2050. Our company has cooperated with international water resources professional companies to develop water resources related system equipment and engineering to provide customers with the best solutions and services, and to take the responsibilities of global citizens.

The impact of the External Competitive Environment, Regulatory Environment and Macroeconomic Conditions

A. External competitive environment

Governments worldwide are now much more aware of the importance of local manufacturing due to geopolitical events, Digital Transformation, and the global semiconductor industry supply chain has been restructured; in addition, the cost of raw materials has risen sharply, and the supply of chips has been severely in short supply. Taiwan's semiconductor production capacity has become a strategist A battleground. However, Taiwan's semiconductor industry not only encountered a shortage of long and short materials, but also faced the urgent need of a serious shortage of talents. In current industrial competition pattern, we can quickly grasp the source of raw materials and provide customers with faster and more advanced products and services, which are the important factors related to being the leader in the industry. In addition, the awareness and cultivation of ESG (environment, social responsibility and corporate governance) should also be paid attention to in the cultivation of professional and leadership talents in the future, so as to keep up with the international trend of sustainable development. In view of this, our company continued to carry out research and development of related products, seeking cooperation and products through domestic and foreign, and constantly self-improvement, in response to market demand and future development.

B. Regulatory environment

Our company regularly reviews changes in laws and regulations and complies with the requirements of the competent authorities and upholds the concept of upright management. As a whole, changes in the regulatory environment will have no great impact on our company.

C. Macroeconomic conditions

Since former U.S. President Donald Trump was confirmed as the winner on November 6th last year, and through his inauguration, he has rolled out a series of remarkable grand strategies. In just three months, the world has frequently shifted under Trump's direction. Trump aims to regain control of key strategic resources with minimal cost. Liu Peizhen, Director of the Industrial Economics Database at the Taiwan Institute of Economic Research, stated that after Trump assumed office, he may impose tariffs on Taiwan's semiconductor industry, potentially alter the U.S. chip subsidy commitments to TSMC, or use antitrust strategies to encourage TSMC to assist more U.S. manufacturing. These actions suggest that the U.S. is eyeing Taiwan's semiconductor industry's competitive advantages. She cautioned that the U.S. may take further actions and impose regulations prioritizing American interests, creating significant uncertainty for both domestic and international tech industries.

Important production and sales policies

In recent years, our company has continuously researched and developed high-tech industrial process equipment and the surrounding pipeline engineering design and overall system to provide customers with competitive customized equipment and services. In addition to working in Mainland China for many years, and in response to the increasing localization of production awareness in Northeast Asia and the rise of countries in Southeast Asia, we are actively expanding our overseas markets.

Production and sales policies will keep bringing out advantages and grasp current opportunities, we will continue to meet customers' needs to consolidate existing customers and develop new customers in order to maintain steady growth in company business and profitability. As a production, we continue to strengthen our design capabilities, and on the premise of ensuring the production of high-quality equipment, we have expanded equipment manufacturing capacity in mainland China and steadily move forward.

Corporate Social Responsibility

"Happy employees, satisfied customers, and sustainable environment" is the goal and responsibility of Nova Technology. Adhering to the goal is to start from the surrounding stakeholders, create team

benefits, and create a sustainable Nova Technology. The customer's attempt is our mission, to reach goal is the spirit of Nova Technology, satisfying customers and applying core skills as well as adding the environmental protection elements to customer needs, reducing the environmental impact of the production process, and pursuing win-win symbiosis.

In addition, "Sincerity, Trustworthy, Simple, Steady" has always been the consistent corporate culture of Nova Technology to pursuit of sustainable management. We know that the sustainable development of the company is maintained by good communication and interaction with all stakeholders. We also hope to gradually integrate corporate social responsibility into daily operations and corporate behavior, so that every member of our company will feedback to society and be friendly to the environment. In terms of talent cultivation, we cooperate with institutes to provide students with opportunities to enter the industry. At the same time, we will promote the mentoring system, new employee orientation, promote the elite school, and create a growth stage.

Nova Technology implements the government's promotion of work safety and health management, requesting each project to be based on standard operating mode, ensuring the safety management of the site's work, and promoting notices. We strictly request the safety equipment and protection to be checked from time to time during the construction process to ensure that all executives successfully complete the project and return home safely.

All the personnel of Nova Technology uphold the company's "Tomorrow to be Better" concept and continue to overcome difficulties. We hope to provide customers with satisfactory services and the greatest benefit for shareholders with excellent products, better solutions and quality.

Sincerely,

Chairman: Chin-Li Liang

President: Wei Ma

Accounting Manager: Chun-Yen Ou

Independent Auditors' Report

To the Board of Directors of Nova Technology Corporation:

Opinion

We have audited the consolidated financial statements of Nova Technology Corporation (“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 Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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. Based on our judgment, the key audit matters should be reflected in our report are as follow:

Recognition of construction contract revenue (including estimated total budget cost)

Please refer to Note 4(15) “Revenue (Revenue from contract with customers)” , Note 5 “Major Sources of Accounting Judgments, Estimations and Assumptions of Uncertainty” , and Note 6(21) “Revenue from contracts with customers” to the consolidated financial statements.

Description of key audit matter:

The Group recognized its revenue by the completion level. The completion level is based on the cost for each contract at year-end. The management will re-evaluate the cost if the total budget had significantly increased or decreased, and will recalculate the percentage of completion in accordance with the adjusted cost. The accuracy of the construction contract revenue may be affected by the completion level and appropriateness of the estimation of total budget cost. Thus, we considered the recognition of revenue as the key matters of 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 are 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 and the estimated construction costs to evaluate rationality of the estimation method used; and 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 communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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 Chien-Hui Lu and Cheng-Hsueh Chen.

KPMG

Taipei, Taiwan (Republic of China)

February 25, 2025

Notes to Readers

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

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

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

Nova Technology Corporation 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	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(1))	\$ 3,650,174	30	2,424,639	23	2100	Short-term borrowings (note 6(12))	\$ -	-	440,595	4
1110	Financial assets at fair value through profit or loss — current (notes 6(2) and (13))	41,000	-	41,713	-	2150	Notes payable	15,329	-	24,957	-
1150	Notes receivable, net (note 6(5))	421,743	3	37,697	-	2170	Accounts payable	1,867,912	15	1,733,975	17
1170	Accounts receivable, net (note 6(5))	3,099,953	25	1,803,497	17	2130	Current contract liabilities (notes 6(21) and 7)	2,008,591	16	1,599,927	15
1180	Accounts receivable — related parties, net (notes 6(5) and 7)	895	-	75,627	1	2201	Salaries and bonus payable	523,113	4	381,443	4
1140	Current contract assets (notes 6(21) and 7)	2,030,245	17	2,033,494	20	2216	Dividends payable	225,759	2	252,395	2
1210	Other receivables due from related parties, net (note 7)	193	-	185	-	2250	Provision-current(note 6(15))	100,148	1	98,964	1
1310	Inventories (note 6(6))	1,611,812	13	2,126,457	21	2280	Lease liabilities-current (notes 6(14) and 7)	46,921	-	45,880	1
1421	Prepayments to suppliers	163,682	1	300,249	3	2321	Bonds payable, current portion (note 6(13))	44,330	-	-	-
1476	Other financial assets — current(notes 6(7) and 8)	133,980	1	439,761	4	2399	Other current liabilities	<u>438,681</u>	<u>4</u>	<u>431,249</u>	<u>4</u>
1479	Other current assets	<u>42,473</u>	<u>-</u>	<u>101,527</u>	<u>1</u>			<u>5,270,784</u>	<u>42</u>	<u>5,009,385</u>	<u>48</u>
		<u>11,196,150</u>	<u>90</u>	<u>9,384,846</u>	<u>90</u>	Non-Current liabilities:					
	Non-current assets:					2530	Bonds payable (note 6(13))	-	-	315,115	3
1517	Financial assets at fair value through other comprehensive income — non-current (note 6(3))	417,111	4	340,842	3	2550	Provisions—non-current (note 6(15))	2,500	-	-	-
1535	Financial assets at amortised cost—non-current (note 6(4))	19,578	-	-	-	2570	Deferred tax liabilities (note 6(17))	427,075	3	171,888	2
1600	Property, plant, and equipment (note 6(9))	441,693	4	395,297	4	2580	Lease liabilities—non-current (note 6(14) and 7)	61,678	1	60,206	1
1755	Right-of-use assets(notes 6(10) and 7)	141,775	1	104,311	1	2640	Net defined benefit liability—non-current (note 6(16))	<u>10,139</u>	<u>-</u>	<u>28,135</u>	<u>-</u>
1780	Intangible assets (note 6(11))	43,799	-	55,934	1			<u>501,392</u>	<u>4</u>	<u>575,344</u>	<u>6</u>
1840	Deferred tax assets (note 6(17))	91,789	1	70,851	1		Total liabilities	<u>5,772,176</u>	<u>46</u>	<u>5,584,729</u>	<u>54</u>
1990	Other non-current assets	<u>25,547</u>	<u>-</u>	<u>19,452</u>	<u>-</u>		Equity (notes 6(13) and (18)):				
		<u>1,181,292</u>	<u>10</u>	<u>986,687</u>	<u>10</u>		Equity attributable to owners of parent:				
						3100	Ordinary share capital	373,561	3	358,897	4
						3140	Advance receipts for share capital	12,523	-	9,093	-
						3200	Capital surplus	1,779,745	15	1,392,651	13
						3300	Retained earnings	2,595,877	21	2,089,769	20
						3400	Other equity	<u>209,734</u>	<u>2</u>	<u>79,331</u>	<u>1</u>
							Total equity attributable to owners of parent:	<u>4,971,440</u>	<u>41</u>	<u>3,929,741</u>	<u>38</u>
						36XX	Non-controlling interests (note 6(8))	<u>1,633,826</u>	<u>13</u>	<u>857,063</u>	<u>8</u>
							Total equity	<u>6,605,266</u>	<u>54</u>	<u>4,786,804</u>	<u>46</u>
	Total assets	<u>\$ 12,377,442</u>	<u>100</u>	<u>10,371,533</u>	<u>100</u>		Total liabilities and equity	<u>\$ 12,377,442</u>	<u>100</u>	<u>10,371,533</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

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

Nova Technology Corporation 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)

		For the years ended December 31,			
		2024		2023	
		Amount	%	Amount	%
4000	Net Operating revenue (notes 6(21) and 7)	\$ 10,382,310	100	9,139,994	100
5000	Operating costs (notes 6(6), (14), (19), (23) and 7)	7,287,607	70	6,815,037	75
	Gross profit	3,094,703	30	2,324,957	25
	Operating expenses (notes 6(5), (14), (19), (23) and 7):				
6100	Selling expenses	223,316	2	193,576	2
6200	Administrative expenses	627,184	6	413,912	4
6300	Research and development expenses	207,420	2	253,289	3
6450	Expected credit loss (gain)	114,620	1	(13,131)	-
		1,172,540	11	847,646	9
	Net operating income	1,922,163	19	1,477,311	16
	Non-operating income and expenses (notes 6(14), (22) and 7)				
7100	Interest income	45,083	-	38,195	-
7020	Other gains and losses, net	140,230	1	79,108	1
7050	Finance costs	(16,602)	-	(26,070)	-
		168,711	1	91,233	1
7900	Income before income tax	2,090,874	20	1,568,544	17
7950	Less: income tax expenses (note 6(17))	584,527	6	414,912	5
	Net Income	1,506,347	14	1,153,632	12
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(16))	(340)	-	5,412	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	76,269	1	154,478	2
8349	Income tax related to items that will not be reclassified subsequently	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	75,929	1	159,890	2
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	72,824	1	(34,390)	-
8399	Income tax related to items that may be reclassified subsequently (note 6(17))	(24,854)	-	6,461	-
	Total items that may be reclassified subsequently to profit or loss	47,970	1	(27,929)	-
8300	Other comprehensive income (loss)	123,899	2	131,961	2
	Comprehensive income	<u>\$ 1,630,246</u>	<u>16</u>	<u>1,285,593</u>	<u>14</u>
	Profit, attributable to:				
	Owners of parent	\$ 1,278,793	12	1,042,089	11
	Non-controlling interests	227,554	2	111,543	1
		<u>\$ 1,506,347</u>	<u>14</u>	<u>1,153,632</u>	<u>12</u>
	Comprehensive income attributable to:				
	Owners of parent	\$ 1,408,856	14	1,174,050	13
	Non-controlling interests	221,390	2	111,543	1
		<u>\$ 1,630,246</u>	<u>16</u>	<u>1,285,593</u>	<u>14</u>
	Earnings per share (New Taiwan Dollars) (note 6(20))				
9750	Basic earnings per share	<u>\$ 17.10</u>		<u>14.95</u>	
9850	Diluted earnings per share	<u>\$ 16.38</u>		<u>13.53</u>	

See accompanying notes to consolidated financial statements.

