

# **M-Power Information Co., Ltd.**

## **2024 Annual General Shareholders' Meeting Handbook (Translation)**

**Time: May 30, 2024 (Thursday) at 9:00 AM**

**Address: 6F, No. 99, Fuxing N. Rd., Taipei City (Primasia Conference  
& Business Center)**

**Convening method: Physical shareholders' meeting**

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## **I. Meeting Procedure**

### **M-Power Information Co., Ltd.**

### **2024 Annual General Meeting of Shareholders**

1. Call Meeting to Order
2. Chairman's Address
3. Reported Matters
4. Matters for Ratification
5. Election and Discussion Matters
6. Extempore Motions
7. Adjournment

## II. Meeting Agenda

### M-Power Information Co., Ltd.

### 2024 Annual Shareholders' Meeting Agenda

Time: May 30, 2024 (Thursday) at 9:00 AM

Address: 6F, No. 99, Fuxing N. Rd., Taipei City (Primasia Conference &  
Business Center)

Convening method: Physical shareholders' meeting

1. Call Meeting to Order
2. Chairman's Address
3. Reported Matters
  - (1) 2023 Business Report
  - (2) Audit Committee's Review Report on the 2023 Financial Statements
  - (3) Report on the distribution of remuneration to employees and directors in 2023
  - (4) Report on the amendments to the "Rules of Procedure for Board of Directors Meetings"
  - (5) 2023 Directors' Remuneration Report
4. Matters for Ratification
  - (1) 2023 Business Report and Financial Statements
  - (2) 2023 Earnings Distribution
5. Election and Discussion Matters
  - (1) Full re-election of directors
  - (2) Lifting the restriction of new director non-competition
6. Extempore Motions
7. Adjournment

## 1. Reported Matters

Proposal 1: 2023 Business Report.

Description: For the Company's 2023 business report, please refer to Appendix 1 on pages 8 to 17 of this manual.

Proposal 2: Audit Committee's Report on the Review of the 2023 Financial Statements.

Description: Please refer to Appendix 2 on page 18 of this manual for the 2023 Audit Committee Review Report.

Proposal 3: Report on the distribution of remuneration to employees and directors in 2023.

Description: The Company's profit for 2023 is NT \$130,282,692. According to the provisions of this Articles of Incorporation, it is proposed to allocate 12.907548% for employee remuneration and 1.105289% for director remuneration, which are NT \$16,816,301 for employee remuneration and NT \$1,440,000 for director remuneration, respectively. The above amounts will be paid in cash.

Report 4: Amendment to the "Rules of Procedure for Board of Directors Meetings."

Description: In accordance with the laws and regulations of the competent authority, we intend to amend the "Rules of Procedure for Board of Directors Meetings". Please refer to Appendix 3 on pages 19 to 21 of this manual.

Proposal 5: 2023 Directors' Remuneration Report.

Description: In accordance with Article 10-1 of "Corporate Governance Best Practice Principles", the remuneration received by the directors of the Company, including the remuneration policy, the content, amount of individual remuneration and the relevance to the performance evaluation results, please refer to Appendix 4 on pages 22 to 23 of this manual.

## 2. Matters for Ratification

Proposal 1: (Proposed by the Board)

Subject: 2023 Business Report and Financial Statements.

Description: 1. The 2023 financial statements of the Company have been audited by the accountants of KPMG Chun-I, Chang and Chun-Hsiu, Kuang, and a written Auditors' Report has been issued.

2. Business Report, Independent Auditors' Review Report and the above-mentioned financial statements, please refer to Appendix 1 on pages 8 to 17 and Attachment 5 on pages 24 to 31 of this manual.

3. Please adoption.

Resolution:

Proposal 2: (Proposed by the Board)

Subject: Distribution of earnings for 2023.

Explanation: 1. The Company's after-tax earnings for 2023 is NT \$89,432,444, which is listed as statutory surplus reserve in accordance with the law, plus the opening undistributed earnings and adjustments, the amount of distributable earnings is NT \$88,927,162, so it is proposed to distribute a shareholder dividend of NT \$83,600,000 (a cash dividend of NT \$3.8 per share), and the closing undistributed earnings after distribution is NT \$5,327,162.

2. This cash dividend is calculated in accordance with the distribution ratio and rounded down to NT \$1. The number of total with less than NT \$1 allocated is included in other non-operating income.

3. If the number of outstanding shares is subsequently affected by the repurchase of the Company's shares or the transfer, cancelation or cash capital increase of treasury shares, and the shareholders' coupon rate changes as a result, it is proposed that the shareholders' meeting authorize the chairman of the board to deal with related matters.

4. After the proposal is approved by the shareholders' meeting, the shareholders' meeting will authorize the chairman to set the ex-dividend date, payment date and related matters.

5. To attach the 2023 earnings distribution statement, please refer to Appendix 6 on page 32 of this manual.

6. Please adoption.

Resolution:

### 3. Election and Discussion Matters

Proposal 1 (Proposed by the Board)

Subject: Comprehensive re-election of directors.

Explanation: 1. The term of office of the 10th Board of Directors of the Company will expire on January 23, 2025. In accordance with relevant laws and regulations and this Articles of Incorporation, a general re-election of directors will be proposed at the 2024 Annual General Meeting of Shareholders.

2. According to Article 13 of this Articles of Incorporation, seven directors (including three independent directors) are proposed to be elected this time. All directors adopt the candidate nomination system. New directors (including independent directors) will take office immediately after they are elected for a term of three years from May 30, 2024 to May 29, 2027, and the original director will be dismissed when the re-election is completed at the 2024 annual general meeting.

3. The list of candidates for directors (including independent directors) is as follows.

Candidate Type	Name Gender	Education	Experience	Current	Shares Held (Unit: Shares)
Director	Chin-Lung, Hsu	EMBA, National Taiwan University Master of Computer Engineering, Cornell University Master of Mechanical Engineering, Chiao-Kang University, U.S.A.	Technical Director, First International Computer, Inc. Senior Business Manager of Spark Corporation	Chairman and President, M-Power Information Co., Ltd. Chairman of Wei Gu Co., Ltd.	1,030,710
Director	Wei Gu Co., Ltd.	Not applicable.	Nil	Nil	2,682,381
Director	Ares International Corp. Representative: Hsiung-Jung, Sung	Master of Information Management, National Taiwan University	Nil	Vice President, Ares International Corp. Aijia Software (Suzhou) (share) Director Director, Mai Sen Technology Co., Ltd.	3,843,015
Director	Ares International Corp. Representative: Chin-Wei, Yu	Master of Arts in Comparative Studies, University of Warwick, UK	Nil	Vice President, Ares International Corp. Aijia Software (Suzhou) (share) Supervisors of the Company	3,843,015
Independent Director	Hung-Hsun, Ting	Bachelor of Accounting, Chinese Culture University	Supervisor of Emerging Display Technologies Corp. Independent Director of Applied Nano Medical Technology Co., Ltd. Partner Accountant, Zheng Feng United Accounting Firm	Accountant, Chien-Cheng Accounting Firm Independent Director, CyberTAN Technology Inc. Director, Xinxun Technology Co., Ltd. Independent Director of ShunSin Technology Holdings Limited	0

Candidate Type	Name Gender	Education	Experience	Current	Shares Held (Unit: Shares)
Independent Director	An-Tso, Chang	Master of International Business Administration, National Taiwan University	BenQ Medical Technology Corporation Director and Supervisor President, BenQ Asia Pacific Corp. Vice President, Qisda Corporation President of BenQ Materials Corporation Adjunct Associate Professor, Shih Chien University Adjunct Associate Professor, National Yang Ming University	Adjunct Associate Professor, Department of Cultural and Creative Industry Management, National Taipei University of Education Independent Director, Tai Chin Investment Holding Co., Ltd. Independent Director, Pacific Hospital Corporation Director of Yoyo Data Application Co., Ltd. Director of Direct Relationship with Nong Mai Co., Ltd.	0
Independent Director	Su-Chen, Hung	Master, College of Management, National Taiwan University	President of Small and Medium Enterprise Credit Guarantee Fund of Taiwan, Vice President of Development Group, Manager of Accounting Department, Head of Audit Department Member of Small and Medium Enterprise Development Fund Management Committee National Development Fund, Executive Yuan - Member of Venture Capital Review Committee	Director of Yu Neng Management Consulting Limited	0

Election results:

### Proposal 2 (Proposed by the Board)

Subject: Proposal to lift the restriction on the new director, non-competition

- Description: 1. According to Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the shareholders meeting the essential contents of such an act and obtain its approval.
2. The Company's newly appointed directors or acts that invest in or operate other companies with the same or similar business scope and serve as directors or managerial officers, and without prejudice to the Company's interests, it is proposed to submit to the shareholders' meeting for approval to lift the restrictions on newly appointed directors non-competition. Please refer to Attachment 7 on page 33 of this manual.
3. Please discuss.

Resolution:



## **4. Extempore Motions**

## **5. Adjournment**

### III. Attachments

#### Attachment 1. 2023 Business Report

## M-Power Information Co., Ltd. 2023 Business Report

### 1. 2023 Business Report

The Company's 2023 audited operating income was NT \$1,598,779,000, and the net profit after tax was NT \$89,432,000. The detailed information is as follows:

#### (1) 2023 Business Plan Implementation Results:

In 2023, the Company's operating revenue, gross profit, and net operating profit were NT \$1,598,779,000, NT \$230,902,000, and NT \$115,514,000, respectively, and the growth rates were 8.26%, 4.64%, and -2.94%, respectively. The detailed information is as follows:

Unit: NT \$thousands

Item	FY22	FY23	
		Actual	Growth rate
Operating revenue	1,476,766	1,598,779	8.26%
Gross profit	220,662	230,902	4.64%
Profit From Operations	119,016	115,514	-2.94%
Earnings (loss) per share after tax (NT \$)	4.81	4.07	-15.38%

#### (2) Budget implementation:

The Company's actual operating figures and budget for 2023 are listed in the following table:

Unit: NT \$thousands

Item	FY23		Achievement rate
	Actual	Budget	
Operating revenue	1,598,779	1,392,339	14.83%
Operating costs	1,367,877	1,149,671	18.98%
Gross profit	230,902	242,668	-4.85%
Operating expenses	115,388	108,140	6.70%
Profit From Operations	115,514	134,528	-14.13%
Non-operating income (expense)-net	-3,488	-2,500	39.52%
Net profit after tax	89,432	105,622	-15.33%

#### (3) Financial analysis and comparison:

Comparison of financial analysis for 2022 and 2023:

Item		FY22	FY23
Finance Structure	Debt to asset ratio (%)	59.85%	61.73%
	Ratio of long-term capital to fixed assets (%)	22613.19%	45006.53%
Repayment Ability	Current ratio (%)	154.85%	149.28%
	Quick ratio (%)	104.18%	101.49%
	Interest protection multiples	18.53	17.09
Operation Ability	Accounts receivable turnover (times)	3.46	2.66
	Accounts receivable days	105.49	137.21
	Inventory turnover (times)	6.59	3.92
	Payables turnover	4.70	3.04
	Average days for sale	55.38	93.11
	Fixed assets turnover (times)	595.23	944.90
	Total assets turnover (times)	1.68	1.30
Profit Ability	Return on total assets (%)	11.01%	7.70%
	Return on shareholders' equity (%)	24.35%	18.50%
	Ratio to paid-in capital (%)	52.01%	50.92%
	Profit ratio (%)	6.20%	5.59%
	Earnings per share (NT \$)	4.81	4.07

Unit: NT \$thousands

	Operating revenue	Gross profit	Profit From Operations	Net profit after tax	EPS (NT \$)
FY23	1,598,779	230,902	115,514	89,432	4.07
FY22	1,476,766	220,662	119,016	91,557	4.81
Year-on-year	8.26%	4.64%	-2.94%	-2.32%	-15.38%

(4) Research and development status:

Products	Research and Development
EZSO V2.0	<ul style="list-style-type: none"> <li>• Provide a standalone solution for notes and financial statements: EZSO products are no longer attached to the Group's consolidated financial statement system (GCRS), and companies can choose to purchase EZSO products separately, and cooperate with EZPI to prepare financial statements.</li> </ul>
CarbonKeeper Carbon Butler V2.2	<ul style="list-style-type: none"> <li>• Provide domestic and foreign carbon inventory emission coefficient database.</li> <li>• It supports three activity data provision methods, including screen input, EXCEL file access, and automatic transmission interfaces.</li> </ul>

Products	Research and Development
	<ul style="list-style-type: none"> <li>• Support the significance assessment function.</li> <li>• Support data accuracy and data quality computing.</li> <li>• Provide convenient functions for the storage and use of supporting drawings.</li> <li>• Support the production and production functions of inventory reports.</li> <li>• Provided activity data unit conversion mechanism.</li> <li>• Optimize various interfaces to reduce the frequency of mouse and keyboard use during operation and lower the learning threshold.</li> </ul>

## 2. 2024 Business Plan

### (1) Business policy for the year:

From the war between Russia and Ukraine to the conflict in Pakistan, in response to the current geopolitical situation, many owners in the manufacturing industry have been asked by the ordering manufacturers to evaluate the company's manufacturing production and related systems to be placed in the overseas cloud environment. The Company has evaluated and introduced cloud relocation software to assist customers in transferring systems many years ago. In view of customers' security concerns, many companies are worried about the model of public cloud sharing Internet and resources. Even if Gartner's research shows that the data processing model of public cloud is at least 60% safer than the traditional data center, many enterprise users with very sensitive internal data still cannot safely deploy the public cloud strategy. It is not only due to the security of customer data, but also in order to comply with government regulations. The Company provides customers with fast private cloud construction software and services, which can meet customers' demand for the cloud-based software environment, but also avoid the above-mentioned information security concerns.

