

# M-Power Information Co., Ltd.

## Minutes of 2024 Annual General Meeting

Time: 9: 00 am, May 30, 2024 (Thursday)

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

Convening method: Physical shareholders' meeting

Attendance: The total number of shares present in person and by proxy was 13,694,876 shares (Including 7,610,037 shares with voting rights exercised electronically), representing 62.24% of the total number of issued shares of the Company of 22,000,000 shares.

Directors in attendance: Chin-Lung, Hsu, Nai-Jen, Cheng, Ares International Corp.  
Representative: Chin-Wei, Yu (3 persons)

Independent Directors in attendance: Hung-Hsun, Ting, An-Tso, Chang (2 persons)

Attendance: KPMG Chun-I, Chang CPA

Chairman: Chin-Lung, Hsu

Record: Ming-Yu, Ku

**1. Call Meeting to Order:** The number of shares present has reached the statutory amount, and the chairman has announced the meeting in accordance with the law.

**2. Chairman's Address:** Omitted.

### **3. Reported Matters**

Proposal 1: 2023 Business Report.

Description: For the Company's 2023 business report, please refer to Appendix 1.

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

Description: Please refer to Appendix 2 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.

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.

#### 4. 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 and Attachment 5.

3. Please adoption.

Resolution: According to the voting results, the proposal was approved as original proposal, and the voting results are as follows:

13,694,876 votes (Including 7,610,037 e-votes)

Voting results	Percentage of voting rights of attending shareholders (%)
13,677,819 approval votes (Including 7,592,980 electronic votes)	99.88%
1,086 disapproval votes (Including 1,086 electronic votes)	0.00%
Invalid votes: 0	0.00%
Votes waived/abstained: 15,971 votes (Including 15,971 electronic votes)	0.12%

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.
6. Please adoption.

Resolution: According to the voting results, the proposal was approved as original proposal, and the voting results are as follows:

13,694,876 votes (Including 7,610,037 e-votes)

Voting results	Percentage of voting rights of attending shareholders (%)
13,063,811 approval votes (Including 6,978,972 electronic votes)	95.39%
615,253 disapproval votes (Including 615,253 electronic votes)	4.49%
Invalid votes: 0	0.00%
Votes waived/abstained: 15,812 votes (Including 15,812 electronic votes)	0.12%

## 5. 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	Accountant, Chien-Cheng Accounting Firm Independent Director, CyberTAN Technology Inc. Director, Xinxun Technology Co., Ltd.	0

Candidate Type	Name Gender	Education	Experience	Current	Shares Held (Unit: Shares)
			Accounting Firm	Independent Director of ShunSin Technology Holdings Limited	
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: According to the voting results of the proposal, the list of elected directors declared by the chairman is as follows:

Job Title	Person elected	Elected Rights
Director	Chin-Lung, Hsu	13,302,005
Director	Ares International Corp. Representative: Chin-Wei, Yu	11,732,166
Director	Ares International Corp. Representative: Hsiung-Jung, Sung	11,653,509
Director	Wei Gu Co., Ltd.	11,468,729
Independent Director	Hung-Hsun, Ting	11,456,853
Independent Director	An-Tso, Chang	11,265,353
Independent Director	Su-Chen Hung	11,283,080

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.

3. Please discuss.

Resolution: According to the voting results, the proposal was approved as original proposal, and the voting results are as follows:

13,694,876 votes (Including 7,610,037 e-votes)

Voting results	Percentage of voting rights of attending shareholders (%)
12,744,569 approval votes (Including 6,659,730 electronic votes)	93.07%
67,720 disapproval votes (Including 67,720 electronic votes)	0.49%
Invalid votes: 0	0.00%
Votes waived/abstained: 882,587 votes (Including 882,587 electronic votes)	6.44%

**6. Extempore Motions:** All shareholders present at the meeting were consulted by the Chairman, none of which was proposed by Extempore Motion.

**7. Adjournment:** 9: 25 a.m. on the same day.

(No questions raised by shareholders during the shareholders' meeting)

## 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:

#### (一) 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%

#### (二) 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%

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

Comparison of financial analysis for 2022 and 2023:

Item		FY22	FY23
Finance	Debt to asset ratio (%)	59.85%	61.73%

Item		FY22	FY23
Structure	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%

(四) 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> <li>• Support the significance assessment function.</li> <li>• Support data accuracy and data quality computing.</li> </ul>

Products	Research and Development
	<ul style="list-style-type: none"> <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

### (一) 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.

(二) Expected sales volume and its basis:

The Company acts as an agent for many Items, 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.

(三) 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:

1. 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.
2. 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.</p> <p>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.</p> <p>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.</p> <p>When a board meeting is convened, personnel from relevant departments may be notified according to the contents of the motion.</p> <p>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.</p> <p>When a board meeting is convened, personnel from relevant departments may be notified according to the contents of the motion.</p> <p>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>	<u>1,598,779</u>	<u>100</u>	<u>1,476,766</u>	<u>100</u>
5000	<b>Operating costs (notes 6 (3), (4), (5), (9) and 7)</b>	<u>1,367,877</u>	<u>86</u>	<u>1,256,104</u>	<u>85</u>
5900	<b>Gross profit</b>	<u>230,902</u>	<u>14</u>	<u>220,662</u>	<u>15</u>
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>	<u>115,388</u>	<u>7</u>	<u>101,646</u>	<u>7</u>
6900	<b>PROFIT FROM OPERATIONS</b>	<u>115,514</u>	<u>7</u>	<u>119,016</u>	<u>8</u>
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>	<u>(3,488)</u>	<u>-</u>	<u>(4,593)</u>	<u>-</u>
7900	<b>Net profit before tax</b>	<u>112,026</u>	<u>7</u>	<u>114,423</u>	<u>8</u>
7950	<b>Less: expenses of income tax (note 6 (10))</b>	<u>22,594</u>	<u>1</u>	<u>22,866</u>	<u>2</u>
8200	<b>Net income</b>	<u>89,432</u>	<u>6</u>	<u>91,557</u>	<u>6</u>
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>	<u>(102)</u>	<u>-</u>	<u>1,208</u>	<u>-</u>
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 capital	Capital surplus	Statutory earnings Surplus reserve	Undistributed Surplus		total
<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>	\$	<b>220,000</b>	<b>133,284</b>	<b>35,239</b>	<b>97,860</b>	<b>133,099</b>	<b>486,383</b>

**(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**

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