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

Nova Technology Corporation and subsidiaries

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

				Retained earnings				Exchange differences on translation of foreign financial statements	Other equity				
	Ordinary share capital	Capital collected in advance	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total		Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Total equity attributable to owners of parent	Non-control ling interests	Total equity
Balance at January 1, 2023	<u>\$ 339,280</u>	<u>-</u>	<u>912,959</u>	<u>373,276</u>	<u>75,558</u>	<u>1,286,893</u>	<u>1,735,727</u>	<u>(54,419)</u>	<u>7,201</u>	<u>(47,218)</u>	<u>2,940,748</u>	<u>499,740</u>	<u>3,440,488</u>
Net income	-	-	-	-	-	1,042,089	1,042,089	-	-	-	1,042,089	111,543	1,153,632
Other comprehensive income (loss)	-	-	-	-	-	5,412	5,412	(27,929)	154,478	126,549	131,961	-	131,961
Total comprehensive income (loss)	-	-	-	-	-	1,047,501	1,047,501	(27,929)	154,478	126,549	1,174,050	111,543	1,285,593
Appropriation and distribution of retained earnings:													
Appropriation for legal reserve	-	-	-	125,558	-	(125,558)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(75,558)	75,558	-	-	-	-	-	-	-
Cash dividends distributed to shareholder	-	-	-	-	-	(693,459)	(693,459)	-	-	-	(693,459)	(122,699)	(816,158)
Conversion of convertible bonds	19,617	9,093	422,973	-	-	-	-	-	-	-	451,683	-	451,683
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	9,563	-	-	-	-	-	-	-	9,563	32,008	41,571
Effect of capital increase and share-based payment of subsidiaries	-	-	47,156	-	-	-	-	-	-	-	47,156	(28,699)	18,457
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	365,170	365,170
Balance at December 31, 2023	<u>358,897</u>	<u>9,093</u>	<u>1,392,651</u>	<u>498,834</u>	<u>-</u>	<u>1,590,935</u>	<u>2,089,769</u>	<u>(82,348)</u>	<u>161,679</u>	<u>79,331</u>	<u>3,929,741</u>	<u>857,063</u>	<u>4,786,804</u>
Net income	-	-	-	-	-	1,278,793	1,278,793	-	-	-	1,278,793	227,554	1,506,347
Other comprehensive income (loss)	-	-	-	-	-	(340)	(340)	54,134	76,269	130,403	130,063	(6,164)	123,899
Total comprehensive income (loss)	-	-	-	-	-	1,278,453	1,278,453	54,134	76,269	130,403	1,408,856	221,390	1,630,246
Appropriation and distribution of retained earnings:													
Appropriation for legal reserve	-	-	-	98,585	-	(98,585)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(744,498)	(744,498)	-	-	-	(744,498)	(144,111)	(888,609)
Conversion of convertible bonds	14,664	3,430	257,183	-	-	-	-	-	-	-	275,277	-	275,277
Effect of capital increase and share-based payment of subsidiaries	-	-	128,732	-	-	(27,847)	(27,847)	-	-	-	100,885	(35,187)	65,698
Changes in ownership interests of subsidiaries	-	-	1,179	-	-	-	-	-	-	-	1,179	1,407	2,586
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	733,264	733,264
Balance at December 31, 2024	<u>\$ 373,561</u>	<u>12,523</u>	<u>1,779,745</u>	<u>597,419</u>	<u>-</u>	<u>1,998,458</u>	<u>2,595,877</u>	<u>(28,214)</u>	<u>237,948</u>	<u>209,734</u>	<u>4,971,440</u>	<u>1,633,826</u>	<u>6,605,266</u>

See accompanying notes to consolidated financial statements.

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

Nova Technology Corporation and subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2024	2023
Cash flows from operating activities:		
Income before income tax	\$ 2,090,874	1,568,544
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	91,041	85,644
Amortization expense	34,705	31,014
Expected credit loss (gain)	114,620	(13,131)
Net loss (gain) on financial assets at fair value through profit or loss	611	(3,470)
Interest expense	16,602	26,070
Provision for inventory devaluation loss	53,277	33,078
Interest income	(45,083)	(38,195)
Dividend income	(22,305)	(17,996)
Compensation cost of share-based payment transactions	65,698	18,457
(Gain) loss on disposal of property, plan and equipment	(1,726)	395
Loss on disposal of intangible assets	38	-
Others	(115)	(872)
Total adjustments to reconcile profit	307,363	120,994
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable	(1,796,787)	241,533
Accounts receivable due from related parties	74,732	(71,454)
Other receivable due from related parties	(8)	(18)
Contract assets	3,249	(328,368)
Inventories	460,149	(959,879)
Other current assets	467,381	(358,222)
Total changes in operating assets	(791,284)	(1,476,408)
Changes in operating liabilities:		
Notes and accounts payable	124,309	(132,814)
Contract liabilities	408,664	105,079
Accrued expenses and other current liabilities	253,480	(14,074)
Net defined benefit liability, non-current	(18,336)	(1,168)
Total changes in operating liabilities	768,117	(42,977)
Total adjustments	284,196	(1,398,391)
Cash flows generated from operations	2,375,070	170,153
Interest received	40,882	34,318
Dividends received	22,305	17,996
Interest paid	(12,462)	(13,764)
Income taxes paid	(484,214)	(410,900)
Net cash flows from (used in) operating activities	1,941,581	(202,197)

(Continued)

See accompanying notes to consolidated financial statements.

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

Nova Technology Corporation and subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2024	2023
Cash flows from investing activities:		
Acquisition of financial assets at amortised cost	(19,500)	-
Acquisition of financial assets at fair value through profit or loss	(323)	-
Proceeds from disposal of financial assets at fair value through profit or loss	425	9,240
Increase in prepayments for investments	(10,600)	-
Acquisition of property, plant and equipment	(78,239)	(64,660)
Proceeds from disposal of property, plant, and equipment	2,560	-
Acquisition of intangible assets	(22,207)	(14,747)
Acquisition of right-of-use assets	(36,660)	-
(Increase) decrease in other financial assets	38,144	(40,144)
Decrease in other non-current assets	4,505	1,075
Net cash flows used in investing activities	(121,895)	(109,236)
Cash flows from financing activities:		
Increase in short-term loans	713,054	1,310,418
Decrease in short-term loans	(1,167,755)	(1,074,486)
Payment of lease liabilities	(54,339)	(54,581)
Cash dividends paid	(915,245)	(699,475)
Change in non-controlling interests	733,264	407,169
Other additional paid-in capital	2,586	-
Net cash flows used in financing activities	(688,435)	(110,955)
Effect of exchange rate changes	94,284	(46,184)
Net increase (decrease) in cash and cash equivalents	1,225,535	(468,572)
Cash and cash equivalents at beginning of period	2,424,639	2,893,211
Cash and cash equivalents at end of period	\$ 3,650,174	2,424,639

See accompanying notes to consolidated financial statements.

Independent Auditors' Report

To the Board of Directors of Nova Technology Corporation:

Opinion

We have audited the accompany parent company only financial statements of Nova Technology Corporation (the "Company"), which comprise the parent company only statement of financial position as of December 31, 2024 and 2023, and the parent company only statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompany parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. Based on our judgment, the key audit matters should be reflected in our report are as follow:

Recognition of construction contract revenue (including estimated total budget cost)

Please refer to Note 4(15) "Revenue (Revenue from contract with customers)", Note 5 "Major Sources of Accounting Judgments, Estimations and Assumptions of Uncertainty", and Note 6(19) "Revenue from contracts with customers" to the parent company only financial statements.

Description of key audit matter:

The Company recognized its revenue by using the percentage of completion method. The completion level is based on the cost for each contract at year end. The management will re-evaluate the cost if the total budget had significantly increased or decreased, and will recalculate the percentage of completion in accordance with the adjusted cost. The accuracy of the construction contract revenue may be affected by the completion level and appropriateness of the estimation of total budget cost. Thus, we considered the recognition of revenue as the key matters of 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 are 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 and the estimated construction costs to evaluate rationality of the estimation method used; and 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.

Auditor's 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 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only 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 auditor's 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 parent company only financial statements. We are responsible for the direction, supervision and performance of the Company audit.

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 Chien Hui Lu and Cheng Hsueh Chen.

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2025

Notes to Readers

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

The independent auditors' report and the accompanying 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 and Report Originally Issued in Chinese)
Nova Technology Corporation
Balance Sheets
December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

		<u>December 31, 2024</u>		<u>December 31, 2023</u>				<u>December 31, 2024</u>		<u>December 31, 2023</u>	
Assets		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Liabilities and Equity					
						Current liabilities:					
1100	Cash and cash equivalents (note 6(1))	\$ 1,029,647	15	715,689	13	2150	Notes payable	\$ 15,329	-	24,957	-
1110	Financial assets at fair value through profit or loss—current (notes 6(2) and (12))	41,000	1	41,713	1	2170	Accounts payable	420,980	6	390,420	7
1150	Notes receivable, net (note 6(5))	-	-	105	-	2180	Accounts payable to related parties (note 6(7))	7,876	-	-	-
1170	Accounts receivable, net (note 6(5))	761,532	11	304,334	5	2130	Current contract liabilities (notes 6(19) and 7)	543,603	8	184,626	3
1180	Accounts receivable—related parties, net (notes 6(5) and 7)	-	-	76,272	1	2201	Salaries and bonus payable	175,950	3	151,204	3
1140	Current contract assets (notes 6(19) and 7)	495,541	7	517,651	9	2216	Dividends payable	225,759	3	252,395	5
1210	Other receivables due from related parties, net (note 7)	-	-	350,276	6	2250	Provision-current(note 6(14))	26,466	-	13,348	-
1310	Inventories (note 6(6))	168,479	2	204,171	4	2280	Lease liabilities-current (note 6(13))	5,913	-	5,903	-
1421	Prepayments to suppliers	5,200	-	37,958	1	2321	Bonds payable, current portion (note 6(12))	44,330	1	-	-
1476	Other financial assets—current(note 6(7))	2,626	-	47,454	1	2399	Other current liabilities	<u>146,051</u>	<u>2</u>	<u>234,195</u>	<u>4</u>
1479	Other current assets	<u>2,712</u>	-	<u>3,483</u>	-			<u>1,612,257</u>	<u>23</u>	<u>1,257,048</u>	<u>22</u>
		<u>2,506,737</u>	<u>36</u>	<u>2,299,106</u>	<u>41</u>		Non-Current liabilities:				
	Non-current assets:					2530	Bonds payable (note 6(12))	-	-	315,115	6
1517	Financial assets at fair value through other comprehensive income—non—current (note 6(3))	417,111	6	340,842	6	2570	Deferred tax liabilities (note 6(16))	322,842	5	164,294	3
1535	Financial assets at amortised cost—non-current (note 6(4))	9,792	-	-	-	2580	Lease liabilities—non-current (note 6(13))	5,762	-	4,113	-
1550	Investments accounted for using the equity method (note 6(8))	3,864,503	56	2,926,306	51	2640	Net defined benefit liability—non-current (note 6(15))	<u>10,139</u>	-	<u>28,135</u>	-
								<u>338,743</u>	<u>5</u>	<u>511,657</u>	<u>9</u>
1600	Property, plant, and equipment (note 6(9))	65,479	1	64,520	1		Total liabilities	<u>1,951,000</u>	<u>28</u>	<u>1,768,705</u>	<u>31</u>
1755	Right-of-use assets (note 6(10))	11,612	-	9,950	-		Equity (notes 6(12) and (17)):				
1840	Deferred tax assets (note 6(16))	30,347	1	53,080	1	3100	Ordinary share capital	373,561	5	358,897	7
1990	Other non-current assets	<u>16,859</u>	-	<u>4,642</u>	-	3140	Advance receipts for share capital	12,523	-	9,093	-
		<u>4,415,703</u>	<u>64</u>	<u>3,399,340</u>	<u>59</u>	3200	Capital surplus	1,779,745	26	1,392,651	24
						3300	Retained earnings	2,595,877	37	2,089,769	37
						3400	Other equity	<u>209,734</u>	<u>4</u>	<u>79,331</u>	<u>1</u>
							Total equity	<u>4,971,440</u>	<u>72</u>	<u>3,929,741</u>	<u>69</u>
Total assets		<u>\$ 6,922,440</u>	<u>100</u>	<u>5,698,446</u>	<u>100</u>		Total liabilities and equity	<u>\$ 6,922,440</u>	<u>100</u>	<u>5,698,446</u>	<u>100</u>

See accompanying notes to parent company only financial statements.

(English Translation of Parent company only Financial Statements and Report Originally Issued in Chinese)

Nova Technology Corporation

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)

		For the years ended December 31,			
		2024		2023	
		Amount	%	Amount	%
4000	Net Operating revenue (notes 6(19) and 7)	\$ 1,938,629	100	2,028,147	100
5000	Operating costs (notes 6(6), (15) and 7)	<u>1,264,114</u>	<u>65</u>	<u>1,533,410</u>	<u>76</u>
	Gross profit	<u>674,515</u>	<u>35</u>	<u>494,737</u>	<u>24</u>
	Operating expenses (notes 6(5), (13), (15), (21) and 7):				
6100	Selling expenses	8,681	-	7,509	-
6200	Administrative expenses	198,365	11	175,128	9
6300	Research and development expenses	-	-	465	-
6450	Expected credit loss (gain)	<u>(72)</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
		<u>206,974</u>	<u>11</u>	<u>183,101</u>	<u>9</u>
	Net operating income	<u>467,541</u>	<u>24</u>	<u>311,636</u>	<u>15</u>
	Non-operating income and expenses				
7100	Interest income (notes 6(20) and 7)	21,592	1	22,183	1
7020	Other gains and losses, net (note 6(20))	75,406	4	27,385	1
7050	Finance costs (notes 6(13) and (20))	(4,994)	-	(13,580)	-
7070	Share of profit of equity-accounted investees (note 6(8))	<u>1,026,875</u>	<u>53</u>	<u>911,668</u>	<u>45</u>
		<u>1,118,879</u>	<u>58</u>	<u>947,656</u>	<u>47</u>
7900	Income before income tax	1,586,420	82	1,259,292	62
7950	Less: income tax expenses (note 6(16))	<u>307,627</u>	<u>16</u>	<u>217,203</u>	<u>11</u>
	Net Income	<u>1,278,793</u>	<u>66</u>	<u>1,042,089</u>	<u>51</u>
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(15))	(340)	-	5,412	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	76,269	4	154,478	8
8349	Income tax related to items that will not be reclassified subsequently	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that will not be reclassified subsequently to profit or loss	<u>75,929</u>	<u>4</u>	<u>159,890</u>	<u>8</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	78,627	4	(34,390)	(2)
8399	Income tax related to items that may be reclassified subsequently (note 6(16))	<u>(24,493)</u>	<u>(1)</u>	<u>6,461</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	<u>54,134</u>	<u>3</u>	<u>(27,929)</u>	<u>(2)</u>
8300	Other comprehensive income	<u>130,063</u>	<u>7</u>	<u>131,961</u>	<u>6</u>
	Comprehensive income	<u>\$ 1,408,856</u>	<u>73</u>	<u>1,174,050</u>	<u>57</u>
	Earnings per share (New Taiwan Dollars) (note 6(18))				
9750	Basic earnings per share	<u>\$ 17.10</u>		<u>14.95</u>	
9850	Diluted earnings per share	<u>\$ 16.38</u>		<u>13.53</u>	

See accompanying notes to parent company only financial statements.