In terms of information security, in response to the revision of ISO 27001, this version requires customers to complete construction before 2026. This revision will affect most manufacturers who have been certified to ISO 27001. The Company provides Table of Contents service security access protection solutions. In recent years, due to the frequent occurrence of hacker attacks and the internal destruction of the enterprise by ransomware, the operation and operation of the system are affected. Table of Contents service is in charge of corporate accounts and important places of resources, so it provides AD backup restoration, security access, audit protection and account inventory and other protection measures to comply with the international ISO27001 information security management system standards, and assist customers in introducing relevant solutions.

In terms of full-stack monitoring platform, in response to the increasingly complex system structure, through the analysis of data on the monitoring platform, the most complete deployment application and system performance improvement to reduce resource waste, and achieve performance optimization and uninterrupted services with limited information resources.

With the diversification of customer types, transnational transformation, and globalization, the maintenance and operation of databases and application servers, and cloud operations are becoming more and more complex and diverse. We continue to provide complete and comprehensive databases, application servers, and multi-cloud integration professional services. Exclusive consultants provide 7 \* 24 or 5 \* 8 annual technical consultation, regular health check, and various database and application server professional services to meet the maintenance and operation needs of various complex and diversified databases, and ensure the high-performance operation of enterprise databases, application servers, and the cloud environment.

In November 2019, the TWSE and TPEx sent a letter to each listed and OTC company to strengthen corporate governance, reiterate that the preparation of financial statements is the responsibility of the company's management, and the competent authority will review the preparation of financial statements of all companies in five years, which will enter the fifth year of this year; In addition, on August 25, 2020, the Financial Supervisory Commission released the "Corporate Governance 3.0-Sustainable Development Blueprint", in which the financial information disclosure part requires all listed and OTC companies to announce their self-closing financial information 75 days after the end of the year, and companies will definitely accelerate the response to relevant regulatory requirements. The Company has complete solutions and consulting service capabilities to help listed companies implement the governance mechanism required by the competent authority, and achieve the Company's goal of preparing financial statements by itself. Therefore, it is important business policy to continue to increase market share and product profitability by strengthening the diversity of solutions, expanding market marketing capabilities, and participating in relevant activities of the competent authority and public associations.

In line with the government's promotion of achieving the goal of net zero carbon emissions by 2050, the Financial Supervisory Commission officially launched the "Sustainable Development Roadmap for TWSE/TPEx Listed Companies" in 2022. In March 2023, the "Sustainable Development Action Plan for TWSE/TPEx Listed Companies" was released; In August 2023, the "Blueprint for IFRS-compliant Sustainable Disclosure in Taiwan" was officially released.

Require all listed companies to promote in stages according to the amount of paid-in capital of the enterprise since 2023; Before 2027, all listed and OTC companies must complete the greenhouse gas inventory and be consistent with the scope of the financial statements, and complete the verification of the greenhouse gas inventory by 2029; Major companies around the world have successively released net-zero emissions by 2030, and require cooperation with supply chain-related manufacturers. In order to assist enterprises in response to greenhouse gas inventory operations, the Company has developed its own carbon management platform: Carbon Butler CarbonKeeper, which has been used by many enterprises since its advent in 2023. In addition to supporting ISO14064-1 and GHG Protocol reporting standards, it produces greenhouse gas inventory and reports, and can also respond to the needs of the Group and a single enterprise for multiple reporting purposes such as the Ministry of Environment, the Financial Supervisory Commission or the supply chain, so as to help various industries to comply with the requirements of legal compliance and supply chain stakeholders to achieve net zero carbon emissions. This year, the expansion of marketing and sales on the basis of existing sales will be the focus of this year.

(2) Expected sales volume and its basis:

The Company acts as an agent for many Item s, and the price varies greatly. The customized services for customers in specific industries need to have different quotations according to the needs of customers.

The proprietary financial report solution is priced based on the number of consolidated standard-alone of the customer, but in the past, only medium-sized group enterprise customers with a large number of consolidated standard-alone. Since the beginning of this year, we have not only expanded our goal to merge with small group enterprise customers with fewer standard-alone, but also extended our business to listed, OTC, emerging stock, and public offering enterprises without subsidiaries. We hope to promote the independent versions of EZSO and EZPI to increase our revenue figures and expand our market share.

The carbon management solutions are priced based on the number of sites of customers, but based on market feedback, the size of the customer's company and the number of sites may not be a positive relationship. In addition, customers will determine the number of user accounts required based on actual needs, which is not related to the size of the company and the number of fields. In view of this, the pricing method of carbon management solutions will be based on customer needs to quote products. As such, quotation can not only be used to closely meet the actual needs of customers, but also create market segmentation. At the same time, it can also extend its marketing reach to more customer groups of different

market scales, so as to increase sales opportunities.

(3) Important production and marketing policies:

Digital Transformation Solutions:

- A. In response to geopolitical problems, provide the migration of existing customers' application systems to the public cloud environment planning and construction.
- B. In response to the requirements of the new version of ISO27001, we will strengthen the agency of information security-related solutions.
- C. Provide a full-stack monitoring platform for the system architecture, activate all information equipment and make effective applications to avoid waste caused by unlimited hardware investment, and cannot achieve energy saving and carbon reduction.
- D. The popularity of cloud applications and the huge and frequent changes of unit organizational personnel have caused complex account management. The information security solution is based on personal account management and then the host privilege, providing management, hierarchical authorization, transfer, disaster recovery and zero trust solutions. Strengthening container product services and product introduction as the basis of traditional application systems to cloud, and assisting customers in digital transformation.

ESG Transformation Solutions:

The Financial Supervisory Commission released the "Corporate Governance 3.0-Sustainable Development Blueprint" in 2020 and the "Sustainable Development Roadmap" in 2022, which respectively proposed that all listed companies must "announce their self-assessed financial information for the previous year within 75 days after the end of the year from 2024", as well as two requirements, namely "complete greenhouse gas inventory and consistent with the scope of financial statements before 2027". The "financial reporting solutions" and "carbon butler CarbonKeeper" developed by the Company can assist enterprises to efficiently complete the above two competent authorities' requirements. The Company's production and sales strategies for these two products are as follows:

A. CarbonKeeper

- a. Continue to expand the research and development of product functions, not only to meet the system functions of ISO14064-1 and GHG Protocol standards, but also have the function of carbon reduction target management. In addition, we will also strive to obtain Auditors' Report approval issued by international verification agencies to gain customers' trust in product functions.
- b. Improve product awareness by winning the 2023 ASOCIO Digital Summit

ICT ESG Award.

- c. The products are mainly sold in SaaS cloud leasing, supplemented by the sales method of on-site leasing, with this diversified product sales model to meet the needs of different customer groups, and can reduce the threshold for enterprises to use and increase the adhesion of enterprises to use.
  - d. Establish a sustainable mobile ecosystem and cooperate with a number of companies that provide ESG solutions or services, including strategic partners that provide carbon management professional consulting services, third-party verification/assurance services, high-efficiency energy conservation, high-efficiency energy storage, etc., in order to provide enterprises with a full range of solutions and services, and expand product visibility and increase product sales opportunities through strategic partners.
  - e. Collaborate with banks to provide low-carbon project loan projects, and provide low-interest loans and interest subsidy programs for small and medium-sized enterprises to help them enter the low-carbon transformation.
- B. Financial statement solution
- a. Develop a standalone system for notes and financial statements, so that EZSO can no longer be attached to the GCRS Group's consolidated statement system. For the group or non-group enterprises that only need to collect notes and financial statements, they can purchase products based on their own needs for system functions to expand the system's user group.
  - b. Provide the AI translation platform function, in addition to the financial report solution to produce the Chinese financial report content, enterprises can also use the AI translation platform function to produce faster and higher quality English financial report content.
  - c. Continue to deepen the cooperation with accounting firms and ERP information manufacturers, so that the customer base is more diversified and drives sales opportunities, and cultivate consulting companies with product introduction capabilities to expand product and service aspects and capabilities.
  - d. The Company continues to systematically organize the annual CFO Association to strengthen in-depth communication with companies that use it, and will also regularly organize seminars to increase product exposure.

### 3. Future development strategy of the Company

The spread of the Covid-19 epidemic around the world began at the end of 2019, and it should have a gradual decline in the impact on human life and economic activities by the end of 2023, even it can be ignored the impact of Covid-19. However, some wars between countries and countries or regions are still ongoing. In addition,



the geopolitical impact war between the two major countries, the United States and China has expanded and derived the chain effect of technology war and global supply chain disruption and restructuring. In addition, the ESG sustainability issues to protect the earth and maintain a permanent, fair, and safe living environment for human beings are being promoted in full swing around the world, and it affects the changes in the competitiveness of enterprises in the industry. The occurrence of the above-mentioned related events has also contributed to the rapid and substantial increase in consumer inflation and bank loan interests. This global major event is affecting the results of business operations and future development.

In order to establish sustainable competitiveness of the enterprise, the enterprise can help the enterprise to solve the dependence on human resources and improve operational performance through digital products through digital optimization and further digital transformation, and even develop new business models to increase revenue and profit for the enterprise and establish sustainable competitiveness of the enterprise. The company's mission is to "enhance long-term and reliable competitiveness for customers". Therefore, the company's four development strategies in the future are as follows:

- (1) Continue to distribute and distribute more diversified application software in public and private cloud, big data database processing and application, system performance monitoring and adjustment, information security and AI applications, assist enterprise customers to effectively use digital optimization strategies to improve the efficiency of operational management, and strengthen the data and technology integration of related software products, and provide customers with high value-added professional services in the near future to achieve the goal of digital transformation of enterprise customers.
- (2) In order to assist corporate customers to achieve net zero emissions efficiently and move towards the goal of sustainable development of ESG, in addition to the existing development completed, the Company has also established a customer group organization carbon inventory software-Carbon Butler CarbonKeeper products in large financial holding companies and listed companies. We will continue to deepen the research and development of software for calculating carbon footprint and ESG-related software in response to international sustainability standards, to help companies establish carbon management and carbon reduction methods in the most efficient way, and to respond to international, competent authorities and industrial supply chain sustainable information processing and disclosure issues, to assist corporate customers in establishing sustainable competitiveness.
- (3) Two major software products developed by the Company
  - A. The software products of the Group's consolidated financial statements and

financial report are in compliance with the International International Financial Reporting Standards (IFRS), and more than 100 countries around the world require or permit the preparation of financial statements in accordance with IFRS.

B. The organization of carbon inventory software-CarbonKeeper and carbon footprint software products are in line with the international standards of ISO14064-1 and GHG Protocol. At present, the world has announced that it has been working together as a net zero effort country with more than 150 countries. After establishing a large number of good customer experience cases in Taiwan, it will plan and expand the development of international markets in mainland China and Southeast Asia from 2024.

(4) In order to provide customers with more digital transformation solutions and ESG professional services, the Company will establish business expansion cooperation with partners from multiple professions and industries, and form an ESG sustainable mobile ecosystem to provide customers with a one-stop service business model of digital transformation and ESG transformation.

#### 4. Impact of External Competitive Environment, Regulatory Environment, and Macroeconomic Environment

Even though 2023 continues to be affected by excess inventory, inflation and geopolitical wars among companies, the net zero commitment to climate change is also unavoidable. International Financial Reporting Standards (IFRS) Foundation's International Sustainability Standards Board (ISSB), published the official version of International Sustainability Standards Bulletin S1 and S2 for the first time on June 26, 2023. It requires companies to disclose risks and opportunities in response to sustainability and climate change and to disclose information on their short, medium and long-term financial impacts.

On August 17, 2023, the Financial Supervisory Commission also released the blueprint for aligning with International Financial Reporting Standards (IFRS) disclosure standards in Taiwan, and all listed companies will apply it in stages from 2026. At the same time, in addition to the disclosure of sustainable information in the financial statements in accordance with the standards of S1 and S2, the annual report of the shareholders' meeting must also be announced and disclosed at the same time.

In terms of environmental issues (E), the Company has launched the carbon management solution of "Carbon Butler (Carbon CarenKeeper)" to assist enterprises in responding to the current carbon inventory work, and the Company continues to develop products that are also of great concern to customers. The Company will continue to assist enterprises in using digital tools for digital transformation. In

addition, the Company's "Financial Report Solution" on governance (G) issues helps companies disclose financial report information in a timely manner. Relevant complete digital products provide customers with the development of implementing policies, and are optimistic about the company's subsequent business development.