(English Translation of Parent company only Financial Statements and Report Originally Issued in Chinese)

Nova Technology Corporation

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

								Other equity interest			
	Share capital			Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Total equity
	Ordinary share capital	Capital colleted in advance	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total				
Balance at January 1, 2023	\$ 339,280	-	912,959	373,276	75,558	1,286,893	1,735,727	(54,419)	7,201	(47,218)	2,940,748
Net income for the period	-	-	-	-	-	1,042,089	1,042,089	-	-	-	1,042,089
Other comprehensive income (loss)	-	-	-	-	-	5,412	5,412	(27,929)	154,478	126,549	131,961
Total comprehensive income (loss)	-	-	-	-	-	1,047,501	1,047,501	(27,929)	154,478	126,549	1,174,050
Appropriation and distribution of retained earnings:											
Appropriation for legal reserve	-	-	-	125,558	-	(125,558)	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(75,558)	75,558	-	-	-	-	-
Cash dividends distributed to shareholder	-	-	-	-	-	(693,459)	(693,459)	-	-	-	(693,459)
Conversion of convertible bonds	19,617	9,093	422,973	-	-	-	-	-	-	-	451,683
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	9,563	-	-	-	-	-	-	-	9,563
Effect of capital increase and share-based payment of subsidiaries	-	-	47,156	-	-	-	-	-	-	-	47,156
Balance at December 31, 2023	358,897	9,093	1,392,651	498,834	-	1,590,935	2,089,769	(82,348)	161,679	79,331	3,929,741
Net income for the period	-	-	-	-	-	1,278,793	1,278,793	-	-	-	1,278,793
Other comprehensive income (loss)	-	-	-	-	-	(340)	(340)	54,134	76,269	130,403	130,063
Total comprehensive income (loss)	-	-	-	-	-	1,278,453	1,278,453	54,134	76,269	130,403	1,408,856
Appropriation and distribution of retained earnings:											
Appropriation for legal reserve	-	-	-	98,585	-	(98,585)	-	-	-	-	-
Cash dividends distributed to shareholder	-	-	-	-	-	(744,498)	(744,498)	-	-	-	(744,498)
Conversion of convertible bonds	14,664	3,430	257,183	-	-	-	-	-	-	-	275,277
Effect of capital increase and share-based payment of subsidiaries	-	-	128,732	-	-	(27,847)	(27,847)	-	-	-	100,885
Changes in ownership interests in subsidiaries	-	-	1,179	-	-	-	-	-	-	-	1,179
Balance at December 31, 2024	\$ 373,561	12,523	1,779,745	597,419	-	1,998,458	2,595,877	(28,214)	237,948	209,734	4,971,440

See accompanying notes to parent company only financial statements.

(English Translation of Parent company only Financial Statements and Report Originally Issued in Chinese)

Nova Technology Corporation

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2024	2023
Cash flows from operating activities:		
Income before income tax	\$ 1,586,420	1,259,292
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	10,686	10,489
Amortization expense	1,551	452
Expected credit loss (gain)	(72)	(1)
Net loss (gain) on financial assets at fair value through profit or loss	611	(3,470)
Interest expense	4,994	13,580
Provision for inventory devaluation loss	11,960	9,817
Interest income	(21,592)	(22,183)
Dividend income	(22,305)	(17,996)
Share of profit of associates accounted for using the equity method	(1,026,875)	(911,668)
Others	-	(6)
Total adjustments to reconcile profit	<u>(1,041,042)</u>	<u>(920,986)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable	(457,021)	118,870
Accounts receivable due from related parties	76,272	(63,814)
Contract assets	22,110	18,944
Inventories	23,732	(49,399)
Other current assets	<u>49,281</u>	<u>17,710</u>
Total changes in operating assets	<u>(285,626)</u>	<u>42,311</u>
Changes in operating liabilities:		
Notes and accounts payable	20,932	(242,258)
Accounts payable to related parties	7,876	(1,733)
Contract liabilities	358,977	(329,460)
Accrued expenses and other current liabilities	61,690	25,240
Net defined benefit liability, non-current	<u>(18,336)</u>	<u>(1,168)</u>
Total changes in operating liabilities	<u>431,139</u>	<u>(549,379)</u>
Total adjustments	<u>(895,529)</u>	<u>(1,428,054)</u>
Cash flows generated from operations	690,891	(168,762)
Interest received	21,746	17,223
Dividends received	22,305	17,996
Interest paid	(502)	(1,488)
Income taxes paid	<u>(262,809)</u>	<u>(211,642)</u>
Net cash flows from (used in) operating activities	<u>471,631</u>	<u>(346,673)</u>

(Continued)

See accompanying notes to parent company only financial statements.

(English Translation of Parent company only Financial Statements and Report Originally Issued in Chinese)

Nova Technology Corporation
Statements of Cash Flows (Continued)
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2024	2023
Cash flows from investing activities:		
Acquisition of financial assets at amortised cost	(9,750)	-
Acquisition of financial assets at fair value through profit or loss	(323)	-
Proceeds from disposal of financial assets at fair value through profit	425	9,240
Acquisition of investments accounted for using the equity method	-	(199,330)
Proceeds from disposal of investments accounted for using the equity method	-	101,576
Increase in prepayments for investments	(10,600)	-
Acquisition of property, plant and equipment	(4,076)	(882)
Dividends received	269,369	638,742
Other accounts receivable to related parties	350,276	(350,276)
(Increase) decrease in other financial assets	28,880	(30,880)
Decrease in other non-current assets	(3,168)	(2,269)
Net cash flows used in investing activities	621,033	165,921
Cash flows from financing activities:		
Payment of lease liabilities	(7,572)	(7,908)
Cash dividends paid	(771,134)	(576,776)
Net cash flows used in financing activities	(778,706)	(584,684)
Net increase (decrease) in cash and cash equivalents	313,958	(765,436)
Cash and cash equivalents at beginning of period	715,689	1,481,125
Cash and cash equivalents at end of period	\$ 1,029,647	715,689

See accompanying notes to parent company only financial statements.



朋億股份有限公司
NOVA TECHNOLOGY CORP.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements (included consolidated and individual), and proposal for allocation of profits. The CPA firm of KPMG was retained to audit Nova Technology Corporation's Financial Statements and has issued an audit report relating to the Financial Statements. The Business report, Financial Statements, and each half year profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit committee members of Nova Technology Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

NOVA TECHNOLOGY CORPORATION

Chairman of the Audit Committee: Hui-Yin Chiu

A handwritten signature in black ink, appearing to read 'Hui-Yin Chiu', written over a horizontal line.

February 25, 2025

Nova Technology Corp. Collection of 2024 Remuneration to the Directors.

Unit: NT\$ Thousand, %

Title	Name	Remuneration to Directors								Ratio of Total Remuneration		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income		Remuneration from ventures other than subsidiaries or from the parent company			
		Remunerations (A)		Retirement allowance (B)		Bonus to Directors (C)		Business execution expenses (D)		(A+B+C+D) to Net Income		Salary, Bonuses, and Allowances (E)		Retirement allowance (F)		Profit Sharing- Employee Bonus (G)									
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		All companies listed on the financial statement		The company	All companies in the consolidated financial statements				
																Cash	Stock	Cash	Stock						
Chairman	Acter Group Corporation Limited (Representative: Chin-Li Liang)	0	0	0	0	34,117	35,499	1,032	1,112	35,293 2.76%	36,835 2.88%	0	0	0	0	0	0	0	0	52,453 4.10%	53,995 4.22%	69,434			
Director	Acter Group Corporation Limited (Representative: Bi-Hui Wu) (Note)	0	0	0	0			48	48			0	0	0	0	0	0	0	0				0	0	1,033
Director	Acter Group Corporation Limited (Representative: Jung-Tang Yang) (Note)	0	0	0	0			24	24			0	0	0	0	0	0	0	0				0	15,678	
Director	Acter Group Corporation Limited (Representative: Wei Ma)	0	0	0	0			72	152			9,819	9,819	0	0	7,341	0	7,341	0				824		
Independent Director	Chih-Yi Chi	960	960	0	0	0	0	72	72	1,032 0.08%	1,032 0.08%	0	0	0	0	0	0	0	0	1,032 0.08%	1,032 0.08%	608			
Independent Director	Sheng-Yung Yang	960	960	0	0	0	0	72	72	1,032 0.08%	1,032 0.08%	0	0	0	0	0	0	0	0	1,032 0.08%	1,032 0.08%	None			
Independent Director	Cheng Li	960	960	0	0	0	0	72	72	1,032 0.08%	1,032 0.08%	0	0	0	0	0	0	0	0	1,032 0.08%	1,032 0.08%	None			
Independent Director	Hui-Yin Chiu	960	960	0	0	0	0	72	72	1,032 0.08%	1,032 0.08%	0	0	0	0	0	0	0	0	1,032 0.08%	1,032 0.08%	602			

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: Remuneration for Independent directors shall be determined according to the company's "Regulations Governing Remuneration Paid to Directors and Functional Committee." Remuneration for independent directors includes fixed fee, transportation and attendance fee per meeting. 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 remuneration.

2. In addition to the disclosure of the table above, there are remunerations to the directors provided service (e.g. serve as consultants to the parent company/to all companies listed in the financial reports/ independent consultant rather than employee, etc.) in the most recent year for all companies : None

Note: The representative of Acter Group Corporation Limited changed from Bi-Hui Wu to Jung-Tang Yang on May 24, 2024. Bi-Hui Wu and Jung-Tang Yang disclose the information during their tenure of office only.

Comparison Table of the Corporate Governance Best Practice Principles

Article	After revision	Before revision
13-3	<u>The company should formulate and disclose its operational strategies and business plans, outlining specific measures to enhance corporate value. These should be presented to the board of directors and communicated proactively with shareholders.</u>	None
28-1	The Company shall <u>have</u> establish a remuneration committee, and it is advisable that more than half of the committee members be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter”.	The Company shall establish a remuneration committee, and it is advisable that more than half of the committee members be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter”.
28-2	The company is advised to have establish a nomination <u>Sustainability and Nominating</u> committee and its articles of association. It is advisable that a majority of the members of said committee be independent directors and an independent director be its chairperson.	The company is advised to establish a nomination committee and its articles of association. It is advisable that a majority of the members of said committee be independent directors and an independent director be its chairperson.
28-3	A whistleblowing system The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the Company's internal control system for management purposes.	A whistleblowing system The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the Company's internal control system for management purposes.

Article	After revision	Before revision
37	Members of the board of directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the Company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the Articles of Incorporation, they shall ensure that all matters are handled according to the resolutions of board of directors. The Company formulate rules and procedures for board of directors performance assessments, and that each year it conduct regularly scheduled performance assessments through self-assessment, or peer-to-peer assessments, and may also do so through outside professional institutions, or in any other appropriate manner. A performance assessment of the board of directors shall include the following aspects, and appropriate assessment indicators shall be developed in consideration of the Company's needs: 1. The degree of participation in the Company's operations. 2. Improvement in the quality of decision making by the board of directors. 3. The composition and structure of the board of directors. 4. The election of the directors and their continuing professional education. 5. Internal controls. 6. <u>Participation in Sustainable Management (ESG).</u> : The Company <u>should submit the results of performance assessments to the Sustainability Development and Nomination Committee and report them</u> is advised to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.	Members of the board of directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the Company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the Articles of Incorporation, they shall ensure that all matters are handled according to the resolutions of board of directors. The Company formulate rules and procedures for board of directors performance assessments, and that each year it conduct regularly scheduled performance assessments through self-assessment, or peer-to-peer assessments, and may also do so through outside professional institutions, or in any other appropriate manner. A performance assessment of the board of directors shall include the following aspects, and appropriate assessment indicators shall be developed in consideration of the Company's needs: 1. The degree of participation in the Company's operations. 2. Improvement in the quality of decision making by the board of directors. 3. The composition and structure of the board of directors. 4. The election of the directors and their continuing professional education. 5. Internal controls. : The Company is advised to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.

Comparison Table of the Rules of Procedure for Board of Directors Meeting

Article	After revision	Before revision
8	Board of Directors reference materials, attendees and convening When the Company Board of Directors is convened, the General Manager's Office shall prepare relevant materials for inspection by the directors at any time. When Board of Directors is held, it may be necessary to notify the relevant department or a member of a subsidiary company of the contents of the proposal. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce <u>that the meeting time will be postponed on the same day</u> postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.	Board of Directors reference materials, attendees and convening When the Company Board of Directors is convened, the General Manager's Office shall prepare relevant materials for inspection by the directors at any time. When Board of Directors is held, it may be necessary to notify the relevant department or a member of a subsidiary company of the contents of the proposal. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.
11	Motion discussion A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting,	Motion discussion A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting,

Article	After revision	Before revision
	the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 3 shall apply 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 paragraph 2, the provisions of Article 7, paragraph 3 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.</u>	the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 3 shall apply mutatis mutandis.

Comparison Table of the Articles of Incorporation

Article	After revision	Before revision
14-1	The Company shall purchase has been authorized by the Board of Directors for the purchase of liability insurance, <u>including the amount and of insurance and the insurance</u> coverage of the director's liability for the scope of its business operations within the director's term of office.	The Company has been authorized by the Board of Directors for the purchase of liability insurance, the amount of insurance and the insurance coverage of the director's liability for the scope of its business operations within the director's term of office.
19-1	If the company is profitable for the year, it should retain the amount of accumulated losses before tax. The net profit before tax of not including dispatched employees' and directors' remuneration shall be no less than 3% for employee remuneration, and then set not more than five percent for directors. <u>The amount of employee remuneration mentioned in the previous paragraph shall allocate no less than 30% for the distribution of remuneration to grassroots employees.</u> Employee and directors remuneration are resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting. Employee remuneration shall be distributed in stocks or in cash. The payment shall apply to employees of parents or subsidiaries of the company as well whoever meets criteria developed by the Board of Directors.	If the company is profitable for the year, it should retain the amount of accumulated losses before tax. The net profit before tax of not including dispatched employees' and directors' remuneration shall be no less than 3% for employee remuneration, and then set not more than five percent for directors. Employee and directors remuneration are resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting. Employee remuneration shall be distributed in stocks or in cash. The payment shall apply to employees of parents or subsidiaries of the company as well whoever meets criteria developed by the Board of Directors.
20	The Company may distribute earnings or make up for losses after the end of each semi-annual fiscal period. If there is any surplus at the end of each semi-annual fiscal period, the Company shall first estimate and retain the taxable contributions, make up for losses, estimate and retain compensation to employees and directors, and set aside the legal reserve, except when the legal reserve has reached the Company's total capital, and set aside or reverse the special reserve as required by law or regulations prescribed by the competent authority. If there is any surplus, the remaining balance shall be added to the accumulated undistributed earnings of the previous semi-accounting year, which shall	The Company may distribute earnings or make up for losses after the end of each semi-annual fiscal period. If there is any surplus at the end of each semi-annual fiscal period, the Company shall first estimate and retain the taxable contributions, make up for losses, estimate and retain compensation to employees and directors, and set aside the legal reserve, except when the legal reserve has reached the Company's total capital, and set aside or reverse the special reserve as required by law or regulations prescribed by the competent authority. If there is any surplus, the remaining balance shall be added to the accumulated undistributed earnings of the previous semi-accounting year, which shall

Article	After revision	Before revision
	be resolved by the shareholders' meeting if the earnings are to be distributed by issuing new shares. Which shall be resolved by the board of directors if the earnings are to be distributed in cash. ⋮	be resolved by the shareholders' meeting if the earnings are to be distributed by issuing new shares. Which shall be resolved by the board of directors if the earnings are to be distributed in cash. ⋮
22	⋮ The twenty-fourth revision was made on July 22, 2021. The twenty-fifth revision was made on May 24, 2022. <u>The twenty-sixth revision was made on May 20, 2025.</u>	⋮ The twenty-fourth revision was made on July 22, 2021. The twenty-fifth revision was made on May 24, 2022.