Under the overall operating environment, this year is a good opportunity for the stable growth of the Company. Under the guidance and supervision of the Board of Directors and the support and care of all shareholders, all our colleagues will continue to improve the R & D of new products and technology upgrades, provide customers with the most valuable services with a professional attitude, and work together to create maximum benefits for shareholders.

Finally, I would like to thank all shareholders for your continuous support and care for the Company. We wish you all good health and all the best.

Chairman: Chin-Lung, Hsu

Managerial officers: Chin-Lung, Hsu

Accounting Supervisor: Yu-Chi, Wang

**M-Power Information Co., Ltd.**  
**Audit Committee's Review Report**

The Board of Directors has prepared the Company's business report, financial statements and earnings distribution proposal, among which the financial statements have been audited by KPMG Chun-I, Chang and Chun-Hsiu, Kuang accountants, who have issued Auditors' Report. The above-mentioned business report, financial statements and earnings distribution statement have been reviewed by the Audit Committee and are considered to be complied with. According to Article 14-4 of the Securities Exchange Act and Article two hundred and nineteen of the Company Act, we hereby submit this report.

To

M-Power Information Co., Ltd. 2024 Annual General Meeting

Convener of the Audit Committee: Hung-Hsun, Ting

February 27, 2024

**Attachment 3. Comparison table of the amendments to the “Rules of Procedure for Board of Directors Meetings”**

Amended Articles	Original Article	Explanation
<p>Article 4 (Notice and meeting materials)</p> <p>The Board of Directors of the Company has designated the meeting affairs unit as the corporate governance unit. The meeting unit shall formulate the content of the board of directors' meeting and provide sufficient meeting materials, which shall be sent together with the convening notice. If the directors consider that the meeting materials are insufficient, they may ask the meeting affairs unit to supplement. If the directors consider that the information of the motion is insufficient, they may postpone the deliberation after the Board of Directors Resolution.</p>	<p>Article 4 (Notice and meeting materials)</p> <p>The Company's Board of Directors has designated the meeting affairs unit as the Administration Department. The meeting unit shall formulate the content of the board of directors' meeting and provide sufficient meeting materials, which shall be sent together with the convening notice. If the directors consider that the meeting materials are insufficient, they may ask the meeting affairs unit to supplement. If the directors consider that the information of the motion is insufficient, they may postpone the deliberation after the Board of Directors Resolution.</p>	<p>Adjust the meeting affairs unit in line with the actual operation of the Company.</p>
<p>Article 8 (References to the Board of Directors, and meetings between non-voting attendees and the Board of Directors)</p> <p>When the Company's Board of Directors is convened, the meeting affairs unit shall prepare relevant information for the directors present to check at any time. When a board meeting is convened, personnel from relevant departments may be notified according to the contents of the motion. Where necessary, CPAs, lawyers or other professionals may also be invited to attend the meeting and state their presence. However, they shall leave the</p>	<p>Article 8 (References to the Board of Directors, and meetings between non-voting attendees and the Board of Directors)</p> <p>When the Company's Board of Directors is convened, the Administration Department shall prepare relevant information for the participating directors to check at any time. When a board meeting is convened, personnel from relevant departments may be notified according to the contents of the motion. Where necessary, CPAs, lawyers or other professionals may also be invited to attend the meeting and state their presence. However, they shall leave the</p>	<ol style="list-style-type: none"> <li>1. Adjust the meeting affairs unit in line with the actual operation of the Company .</li> <li>2. In order to avoid controversy caused by the delay of the meeting time of the Board of</li> </ol>

Amended Articles	Original Article	Explanation
<p>meeting when discussing and voting.</p> <p>The chairman of the board of directors shall declare a meeting immediately when more than half of the directors have attended the meeting.</p> <p>If half of the directors are unable to attend the meeting, the chairman may announce that the meeting will be postponed on the same day, and the postponement shall be limited to two times. If the postponement is still insufficient for the second time, the chairman may re-convene the meeting in accordance with the procedures stipulated in Paragraph 2 of Article 3.</p> <p>All directors referred to in the preceding paragraph and paragraph 2 of Article 16 shall be calculated based on the actual incumbents.</p>	<p>meeting when discussing and voting.</p> <p>The chairman of the board of directors shall declare a meeting immediately when more than half of the directors have attended the meeting.</p> <p>If half of the directors are unable to attend the meeting, the chairman may announce the postponement of the meeting, and the postponement shall be limited to two times. If the postponement is still insufficient for the second time, the chairman may re-convene the meeting in accordance with the procedures stipulated in Paragraph 2 of Article 3.</p> <p>All directors referred to in the preceding paragraph and paragraph 2 of Article 16 shall be calculated based on the actual incumbents.</p>	<p>Directors, it is clearly stated that if the number of attendance is insufficient, the chairman may announce that the time limit for the postponed meeting is limited to that day.</p>
<p>Article 11 (Discussion of Proposals)</p> <p>The board of directors of the Company shall proceed in accordance with the meeting procedures set out in the notice of the meeting. However, it may be changed with the consent of more than half of the directors present.</p> <p>The chairperson of the board of directors shall not announce Adjournment without the consent of more than half of the directors present.</p> <p>During the proceedings of the board meeting, if the attending directors do not exceed half of the attending directors, upon the proposal of the attending directors, the chairman shall announce the suspension of the</p>	<p>Article 11 (Discussion of Proposals)</p> <p>The board of directors of the Company shall proceed in accordance with the meeting procedures set out in the notice of the meeting. However, it may be changed with the consent of more than half of the directors present.</p> <p>The chairperson of the board of directors shall not announce Adjournment without the consent of more than half of the directors present.</p> <p>During the proceedings of the board meeting, if the attending directors do not exceed half of the attending directors, upon the proposal of the attending directors, the chairman shall announce the suspension of the</p>	<p>Considering the actual situation, when the chairman cannot preside over the meeting or announce Adjournment according to regulations, in order to avoid affecting the operation of the board of directors, the fourth paragraph is added, and</p>

Amended Articles	Original Article	Explanation
<p>meeting, and the provisions of Article 8, Paragraph 5 shall apply. <u>During the proceedings of the board of directors, if the chairman cannot preside over the meeting for any reason or fails to announce Adjournment in accordance with the second paragraph, the election of his proxy shall be subject to the third paragraph of Article 7.</u></p>	<p>meeting, and the provisions of Article 8, Paragraph 5 shall apply.</p>	<p>the election method of the proxy is stipulated to apply the third paragraph of Article 7.</p>

#### **Attachment 4. Directors' Remuneration Policy and Content**

1. The policy, system, standard and structure of the remuneration of the Company's directors and independent directors, and the correlation with the amount of remuneration according to the responsibilities, risks, time invested and other factors:
  - (1) The remuneration of the independent directors of the Company is on a monthly basis.
  - (2) Based on the actual attendance of the board of directors and its functional committees, the transportation allowance shall be paid only once if the board of directors or functional committees are held simultaneously on that day.
  - (3) In accordance with Article 17 of Articles of Incorporation, the Board of Directors is authorized to determine the amount of remuneration (including travel expenses) paid to directors based on the industry standard.
  - (4) Variable bonuses to directors of the Company (limited to directors involved in the daily operations of the Company) shall take into account the overall operating results of the Company for the current year and the evaluation of the operating performance of the units under their jurisdiction, the reasonableness and fairness of which shall be paid attention to during deliberations, and the provisions of the "Regulations Governing the Evaluation of the Performance of the Board of Directors and managerial officers".



2. The content and amount of individual remuneration of directors:

Unit: NT \$thousands

Job Title	Name Gender	Remuneration of directors								A、B、C、D Total amount and percentage of net profit after tax		Relevant Remuneration Received by Directors Who are Also Employees								A、B、C、D、 E、F and G		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Pension (B)		Remuneration to Directors (C)		Business execution expenses (D)				Salary, Bonuses, and Allowances (E)		Pension (F)		Employees' compensation (G)						
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Cash Amount	Stocks Amount	Cash Amount	Stocks Amount	The Company	Companies in the consolidated financial statements	
Chairman	Chin-Lung, Hsu	0	0	0	0	360	360	10	10	0.41%	0.41%	2,985	2,985	0	0	2,345	0	2,345	0	6.37%	6.37%	Nil
Director	Nai-Jen, Cheng	0	0	0	0	360	360	10	10	0.41%	0.41%	1,719	1,719	0	0	1,298	0	1,298	0	3.79%	3.79%	Nil
Director	Ares International Corp. Representative: Hsiung-Jung, Sung	0	0	0	0	360	360	10	10	0.41%	0.41%	0	0	0	0	0	0	0	0	0.41%	0.41%	Nil
Director	Ares International Corp. Representative: Chin-Wei, Yu	0	0	0	0	360	360	10	10	0.41%	0.41%	0	0	0	0	0	0	0	0	0.41%	0.41%	Nil
Independent Director	Hung-Hsun, Ting	390	390	0	0	0	0	12	12	0.45%	0.45%	0	0	0	0	0	0	0	0	0.45%	0.45%	Nil
Independent Director	An-Tso, Chang	390	390	0	0	0	0	10	10	0.45%	0.45%	0	0	0	0	0	0	0	0	0.45%	0.45%	Nil
Independent Director	Dwen-Ren, Tsai	390	390	0	0	0	0	10	10	0.45%	0.45%	0	0	0	0	0	0	0	0	0.45%	0.45%	Nil

## Attachment 5. Independent Auditors' Report 2023 and Financial Statements

### Independent Auditors' Report

M-Power Information Co., Ltd. Board of Directors The Board of Directors and Shareholders:

#### **Audit Opinion**

We have audited the accompanying financial statements of M-Power Information Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, Statements of Comprehensive Income, the statements of changes in equity and the statements of cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Regulations Governing the Preparation of Financial Reports by Securities Issuers. as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Financial Supervisory Commission and International Financial Reporting Standards , International Accounting Standards , IFRIC Interpretations, and Statement on Internal Control (SIC) as endorsed by the FSC of the Republic of China.

#### **Basis for opinions**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Code of Ethics for Professional Accountants (IESBA Code) and M-Power Information Co., Ltd., and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Basis for opinions

#### **Key audit matters**

Key audit matters is the matter that, in our professional judgment, was of most significance in our audit of the financial statements for the year 2023 of M-Power Information Co., Ltd.. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the Auditors' Report Key audit matters that

should be communicated is as follows:

#### Revenue recognition

Please refer to Note 4 (12) for accounting policies on revenue recognition. Please refer to note 6 (14) for revenue recognition.

#### Key audit matters Description:

M-Power Information Co., Ltd. primarily engages in the sale of computer software, Item engages in the design and integration of computer software and the provision of professional consulting services. The types of transactions are different. Revenue is recognized in a single transaction when performance obligations are satisfied and based on the degree of completion of the transaction on the reporting date. Since the judgment on the method and timing of revenue recognition will significantly affect the presentation of the financial statements of M-Power Information Co., Ltd., we have included revenue recognition as one of the important matters in the audit of the financial report for the year.

#### Audit Procedures:

Our main audit procedures for Key audit matters included the following:

- We obtained an understanding of the operations and industry characteristics of M-Power Information Co., Ltd. and reviewed the sales contracts to confirm whether the timing of revenue recognition and accounting treatment were appropriate.
- Test the design and implementation of internal control related to revenue recognition.
- Conducting trend analysis for the top ten customers, including a comparison of the customer list and sales revenue amounts between the current period and the most recent period and the same period of last year, to assess whether there are any significant abnormalities, and to identify and analyze the reasons for any significant changes.
- Sampled and verified sales transactions of the whole year to evaluate the authenticity of sales transactions, the correctness of the recognized amount of sales revenue, and the reasonableness of the time of accounting.
- Test a sample of sales transactions for a period before and after the end of the year to assess whether the timing of revenue recognition is appropriate.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers., the Financial Supervisory Commission, International Financial Reporting Standards , International Accounting Standards , IFRIC and Statement on Internal Control (SIC), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the M-Power Information Co., Ltd.'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 M-Power Information Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing M-Power Information Co., Ltd.'s financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with Auditing Standards, we exercise professional judgment and professional skepticism throughout the audit. We also perform the following tasks:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; Design and implement appropriate countermeasures for the assessed risks; Obtain sufficient and appropriate audit evidence as a basis for Basis for opinions. 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 M-Power Information Co., Ltd. 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 M-Power Information Co., Ltd.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of Auditors' Report. However, future events or conditions may cause M-Power Information Co., Ltd. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying

transactions and events in accordance with fair.

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 International Code of Ethics for Professional Accountants (IESBA Code) regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of M-Power Information Co., Ltd. for the year ended December 31, 2023 Key audit matters. We describe these matters in 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 Auditors' Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chun-I, Chang and Chun-Hsiu Kuang.