The qualification of the nominated

Category	Name	Education	Experience	Number of shares held (in shares)
Director	Acter Co., Ltd. Representative: Chin-Li Liang (Male)	• EMBA, National Chiao Tung University • Department of Electrical Engineering – Refrigerating and Air-conditioning, Taipei Tech	Current Position • Chairman/CEO, Acter Group Corporation Limited • Chairman, Her Suo Eng., Co., Ltd. • Chairman, Nova Technology Corp. • Chairman, Acter Technology Integration Group Co., Ltd. • Director, Sheng Huei (Shenzhen) Engineering Co., Ltd. • Director, Shenzhen Dingmao Trade Co., Ltd. • Director, Sheng Huei International Co. Ltd. • Director, Acter International Limited • Director, New Point Group Limited • Director, Acter Technology Singapore Pte. Ltd. • Director, Acter Technology Malaysia Sdn. Bhd. • Chairman, Winmax Technology Corp. • Director/CEO, Enrich Tech Co., Ltd. • Chairman, Winmega Technology Corp. • Chairman, Suzhou Winmax Technology Corp. • Director, Novatech Engineering & Construction Pte. Ltd. • Director, Sheng Huei Engineering Technology Company Limited • Chairman, Acter Technology Co., Ltd. • Director, Waste Recovery Technology Inc. • Chairman, Rayzher Industrial Co., Ltd. • Director, PT Acter Integration Technology Indonesia • Director, Winmax Technology Malaysia Sdn. Bhd.	43,196,358

Category	Name	Education	Experience	Number of shares held (in shares)
Director	Acter Co., Ltd. Representative: Jung-Tang Yang (Male)	• EMBA, Tunghai University • Department of Electrical Engineering -Refrigerating and Air-conditioning, Taipei Tech	Current Position • Director, Nova Technology Corp. • Chairman, Johnwell Airconditioning Enterprise Co., Ltd. • Director, Xiang-Hui Development Co., Ltd. • Director, Sheng Huei International Co., Ltd. • Director, New Point Group Limited • Director, Season Arts Education Foundation. • Supervisor, Suzuka Chemical Co., Ltd.	43,196,358
Director	Acter Co., Ltd. Representative: Wei Ma (Male)	• Lunghwa Vocational Institute-Department of Mechanical Engineering	Current Position • Director/President, Nova Technology Corp. • Director, Winmega Technology Corp. • Director, Enrich Tech Co., Ltd. • Director, Rayzher Industrial Co., Ltd. • Chairman/President, Dadewin Technology Corp. • Chairman, Theory High Tech Solutions Co., Ltd.	43,196,358
Independent Director	Mei-Li Hus (Female)	• Ph.D. in Law, College of Law, National Chengchi University • Master of Laws , College of Law, National Chengchi University	Experience • Adjunct Professor, Institute of Technology Law, College of Technology Law, National Yang Ming Chiao Tung University • Prosecutor, Taiwan Hsinchu District Prosecutors Office • President, Hsinchu Bar Association • Vice President, Taiwan Bar Association Current Position • Attorney, Lee Hsu & Wang Attorneys-At-Law • Director, Zhuqian Liangtang Co., Ltd.	0

Category	Name	Education	Experience	Number of shares held (in shares)
Independent Director	Chyan Yang (Male)	• Ph.D. in f Computer Science, University of Washington, USA	Experience • Professor/Director, Institute of Business and Management, National Chiao Tung University Current Position • Independent Director, Mars Semiconductor Corp. • Independent Director, Associated Industries China, Inc. • Independent Director, Heron Neutron Medical Corp. • Director, Chia Chang Co., Ltd	0
Independent Director	Hui-Hsin Yeh (Female)	• Bachelor of Accounting, Tunghai University	Experience • Partner CPA, Ernst & Young Global Limited Current Position • Representative, Wei Chin CPAs & Co. • Director, Wei Xin Financial Consultancy Co., Ltd. • Independent Director, Data Image Corporation • Independent Director, Simula Technology Inc.	1,000
Independent Director	Feng-Di Lung (Female)	• Ph.D. in Chemistry, University of Arizona • Master of Chemistry, Lamar University	Experience • Director, Life Science Research Center, Tunghai University • Associate Professor, Department of Chemistry, Tunghai University • Associate Professor, Department of Nutrition, China Medical University • Associate Researcher, National Cancer Institute, National Institutes of Health, USA Current Position • Professor, Department of Chemistry, Tunghai University • Dean of Student Affairs, Tunghai University	0

Adjunct Positions of the directors (including independent directors)

Title	Name	Current Adjunct Positions
Director	Acter Co., Ltd.	• Her Suo Eng., Co., Ltd. • Sheng Huei International Co., Ltd. • Fengze Engineering Co., Ltd.
Director	Acter Co., Ltd. Representative: Chin-Li Liang	• Chairman/CEO, Acter Group Corporation Limited • Chairman, Her Suo Eng., Co., Ltd. • Chairman, Acter Technology Integration Group Co., Ltd. • Director, Sheng Huei (Shenzhen) Engineering Co., Ltd. • Director, Shenzhen Dingmao Trade Co., Ltd. • Director, Sheng Huei International Co. Ltd. • Director, Acter International Limited • Director, New Point Group Limited • Director, Acter Technology Singapore Pte. Ltd. • Director, Acter Technology Malaysia Sdn. Bhd. • Chairman, Winmax Technology Corp. • Director/CEO, Enrich Tech Co., Ltd. • Chairman, Winmega Technology Corp. • Chairman, Suzhou Winmax Technology Corp. • Director, Novatech Engineering & Construction Pte. Ltd. • Director, Sheng Huei Engineering Technology Company Limited • Chairman, Acter Technology Co., Ltd. • Director, Waste Recovery Technology Inc. • Chairman, Rayzher Industrial Co., Ltd. • Director, PT Acter Integration Technology Indonesia • Director, Winmax Technology Malaysia Sdn. Bhd.
Director	Acter Co., Ltd. Representative: Jung-Tang Yang	• Chairman, Johnwell Airconditioning Enterprise Co., Ltd. • Director, Xiang-Hui Development Co., Ltd. • Director, Sheng Huei International Co., Ltd. • Director, New Point Group Limited • Director, Season Arts Education Foundation. • Supervisor, Suzuka Chemical Co., Ltd.
Director	Acter Co., Ltd. Representative: Wei Ma	• Director, Winmega Technology Corp. • Director, Enrich Tech Co., Ltd. • Director, Rayzher Industrial Co., Ltd. • Chairman/President, Dadewin Technology Corp. • Chairman, Theory High Tech Solutions Co., Ltd.
Independent Director	Mei-Li Hus	• Attorney, Lee Hsu & Wang Attorneys-At-Law • Director, Zhuqian Liangtang Co., Ltd.
Independent Director	Chyan Yang	• Independent Director, Mars Semiconductor Corp. • Independent Director, Associated Industries China, Inc. • Independent Director, Heron Neutron Medical Corp. • Director, Chia Chang Co., Ltd
Independent Director	Hui-Hsin Yeh	• Representative, Wei Chin CPAs & Co. • Director, Wei Xin Financial Consultancy Co., Ltd. • Independent Director, Data Image Corporation • Independent Director, Simula Technology Inc.

Corporate Governance Best Practice Principles

Chapter I General Principles

Article 1 To establishing sound corporate governance systems, the Company hereby promulgates the Corporate Governance Principles (hereinafter, "the Principles"), referencing "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies" which is jointly adopted by the Taiwan Stock Exchange Corporation (TWSE) and the GreTai Securities Market (GTSM) to formulate the Company's corporate governance principles and establish an effective corporate governance framework with reference to these Principles and disclose them through the Market Observation Post System (MOPS).

Article 2 When setting up the corporate governance system, in addition to complying with relevant laws, regulations and Articles of Incorporation, the Company shall follow the following principles:

1. Protect the rights and interests of shareholders.
2. Strengthen the powers of the board of directors.
3. Fulfill the function of audit committee.
4. Respect the rights and interests of stakeholders.
5. Enhance information transparency.

Article 3 The Company shall follow the Criteria Governing Establishment of Internal Control Systems by Public Reporting Companies and take into consideration the overall operational activities of itself and its subsidiaries to design and fully implement an internal control system, and shall conduct continuing reviews of the system, in order to ensure the continued effectiveness of its design and implementation in light of changes in the Company's internal and external environment.

The Company shall perform full self-assessments of its internal control system. Its board of directors and management shall review the results of the self-assessments by each department at least annually and the reports of the internal audit department on a quarterly basis. The audit committee shall also attend to and supervise these matters. Directors and Audit Committee shall periodically hold discussions with their internal auditors about reviews of internal control system deficiencies. A record of the discussions shall be kept, and the discussions shall be followed up, improvements implemented, and a report submitted to the board of directors. The Company shall establish channels and mechanisms of communication between their independent directors, audit committees, and chief internal auditors, and the convener of the audit committee shall report the communications between members of the audit committees and chief internal auditors at the shareholders' meeting.

The management of the Company shall pay special attention to the internal audit department

and its personnel, fully empower them and urge them to conduct audits effectively, to evaluate problems of the internal control system and assess the efficiency of its operations to ensure that the system can operate effectively on an on-going basis, and to assist the board of directors and the management to perform their duties effectively so as to ensure a sound corporate governance system.

Appointment, dismissal, evaluation and review, salary and compensation of internal auditors of the Company shall be reported to the board of directors or shall be submitted by the chief auditor to the board chairperson for approval.

Article 3-1 The Company is advised to have an adequate number of corporate governance personnel with appropriate qualifications based on the size of the Company, business situations and management needs, and shall appoint in accordance with the requirements of the competent authorities or TPEx a chief corporate governance officer as the most senior officer to be in charge of corporate governance affairs. Said officer shall be a qualified, practice-eligible lawyer or accountant or have been in a managerial position for at least three years of experience at a securities, financial, or futures related institution or a public company in handling legal affairs, legal compliance, internal audit, financial affairs, stock affairs, or corporate governance affairs.

It is required that the corporate governance affairs mentioned in the preceding paragraph include at least the following items:

1. Handling matters relating to board meetings and shareholders meetings according to laws.
2. Producing minutes of board meetings and shareholders meetings.
3. Assisting in onboarding and continuous development of directors and supervisors.
4. Furnishing information required for business execution by directors and supervisors.
5. Assisting directors and supervisors with legal compliance.
6. Report to the board of directors the results of its review on whether the qualifications of independent directors in the nomination, election, and tenure of office comply with relevant laws and regulations.
7. Handle matters relating to the change of directors.
8. Other matters set out in the Articles of Incorporation or contracts.

Chapter II Protection of Shareholders' Rights and Interests

Section 1 Encouraging Shareholders to Participate in Corporate Governance

Article 4 The corporate governance system of the Company shall be designed to protect shareholders' rights and interests and treat all shareholders equitably.

The Company shall establish a corporate governance system which ensures shareholders' rights of being fully informed of, participating in and making decisions over important matters of the Company.

Article 5 The Company shall convene shareholders meetings in accordance with the Company Act and relevant laws and regulations, and provide comprehensive rules for such meetings. The

Company shall faithfully implement resolutions adopted by shareholders meetings in accordance with the rules for the meetings.

Resolutions adopted by shareholders meetings of the Company shall comply with laws, regulations and Articles of Incorporation.

Article 6 The board of directors of the Company shall properly arrange the agenda items and procedures for shareholders meetings, and formulate the principles and procedures for shareholder nominations of directors and submissions of shareholder proposals. The board shall also properly handle the proposals duly submitted by shareholders. Arrangements shall be made to hold shareholders meetings at a convenient location and assisted with visual communication, with sufficient time allowed and sufficient numbers of suitable personnel assigned to handle attendance registrations. No arbitrary requirements shall be imposed on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend. Shareholders shall be granted reasonable time to deliberate each proposal and an appropriate opportunity to make statements.

For a shareholders meeting called by the board of directors, it is advisable that the board chairperson chair the meeting, that a majority of the directors (including at least one independent director) and convener of the audit committee attend in person, and that at least one member of other functional committees attend as representative. Attendance details should be recorded in the shareholders meeting minutes.

Article 7 The Company shall encourage its shareholders to actively participate in corporate governance. It is advisable that the Company engage a professional shareholder services agent to handle shareholders meeting matters, so that shareholders meetings can proceed on a legal, effective and secure basis. The Company shall seek all ways and means, including fully exploiting technologies for information disclosure, to upload annual reports, annual financial statements, notices, agendas and supplementary information of shareholders meetings in both Chinese and English concurrently, and shall adopt electronic voting, in order to enhance shareholders' attendance rates at shareholders meetings and ensure their exercise of rights at such meetings in accordance with laws.

The Company is advised to avoid raising extraordinary motions and amendments to original proposals at a shareholders meeting.

The Company is advised to arrange for their shareholders to vote on each separate proposal in the shareholders meeting agenda, and following conclusion of the meeting, to enter the voting results the same day, namely the numbers of votes cast for and against and the number of abstentions, on the Market Observation Post System.