KPMG Taiwans  
Taipei, Taiwan (The Republic of China)  
February 27, 2024

#### **Notes to Readers**

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

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

**(English Translation of Individual Financial Statements and Report Originally Issued in Chinese)**  
**Only reviewed, not audited in accordance with auditing standards**  
**M-Power Information Co., Ltd.**  
**Balance sheet**  
**December 31, 2023 and 2022**

Unit: NT \$thousands

Assets		2023.12.31		2022.12.31		Liabilities and Equity		2023.12.31		2022.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	<b>Current assets:</b>					21xx	<b>Current liabilities:</b>				
1100	Cash and cash equivalents (note 6 (1))	\$ 209,790	17	242,888	20	2100	Short-term borrowings (notes 6 (1), (6), 7 and 8)	\$ 95,000	8	150,565	13
1136	Current financial assets at amortized cost (notes 6 (1), (6) and 8)	-	-	3,580	-	2130	Current contract liabilities (note 6 (14))	91,288	7	35,059	3
1150	Notes receivable, net (note 6 (2) and (14))	126	-	402	-	2170	Accounts payable (note 7)	475,504	37	424,782	35
1170	Accounts receivable, net (note 6 (2) and (14))	555,256	44	473,222	40	2200	Other payables (note 6 (15))	57,054	5	60,671	5
1200	Other receivables	47	-	220	-	2230	Income tax liabilities for the current period	11,391	1	11,749	1
130X	Inventories (note 6 (3))	353,871	28	344,301	29	2280	Current lease liabilities (note 6 (8))	6,735	1	6,401	1
1410	Prepayments	6,565	-	6,061	1	2322	Long-term borrowings, current portion (Notes 6 (7) and 7)	11,948	1	-	-
1470	Other current assets	160	-	92	-	2399	Other current liabilities	5,229	-	2,257	-
	<b>Current assets total</b>	<u>1,125,815</u>	<u>89</u>	<u>1,070,766</u>	<u>90</u>		<b>Current liabilities total</b>	<u>754,149</u>	<u>60</u>	<u>691,484</u>	<u>58</u>
15xx	<b>Non-current assets:</b>					25xx	<b>Non-current liabilities:</b>				
1600	Property, plant and equipment (note 6 (4))	1,148	-	2,236	-	2540	Long-term borrowings (notes 6 (7) and 7)	11,221	1	-	-
1755	Right-of-use assets (note 6 (5) and (8))	21,556	2	27,034	2	2580	Non-current lease liabilities (note 6 (8))	15,644	1	21,444	2
1780	Intangible assets	784	-	841	-	2640	Net defined benefit liability, non-current (note 6 (9))	3,427	-	3,534	-
1840	Deferred income tax assets (note 6 (10))	1,525	-	1,547	-		<b>Total non-current liabilities</b>	<u>30,292</u>	<u>2</u>	<u>24,978</u>	<u>2</u>
1920	Guarantee deposits paid	23,376	2	18,930	2	2xxx	<b>Total liabilities</b>	<u>784,441</u>	<u>62</u>	<u>716,462</u>	<u>60</u>
1930	Long-term receivables (note 6 (2) and (14))	96,620	7	75,761	6	31xx	<b>Equity attributable to owners of parent (notes 6 (9), (10) and (11)):</b>				
	<b>Non-current assets total</b>	<u>145,009</u>	<u>11</u>	<u>126,349</u>	<u>10</u>	3110	Ordinary shares	<u>220,000</u>	<u>17</u>	<u>220,000</u>	<u>18</u>
						3200	Capital surplus	<u>133,284</u>	<u>10</u>	<u>133,284</u>	<u>11</u>
						3300	Retained earnings:				
						3310	Legal reserve	35,239	3	25,963	2
						3350	Unappropriated earnings	97,860	8	101,406	9
							Retained earnings total	<u>133,099</u>	<u>11</u>	<u>127,369</u>	<u>11</u>
						3xxx	<b>Total equity</b>	<u>486,383</u>	<u>38</u>	<u>480,653</u>	<u>40</u>
1xxx	<b>Total assets</b>	<u>\$ 1,270,824</u>	<u>100</u>	<u>1,197,115</u>	<u>100</u>	23xx	<b>Total liabilities and equity</b>	<u>\$ 1,270,824</u>	<u>100</u>	<u>1,197,115</u>	<u>100</u>

(See the attached notes to financial statements)

**(English Translation of Individual Financial Statements and Report Originally Issued in Chinese)**  
**Only reviewed, not audited in accordance with auditing standards**

**M-Power Information Co., Ltd.**  
**Statements of Comprehensive Income**  
**January 1 to December 31, 2023 and 2022**

**Unit: NT \$thousands**

		<u>2023</u>		<u>2022</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4110	<b>Operating revenue (note 6 (14))</b>	\$ 1,604,345	100	1,481,937	100
4190	Less: Sales discounts and allowances	5,566	-	5,171	-
	<b>Net operating revenue</b>	1,598,779	100	1,476,766	100
5000	<b>Operating costs (notes 6 (3), (4), (5), (9) and 7)</b>	1,367,877	86	1,256,104	85
5900	<b>Gross profit</b>	230,902	14	220,662	15
6000	<b>Operating expenses (notes 6 (2), (4), (5), (8), (9), (15) and 7):</b>				
6100	Selling and marketing expenses	57,845	4	51,173	4
6200	Administrative expenses	37,182	2	33,784	2
6300	Research and development expenses	20,386	1	16,771	1
6450	Reversal of expected credit loss	(25)	-	(82)	-
	<b>total</b>	115,388	7	101,646	7
6900	<b>PROFIT FROM OPERATIONS</b>	115,514	7	119,016	8
7000	<b>Non-operating income and expenses (notes 6 (5), (8) and (16)):</b>				
7100	Interest income	1,110	-	246	-
7020	Other gains and losses	2,364	-	1,687	-
7050	Finance costs	(6,962)	-	(6,526)	-
	<b>Non-operating income and expenses total</b>	(3,488)	-	(4,593)	-
7900	<b>Net profit before tax</b>	112,026	7	114,423	8
7950	<b>Less: expenses of income tax (note 6 (10))</b>	22,594	1	22,866	2
8200	<b>Net income</b>	89,432	6	91,557	6
8300	<b>Other gains (losses) of total (notes 6 (9) and (10)):</b>				
8310	<b>Item that will not be reclassified to profit or loss</b>				
8311	Remeasurement of defined benefit plans	(127)	-	1,510	-
8349	Less: Adjustments relating to Item that will not be reclassified to profit or loss	(25)	-	302	-
8300	<b>Other losses of total</b>	(102)	-	1,208	-
8500	<b>Total gains and losses of total for the period</b>	<u>\$ 89,330</u>	<u>6</u>	<u>92,765</u>	<u>6</u>
	<b>Earnings per share (Unit: NT \$, Note 6 (13))</b>				
9750	Basic earnings per share	<u>\$ 4.07</u>		<u>4.81</u>	
9850	Diluted earnings per share	<u>\$ 4.04</u>		<u>4.72</u>	

(See the attached notes to financial statements)

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**M-Power Information Co., Ltd.**  
**Statements of Changes in Equity**  
**January 1 to December 31, 2023 and 2022**

**Unit: NT \$thousands**

	Common		Retained earnings			Total equity
	Shares	Share	Statutory	Undistributed	total	
	capital	Capital surplus	earnings Surplus reserve	Surplus		
<b>Balance at January 1, 2022</b>	\$ 145,000	26,600	18,740	81,114	99,854	271,454
Appropriation and distribution of earnings:						
Legal reserve	-	-	7,223	(7,223)	-	-
Cash dividends	-	-	-	(21,750)	(21,750)	(21,750)
Stock dividends	43,500	-	-	(43,500)	(43,500)	-
Net income	-	-	-	91,557	91,557	91,557
Other losses of total	-	-	-	1,208	1,208	1,208
Total gains and losses of total for the period	-	-	-	92,765	92,765	92,765
Cash capital increase	31,500	106,684	-	-	-	138,184
Balance as of December 31, 2022	220,000	133,284	25,963	101,406	127,369	480,653
Appropriation and distribution of earnings:						
Legal reserve	-	-	9,276	(9,276)	-	-
Cash dividends	-	-	-	(83,600)	(83,600)	(83,600)
Net income	-	-	-	89,432	89,432	89,432
Other losses of total	-	-	-	(102)	(102)	(102)
Total gains and losses of total for the period	-	-	-	89,330	89,330	89,330
<b>Balance at December 31, 2023</b>	\$ 220,000	133,284	35,239	97,860	133,099	486,383

**(See the attached notes to financial statements)**



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

Only reviewed, not audited in accordance with auditing standards

M-Power Information Co., Ltd.

Statements of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NT \$thousands

	2023	2022
<b>Cash flows from operating activities:</b>		
Profit before tax	\$ 112,026	114,423
<b>Adjustment of Item:</b>		
Item		
Depreciation expense	7,524	7,427
Amortization expense	431	132
Reversal of expected credit loss	(25)	(82)
Interest expense	6,962	6,526
Interest income	(1,110)	(246)
Gain on lease modification	(5)	(18)
Item total	<u>13,777</u>	<u>13,739</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	276	113
Accounts receivable	(82,009)	(195,198)
Other receivables	173	(179)
Inventories	(9,570)	(307,105)
Prepayments	(504)	(3,285)
Other current assets	(68)	(77)
Long-term receivables	(20,859)	(50,461)
Changes in operating assets total	<u>(112,561)</u>	<u>(556,192)</u>
Changes in operating liabilities:		
Contract liabilities	56,229	(2,265)
Accounts payable	50,722	314,567
OTHER PAYABLES	(3,617)	2,965
Other current liabilities	2,972	(2,222)
Net defined benefit liabilities	(234)	(247)
Changes in operating liabilities total	<u>106,072</u>	<u>312,798</u>
Changes in operating assets and liabilities total	<u>(6,489)</u>	<u>(243,394)</u>
Item total	<u>7,288</u>	<u>(229,655)</u>
Cash inflow (outflow) generated from operations	119,314	(115,232)
Interest received	1,110	246
Interest paid	(6,962)	(6,526)
income tax	(22,905)	(24,958)
<b>Net cash flows from (used in) operating activities</b>	<u>90,557</u>	<u>(146,470)</u>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at amortized cost	-	(3,000)
Proceeds from disposal of financial assets at amortized cost	3,580	-
Acquisition of property, plant and equipment	-	(702)
Increase in refundable deposits	(4,446)	(2,271)
Acquisition of intangible assets	(374)	(906)
<b>Net cash used in investing activities</b>	<u>(1,240)</u>	<u>(6,879)</u>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans	(55,565)	122,565
Proceeds from long-term borrowings	30,000	-
Repayments of long-term borrowings	(6,831)	-
Repayment of lease principal	(6,419)	(6,113)
Cash dividends	(83,600)	(21,750)
Cash capital increase	-	138,184
<b>Net cash flows from (used in) financing activities</b>	<u>(122,415)</u>	<u>232,886</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(33,098)</u>	<u>79,537</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>242,888</u>	<u>163,351</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 209,790</u>	<u>242,888</u>

(See the attached notes to financial statements)

Attachment 6. 2023 Earnings Distribution Table

**M-Power Information Co., Ltd.**  
**Earnings Distribution statement**  
**FY23**

Unit: NT \$

Item	total
Undistributed earnings at the beginning of the period	8,529,642
Add: Net profit after tax for the year	89,432,444
Add: Changes in remeasurement of defined benefit plans	(101,866)
Less: Legal reserve	(8,933,058)
Earnings available for distribution	88,927,162
Less: Distribution of Item	
Cash dividend (NT \$3.8 per share)	(83,600,000)
Undistributed earnings at the end of the period	5,327,162

Chairman: Chin-Lung, Hsu

Managerial officers: Chin-Lung, Hsu

Accounting Supervisor: Yu-Chi, Wang

**Attachment 7. Statement of Dismissal of Directors Non-competition**

<b>Job Title</b>	<b>Name Gender</b>	<b>Company / Position Held</b>
Director	Chin-Lung, Hsu	Chairman of Wei Gu Co., Ltd.
Director	Wei Gu Co., Ltd.	Nil
Director	Ares International Corp.	Director of Waytung Information Co., Ltd. Director of Aika Software (Suzhou) Co., Ltd. Director, Maxxon Technology Co., Ltd.
	Representative : Hsiung-Jung, Sung	Director of Aika Software (Suzhou) Co., Ltd. Director, Maxxon Technology Co., Ltd. Vice President, Ares International Corp.
Director	Ares International Corp.	Director of Waytung Information Co., Ltd. Director of Aika Software (Suzhou) Co., Ltd. Director, Maxxon Technology Co., Ltd.
	Representative : Chin-Wei, Yu	Supervisor, Aika Software (Suzhou) Co., Ltd. Vice President, Ares International Corp.
Independent Director	Hung-Hsun, Ting	Independent Director, CyberTAN Technology Inc. Director, Xinxun Technology Co., Ltd. Independent Director of ShunSin Technology Holdings Limited
Independent Director	An-Tso, Chang	Independent Director, Tai Chin Investment Holding Co., Ltd. Independent Director, Pacific Medical Materials Co., Ltd. Director of Yowoo Data Application Inc. Director of Directly re-buying Co., Ltd.
Independent Director	Su-Chen, Hung	Director of Yu Neng Management Consulting Limited

# IV. Appendices

## Appendix 1. Articles of Incorporation

### **M-Power Information Co., Ltd.**

#### **Articles of Incorporation**

##### Chapter 1 General

Article 1: The Company, organized in accordance with Company Act, is named M-Power Information Co., Ltd. and the English name is "M-POWER INFORMATION Co., LTD."

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

1. F118010 information software wholesale business.
2. F218010 Information software retailing
3. I301010 Information Software Services
4. I301020 Data processing services
5. I301030 Electronic Information Supply Services
6. F113050 Wholesale of Business Machinery and Equipment.
7. F213030 Retail Sale of Business Machinery and Equipment
8. F109010 Wholesale of Books.
9. F209010 Book and Stationery Retail.
10. F301030 General Department Store.
11. F601010 Intellectual Property.
12. I601010 Rental and Leasing
13. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval business of the Company.

Article 3: The Company has a head office in Taipei City, and may, if necessary, establish branches in Taiwan and overseas after being approved by the Board of Directors' meeting, Resolution, and the competent authority.

Article 4: The Company may make external investments as necessary for its business, and the board of directors Resolution may be the shareholder of other companies with limited liability, and its total investment may not be subject to the restrictions on the reinvestment amount stipulated in Article 13 of Company Act.

Article 4-1: The Company may provide external guarantees for its business needs.

Article 4-2: The announcement method of the Company is in accordance with Article

twenty-eight of Company Act.

## Chapter 2 Shares

Article 5: The Company's total capital is determined to be NT \$Three Hundred Million, divided into NT \$Ten Thousand per ten thousand shares, of which unissued shares are authorized to be issued in installments by the Board of Directors. The aforementioned capital reserves \$sixteen million for a total of one million, six hundred thousand shares, which are used for the issuance of employee stock option certificates, preferred shares with stock options and corporate bonds with stock options. The Board of Directors is authorized to issue in installments in accordance with the relevant laws and regulations.

The Company issues employee stock option certificates, transfers treasury shares purchased under Company Act to employees, issues new shares that shall be reserved by employees at a certain percentage in accordance with the law, and issues new restricted employee shares to employees, including employees of controlled or affiliated companies that meet certain conditions. The conditions are authorized to the board of directors.

The employee stock option certificates issued by the Company at a price lower than the average price of the shares actually repurchased to the employees, or a price lower than the market price (net value per share), shall be issued only after the consent of more than two-thirds of the voting rights of the shareholders present at the shareholders' meeting who represent more than half of the total number of issued shares.

Article 6: The Company's shares are generally registered and signed or sealed with numbers by three or more directors, and issued after verification according to law. The Company is not allowed to print physical stock certificates, but should register with the securities depository institution and handle it in accordance with the regulations of the institution; The same shall apply when issuing other marketable securities.

The Company's stock affairs are handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies", Company Act and related regulations promulgated by the competent authority.

Article 7: The change of the name of the Company's shares shall be suspended within 60 days before the date of the regular shareholders' meeting, within 30 days before the date of the special shareholders' meeting, or within five days before the base date of the Company's decision to distribute dividends and bonuses or other benefits.

## Chapter 3 Shareholders Meeting

Article 8: Shareholders' meetings are divided into two types: general meetings and extraordinary meetings. The general meetings are held at least once a year, and the Board of Directors shall hold such meetings within six months after the end of each fiscal year in accordance with the law; Extraordinary meetings shall be convened when necessary.

When the Company's shareholders' meeting is held, it may be held via video conference or other methods announced by the central competent authority.

Article 9: If a shareholder is unable to attend the shareholders' meeting for any reason, he may issue a power of attorney issued by the company to specify the scope of authorization, and sign or seal the proxy to attend the meeting in accordance with Article one hundred and seventy-seven of Company Act.

In addition to complying with Article one hundred and seventy-seven of Company Act and Article twenty-five of Securities and Exchange Act, the Company is also subject to the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" and related regulations promulgated by the competent authority.

Article 10: Except as otherwise provided by laws and regulations, each share has one voting right, but is subject to restrictions or the circumstances specified in Company Act Article one hundred and seventy-nine.

Article 11: Resolution of the shareholders' meeting, unless otherwise provided by Company Act, shall be attended by shareholders representing more than half of the total number of issued shares in person or by proxy, and shall be agreed by more than half of the voting rights of shareholders present.

The company shall list the electronic method as one of the channels for the exercise of voting rights of shareholders, and shareholders who exercise voting rights electronically are deemed to be present in person, and the relevant matters have been handled in accordance with the provisions of the law.

The resolutions of the shareholders' meeting shall be recorded in the meeting minutes and handled in accordance with Company Act Article one hundred and eighty-three.

Article 12: If the shareholders' meeting is convened by the board of directors, it shall be chaired by the chairman of the company. When the chairman is on leave or cannot exercise his power for any reason, his proxy shall be handled in accordance with Article two hundred and eight of Company

Act.

If the shareholders' meeting is convened by other conveners other than the board of directors, the convener shall serve as the chairman. If there are more than two persons in the convener, one person shall be elected from each other.

Article 12-1: If the Company intends to withdraw from the public offering, it shall, in addition to the approval of the board of directors, be approved by the special Resolution of the shareholders' meeting, handle matters related to the cancelation of the public offering, and there is no change to this provision during the period of listing or OTC.

#### Chapter 4 Directors and Audit Committee

Article 13: The Company has five to nine directors with a term of three years, and the candidate nomination system is adopted. The shareholders' meeting shall elect the candidates from the list of candidates, and they may be re-elected. The provisions of the nomination system shall be handled in accordance with Article one hundred and ninety-two-1 of Company Act. The cumulative voting system is adopted for the election of directors of the Company.

The total amount of registered shares held by all directors of the Company shall be handled in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" issued by the competent authority.

In accordance with Article 14-2 of the Securities and Exchange Act, the number of independent directors shall not be less than two and shall not be less than one-fifth of the number of directors. The professional qualifications, shareholding, part-time restrictions, nomination and election methods and other matters to be followed for the nomination of independent director candidates shall be handled in accordance with the relevant regulations of the securities regulatory authorities.

The Company may, in accordance with the provisions of Corporate Governance Best Practice Principles, purchase liability insurance for directors during their term of office, and the board of directors is authorized to handle the relevant insurance matters.

Article 13-1: The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors and shall consist of not less than three members, at least one of whom has accounting or financial expertise. Members of the Audit Committee or the Audit Committee are

responsible for the performance of the duties of supervisors as required by Company Act, Securities and Exchange Act and other laws and regulations. Resolution of the Audit Committee shall be agreed by more than half of all members.

Article 14: The board of directors is organized by the directors, and the chairman of the board is elected with the attendance of more than two-thirds of the directors and the consent of more than half of the directors present. When the chairman is on leave or cannot exercise his/her power for any reason, he/she shall act as an agent in accordance with Company Act Article two hundred and eight.

Article 15: The Board of Directors of the Company may set up various functional committees (and may engage external experts and scholars to serve as members of the committees). The establishment and functions of the functional committee are handled in accordance with the regulations established by the competent authority and the company's regulations.

Article 16: To convene a board meeting, the board shall specify the reasons and notify the directors seven days in advance. However, in case of emergency, the meeting may be convened at any time. Board meetings may be convened in writing, by email (E-mail) or by fax.

A director shall attend the board meeting in person. If a director is unable to attend a board meeting for any reason, he may appoint another director as his proxy in accordance with Article two hundred and five of Company Act. The proxy so appointed shall be limited to the extent of the authorization of one person. If a board meeting is held via video conferencing, the director who participates in the video conferencing is deemed to be present in person.

Article 17: The Board of Directors is authorized to determine the remuneration of directors based on the extent of their participation in the Company's operations and the value of their contributions, taking into account the domestic and foreign industry standards.

#### Chapter 5 managerial officers

Article 18: The Company may establish managerial officers, and its appointment, dismissal and remuneration shall be handled in accordance with Article twenty-nine of Company Act.

#### Chapter 6 Accounting

Article 19: The accounting year of the Company is from January 1 to December 31.



At the end of each fiscal year, the Board of Directors shall:

1. Business report.
2. Financial statements.
3. Earnings distribution or loss appropriation proposal.

The reports and statements shall be submitted to the Audit Committee 30 days before the date of the regular shareholders' meeting for review, and then submitted to the regular shareholders' meeting for adoption in accordance with the law.

Article 20: If the Company makes a profit during the year, it shall set aside ten percent to fifteen percent as remuneration for employees and no more than three percent as remuneration for directors. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Employees' compensation may be distributed in the form of shares or in cash, and the eligible employees may include the employees of the Company's controlled or affiliated companies who meet certain criteria, which the Board of Directors is authorized to decide; Directors' remuneration shall be paid in cash only.

The distribution of remuneration to employees and directors shall be approved by the Board of Directors with more than two-thirds of the directors present and more than half of the directors agree, and shall be reported to the shareholders' meeting.

Article 20-1: If there is a surplus in the Company's annual final accounts, it should first pay taxes to make up for accumulated losses, and then set aside ten percent as a legal reserve. However, if the legal reserve has reached the paid-in capital, it is not subject to this limit. In addition to appropriating or reversing special reserve in accordance with the law or the regulations of the competent authority, if there is still a surplus, together with the accumulated undistributed surplus, the board of directors shall propose a surplus distribution proposal and submit it to the shareholders' meeting Resolution for distribution.

The Company's dividend policy is designed to meet present and future development projects and takes into consideration the investment environment, funding requirements, international competitive conditions while simultaneously meeting shareholders' interests. Each year, no less than 10 percent of the current year's distributable earnings, if there is a loss for the year or there is a surplus in previous years, may be distributed as dividends. However, if the accumulated distributable earnings in a given year are less than 10 percent of the Company's paid-in capital, no dividend shall be distributed to shareholders. Dividends to be distributed to shareholders may be distributed in the form of cash or shares, provided that the amount of cash dividends shall not be less than ten percent of total dividends.

## Chapter 7 Supplementary Provisions

Article 21: (Deleted)

Article 22: (Deleted)

Article 23: Matters not covered herein shall be handled in accordance with Company Act and relevant laws and regulations.

Article 24: The Articles were made on September 6, 1999; The first amendment was made on September 18, 1999; The second amendment was made on October 4, 1999; The third amendment was made on November 17, 1999; The Fourth Amendment was made on December 24, 1999; The fifth amendment was made on April 19, 2000; The 6th amendment was made on June 1, 2000; The 7th amendment was made on May 14, 2001; The 8th amendment was made on May 15, 2002; The 9th amendment was made on October 23, 2015; The 10th amendment was made on June 1, 2016; The 11th amendment was made on August 18, 2021; The 12th amendment was made on January 24, 2022.

## Appendix 2. Rules of Procedure for Shareholders Meetings

### M-Power Information Co., Ltd.

#### Rules of Procedure for Shareholders Meetings

- Article 1 In order to establish a good governance system for shareholders' meetings, improve the supervision function and strengthen the management function of the Company, these rules are formulated in accordance with Article 5 of Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies.
- Article 2 Unless otherwise provided by laws and regulations or the Articles of Association, the rules of procedure of the shareholders' meeting of the Company shall be in accordance with the provisions of these rules.
- Article 3 Unless otherwise provided by laws and regulations, the shareholders' meeting of the Company shall be convened by the Board of Directors. Changes in the way shareholders' meetings are required to be convened by the Board of Directors, Resolution, and must be made no later than the time before the dispatch of the shareholders' meeting notice. The Company shall prepare and send the shareholders' meeting notice, power of attorney paper, the adoption, subject, and explanatory information to the Market Observation Post System 30 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting. The Company shall send the shareholders' meeting handbook and supplementary information to Market Observation Post System 15 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting. However, the Company's paid-in capital reached NT \$ten billion or more at the end of the most recent fiscal year, or the foreign and mainland Chinese investors holding more than 30 percent of the shares of total recorded in the shareholders' meeting register in the most recent fiscal year, the transmission of the aforementioned electronic files shall be completed 30 days before the regular shareholders' meeting. The Company prepares the shareholders' meeting handbook and supplementary information 15 days before the shareholders' meeting, which are available to shareholders at any time and displayed in the Company and the professional stock affairs agency appointed by the Company. The Company shall provide the meeting handbook and supplementary information in the preceding paragraph to shareholders for reference on the day of the shareholders' meeting in the following manner:
1. When a physical shareholders' meeting is convened, it shall be distributed on site.
  2. When holding a video conference to assist the shareholders' meeting, it shall be distributed on the site of the shareholders' meeting and transmitted to the video conference platform with electronic files.
  3. When holding a video shareholders' meeting, an electronic file shall be sent

to the video conference platform.

The notice and announcement shall specify the reasons for convening the meeting; Where a notice has been given with the consent of the counterparty, it may be given by electronic means.

Election or dismissal of directors, changes to the articles of association, capital reduction, application for suspension of public offering, permission for directors to engage in business competition, capitalization of retained earnings, capitalization of retained earnings, dissolution of the company, merger, division, or matters specified in the first paragraph of Article one hundred and eighty-five of the Company Act, Article twenty-six-1 of the Securities and Exchange Act, Article forty-three-6, Article fifty-six-1 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and Article 60-2 of the Company Act

The reason for convening the shareholders' meeting has stated the full re-election of directors and the date of taking office has been stated. After the re-election of the shareholders' meeting is completed, the date of taking office shall not be changed by Extempore Motion or other methods.