Article 8 The Company, in accordance with the Company Act and other applicable laws and regulations, shall record in the shareholders meeting minutes the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. With respect to the election of directors, the meeting minutes shall record the method of voting adopted therefore and the

total number of votes for the elected directors.

The shareholders meeting minutes shall be properly and perpetually kept by the Company during its legal existence, and should be sufficiently disclosed on the Company's website.

Article 9 The chairperson of the shareholders meetings shall be fully familiar and comply with the rules governing the proceedings of the shareholders meetings established by the Company. The chairperson shall ensure the proper progress of the proceedings of the meetings and may not adjourn the meetings at will.

In order to protect the interests of most shareholders, if the chairperson declares the adjournment of the meeting in a manner in violation of rules governing the proceedings of the shareholders meetings, it is advisable for the members of the board of directors other than the chairperson of the shareholders meeting to promptly assist the attending shareholders at the shareholders meeting in electing a new chairperson of the shareholders meeting to continue the proceedings of the meeting, by a resolution to be adopted by a majority of the votes represented by the shareholders attending the said meeting in accordance with the legal procedures.

Article 10 The Company shall place high importance on the shareholder right to know, and shall faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the MOPS or the website established by the Company.

To treat all shareholders equally, it is advisable that the Company concurrently disclose the information under the preceding paragraph in English.

To protect its shareholders' rights and interests and ensure their equal treatment, the Company adopts internal rules prohibiting company insiders from trading securities using information not disclosed to the market.

It is advisable that the rules mentioned in the preceding paragraph include stock trading control measures from the date insiders of the Company become aware of the contents of the Company's financial reports or relevant results. Directors may not (including but not limited to) trade stocks 30 days before the publication of the annual financial report and 15 days before the publication of the quarterly financial report.

Article 10-1 It is advisable that the company reports the remuneration that directors receive, including remuneration policies, individual remuneration details, amount, and its correlation with directors' performance evaluation results at the annual general shareholders' meeting.

Article 11 The shareholders shall be entitled to profit distributions by the Company. In order to ensure the investment interests of shareholders, the shareholders meeting may, pursuant to Article 184 of the Company Act, examine the statements and books prepared and submitted by the board of directors and the reports submitted by the audit committee, and may decide profit distributions and deficit off-setting plans by resolution. In order to proceed with the above

examination, the shareholders meeting may appoint an inspector.

The shareholders may, pursuant to Article 245 of the Company Act, apply with the court to select an inspector in examining the accounting records, assets, particulars, documents and records of specific transaction of the Company.

The board of directors, audit committee, and managers of the Company shall fully cooperate in the examination conducted by the inspectors in the aforesaid two paragraphs without any circumvention, obstruction or rejection.

Article 12 In entering into material financial and business transactions such as acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees, the Company shall proceed in accordance with the applicable laws and/or regulations and establish operating procedures in relation to these material financial and business transactions which shall be reported to and approved by the shareholders meeting so as to protect the interests of the shareholders.

When the Company is involved in a merger, acquisition or public tender offer, in addition to proceeding in accordance with the applicable laws and/or regulations, it shall not only pay attention to the fairness, rationality, etc. of the plan and transaction of the merger, acquisition or public tender offer, but information disclosure and the soundness of the Company's financial structure thereafter.

If the company's management or major shareholders are involved in the merger and acquisitions, review whether the member of the audit committee of the aforementioned mergers and acquisitions matters complies with Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and the person shall not be related parties or have an interested relationship with the counterparty of the merger and acquisitions, which is sufficient to affect independence, whether the design and implementation of relevant procedures comply with the relevant laws and regulations, and whether the information is fully disclosed in accordance with relevant laws and regulations, and a legal opinion should be issued by an independent lawyer.

The qualifications of lawyers referred to in the preceding paragraph shall comply with Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, shall not be related parties or have an interested relationship with the counterparty of the merger and acquisitions, which is sufficient to affect independence.

The relevant personnel of the Company handling the matters in a merger, acquisition or public tender offer shall pay attention to the occurrence of any conflicts of interest and the need for recusal.

Section 2 Establishing a Mechanism for Interaction with Shareholders

Article 13 In order to protect the interests of the shareholders, it is advisable that the Company designate personnel exclusively dedicated to handling shareholder proposals, inquiries, and disputes. The Company shall properly deal with any legal action duly instituted by shareholders in which it is claimed that shareholder rights and interests were damaged by a resolution adopted at a shareholders meeting or a board of directors meeting in violation of applicable laws, regulations, or the Company's Articles of Incorporation, or that such damage was caused by a breach of applicable laws, regulations or the Company's Articles of Incorporation by any directors or managers in performing their duties.

It is advisable that the Company adopt internal procedures for appropriate handling of matters referred to in the preceding two paragraphs, and that it keep relevant written records for future reference and incorporate the procedures in its internal control system for management purposes.

Article 13-1 The board of directors of the Company is responsible for establishing a mechanism for interaction with shareholders to enhance mutual understanding of the development of company's objectives.

Article 13-2 In addition to communicating with shareholders through shareholders meetings and encouraging shareholders to participate in such meetings, the board of directors of the Company together with officers and independent directors shall engage with shareholders in an efficient manner to ascertain shareholders' views and concerns, and expound company policies explicitly, in order to gain shareholders' support.

Section 3 Corporate Governance Relationships Between the Company and Its Related Parties

Article 14 The Company shall clearly identify the objectives and the division of authority and responsibility between it and its affiliated enterprises with respect to management of personnel, assets, and financial matters, and shall properly carry out risk assessments and establish appropriate firewalls.

Article 15 A manager of the Company may not serve as a manager of its affiliated enterprises, except in accordance with legislation and approved by a board resolution by the majority of directors attending a meeting that is attended by the majority of all directors.

A director who engages in any transaction for himself or on behalf of another person that is within the scope of the Company's operations shall explain the major content of such actions to the shareholders meeting and obtain its consent.

Article 16 The Company shall establish sound objectives and systems for management of finance, operations, and accounting in accordance with applicable laws and regulations. It shall further, together with its affiliated enterprises, properly conduct an overall risk assessment of major banks they deal with and customers and suppliers, and implement the necessary control mechanisms to reduce credit risk.

Article 17 When the Company and its related parties and shareholder enter into inter-company business transactions or trading, a written agreement governing the relevant financial and business operations between them shall be made in accordance with the principle of fair dealing and reasonableness. Price and payment terms shall be definitively stipulated when contracts are signed, and non-arm's length transactions and improper transfer of benefit shall be prohibited.

The written normative content in the preceding item shall include the management procedures for transactions such as the purchase and sale of goods, acquisition or disposal of assets, lending funds, and making endorsements or providing guarantees, and relevant major transactions shall be submitted to the board of directors for resolution and approval, and to the shareholders' meeting for approval or reporting.

Article 18 A corporate shareholder having controlling power over the Company shall comply with the following provisions:

1. It shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the Company to conduct any business which is contrary to normal business practice or not profitable.
2. Its representative shall follow the rules implemented by its company with respect to the exercise of rights and participation of resolution, so that at a shareholders meeting, the representative shall exercise his/her voting right in good faith and for the best interest of all shareholders and shall exercise the fiduciary duty and duty of care of a director.
3. It shall comply with relevant laws, regulations and the Articles of Incorporation of the Company in nominating directors and shall not act beyond the authority granted by the shareholders meeting or board meeting.
4. It shall not improperly intervene in corporate policy making or obstruct corporate management activities.
5. It shall not restrict or impede the management or production of the Company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.
6. The representative that is designated when a corporate shareholder has been elected as a director shall meet the Company's requirements for professional qualifications. Arbitrary replacement of the corporate shareholder's representative is inappropriate.

Article 19 The Company shall retain at all times a register of major shareholders who own a relatively high percentage of shares and have controlling power, and of the persons with ultimate control over those major shareholders.

The Company shall disclose periodically important information about its shareholders holding more than 10 percent of the outstanding shares of the Company relating to the pledge, increase or decrease of share ownership, or other matters that may possibly trigger a change in the ownership of their shares.

The major shareholder indicated in the first paragraph refers to those who owns 5 percent or more of the outstanding shares of the Company or the shareholding stake thereof is on the top

10 list, provided however that the Company may set up a lower shareholding threshold according to the actual shareholding stake that may control the Company.

Chapter III Enhancing the Functions of the Board of Directors

Section 1 Structure of the Board of Directors

Article 20 The board of directors of the Company shall direct company strategies, supervise the management, and be responsible to the Company and shareholders. The various procedures and arrangements of its corporate governance system shall ensure that, in exercising its authority, the board of directors complies with laws, regulations, its articles of incorporation, and the resolutions of its shareholders meetings.

The structure of the Company's board of directors shall be determined by choosing an appropriate number of board members, not less than five, in consideration of its business scale, the shareholdings of its major shareholders, and practical operational needs.

The composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture. It is advisable that female directors take one third of the seats in the board of directors.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties and the diversity representation of the Board. Furthermore regard for the benefits of diversity on the Board. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

1. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Ability to conduct management administration.
4. Ability to conduct crisis management.
5. Knowledge of the industry.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

Article 21 The Company shall, according to the principles for the protection of shareholder rights and interests and equitable treatment of shareholders, establish a fair, just, and open procedure for the election of directors and encourage shareholder participation, and adopt the cumulative voting mechanism pursuant to the Company Act in order to fully reflect shareholders' views.

Unless the competent authority otherwise grants an approval, a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company.

When the number of directors falls below five due to the discharge of a director for any reason, the Company shall hold a by-election for director at the following shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the Company shall convene a special shareholders meeting within 60 days of the occurrence of that fact for a by-election for director(s).

The aggregate shareholding percentage of all of the directors of the Company shall comply with the laws and regulations. Restrictions on the share transfer of each director and the creation, release, or changes of any pledges over the shares held by each director shall be subject to the relevant laws and regulations, and the relevant information shall be fully disclosed.

Article 22 The Company shall specify in its Articles of Incorporation in accordance with the laws and regulations of the competent authorities that it adopts the candidate nomination system for elections of directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of the Company Act, and act in accordance with Article 192-1 of the Company Act.

Article 23 Clear distinctions shall be drawn between the responsibilities and duties of the chairperson of the board of the Company and those of its general manager.

It is inappropriate for the chairperson to also act as the general manager or an equivalent post.

The Company with a functional committee shall clearly define the responsibilities and duties of the committee.

Section 2 Independent Director System

Article 24 The Company shall appoint independent directors in accordance with its Articles of Incorporation. They shall be not less than three in number and not less than one-third of the total number of directors. The terms of independent directors shall not exceed three consecutively.

Independent directors shall possess professional knowledge and there shall be restrictions on their shareholdings. Applicable laws and regulations shall be observed and, in addition, it is not advisable for an independent director to hold office concurrently as a director (including independent director) or supervisor of more than five other TWSE/GTSM listed companies. Independent directors shall also maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the Company.

If the Company and its group enterprises and organizations, and another company and its group enterprises and organizations nominate for each other any director, supervisor or managerial officer as a candidate for an independent director of the other, the Company shall, at the time it receives the nominations for independent directors, disclose the fact and explain

the suitability of the candidate for independent director. If the candidate is elected as an independent director, the Company shall disclose the number of votes cast in favor of the elected independent director.

The "group enterprises and organizations" in the preceding paragraph comprise the subsidiaries of the Company, any foundation to which the Company's cumulative direct or indirect contribution of funds exceeds 50 percent of its endowment, and other institutions or juristic persons that are effectively controlled by the Company.

Change of status between independent directors and non-independent directors during their term of office is prohibited.

Where the Company has created the position of managing director, the managing directors shall include no less than one independent director, and no less than one-fifth of the managing director seats shall be held by independent directors.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing Appointment of Independent Directors and Compliance Matter for Public Companies, and the rules and regulations of the Taiwan Stock Exchange or GreTai Securities Market.

Article 25 The Company shall submit the following matters to the board of directors for approval by resolution as provided in the Securities and Exchange Act. When an independent director has a dissenting opinion or qualified opinion, it shall be noted in the minutes of the directors meeting:

1. Adoption or amendment of the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
3. A matter bearing on the personal interest of a director.
4. A material asset or derivatives transaction.
5. A material monetary loan, endorsement, or provision of guarantee.
6. The offering, issuance, or private placement of any equity-type securities.
7. The hiring, discharge, or compensation of an attesting CPA.
8. The appointment or discharge of a financial, accounting, or internal auditing officer.
9. Any other material matter so required by the competent authority.

Article 26 The Company shall stipulate the scope of duties of the independent directors and empower them with manpower and physical support related to the exercise of their power. The Company or other board members shall not obstruct, reject or circumvent the performance of duties by the independent directors.

The Company shall stipulate the remuneration of the directors according to applicable laws and regulations. The remuneration of the directors shall fully reflect the personal performance and the long-term management performance of the Company, and shall also take the overall operational risks of the Company into consideration. Different but reasonable remuneration from that of other directors may be set forth for the independent directors.

Section 3 Audit Committees and Other Functional Committees

Article 27 For the purpose of developing supervisory functions and strengthening management mechanisms, the board of directors of the Company, in consideration of the Company's scale and type of operations and the number of its board members, may set up functional committees for auditing, remuneration, nomination, risk management or any other functions, and based on concepts of corporate social responsibility and sustainable operation, may set up environmental protection, corporate social responsibility, or other committees, and expressly provide for them in the articles of incorporation.

Functional committees shall be responsible to the board of directors and submit their proposals to the board of directors for approval, provided that the performance of supervisor's duties by the audit committee pursuant to Article 14-4, paragraph 4 of the Securities and Exchange Act shall be excluded.

Functional committees shall adopt an organizational charter to be approved by the board of directors. The organizational charter shall contain the numbers, terms of office, and powers of committee members, as well as the meeting rules and resources to be provided by the Company for exercise of power by the committee.

Article 28 The Company shall establish an audit committee.

The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The exercise of power by audit committee and independent directors and related matters shall be set forth in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and the rules and regulations of the TWSE or GTSM.

Article 28-1 The Company shall establish a remuneration committee, and it is advisable that more than half of the committee members be independent directors. The professional qualifications for the committee members, the exercise of their powers of office, the adoption of the organizational charter, and related matters shall be handled pursuant to the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter".

Article 28-2 The company is advised to establish a nomination committee and its articles of association. It is advisable that a majority of the members of said committee be independent directors and an independent director be its chairperson.

Article 28-3 A whistleblowing system

The Company is advised to establish and announce channels for internal and external whistleblowers and have whistleblower protection mechanisms in place. The unit that handles whistleblowers' reporting shall be independent, provide encrypted protection for the files furnished by whistleblowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures into the Company's internal control system for management purposes.

Article 29 To improve the quality of its financial reports, the Company shall establish the position of deputy to its principal accounting officer.

To enhance the professional abilities of the deputy accounting officer of the preceding paragraph, the deputy's continuing education shall proceed following the schedule of the principal accounting officer.

Accounting personnel handling the preparation of financial reports shall also participate in relevant professional development courses for 6 hours or more each year. Those courses may be company internal training activities or may be professional courses offered by professional development institutions for principal accounting officers.

The Company shall select as its external auditor a professional, responsible, and independent attesting CPA, who shall perform regular reviews of the financial conditions and internal control measures of the Company.

With regard to any irregularity or deficiency discovered and disclosed in a timely manner by the auditor during the review, and concrete measures for improvement or prevention suggested by the auditor, the Company shall faithfully implement improvement actions. It is advisable that the Company establish channels and mechanisms of communication between the independent directors, the audit committee, and the attesting CPA, and to incorporate procedures for that purpose into the Company's internal control system for management purposes.

The Company shall refer to the Audit Quality Indexs (AQIs) to evaluate the independence of the CPA engaged by the Company regularly, and no less frequently than once annually. In the event that the Company engages the same CPA without replacement for 7 years consecutively, or if the CPA is subject to disciplinary action or other circumstances prejudicial to the CPA's independence, the Company shall evaluate the necessity of replacing the CPA and submit its conclusion to the board of directors.

Article 30 It is advisable that the Company engage a professional and competent legal counsel to provide adequate legal consultation services to the Company, or to assist the directors and the management to improve their knowledge of the law, for the purposes of preventing any infraction of laws or regulations by the Company or its staff and ensuring that corporate governance matters proceed pursuant to the relevant legal framework and the prescribed procedures.

When, as a result of performing their lawful duties, directors or the management are

involved in litigation or a dispute with shareholders, the Company shall retain a legal counsel to provide assistance as circumstances require. The audit committee or an independent director may retain the service of legal counsel, CPA, or other professionals on behalf of the Company to conduct a necessary audit or provide consultation on matters in relation to the exercise of their power, at the expense of the Company.

Section 4 Rules for the Proceedings and Decision-Making Procedures of Board Meetings

Article 31 The board of directors of the Company shall meet at least once every quarter, or convene at any time in case of emergency.

To convene a board meeting, a meeting notice which specifies the purposes of the meeting shall be sent to each director no later than 7 days before the scheduled date. Sufficient meeting materials shall also be prepared and enclosed in the meeting notice. If the meeting materials are deemed inadequate, a director may ask the unit in charge to provide more information or request a postponement of the meeting with the consent of the board of directors.

The Company shall adopt rules of procedure for board meetings, which shall follow the Regulations Governing Procedure for Board of Directors Meetings of Public Companies with regard to the content of deliberations, procedures, matters to be recorded in the meeting minutes, public announcements, and other matters for compliance.

Article 32 Company directors shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter. Matters requiring the voluntary recusal of a director shall be clearly set forth in the Rules of Procedure for Board of Directors Meeting.

Article 33 When a board meeting is convened to consider any matter submitted to it pursuant to Article 14-3 of the Securities and Exchange Act, an independent director of the Company shall attend the board meeting in person, and may not be represented by a non-independent director via proxy. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.

In any of the following circumstances, decisions made by the board of directors shall be noted in the meeting minutes, and in addition, publicly announced and filed on the MOPS two hours before the beginning of trading hours on the first business day after the date of

the board meeting:

1. An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
2. The matter was not approved by the audit committee, but had the consent of more than two-thirds of all directors.

During a board meeting, managers from relevant departments who are not directors may, in view of the meeting agenda, sit in at the meetings, make reports on the current business conditions of the Company and respond to inquiries raised by the directors. Where necessary, a CPA, legal counsel, or other professional may be invited to sit in at the meetings to assist the directors in understanding the conditions of the Company for the purpose of adopting an appropriate resolution, provided that they shall leave the meeting when deliberation or voting takes place.

Article 34 Staff personnel of the Company attending board meetings shall collect and correctly record the meeting minutes in detail, as well as a summary, the method of resolution, and voting results of all the proposals submitted to the board meeting in accordance with relevant regulations.

The minutes of the board of directors meetings shall be signed by the chairperson and secretary of the meeting and sent to each director within 20 days after the meeting. The director attendance records shall be made part of the meeting minutes, treated as important corporate records, and kept safe permanently during the life of the Company.

Meeting minutes may be produced, distributed, and preserved by electronic means.

A company shall record on audio or video tape the entire proceedings of a board of directors meeting and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period referred to in the preceding paragraph a lawsuit arises with respect to a resolution of a board of directors meeting, the relevant audio or video recordings shall be preserved for a further period, in which case the preceding paragraph does not apply.

Where a board of directors meeting is held via teleconference or video conference, the audio or video recordings of the meeting form a part of the meeting minutes and shall be preserved permanently.

When a resolution of the board of directors violates laws, regulations, the articles of incorporation, or resolutions adopted in the shareholders meeting, and thus causes an injury to the Company, dissenting directors whose dissent can be proven by minutes or written statements will not be liable for damages.

Article 35 The Company shall submit the following matters to its board of directors for discussion:

1. Corporate business plans.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be CPA audited and attested.

3. Adoption or amendment to an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and evaluation of effectiveness of an internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The performance assessment and the standard of remuneration of the managerial officers.
7. The structure and system of director's remuneration.
8. The appointment or discharge of a financial, accounting, or internal audit officer.
9. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition.
10. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders meeting or to be approved by resolution at a meeting of the board of directors, or any such significant matter as may be prescribed by the competent authority.

Except for matters that must be submitted to the board of directors for discussion under the preceding paragraph, when the board of directors is in recess, it may delegate the exercise of its power to others in accordance with law, regulations, or its Articles of Incorporation. However, the level of delegation or the content or matters to be delegated shall be clearly specified, and general authorization is not permitted.

Article 36 The Company shall ask the appropriate corporate department or personnel to execute matters pursuant to board of directors' resolutions in a manner consistent with the planned schedule and objectives. It shall also follow up on those matters and faithfully review their implementation.

The board of directors shall remain informed of the progress of implementation and receive reports in subsequent meetings to ensure the actual implementation of the board's management decisions.

Section 5 Director's faithful duty and responsibility

Article 37 Members of the board of directors shall faithfully conduct corporate affairs and perform the duty of care of a good administrator. In conducting the affairs of the Company, they shall exercise their powers with a high level of self-discipline and prudence. Unless matters are otherwise reserved by law for approval in shareholders meetings or in the Articles of Incorporation, they shall ensure that all matters are handled according to the resolutions of board of directors.

The Company formulate rules and procedures for board of directors performance assessments, and that each year it conduct regularly scheduled performance assessments

through self-assessment, or peer-to-peer assessments, and may also do so through outside professional institutions, or in any other appropriate manner. A performance assessment of the board of directors shall include the following aspects, and appropriate assessment indicators shall be developed in consideration of the Company's needs:

1. The degree of participation in the Company's operations.
2. Improvement in the quality of decision making by the board of directors.
3. The composition and structure of the board of directors.
4. The election of the directors and their continuing professional education.
5. Internal controls.

The performance assessments of board members (self-assessments or peer-to-peer assessments) shall include the following aspects, with appropriate adjustments made on the basis of the Company's needs:

1. Their grasp of the Company's goals and missions.
2. Their recognition of director's duties.
3. Their degree of participation in the Company's operations.
4. Their management of internal relationships and communication.
5. Their professionalism and continuing professional education.
6. Internal controls.

It is advisable that the performance assessment of a functional committee cover the following aspects, with appropriate adjustments made on the basis of the Company's needs:

1. Their degree of participation in the Company's operations.
2. Their recognition of the duties of the functional committee.
3. Improvement in the quality of decision making by the functional committee.
4. The composition of the functional committee, and election and appointment of committee members.
5. Internal control.

The Company is advised to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.

Article 37-1 It is advisable for the Company to establish a succession plan for the management. The development and implementation of such plan shall be periodically evaluated by the board of directors to ensure sustainable operation.

Article 37-2 The board of directors is advised to evaluate and monitor the following aspects of the Company's direction of operation and performance in connection with intellectual properties, to ensure the company develops an intellectual property regulatory system in accordance with the Plan-Do-Check-Act cycle:

1. Formulate intellectual property regulatory policies, objectives and systems that are slightly associated with the operational strategies.
2. Develop, implement and maintain on the basis of scale and form its regulatory systems

governing the procurement, protection, maintenance and utilization of intellectual properties.

3. Identify and provide the necessary resources sufficient to ensure effective implementation and maintenance of the intellectual property regulatory system.
4. Observe internally and externally the risks and opportunities that intellectual property regulation may present and adopt corresponding measures.
5. Plan for and implement a continuous improvement mechanism to ensure the operation and effects of the intellectual property regulatory regime meet the company's expectations.

Article 38 If a resolution of the board of directors violates law, regulations or the Company's Articles of Incorporation, then at the request of shareholders holding shares continuously for a year or an independent director to discontinue the implementation of the resolution, members of the board shall take appropriate measures or discontinue the implementation of such resolution as soon as possible.

Upon discovering a likelihood that the Company would suffer material injury, members of the board of directors shall immediately report to the audit committee, an independent director member of the audit committee in accordance with the foregoing paragraph.

Article 39 The Company shall take out directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy so as to reduce and spread the risk of material harm to the Company and shareholders arising from the wrongdoings or negligence of a director.

The Company shall report the insured amount, coverage, premium rate, and other major contents of the liability insurance it has taken out or renewed for directors, at the next board meeting.

Article 40 Members of the board of directors are advised to participate in training courses on finance, risk management, business, commerce, accounting, law or corporate social responsibility offered by institutions designated of the Company, which cover subjects relating to corporate governance upon becoming directors and throughout their terms of occupancy. They shall also ensure that company employees at all levels will enhance their professionalism and knowledge of the law.

Chapter IV Powers and Obligations of Audit Committee

Article 41 Audit committee shall supervise the implementation of the operations of the Company, and the performance of duties by directors and managers, and care the enforcement of the internal control system so as to reduce the financial and operational risks of the Company.

Where a director, for himself/herself or on behalf of others, enters into a sale/purchase or loan transaction, or conducts any legal act with the Company, audit committee shall act as the representative of the Company.

Article 42 Audit committee may investigate the operational and financial conditions of the Company from time to time, and the relevant departments in the Company shall provide the books or documents that will be needed for the supervisor's review, transcription or duplication. When reviewing the finance or operations of the Company, audit committee may retain attorneys or CPAs on behalf of the Company to perform the review; however, the Company shall inform the relevant persons of their confidentiality obligations.

The board of directors or managers shall submit reports in accordance with the request of the Audit committee and shall not for any reason circumvent, obstruct, or refuse the inspection of the Audit committee.

When Audit committee member performs his/her duties, the Company shall provide necessary assistance needed, and the reasonable expenses that the Audit committee needs shall be borne by the Company.

Article 43 For Audit committee to timely discover any possible irregular conduct in the Company, the Company shall establish a channel for Audit committee to communicate with the employees, shareholders, and stakeholders.

Upon discovering any irregular conduct, Audit committee shall take appropriate measures timely to curb the expansion of the irregular conduct, and file a report to the relevant regulatory authorities or agencies if necessary.

When an independent director or general manager, an officer of the finance, accounting, research and development, or internal audit department, or a CPA resigns or is removed from his/her position, the audit committee shall investigate the reasons.

In the event that Audit committee member neglects his/her duties and therefore causes harm to the Company, the Audit committee shall be liable to the Company.

Chapter V Respecting Stakeholders' Rights

Article 44 The Company shall maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the Company, respect and safeguard their legal rights and interests, and designate a stakeholders section on its website.

When any of a stakeholder's legal rights or interests is harmed, the Company shall handle the matter in a proper manner and in good faith.

Article 45 The Company shall provide sufficient information to banks and its other creditors to facilitate their evaluation of the operational and financial conditions of the Company and its decision-making process. When any of their legal rights or interest is harmed, the Company shall respond with a responsible attitude and assist creditors in obtaining compensation through proper means.

Article 46 The Company shall establish channels of communication with employees and encourage employees to communicate directly with the management or directors so as to reflect

employees' opinions about the management, financial conditions, and material decisions of the Company concerning employee welfare.

Article 47 In developing its normal business and maximizing the shareholders' interest, the Company shall pay attention to consumers' interests, environmental protection of the community, and public interest issues, and shall give serious regard to the Company's social responsibility.

Chapter VI Improving Information Transparency

Section 1 Enhancing Information Disclosure

Article 48 Disclosure of information is a major responsibility of the Company. The company shall perform its obligations faithfully in accordance with the relevant laws and the related GTSM rules. The Company shall establish an Internet-based reporting system for public information, appoint personnel responsible for gathering and disclosing the information, and establish a spokesperson system so as to ensure the proper and timely disclosure of information about policies that might affect the decisions of shareholders and stakeholders.

The Company is advised to publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.

Article 49 In order to enhance the accuracy and timeliness of the material information disclosed, the Company shall appoint a spokesperson and acting spokesperson(s) who understand thoroughly the Company's financial and business conditions and who are capable of coordinating among departments for gathering relevant information and representing the Company in making statements independently.

The Company shall appoint one or more acting spokespersons who shall represent the Company, when the spokesperson cannot perform his/her duties, in making statements independently, provided that the order of authority is established to avoid any confusion.

In order to implement the spokesperson system, the Company shall unify the process of making external statements. It shall require the management and employees to maintain the confidentiality of financial and operational secrets and prohibit their disclosure of any such information at will.

The Company shall disclose the relevant information immediately whenever there is any change to the position of a spokesperson or acting spokesperson.

Article 50 In order to keep shareholders and stakeholders fully informed, the Company shall utilize the convenience of the Internet and set up a website containing the information regarding the Company's finances, operations, and corporate governance. It is also advisable for the Company to furnish the financial, corporate governance, and other relevant information in English.