Shareholders holding more than one percent of the total number of issued shares may submit a proposal to the Company's general meeting of shareholders, which shall be limited to one item, and those who propose more than one item shall not be included in the proposal. In addition, the board of directors may not propose any motion under any of the circumstances in Article 172-1, Paragraph 4 of Company Act.

Shareholders may put forward proposals to urge the company to promote public interests or fulfill social responsibilities. The procedures shall be limited to 1 in accordance with the relevant provisions of Article 172-1 of Company Act. If there is more than 1 proposal, it will not be included in the proposal.

The company shall announce the acceptance of shareholders' proposals, written or electronic means of acceptance, the place of acceptance and the period of acceptance before the book closure date before the regular shareholders' meeting; The acceptance period shall not be less than ten days. The motion proposed by shareholders is limited to 300 words, and if the words exceed 300 words, the motion will not be included in the motion; Proposing shareholders shall attend the general shareholders' meeting in person or by proxy and participate in the discussion of the proposal.

The Company shall notify the shareholders of the proposals before the date of the notice of the shareholders' meeting of the results of the meeting and include the proposals that meet the provisions of this Article in the notice of the meeting. For shareholders' proposals that are not included in the proposal, the Board of Directors shall explain the reasons for not being included in the shareholders' meeting.

Article 4 Shareholders may, at each shareholders' meeting, issue a proxy statement printed by the Company, specifying the scope of authorization, and appoint a proxy to attend the shareholders' meeting.

A shareholder who issues a proxy statement may appoint one person to serve

on the Company five (5) days before the shareholders' meeting is convened. If there are multiple proxies, the one served first shall prevail. Except for announcing the cancelation of previous appointment.

After the power of attorney has been delivered to the Company, if a shareholder intends to attend the shareholders' meeting in person or intends to exercise his voting rights in writing or electronically, he shall notify the Company in writing of the revocation of the power of attorney two days before the shareholders' meeting. In the event of a late revocation, the voting rights exercised by the entrusted representative shall prevail.

After the power of attorney has been served on the Company, if a shareholder wishes to attend the shareholders' meeting by video conference, he/she shall notify the Company in writing of the revocation of the power of attorney two days before the shareholders' meeting. In the event of a late revocation, the voting rights exercised by the entrusted representative shall prevail.

Article 5 The shareholders' meeting shall be held in the place where the Company is located or where the shareholders are convenient to attend and suitable for the shareholders' meeting. The time of the meeting shall not be earlier than 9: 00 a.m. or later than 3: 00 p.m. The place and time of the meeting shall fully consider the opinions of the independent directors.

When the Company holds a video shareholders' meeting, it is not subject to the restrictions of the place of the meeting in the preceding paragraph.

Article 6 The Company shall specify in the meeting notice the time of acceptance of shareholders, solicitor, and proxy (hereinafter referred to as "shareholders"), the place of registration, and other matters of notice.

The time for accepting the shareholders' report in the preceding paragraph shall be at least 30 minutes before the commencement of the meeting; It should be clearly marked and assigned to suitable personnel to handle it; The video conference shall be reported 30 minutes before the start of the meeting on the video conference platform. Shareholders who complete the presentation shall be deemed as attending the meeting in person.

Shareholders shall attend the shareholders' meeting by providing their attendance certificates, attendance cards or other attendance documents. The Company shall not arbitrarily add other supporting documents requested for shareholders' attendance certificates; The solicitor that is a solicitation of the power of attorney should bring along the identification document for verification.

The Company shall establish a signature book for the attending shareholders to sign in, or the attending shareholders shall pay in lieu of the signature. The Company shall deliver the meeting handbook, annual report, attendance certificate, speech article, voting and other meeting materials to the shareholders present at the shareholders' meeting; If there are elected directors, the voting rights shall be attached. When the government or juristic person is a shareholder, representative s attending the shareholders' meeting shall not be limited to one person. When a juristic person is entrusted to attend the shareholders' meeting, it may only appoint one

person to attend the meeting on its behalf.

If the shareholders' meeting is convened by video conference, the shareholders who intend to attend the meeting by video conference shall register with the Company two days before the meeting.

If the shareholders' meeting is held by video conferencing, the Company shall upload the meeting handbook, annual report and other relevant information to the video conferencing platform for the shareholders' meeting at least 30 minutes prior to the commencement of the meeting, and continue to disclose it to the end of the meeting.

Article 6-1 When the Company convenes a shareholders' meeting by video conference, the following matters shall be specified in the shareholders' meeting notice:

1. Methods for shareholders to participate in video conferences and exercise their rights.
2. The video conferencing platform or the method of processing barriers to participate in video conferencing due to natural disasters, events or other force majeure circumstances, including at least the following:
  - (1) the continuing inability to rule out the time at which a postponement or postponement of a meeting may occur and the date on which a postponement or postponement takes place.
  - (2) Shareholders who have not registered to participate in the Original Shareholders' Meeting by video conference shall not participate in the postponement or renewal of the meeting.
  - (3) Convene a video conference to assist with shareholders' meetings. If the video conference cannot be continued, the total number of shares present reached the statutory quota of the shareholders' meeting after deducting the number of shares present by video conference. The shareholders' meeting shall continue, and the number of shares present shall be included in the total number of shares of the shareholders present, and shall be deemed as having waived all the proposals of the shareholders' meeting.
  - (4) In the event that all resolutions have been announced, and Extempore Motion has not been carried out, the treatment shall be taken.
3. to convene a shareholders' meeting via video conference, and shall specify the appropriate replacement measures provided by shareholders who have difficulties in participating in the shareholders' meeting via video conference.

Article 7 If the shareholders' meeting is convened by the board of directors, the chairman shall be the chairman of the board. If the chairman is on leave or cannot exercise his/her power for any reason, the vice chairman shall act as the deputy, and if no vice chairman or vice chairman is on leave or cannot exercise his/her power for any reason, the chairman shall appoint a managing director to act on his/her behalf; If he does not have a managing director, he shall appoint one director to act as his proxy. If the chairman does not appoint a deputy, he shall be appointed by either the managing director or director to act as their proxy.

The chairman is the managing director or acting director who has served for more than six months and understands the financial status of the company. If the chairman is an institutional director, representative, the same shall apply.

For the shareholders' meeting convened by the board of directors, the chairman should personally preside over the meeting, and it is advisable that more than half of the directors of the board and at least one member of each functional committee attend as a representative, and record the attendance in the minutes of the shareholders' meeting.

If the shareholders' meeting is convened by a person other than the board of directors, the chairman shall be served by the person who convened the meeting. If there are more than two persons in the person who convened the meeting, one person shall be elected to each other.

The Company may appoint a lawyer, accountant or relevant personnel to attend the shareholders' meeting.

Article 8 The Company shall continuously audio and video recording the shareholders' attendance process, the process of the meeting, and the voting counting process from the time of receiving the shareholders' registration.

The audio/video data in the preceding paragraph should be kept for at least one year. However, if a shareholder files a litigation in accordance with Article one hundred and eighty-nine of Company Act, the case shall be preserved until the end of litigation.

If the shareholders' meeting is held by video conference, the Company shall record and keep records of the registration, registration, attendance, inquiry, voting and the Company's counting results of the shareholders, and continuously record and copy the video conference throughout the period.

The Company shall keep the audio recordings properly during the survival period and provide the recordings to the person who is entrusted to handle the video conference affairs for preservation.

If the shareholders' meeting is held by video conference, the Company is advised to make audio and video recordings of the back-end operation interface of the video conference platform.

Article 9 The attendance of the shareholders' meeting shall be calculated on the basis of shares. The number of shares present is calculated based on the number of shares submitted by the signature book or paid card and video conference platform, plus the number of shares exercised voting rights in writing or electronically.

When a meeting is held, the chairman shall immediately announce the meeting and announce the number of non-voting shares and the number of shares present at the same time.

However, if shareholders do not represent more than half of the total number of issued shares present, the chairman may declare the meeting to be postponed, and the postponement shall be limited to two times, and the postponement time shall not be more than one hour in total. Where, for the second time, a meeting is postponed as announced by the Chairman if the

meeting is not attended by shareholders representing more than one-third of the total number of issued shares; If the shareholders' meeting is held by video conference, the Company shall announce the video conference on the platform of the shareholders' meeting.

Where shareholders representing more than one-third of the total number of issued shares attend the meeting due to the delay of the second time still insufficient amount in the preceding paragraph, it shall be subject to the provisions of Paragraph 1 of Article one hundred and seventy-five of Company Act as a leave Resolution, and shall notify the shareholders of Resolution to convene a general meeting within one month; Shareholders who intend to attend the shareholders' meeting by video conference shall re-register with the Company in accordance with Article 6.

Before the end of the current meeting, if the number of shares represented by the shareholders present reaches more than half of the total number of issued shares, the chairman may take a false Resolution and re-submit it to the shareholders' meeting for voting in accordance with Article one hundred and seventy-four of Company Act.

Article 10 If a shareholders' meeting is convened by the Board of Directors, the agenda shall be determined by the Board of Directors. The relevant proposals (including Extempore Motion and the amendments to the original proposals) shall be voted on by case. The meeting shall be conducted in accordance with the scheduled agenda, and shall not be changed without the shareholders' meeting Resolution.

If the shareholders' meeting is convened by other persons other than the board of directors, the provisions of the preceding paragraph shall apply.

Until the meeting (including Extempore Motion) is concluded, the Chairman shall not announce Adjournment without Resolution. If the chairman violates the rules of procedure and announces Adjournment, other members of the board of directors shall promptly assist the attending shareholders in accordance with legal procedures, and one person shall be elected as the chairman with the consent of more than half of the voting rights of the attending shareholders to continue the meeting.

The chairman should give sufficient explanation and discussion opportunities for proposals and amendments proposed by shareholders or Extempore Motion. When the chairman believes that it has reached the level of voting that can be paid, he may announce to stop the discussion, submit a vote, and arrange appropriate voting time.

Article 11 Prior to any shareholder making a statement, the chair shall specify the subject matter of the statement, the shareholder's account number (or attendance number) and the name of the account.

Any shareholder who has not yet spoken shall be deemed to have not spoken. If the content of the speech is inconsistent with the content of the speech article, the content of the speech shall prevail.

Each shareholder's speech on the same motion shall not exceed two times without the consent of the chairman, and each time shall not exceed five



minutes, provided that the shareholder's speech violates the regulations or exceeds the scope of the issue, and the chairman shall stop the speech.

When attending shareholders' speech, other shareholders must not interfere with the speech except with the consent of the chairman and the spokesperson, and in violation of the chairman's ruling.

When a corporate shareholder appoints a representative of more than two persons to attend the shareholders' meeting, the same motion may only be proposed by one person to speak.

After the shareholder making the statement, the chairman may reply in person or appoint relevant personnel.

Where a shareholders' meeting is held by video conference, shareholders participating in the meeting may raise questions by text on the video conference platform after the chairman announces the meeting and before the announcement of Adjournment. The number of questions for each motion shall not exceed two, and the number of questions for each motion shall be limited to 200 words, and the provisions of Articles 1 to 5 shall not apply.

If a question in the preceding paragraph does not violate the regulations or does not exceed the scope of the motion, the question shall be disclosed on the video conference platform of the shareholders' meeting to be known.

Article 12 Voting at the shareholders' meeting shall be based on shares.

The number of shares of non-voting shareholders held by Resolution shall not be counted into the total number of issued shares.

When a shareholder has a personal interest in a matter to be considered at a meeting that is likely to prejudice the interest of the Company, such shareholder shall not participate in voting and shall not exercise voting rights on behalf of other shareholders.

The number of shares that may not exercise voting rights in the preceding paragraph shall not be counted into the number of voting rights of shareholders present.

Except for the trust business or the stock affairs agency approved by the securities regulatory authority, when one person is entrusted by more than two shareholders at the same time, the proxy voting rights shall not exceed three percent of the voting rights of the total number of issued shares, and the exceeding voting rights will not be calculated.

Article 13 Each share has one voting right; The same does not apply, however, in cases where the person is restricted or does not have voting rights as provided in Paragraph 2, Article one hundred and seventy-nine of Company Act.

When the Company holds a shareholders' meeting, it shall adopt electronic means and may exercise its voting rights in writing; When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the Company shall be deemed to have waived the rights with respect to Extempore Motion

and amendments to original proposals of that meeting. Therefore, the Company is advised not to propose amendments to Extempore Motion and original proposals.

Where the voting power is exercised in writing or electronically in the preceding paragraph, the declaration of intention thereof shall be served to the Company two days before the meeting of the shareholders' meeting. Where the declaration of intention is repeated, the one served first shall prevail. However, those who express their intentions before the declaration of revocation are not subject to this limitation.