To avoid misleading information, the aforesaid website shall be maintained by specified

personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.

Article 51 The Company shall hold an investor conference in compliance with the regulations of the GTSM, and shall keep an audio or video record of the meeting. The financial and business information disclosed in the investor conference shall be disclosed on the Market Observation Post System and provided for inquiry through the website established by the Company, or through other channels, in accordance with the GTSM rules.

Section 2 Disclosure of Information on Corporate Governance

Article 52 The Company shall set up a zone on its website and continue to update and disclose the following information regarding its corporate governance:

1. Board of Directors: The resumes of board members, their authority and responsibilities, and the implementation of board members diversification policy.
2. Functional Committees: The resumes, authority, and responsibilities of the members of functional committees.
3. Relevant Regulations for Corporate Governance: Such as the Articles of Incorporation, the Rules of Procedure for Board of Directors Meetings, and the Organizational Regulations of Functional Committees.
4. Crucial Information Related to Corporate Governance: Such as setting up the information of the chief governance officer.

Chapter VII Supplementary Provisions

Article 53 The Company shall at all times monitor domestic and international developments in corporate governance as a basis for review and improvement of the Company's own corporate governance mechanisms, so as to enhance their effectiveness.

Article 54 These rules shall be implemented after approval by the board of directors. The same procedure shall be applicable to any amendment hereof.

Rules of Procedure for Board of Directors Meeting

Article 1 The basis of this Procedures

In order to establish the Company's Board of Directors governance system, improve the supervision function and strengthen management functions, the Procedures for Board of Directors Meetings of Public Companies has been established in order to comply with regulations.

Article 2 The scope of this Procedures

The proceedings of the Company Board of Directors' Procedures, its main proceedings, operation procedures, Minutes of Meeting matters, announcements and other matters to be observed shall be handled in accordance with the requirements of this Procedures.

Article 3 Calling and Meeting Notice for Board of Directors

The Company Board of Directors is called at least once every quarter.

The Board of Directors' convening shall set out the reasons and notify the directors seven days in advance. However, in times of emergency, they must be called at any time.

The notification of the preceding item of convocation shall be made electronically by the consent of the counterpart.

The matters in Article 12-1 of this Procedures shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extraordinary motion.

Article 4 Conference notices and information

The Board of Directors designated by the Company is the general manager's office.

The unit should prepare the Board of Directors' content and provide enough meeting materials to send it together with the notice.

If the directors think that the meeting materials are not sufficient, they may request the meeting units to make up. If directors consider that the information on the bill is not sufficient, they may delay the deliberation of the Board of Directors' resolution.

Article 5 Preparation of documents such as scrapbooks and delegation of directors

When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with the Company's Articles of Incorporation. Attendance by videoconference will be deemed attendance in person.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 6 Principle of Board of Directors Meeting Venues and Time

The company's Board of Directors' venue and time should be based on the company's location and office hours, or be convenient for directors to attend and suit the Board of

Directors' venues and time.

Article 7 Board of Directors' Chairperson and Agent

Board meetings are convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

Where a board meeting is convened by a majority of the directors in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall select from among themselves one director to serve as chair.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.

Article 8 Board of Directors reference materials, attendees and convening

When the Company Board of Directors is convened, the General Manager's Office shall prepare relevant materials for inspection by the directors at any time.

When Board of Directors is held, it may be necessary to notify the relevant department or a member of a subsidiary company of the contents of the proposal. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting.

The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.

The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.

Article 9 Board of Directors recording or video of meetings

After the public offering, the Company Board of Directors shall have a recording or video recording of the entire meeting and shall keep it for at least five years. The preservation of the company Board of Directors shall be made electronically.

Before the expiration of the retention period of the preceding paragraph, when a lawsuit concerning the Board of Directors related resolutions occurs, the related audio or video recording data shall be retained until the conclusion of the lawsuit.

Where a board meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 10 Content of the proceedings

The company's periodic Board of Directors content includes at least the following items:

1. Matters to be reported:
 - (i) Minutes of the last meeting and action taken.
 - (ii) Important financial business reports.
 - (iii) Internal Audit Business Report.
 - (iv) Other important reporting matters.
2. Matters for discussion:
 - (i) Items for continued discussion from the last meeting.
 - (ii) Items for discussion at this meeting.
3. Extraordinary motions.

Article 11 Motion discussion

A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 3 shall apply mutatis mutandis.

Article 12 The following matters should be discussed in the Company Board of Directors:

1. The company's operating plan.
2. Annual financial reports, and financial reports for the second quarter, audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an 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. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. If the board of directors does not have managing directors, the election or discharge of the chairman of the board of directors.
7. The appointment or discharge of a financial, accounting, or internal audit officer.
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. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

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. (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.)

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.

There should be at least one independent director who personally attends the board of directors; for the first item of that should be submitted to the resolution of the board of directors, all independent directors should attend the board of directors, if independent directors cannot attend the board, they should be represented by other independent directors. If an independent director has objections or reservations, he or she shall specify in the proceedings of the board of directors; if an independent director cannot personally attend the board of directors to express objections or reservations, he shall, unless there is a valid reason, issue a written opinion in advance and specify in the minutes of the board of directors.

Article 13 Resolution 1

When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a voter vote.
2. Roll call vote.
3. Vote for resolution.
4. The company's own choice of vote.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 14 Resolution 2 and scrutineering and counting methods

Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any one among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

The result of the vote shall be reported on site and a record shall be made.

Article 15 Recusal system for directors

If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

A director is deemed to be an interested party with respect to an agenda item in respect of which its spouse or a blood relative within the second degree of kinship, or a company with a controlling or subordinate relation with the director, is an interested party.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply mutatis mutandis in accordance with Article 206, paragraph 4 of the same Act.

Article 16 Meeting minutes and signed matters

The Company Board of Directors shall make a Minutes of Meeting. The Minutes of Meeting shall record the following items:

1. The name of the Chairperson.
2. The status of director's attendance includes the attendance, leave of absence and the names and number of absent persons.
3. Names and titles of the participants.
4. The session (or year) and time and place of the meeting.
5. The name of the record.
6. Report items.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or 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; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 12, paragraph 4.
8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, supervisor, expert, or other person; 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 their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Independent director has objections or reservations and there are records or written statements.
2. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of the Company.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of the Company.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 17 Board of Directors' Authorization Principle

In addition to the discussion of the Board of Directors of the Company in the first item of Article 12, the Board of Directors or the Articles of Association of the Board of Directors may authorize directors to exercise the authority of the Board of Directors. Its authorization content is as follows:

1. Authorized by the Board of Directors as required by law.
2. According to the company's " Approved authority level Polices " provision.
3. According to company regulations, systems and methods.
4. Transfer of investment company directors and supervisors.
5. Appraisal of base date of capital increase or decrease and base date of cash dividend distribution.
6. Other company-related matters that are not subject to statutes, Articles of Association, Shareholders' meeting, and Board of Directors resolutions. However, matters involving major interests of the company should still be resolved through the Board of Directors.

Article 18 Supplementary Articles

These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

NOVA TECHNOLOGY CORPORATION

Articles of Incorporation

Chapter 1 General

Article 1 : The Company is organized under the terms of the Company Act and its name shall be 朋億股份有限公司 in the Chinese language, and NOVA TECHNOLOGY CORP. in the English language.

Article 2 : The Company's business is as follows:

1. C801010 Basic chemical industry
2. C801020 Petrochemical raw material manufacturing
3. C801030 Precision Chemical Materials Manufacturing
4. C805050 Industrial Plastic Product Manufacturing
5. CA02010 Metal structure and building module manufacturing
6. CA02050 Valve manufacturing
7. CA02090 Metal wire product manufacturing
8. CA02990 Other metal products manufacturing
9. CB01010 Machinery and equipment manufacturing
10. CB01030 Pollution prevention equipment manufacturing industry
11. CB01990 Other machinery manufacturing
12. CC01010 Power generation, transmission, and distribution machinery manufacturing
13. CC01080 Electronic component manufacturing
14. CC01990 Other electrical and electronic machinery and equipment manufacturing
15. CE01010 General instrument manufacturing
16. E103101 Environmental Protection Engineering Professional Construction Industry
17. E502010 Fuel pipe installation engineering
18. E599010 Plumbing industry
19. E601010 Electrical appliance industry
20. E601020 Electrical installation industry
21. E603010 Cable installation engineering
22. E603020 Elevator installation engineering
23. E603040 Fire safety equipment installation engineering
24. E603050 Automatic Control Equipment Engineering
25. E603080 Traffic Signal Installation Engineering
26. E603090 Lighting installation engineering
27. E603100 Welding Engineering
28. E604010 Mechanical installation industry

29. E605010 Computer equipment installation industry
30. E801010 Interior decoration industry
31. E801020 Door and window installation engineering
32. E801030 Indoor light steel frame engineering
33. E903010 Anti-corrosion, anti-rust engineering industry
34. EZ02010 Lifting Engineering
35. EZ05010 Instrument and instrument installation engineering
36. EZ06010 Traffic Marking Engineering
37. EZ07010 Drilling Engineering
38. EZ09010 Electrostatic Protection and Elimination Engineering
39. EZ15010 Insulation, cold insulation installation engineering
40. EZ99990 Other engineering industry
41. F107200 Chemical raw materials wholesale
42. F107990 Other chemical wholesales
43. F113010 Machinery Wholesale
44. F113020 Electric appliance wholesale
45. F113030 Precision Instrument Wholesale
46. F113050 Computer and transactional machinery and equipment wholesale
47. F118010 Information software wholesale
48. F119010 Electronic materials wholesale
49. F207200 Chemical raw materials retail
50. F207990 Other chemicals retail
51. F213030 Computer and transactional equipment retail
52. F213040 Precision Instrument Retail
53. F213990 Other machinery and equipment retail
54. F218010 Information Software Retail
55. F219010 Electronic materials retail
56. F401010 International trade
57. G801010 Storage industry
58. H701050 Invest in public construction
59. I103060 Management Consultancy
60. I301010 Information Software Services
61. IF01010 Fire safety equipment maintenance industry
62. IG03010 Energy Technology Services
63. IZ06010 Tally packaging industry
64. IZ12010 Manpower dispatch
65. J101030 Waste removal industry
66. J101040 Waste treatment industry
67. J101050 Environmental Testing Services
68. J101060 Waste (sewage) water treatment industry
69. J101070 Radioactive Waste Treatment Services
70. JA02010 Electrical and electronic products repair industry

71. JE01010 Leasing industry

72. ZZ99999 In addition to the licensing business, businesses that are not prohibited or restricted by business regulations

Article 3 : The Company is headquartered in Hsinchu County, Taiwan Province. If necessary, it can set up branches or subsidiaries at home and abroad through the resolution of the Board of Directors.

Article 4 : When the Company becomes a shareholder of limited liability of another company, the total amount of the Company's investment will not be subject to the restriction of not more than 40% of the Company's paid-in capital as provided in Article 13 of the Company Act. The board of directors is authorized to make such investment.

Article 5 : The Company's announcement method is governed by the Company Act and other related laws and regulations.

Article 6 : The Company may provide endorsement and guarantee and act as a guarantor.

Chapter 2 Shares

Article 7 : The company's capital is generally rated at NT\$500 million and is divided into 100 million shares, NT\$5 per share, issued in multiple installments, and unissued shares are subject to actual resolution by the Board of Directors. The amount of NT\$ 10 million was reserved for the use of the employee's share certificate in the total capital of the preceding paragraph. It was divided into 2 million shares and NT\$5 per share. It may be issued in multiples according to the resolution of the Board of Directors.

Article 7-1 : 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 as well as whoever meets criteria developed by the Company. The Board shall be authorized to resolve on the requirements, distribution and purchase methods.

Article 8 : The company's shares are registered by the director's signature and are issued after being legally granted a visa. The Company may acquire the non-printed stocks and shall contact the centralized securities depository institution to log in; the issuance of other securities shall be the same.

Article 9 : The Company's shareholding operations are handled in accordance with the relevant laws and regulations and the regulations of the competent authority.

Chapter 3 Shareholders' Association

Article 10 : The Shareholders' meeting is divided into general meeting and temporary meeting. The general meeting is held once a year and is held within six months after the end of each fiscal year. The temporary meeting is held according to law when necessary. The convening regulations are handled in accordance with relevant laws and regulations. The Shareholders' meeting may be held by video conference or other methods announced by the competent authority.

Article 11 : In case a shareholder is unable to attend a shareholders' meeting, he or she may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the company stating therein the scope of power authorized to the proxy. The written proxy to the company no later than 5 days prior to the meeting date of the shareholders' meeting.

When the Company holds a Shareholders' meeting, it shall exercise its voting rights in writing or electronically. Shareholders who vote by electronic means shall be deemed to be present in person. According to the regulations of the Act.

Article 12 : The Company shareholders have one vote per share, but none of the parties to the provisions of Article 179 of the Company Act have the right to vote.

Article 13 : Resolutions of Shareholders' meeting, unless otherwise provided by the Act, shall be attended by shareholders representing more than half of the total number of issued shares, subject to the consent of a majority of shareholder's voting rights.

Article 13-1: Resolutions of Shareholders' meeting shall be made as Minutes of Meeting, signed or sealed by Chairman and distributed to Minutes of Meeting within 20 days after the meeting. The minutes' production can be made electronically and distributed by the announcement. They shall be kept forever during the existence of the company.

Article 13-2: When the company wishes to cancel the public offering of shares, it must have obtained approval from the Board of Directors, and shareholder's attendance on behalf of the holders of shareholder's voting rights by attending Shareholders' meeting on behalf of more than two-thirds of the total number of issued shares. If the total number of shares attending the shareholder is less than the above-mentioned quota, the majority of shareholders who have represented the total number of issued shares can attend the meeting and agree to share more than two-thirds of the voting rights of the shareholder. During the period of development and listing (cabinet), this clause does not change.

Chapter 4 Directors and audit committee

Article 14 : The Company shall have 5 to 9 directors. The term of office of directors is three years after which they will be eligible for re-election and re-appointment. The election of the directors shall nominate a nominee system for election, which shall be selected by Shareholders' meeting on the list of candidates. When the term of director expires but not re-election, he will extend his executive duties until the reappointment of directors to take office, and the proportion of shares held by all directors will be handled according to the regulations of the securities regulatory authority.

In the case that vacancies on the Board of Directors exceed one third of the total number of the Directors, then the Board of Directors shall convene a shareholders' meeting to elect new Directors to fill such vacancies in accordance with relevant laws, rules and regulations. Except for the election of new Directors across the board, the new Directors shall serve the remaining term of the predecessors.

The nomination, selection method and related treatment of the Company directors shall

be handled in accordance with the Company's "Directors Election Procedures" and related regulations.

In the Company directors quota, the number of independent directors must not be less than three and not less than one third of directors' seats. Independent director adopts the nomination system for candidates, which is selected by shareholders on the list of independent directors candidates. The professional qualifications of the independent director, shareholding, part-time restrictions, nomination and selection methods, and other matters to be followed are handled in accordance with the relevant regulations of the competent authority.

Article 14-1: The Company has been authorized by the Board of Directors for the purchase of liability insurance, the amount of insurance and the insurance coverage of the director's liability for the scope of its business operations within the director's term of office.

Article 14-2: The Company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act and consists of all independent directors. Regarding the number of audit committees, terms of office, powers, Procedures, and other matters, according to the relevant provisions of the "Public Issuing Company Audit Committee to exercise powers," the provisions of the audit committee organizational rules set.

Article 14-3: The Company's Board of Directors has a payroll commission or other functional committee due to business operations.

Article 14-4: The Company Board of Directors should be held at least quarterly. The convocation of the Board of Directors shall set forth the reasons for notifying the directors seven days before, but may be called upon at any time in the event of an emergency. The Company Board of Directors is called up in writing, fax or e-mail.

When directors cannot attend the Board of Directors for any reason, they shall draw a power of attorney, and shall appoint the scope of authorization for the cause of the commission to appoint other directors to attend.

The above agent is subject to the entrustment of one person.

When the Board of Directors was convened, the videoconferencing meeting was made available to them. Directors participating in the videoconferencing were regarded as attending in person.

The resolution of the Board of Directors, with the exception of the Company Act, the Mergers and Acquisitions Act or other laws and regulations, takes the majority of directors' presence and consents to the majority of directors present.

Article 15: The Board of Directors is organized by directors, the board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also elect in the same manner a vice chairman of the board. The chairman of the board of directors shall represent the Company in external matters.

Article 16: The Board of Directors, except as otherwise required by the Company Act, is called by the directors. When a director takes leave or fails to exercise his authority for any reason,

his agent shall handle it according to Article 208 of the Company Act.

Article 16-1: The remuneration of all directors, the company has to pay remuneration, and its remuneration authorizes Board of Directors to refer to the recommendations of the Compensation Committee and to the value of its participation in, and contribution to, the company's operations, and to reference the usual levels of the industry.

Chapter 5 Managers and staff

Article 17: The Company can be established as a manager. Its appointment, dismissal and remuneration are governed by Article 9 of the Company Act.

Article 18: The Company has been resolved by the Board of Directors to hire consultants or key staff.

Chapter 6 Accounting

Article 19: After the end of each fiscal year, the following reports shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance. (I) Business Report; (II) Financial Statements; (III) Proposals of profit distribution or losses.

Article 19-1: If the company is profitable for the year, it should retain the amount of accumulated losses before tax. The net profit before tax of not including dispatched employees' and directors' remuneration shall be no less than 3% for employee remuneration, and then set not more than five percent for directors.

Employee and directors remuneration are resolved by a majority vote at a Board of Directors meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting.

Employee remuneration shall be distributed in stocks or in cash. The payment shall apply to employees of parents or subsidiaries of the company as well whoever meets criteria developed by the Board of Directors.

Article 20: The Company may distribute earnings or make up for losses after the end of each semi-annual fiscal period. If there is any surplus at the end of each semi-annual fiscal period, the Company shall first estimate and retain the taxable contributions, make up for losses, estimate and retain compensation to employees and directors, and set aside the legal reserve, except when the legal reserve has reached the Company's total capital, and set aside or reverse the special reserve as required by law or regulations prescribed by the competent authority. If there is any surplus, the remaining balance shall be added to the accumulated undistributed earnings of the previous semi-accounting year, which shall be resolved by the shareholders' meeting if the earnings are to be distributed by issuing new shares. Which shall be resolved by the board of directors if the earnings are to be distributed in cash.

When allocating the net profits for each fiscal year, the Company shall first offset its accumulated losses and set aside a legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve equals the total paid-in capital of the

Company; then set aside special capital reserve in accordance with relevant laws or regulations. If there is any unappropriated earnings from prior years, the Board of Directors shall prepare a proposal for the distribution of earnings, which shall be resolved by the shareholders' meeting if the distribution is to be made by issuing new shares.

The Company policy of dividend distribution shall be based on the company's current and future investment environment, capital needs, financial structure, surplus situation, and balance of dividends. The amount of dividends distributed to shareholders shall be no less than 10% of distributable earnings for the year. Dividends to shareholders of the company shall be distributed in the form of cash or shares, provided that the proportion of cash dividends distributed shall not be less than 10% of the total dividends. However, due to the company's significant investment plan and the inability to obtain other funds, the board of directors proposed and the shareholders' meeting decided not to issue cash dividends.

Article 20-1: The company may authorize the distributable dividends and bonuses, capital surplus reserve and the legal surplus reserve in part or in whole, to be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the latest shareholders' meeting without applying the resolution of the shareholders' meeting under the preceding article.

Chapter 7 Annex

Article 21: All matters not specified in this charter are subject to the provisions of the Company Act.

Article 22: This Articles of Association was concluded on May 27, 1997

The first revision was made on June 28, 2000

The second revision was made on July 27, 2000

The third revision was made on December 10, 2000

The fourth revision was made on June 28, 2002

The fifth revision was made on December 10, 2002

The sixth revision was made on March 8, 2004

The seventh revision was made on June 28, 2004

The eighth revision was made on June 27, 2005.

The ninth revision was made on June 30, 2006

The tenth revision was made on June 1st, 2007

The eleventh revision was made on June 9, 2008

The twelfth revision was made on March 2, 2009

The thirteenth revision was made on August 12th, 2010

The fourteenth revision was made on October 7th, 2011

The fifteenth revision was made on February 26, 2013

The sixteenth revision was made on June 30, 2014

The seventeenth revision was made on August 21, 2014

The eighteenth revision was made on May 27, 2015.
The nineteenth revision was made on May 30, 2016
The twentieth revision was made on December 5, 2016
The twenty-first revision was made on May 22, 2017.
The twenty-second revision was made on May 24, 2019.
The twenty-third revision was made on May 21, 2020.
The twenty-fourth revision was made on July 22, 2021.
The twenty-fifth revision was made on May 24, 2022.

NOVA TECHNOLOGY CORP.

Chairman : Chin-Li Liang

Rules of Procedure for Shareholder Meetings

Article 1 (Basis and purpose)

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 rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 (Definition)

The term "shareholders" as used in this Procedures refers to the agents to whom the shareholders and the shareholders are present.

Article 4 (Convening shareholders meetings and shareholders meeting notices)

- (1) Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
- (2) Unless otherwise provided by the Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a shareholders' meeting with video conferencing 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.
- (3) 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.
- (4) The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. 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.
- (5) 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:
 - A. For physical shareholders meetings, to be distributed on-site at the meeting.

- B. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- C. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
- (6) 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.
- (7) Election or dismissal of directors, amendments to the articles of incorporation, capital reduction, termination of public offering, lifting the prohibition of competition on directors, earnings transferred to common stock, capital surplus transferred to common stock, 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 set out in the notice of the reasons and main reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
- (8) If the meeting notice has specified the re-election of directors and the date of inauguration. As the re-election is completed on the shareholders' meeting, such resolution of inauguration date should not be changed in the same meeting by an extraordinary motion or other means.
- (9) 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, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting 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. 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.
- (10) Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals by written or electronic, 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.
- (11) 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 5 (Attendance at Shareholders' meeting and authorization)

- (1) 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.
- (2) 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.

- (3) After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 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.
- (4) 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 6 (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 7 (Preparation of documents such as the attendance book)

- (1) The Company shall specify in its shareholders meeting notices the time during which shareholder, solicitors and proxies (collectively "shareholders") attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
- (2) 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.
- (3) Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
- (4) 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.
- (5) 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 or supervisors, pre-printed ballots shall also be furnished.
- (6) 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.
- (7) 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.

- (8) 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 7-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, the Company shall include the following 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:
 - A. 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.
 - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C. 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.
 - D. 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 as provided in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with access to communication facilities and necessary assistance, and specify the application period and other relevant considerations.

Article 8 (The chair and non-voting participants of a shareholders meeting)

- (1) If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- (2) When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of

the company. The same shall be true for a representative of a juristic person director that serves as chair.

- (3) It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors (at least one independent director) in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
- (4) If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- (5) The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 9 (Documentation of a shareholders meeting by audio or video)

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials shall be retained for at least 1 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 10 (Shareholders' meeting attendance calculations and meetings)

- (1) 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.
- (2) The chair shall call the meeting to order at the appointed meeting time and announce the votes with no voting rights and the number of shares in attendance. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 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 chair 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.
- (3) 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 7.

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

Article 11 (Discussion of proposals)

- (1) If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant agendas (including the extraordinary motion or amendment of the existing agenda) should 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.
- (2) 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.
- (3) The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
- (4) The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote. Attendees should be offered with adequate time to vote.

Article 12 (Shareholder speech)

- (1) Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
- (2) 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.
- (3) Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- (4) When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
- (5) 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.
- (6) After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- (7) 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.

- (8) 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 13 (Calculation of voting shares and recusal system)

- (1) Voting at a shareholders meeting shall be calculated based the number of shares.
- (2) 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.
- (3) 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.
- (4) 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.
- (5) 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 14 (Resolution, scrutiny and counting of motions)

- (1) A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
- (2) When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by electronics means or correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or 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.
- (3) A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 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.
- (4) After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or 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 by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

- (5) 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.
- (6) 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.
- (7) When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- (8) Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.
- (9) 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.
- (10) 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.
- (11) 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.
- (12) When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 7 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.
- (13) 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 15 (Election matters)

- (1) 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 and votes they received for every winning or losing candidate.
- (2) The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 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 16 (Minute of Meeting and Signing Events)

- (1) Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
- (2) This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
- (3) The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the weighted voting). When an election of directors is held, the number of weighted votes each candidate wins shall be publicized and shall be retained for the duration of the existence of the Company.
- (4) 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.
- (5) 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 17 (Public disclosure)

- (1) 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.
- (2) During this Corporation'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.
- (3) 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 Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 18 (Maintaining order at the meeting place)

- (1) Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
- (2) The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

- (3) At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.
- (4) When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 19 (Recess and resumption of a shareholders meeting)

- (1) When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- (2) If the meeting venue is no longer available for continued use and not all of the items including extraordinary motions on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
- (3) 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 20 (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 21 (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 a person shall declare the address of their location when the meeting is called to order.

Article 22 (Handling of disconnection)

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair or a 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 second 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 second 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 and supervisors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second 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 second 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 second 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 second paragraph.

Article 23 (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 as provided in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall provide shareholders with access to communication facilities and necessary assistance, and specify the application period and other relevant considerations.

Article 24 (Implementation)

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

Procedures for Election of Directors

Article 1 Purpose and the basis

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies. Except as otherwise provided by law and regulation or by this Corporation's Articles of Incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 2 The abilities that must be present in the board

The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 3 Qualifications for the independent directors

The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 4 Electoral machinery of directors

The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. Matters related to the acceptance and public announcement for the nomination of candidates of directors shall be in accordance with the relevant laws and regulations such as the Company Act and Securities and Exchange Act.

Article 5 By-election mode for the shortfall of directors

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6 Preparation for the ballots

The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 7 Number of directors and elected mode

The number of directors and supervisors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 8 Vote monitoring and counting

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9 Invalid circumstances of the ballot

A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot does not conform to the director candidate list.
5. Other words or marks are entered in addition to the number of voting rights allotted.

Article 10 Count of votes

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair or the designated person on the site.

Ballot examiners shall seal and sign the ballot papers indicated under election information in the preceding paragraph and keep them properly for at least one year. If a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, however, the abovementioned documents must be retained until the end of the litigation.

Article 11 Elected notice

The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 12 Implementation

These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Shareholding of All Directors

1. The company's registered capital was NT\$500,000,000, paid-in capital was NT\$389,007,425, and the number of issued capital was 77,801,485 shares.
2. According to the public issuer's directors, the number of shares of the supervisor, and the inspection and implementation of Procedures Article 2(1) to (2) and the proviso of the proviso, the total number of shares held by the company's directors shall be calculated in accordance with paragraph 2, but if it is lower than the first maximum total number of shares, it shall be calculated in accordance with the maximum total number of shares in the first paragraph, that is not less than 15 percent of 60,000,000 shares. Based on this, the total number of shares held by the Company's total directors Should be 9,000,000shares; also the Company has elected independent director of four persons. According to the second item of the same law, the total number of directors of independent directors will be reduced to 80% according to the above-mentioned ratio of shareholdings. The number of statutory shares to be held is 7,200,000 shares, and the company has an audit committee. Therefore, there is no applicability of the statutory shares that should be held by the supervisor.
3. The record of the shareholder's meeting transfer cancellation date is cut off. The status of individual and all directors held by the shareholder list is as follows:

Title	Name	Number of shares held	Shareholding ratio
Chairman	Representative of ACTER CO., LTD: Chin-Li Liang	43,196,358	55.52%
Director	Representative of ACTER CO., LTD: Jung-Tang Yang		
Director	Representative of ACTER CO., LTD: Wei Ma		
Independent Director	Chih-Yi Chi	0	0%
Independent Director	Sheng-Yung Yang	0	0%
Independent Director	Cheng Li	0	0%
Independent Director	Hui-Yin Chiu	0	0%
Total shareholding by all directors		43,196,358	55.52%

The other explanation

1. The process of proposals raised by shareholders during this annual general meeting: :
 - (1) According to Article 172-1 of the Company Act, shareholders with more than 1% ownership interest are entitled to raise a maximum of one proposal less than 300 words to the Company, which will be addressed during the annual general meeting.
 - (2) This year's annual general meeting was open to shareholders' proposals from March 14 to March 24, 2025, and these dates have been published on the Market Observation Post System in compliance with the relevant regulations.
 - (3) The Company did not receive any proposals from shareholders.