After a shareholder has exercised voting rights in writing or electronically, if he or she intends to attend the shareholders' meeting in person or by video conferencing, he or she shall revoke the expression of intent for exercising voting rights in the preceding paragraph in the same manner as that for exercising voting rights two days before the shareholders' meeting. In case of overdue revocation, the voting rights exercised in writing or electronically shall prevail. If a proxy is appointed to attend the shareholders' meeting in writing or electronically, the voting right exercised by the proxy shall prevail. Except as otherwise provided by Company Act and this Articles of Incorporation, the resolution is passed by a majority of the voting rights of the shareholders present. When voting, the chairman of subject or his designated person shall announce the total number of voting rights of the shareholders present, and the shareholders shall vote on a case-by-case basis, and the results of the shareholders' consent, objection and abstention shall be entered into Market Observation Post System on the day after the shareholders' meeting.

Where there is an amendment or substitution in the same motion, the chairperson shall resolve the order in which he voted in the same motion. If one of the proposals has been passed, the other proposals will be deemed as veto and will not be required to vote again.

The scrutineer and vote-taking personnel shall be appointed by the Chairman, but the scrutineer shall be a shareholder.

The counting of votes at a shareholders' meeting or on a proposal for election shall be conducted in a public place at the venue of the shareholders' meeting, and upon completion of the counting of the votes, the voting results shall be announced on the spot, including the number of votes counted, and recorded.

The Company holds a shareholders' meeting via video conference. Shareholders participating in the meeting via video conference shall vote for each proposal and for the election of resolutions via the video conference platform after the chairman announces the meeting. The results shall be completed before the chairman announces the voting. Those who exceed the time shall be regarded as having abstained.

If a shareholders' meeting is held by video conference, it shall be counted as a one-time vote after the chairman announces the closing of the vote, and announce the voting and election results.

When the Company convenes a shareholders' meeting, the shareholders who have registered to attend the shareholders' meeting by video in accordance

with the provisions of Article 6. If they wish to attend the physical shareholders' meeting in person, they shall revoke the registration two days before the shareholders' meeting in the same manner as the registration; If the overdue is revoked, only the meeting can be attended by video conference.

When voting rights are exercised in writing or electronically, without revoking their declarations of intention, and participating in the shareholders' meeting by video conferencing, except for Extempore Motion, they shall not exercise voting rights on the original proposal or propose amendments to the original proposal or exercise voting rights on the amendments to the original proposal.

Article 14 When the shareholders' meeting has elected directors, it shall be handled in accordance with the relevant election regulations established by the Company, and the election results shall be announced on the market, including the list of elected directors and their number of voting rights, the list of elected directors and their number of voting rights.

The ballots cast for the purpose of the election in the preceding paragraph shall be sealed and signed by the scrutineer and kept in safe custody for at least one year. However, if a shareholder files a litigation in accordance with Article one hundred and eighty-nine of Company Act, the case shall be preserved until the end of litigation.

Article 15 The resolutions of the shareholders' meeting shall be made into minutes of the meeting, which shall be signed or sealed by the chairperson and distributed to the shareholders within 20 days after the meeting. The production and distribution of meeting minutes may be made electronically. The distribution of the aforementioned meeting minutes may be entered in the form of an announcement made by Market Observation Post System.

The minutes of the meeting shall be recorded in accordance with the year, month, day, place, name of the chairman, Resolution method, agenda items and voting results (including the number of votes). If there is election of directors, the number of votes received by each candidate shall be disclosed. During the continuance of the Company, it shall be preserved permanently. If the shareholders' meeting is held by video conference, the minutes shall record the time and date of the shareholders' meeting, the manner of the meeting, the name of the chairman and the record, and the treatment and handling of the video conference platform or participation in the video conference due to natural disasters, events or other force majeure events.

When the Company convenes a shareholders' meeting via video conference, in addition to the preceding paragraph, it shall also specify in the meeting minutes the alternative measures provided by shareholders who have difficulties in participating in the shareholders' meeting via video conference.

Article 16 The number of shares obtained by the solicitor, the number of shares represented by the proxy and the number of shares attended by shareholders in writing or electronically shall be clearly disclosed by the Company on the

date of the shareholders' meeting in accordance with the statistical table in the prescribed format on the shareholders' meeting venue; If the shareholders' meeting is held by video conference, the Company shall upload the aforementioned information to the video conference platform at least 30 minutes prior to the commencement of the meeting and continue to disclose it to the end of the meeting.

When the Company convenes a shareholders' meeting via video conference, it shall disclose the total number of shares of attending shareholders on the video conference platform. The same shall apply if the total number of shares represented by shareholders present in the meeting as well as their voting rights.

If there is any material information required by laws and regulations or Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall transmit the content to Market Observation Post System within the prescribed time.

Article 17 The accounting personnel handling the shareholders' meeting shall wear a identification card or a armband.

The chairman may direct the inspectors or security personnel to assist in maintaining the order of the venue. Supervisors or security personnel shall wear a "correction" armband or identification card when they assist in maintaining order in their presence.

Where the venue is equipped with amplifier equipment, the Chairman shall stop the shareholder from speaking on the equipment not deployed by the Company.

Where a shareholder violates the rules of procedure and fails to obey the chairman's correction, which prevents the conduct of the meeting and prevents the violation, the chairman may direct the supervisor or security officer to leave the meeting.

Article 18 In the event of irresistible circumstances, the chairman may decide to suspend the meeting temporarily and announce the date of adjournment as appropriate.

Until the meeting (including Extempore Motion) is concluded, the venue of the meeting cannot be used at that time, and the shareholders' meeting may find another venue to continue the meeting.

According to Article one hundred and eighty-two of Company Act, the shareholders' meeting may be postponed or adjourned within five days for Resolution.

Article 19 If the shareholders' meeting is held by video conference, the Company shall immediately disclose the voting results and election results of each proposal on the video conference platform after the voting is completed in accordance with the regulations, and shall continue to disclose at least 15 minutes after the chairman announces Adjournment.

Article 20 When the Company convenes a video shareholders' meeting, the chairman

and the recorder shall be at the same place in the country, and the chairman shall announce the address of the place at the time of the meeting.

Article 21 If the shareholders' meeting is held by video conference, the Company may provide shareholders with a simple connection test before the meeting, and provide related services immediately before and during the meeting to assist in handling technical problems of communication.

If the shareholders' meeting is held by video conference, the chairman shall announce at the time of the announcement of the meeting, and further announce that except for the circumstances specified in Paragraph 4, Article forty-four-20 of Regulations Governing the Administration of Shareholder Services of Public Companies that do not require postponement or postponement of the meeting, before the chairman announces that Adjournment, due to natural disasters, events or other force majeure circumstances, there are obstacles for the video conference platform or participation in the video conference. If it continues for more than 30 minutes, the date of the postponed or renewal of the meeting shall be within five days, and the provisions of Article one hundred and eighty-two of Company Act shall not apply.

Shareholders who have not registered to participate in the original shareholders' meeting by video conference shall not participate in the postponement or renewal of the meeting.

In accordance with the provisions of the second paragraph, shareholders who have registered to participate in the original shareholders' meeting and complete the registration of their attendance by video conference, and who do not participate in the postponed or renewal meeting, the number of shares present at the original shareholders' meeting, the voting rights exercised and the voting rights elected shall be included in the total number of shares of the shareholders present at the postponed or renewal meeting, the voting rights and the number of voting rights elected.

According to the second paragraph, when the shareholders' meeting is postponed or adjourned, there is no need to re-discuss and Resolution for the proposals that have completed the voting and vote, and announced the voting results or the list of elected directors and supervisors.

The Company holds a video conference to assist with the shareholders' meeting. If a second video conference cannot be renewed, if the total number of shares present still reaches the statutory quota of the shareholders' meeting after deducting the number of shares present in the video conference, the shareholders' meeting shall continue, without the need to postpone or postpone the meeting in accordance with the second paragraph.

Shareholders who participate in the shareholders' meeting by video conference shall be counted into the total number of shares of the shareholders present, but shall be deemed as having waived all the proposals of the shareholders' meeting.

The postponement or renewal of the meeting by the Company in accordance with the second paragraph shall be subject to the date of the original shareholders' meeting and the provisions of each article in accordance with

the provisions of Paragraph 7, Article forty-four-20 of Regulations Governing the Administration of Shareholder Services of Public Companies.

The Company shall postpone the date of the shareholders' meeting or postpone the date of the meeting in accordance with the second paragraph of Article 12, the period specified in the third paragraph of Article 13, the fifth paragraph of Article forty-four, the 15th paragraph of Article forty-four, and the first paragraph of Article forty-four of Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 22 When the Company convenes a shareholders' meeting via video conference, it shall provide appropriate alternatives to shareholders who have difficulties attending the shareholders' meeting by video conference.

Article 23 These Rules shall come into effect after being approved by the shareholders' meeting. The same shall apply upon any amendment.  
These Rules were established on August 18, 2021.  
These Rules were first amended on January 24, 2022.  
These rules were amended for the second time on June 9, 2023.

## **Appendix 3. Procedures for Board Meetings (Before amendments)**

### **M-Power Information Co., Ltd. Regulations Governing Procedure for Board of Directors Meetings**

#### **Article 1 (Basis for the Formulation of the Rules)**

In order to establish a good governance system for the board of directors of the company, improve the supervision function and strengthen the management function, this regulation is formulated in accordance with Article 2 of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" for compliance.

#### **Article 2 (Scope of the Rules)**

The main agenda items, operating procedures, items to be recorded in the meeting minutes, announcements, and other matters to be followed shall be handled in accordance with the provisions of this Code.

#### **Article 3 (Convening of Board Meeting and Notice of Meeting)**

The Company's Board of Directors meets quarterly.

To convene a board meeting, the board shall specify the reason for the meeting and notify each director seven days in advance. However, in the event of an emergency, it may convene the meeting at any time.

A notice convening the meeting referred to in the preceding paragraph may be given by electronic means with the consent of the counterparty.

The matters in the first paragraph of Article 12 of this Code shall be listed in the reasons for convening, and shall not be proposed with Extempore Motion.

#### **Article 4 (Notice and meeting materials)**

The Company's Board of Directors has designated the meeting affairs unit as the Administration Department.

The meeting unit shall formulate the content of the board of directors' meeting and provide sufficient meeting materials, which shall be sent together with the convening notice.

If the directors consider that the meeting materials are insufficient, they may ask the meeting affairs unit to supplement. If the directors consider that the information of the motion is insufficient, they may postpone the deliberation after the Board of Directors Resolution.

#### **Article 5**

When convening a board meeting of the Company, there shall be a signature book for the directors present to sign in for examination and reference.

A director shall attend the board meeting in person, and if he/she is unable to attend in person, he/she may appoint another director as his/her proxy to attend on his/her behalf in accordance with the provisions of this Articles of Incorporation; Those who participate in the meeting by video conferencing are deemed to be present in person.

When a director entrusts another director to attend a board meeting on behalf of another director, he shall issue a power of attorney each time and list the scope of authorization of the reasons for convening.

The second agent is limited to being entrusted by one person.

#### **Article 6 (Principle of Meeting Location and Time of the Board of Directors)**

The venue and time of the board of directors of the Company shall be at the location of the Company and during office hours or at a place and time suitable for the directors to attend.

#### **Article 7 (Chairman and acting)**

The board of directors of the company is convened by the chairman of the board, and the chairman of the board is the chairman. However, for the first board of directors of each term, if the directors who have the most voting rights obtained from the shareholders' meeting are called by the directors, the chairman of the meeting shall be served by the convener, and if the convener has more than two persons, one person shall be elected from each other.

According to the fourth paragraph of Article two hundred and three or the third paragraph of Article two hundred and three of the Company Act, the board of directors shall be convened by more than half of the directors, and one of the directors shall be elected as the chairman of the board.

If the Chairman is on leave or cannot exercise his/her power for any reason, the Vice Chairman shall act on his/her behalf, and if no Vice Chairman or Vice Chairman is on leave or cannot exercise his/her power for any reason, the Chairman shall appoint a managing director as his/her proxy; If he does not have a managing director, he shall appoint one director to act as his proxy. If the chairman does not appoint a deputy, he shall be appointed by either the managing director or director to act as their proxy.

#### **Article 8 (References to the Board of Directors, and meetings between non-voting attendees and the Board of Directors)**

When the Company's Board of Directors is convened, the Administration



Department shall prepare relevant information for the participating directors to check at any time.

When a board meeting is convened, personnel from relevant departments may be notified according to the contents of the motion.

Where necessary, CPAs, lawyers or other professionals may also be invited to attend the meeting and state their presence. However, they shall leave the meeting when discussing and voting.

The chairman of the board of directors shall declare a meeting immediately when more than half of the directors have attended the meeting.

If half of the directors are unable to attend the meeting, the chairman may announce the postponement of the meeting, and the postponement shall be limited to two times. If the postponement is still insufficient for the second time, the chairman may re-convene the meeting in accordance with the procedures stipulated in Paragraph 2 of Article 3.

All directors referred to in the preceding paragraph and paragraph 2 of Article 16 shall be calculated based on the actual incumbents.

#### **Article 9 (Certificate of audio or video recording during the proceedings of board meetings)**

The meeting process of the board of directors of the company should be recorded by audio or video, and kept for at least five years, which can be kept electronically. Before the expiry of the preservation period referred to in the preceding paragraph, if any litigation occurs with respect to a resolution of the Board of Directors, the relevant audio or video recordings shall be preserved for a further period until the end of litigation.

If a video conference is held, the video/audio data is part of the meeting minutes and should be properly kept during the company's existence.

#### **Article 10 (Meeting content)**

The content of the Company's regular board meeting includes at least the following matters:

1. Matters to be Reported :
  - (1) Last meeting minutes and implementation status.
  - (2) Important financial and business reports.
  - (3) Internal audit report.
  - (4) Other important reporting matters.
2. Discussion items:
  - (1) Matters reserved for discussion in the last meeting.
  - (2) Matters to be discussed at this meeting.

### 3. Extempore Motion.

#### **Article 11 (Discussion of Proposals)**

The board of directors of the Company shall proceed in accordance with the meeting procedures set out in the notice of the meeting. However, it may be changed with the consent of more than half of the directors present.

The chairperson of the board of directors shall not announce Adjournment without the consent of more than half of the directors present.

During the proceedings of the board meeting, if the attending directors do not exceed half of the attending directors, upon the proposal of the attending directors, the chairman shall announce the suspension of the meeting, and the provisions of Article 8, Paragraph 5 shall apply.

#### **Article 12 (Matters to be discussed by the Board)**

The following matters shall be submitted to the Board of Directors of the Company for discussion:

1. Business plan of the Company.
2. Annual financial statements and second quarter financial statements that must be audited and attested by a CPA.
3. Formulate or amend the internal control system in accordance with Article 14-1 of Securities and Exchange Act (hereinafter referred to as Securities and Exchange Act) and evaluate the effectiveness of the internal control system.
4. The adoption or amendment, pursuant to Article thirty-six-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
5. Offering, issuance, or private placement of any equity-type securities.
6. If the board of directors does not have a managing director, the election or dismissal of the chairman of the board.
7. The appointment or discharge of a financial, accounting, or internal auditing officer.
8. Donations to related parties or major donations to non-related parties. However, the public welfare donation of emergency relief for major natural disasters may be ratified by the next board of directors.
9. Matters required by Article 14-3 of Securities and Exchange Act, or other laws and regulations or the Articles of Incorporation to be handled by the shareholders' meeting Resolution or the Board of Directors Resolution, or major matters stipulated by the competent authority.

The related party referred to in item 8 above refers to the related party regulated by

Regulations Governing the Preparation of Financial Reports by Securities Issuers.. A “major donation to non-related party” means the amount of each donation or the cumulative amount of donations to the same object in one year reaches NT \$100,000,000 or more, or more than one percent of the net operating income or five percent of the paid-in capital in the financial report certified by an accountant in the most recent year.

The term “within one year” referred to in the preceding paragraph is based on the date of the board meeting, and has been retroactively calculated for the previous year, and has been submitted to the board of directors Resolution to approve the exemption from re-inclusion.

At least one independent director shall attend the board meeting in person; For matters that should be submitted to the board of directors for Resolution in the first paragraph, all independent directors shall attend the board of directors. If the independent directors are unable to attend in person, they shall appoint other independent directors to attend as a proxy. If an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board meeting; If an independent director cannot attend the board meeting in person to express objections or reservations, unless there are justifiable reasons, he/she shall issue a written opinion in advance, which shall be stated in the minutes of the board meeting.

### **Article 13 (I)**

When the chairman believes that the proposal of the board of directors has reached the extent to which it can be voted, he may declare to stop the discussion and submit it to vote.

When the chairman consulted all attending directors and no objection was raised, it was deemed as passed. If there is any disagreement after the Chairman’s inquiry, the resolution shall be submitted.

The Chairman may choose a motion for the voting method according to the following provisions. However, if the attendee objects, the Chairperson shall ask for the majority of the opinions to decide:

1. Voting by show of hands or ballot.
2. Voting in singing.
3. Voting.
4. Voting for selection by the Company.

All directors present in the preceding two paragraphs do not include directors who are prohibited from exercising voting rights in accordance with Paragraph 1 of Article 15.

#### **Article 14 (II. Voting and the method of counting of ballots)**

Resolution of the Company's Board of Directors' resolutions, except as otherwise provided by Securities and Exchange Act and Company Act, shall be attended by more than half of the directors and agreed by more than half of the directors present. Where there is an amendment or substitution in the same motion, the chairperson shall resolve the order in which he voted in the same motion. However, if one of the proposals has been passed, the other proposals will be deemed as rejected without further voting.

If there is a need for a scrutineer and vote-taking personnel, the Chairperson shall designate the case, but the scrutineer shall be a director.

Voting results shall be reported on the spot and recorded.

#### **Article 15 (The recusal system for directors)**

If a director or a juristic person represented by the director is an interested party with respect to any agenda item, 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 agenda item, and shall enter recusal during the discussion and voting on that item, and may not exercise voting rights as proxy for another director.

Where the spouse, a relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relationship with a director has an interest in the matters of the meeting, the director shall be deemed to have a personal interest in the matter.

Resolution of the Company's Board of Directors shall be handled in accordance with the provisions of Company Act Article two hundred and six, Paragraph 4, and Paragraph 2 of Article one hundred and eighty.

#### **Article 16 (Minutes and signature matters)**

The proceedings of the Board of Directors of the Company shall be recorded in the minutes, which shall record the following matters in detail:

1. Session (or year) and time location of the meeting.
2. The name of the chairman.
3. Attendance of directors, including attendance, leave of absence and the name and number of the absent.
4. The names and titles of the attendees.
5. Name of the record.
6. Reporting items.

7. Discussion items: The method and results of the Resolution of each proposal, the summary of the speech of the directors, experts and other personnel, the names of the directors involved in the interests in accordance with the first paragraph of the preceding article, the description of the important content of the interests, the reasons for their avoidance or non-avoidance, the avoidance situation, the objections or qualified opinions with records or written statements, and the written opinions issued by the independent directors in accordance with the fourth paragraph of Article 12.
8. Extempore Motion: The name of the proposer, the method and results of the Resolution of the motion, the summary of the speech of the directors, experts and other personnel, the name of the directors involved in the interest in accordance with the first paragraph of the preceding article, the description of the important content of the interest, the reasons for the avoidance or non-avoidance, the avoidance situation and the objections or reservations, and there are records or written statements.
9. Other matters to be recorded.

Any of the following circumstances shall be recorded in the meeting minutes, and announced and reported at the the Financial Supervisory Commission designated Market Observation Post System within two days from the date of the board meeting:

1. Independent directors have objections or reservations and have a record or written statement.
2. Matters not approved by the Audit Committee of the Company, and approved by more than two-thirds of all directors.

The attendance book of the board of directors is a part of the meeting minutes and should be properly kept during the company's existence.

The meeting minutes shall be signed or sealed by the chairman of the meeting and the minute taker and distributed to the directors within 20 days after the meeting. And such files shall be included in the important files of the Company and kept properly during the existence of the Company.

The production and distribution of the first meeting minutes may be made electronically.

#### **Article 17 (Principles of authorization by the Board of Directors)**

In addition to the matters to be submitted to the Board of Directors of the Company for discussion in the first paragraph of Article 12, if the Board of Directors authorizes the exercise of the powers of the Board of Directors in accordance with the laws and regulations or the provisions of this Articles of Incorporation, the level of authorization, content or matters shall be clear, and the handling principles are as

follows:

1. According to the company's approval authority table.
2. Subject to the Company's management rules, systems and regulations.
3. Assess the qualifications of accountants and nominate suitable candidates.
4. Subject to the operational needs of the Company, to carry out capital loans and endorsement guarantees in accordance with the limits specified in the Operating Procedures for Capital Loans to Others and the Operating Procedures for Endorsement Guarantees, and to conduct transactions in accordance with the limits specified in the Procedures for the Acquisition or Disposal of Assets, and report the implementation status to the Board of Directors.

#### **Article 18 (Supplementary Provisions)**

The formulation of these Rules of Procedure shall be approved by the Board of Directors of the Company and reported to the shareholders' meeting. If there is any amendment in the future, the Board of Directors may be authorized to Resolution.

The Rules of Procedure were established on August 18, 2021.

The first amendment to the Rules of Procedure was made on January 24, 2022.

The 2nd amendment to the Rules of Procedure was made on October 17, 2022.

## Appendix 4. Procedures for Election of Directors

### **M-Power Information Co., Ltd. Procedures for Election of Directors**

Article 1 In order to elect directors in a fair, just and open manner, these procedures are established in accordance with Article twenty-one and Article forty-one of the “Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies.”

Article 2 Unless otherwise provided by laws and regulations or the Articles of Association, the election of directors of the Company shall be handled in accordance with this procedure.

Article 3 The overall composition of the Board of Directors shall be taken into account in the selection of the Company'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 conditions and values: gender, age, nationality and culture, etc.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

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. Ability to make operational judgments.
2. Ability to perform accounting and financial analysis.
3. Business management ability.
4. Ability to conduct crisis management.
5. Industry knowledge.
6. An international market perspective.
7. Ability to lead.
8. Ability to make policy decisions.

More than half of the directors shall be persons who are not spouses or relatives within the second degree of kinship.

The Board of Directors of the Company shall consider adjusting the

composition of the Board of Directors based on the results of the performance evaluation.

Article 4 (Deleted)

Article 5 The qualifications of the Company's independent directors shall comply with the provisions of 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 the Company shall comply with the provisions of Articles 5, 6, 7, 8 and 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and shall be handled in accordance with Article twenty-four of the "Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies".

Article 6 The election of the Company's directors shall be conducted in accordance with the candidate nomination system procedures stipulated in Article one hundred and ninety-two-1 of the Company Act.

If the number of directors is less than five due to the dismissal of a director for any reason, the Company shall hold a by-election at the most recent shareholders' meeting. However, if the number of directors falls short by one-third of the number specified in the articles of association, the Company shall convene an extraordinary shareholders' meeting for by-election within 60 days from the date of the occurrence of the fact.

If the number of independent directors is less than the number specified in Paragraph 1, Article 14-2 of Securities and Exchange Act, a by-election shall be held at the most recent shareholders' meeting; When all independent directors are dismissed, an extraordinary shareholders' meeting shall be held within 60 days from the date of the fact.

Article 7 The cumulative voting system shall be adopted for the election of directors of the Company. Each share has the same number of voting rights as the number of directors to be elected, and one director may be elected in a centralized manner or several persons may be distributed for election.

Article 8 The Board of Directors shall prepare ballots equal to the number of directors to be elected, and add the number of voting rights to distribute to the shareholders present at the shareholders' meeting. The name of the elected



person may be substituted by the attendance number printed on the ballots.

Article 9 According to the number of seats set by Articles of Incorporation, the Company's directors shall calculate the rights of independent directors and non-independent directors respectively, and the number of votes represented by the elected shares shall be elected successively, and if more than two persons have the same number of votes and exceed the prescribed number, the number of votes shall be determined by drawing by the same number of votes, and the chairman shall draw on behalf of the non-attending directors.

Article 10 Prior to the commencement of the election, there shall be a number of persons appointed by the Chairman to act as the scrutineer and the scrutineer for the vote-taking of each share. The voting box is prepared by the Board of Directors and is well checked by the scrutineer before voting.

Article 11 Invalid when the ticket is selected as one of the following circumstances:

1. The ballots prepared by the convocation holder shall not be used.
2. Those who cast blank ballots into the voting box.
3. Where the handwriting is unclear and cannot be identified or modified.
4. The list of the elected and the list of candidates for directors is found to be inconsistent.
5. In addition to filling in the number of voting rights, writing other words.

Article 12 An invoice shall be issued on the spot after the voting is completed, and the invoicing result shall be announced by the chairman on the spot, including the list of elected directors and their number of votes.

The ballots cast for the purpose of the election in the preceding paragraph shall be sealed and signed by the scrutineer and kept in safe custody for at least one year. However, if a shareholder files a litigation in accordance with Article one hundred and eighty-nine of Company Act, the case shall be preserved until the end of litigation.

Article 13 Notices of election shall be issued by the Board of Directors.

Article 14 This procedure shall be implemented after approval by the shareholders' meeting, and the same shall apply upon amendment.  
This procedure was established on August 18, 2021.  
The first amendment to this procedure is made on January 24, 2022.

## Appendix 5. Directors' Shareholding

### M-Power Information Co., Ltd. Directors' Shareholding

1. The total number of issued shares of the Company is 22,000,000 shares.
2. According to the "Rules for the Implementation of the Number and Audit of Shares Held by Directors and Supervisors of Public Companies", the minimum number of shares required to be held by all directors: 2,640,000 shares.
3. The number of shares held by the directors of the Company individually and collectively in the shareholders' register as of the book closure date of this shareholders' meeting on April 1, 2024 is as follows:

Title	Name	Shares	Shareholding percentage (%)
Chairman	Chin-Lung, Hsu	1,030,710	4.69
Director	Nai-Jen, Cheng	129,000	0.58
Director	Ares International Corp. Representative: Hsiung-Jung, Sung	3,843,015	17.47
Director	Ares International Corp. Representative: Chin-Wei, Yu	3,843,015	17.47
Independent Director	Hung-Hsun, Ting	0	0.00
Independent Director	An-Tso, Chang	0	0.00
Independent Director	Dwen-Ren, Tsai	0	0.00
Shares Held by All Directors		5,002,725	22.74