Stock Code: 6161

捷波資訊股份有限公司

JETWAY INFORMATION CO., LTD.

2024 Annual Shareholders' Meeting Handbook

MEETING TIME: June 12, 2024

Address：9th Floor, No. 135, Lane 235, Baoqiao Road, Xindian District, New Taipei City

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JETWAY INFORMATION CO., LTD.

2024 Agenda of Regular Shareholders' Meeting

Meeting Convening Method: Physical Meeting

Time: 9:00 a.m. on Tuesday, June 23, 2024

Address：9th Floor, No. 135, Lane 235, Baoqiao Road, Xindian District, New Taipei City

1. Call the Meeting to Order

2. Chairperson Remarks

3. Matters to Be Reported
   (1) 2023 Annual Business Report of the Company
   (2) 2023 Audit Committee's Review Report
   (3) 2023 Report on the Distribution of Compensation and Remuneration for Employees and Directors

4. Matters to Be Ratified
   (1) Proposal of the 2023 Annual Business Report and Financial Statements
   (2) Proposal of the 2023 Distribution of the Company's Profits

5. Matters to Be Discussed
   (1) Amendment of Procedures for Acquisition or Disposal of Assets of the Company
   (2) Proposal of the Company's cash capital reduction and refund of Shareholders' capital

6. Questions and Motions

7. Adjournment

Matters to Be Reported

Proposal 1:
Submission of the Company's 2023 Annual Business Report for Review

Explanation:
The Company’s 2023 Annual Business Report is attached as per page 6-10, [Attachment 1].

Proposal 2:
Submission of the Company's 2023 Audit Committee’s Review Report for Review

Explanation:
The Company's 2023 financial statements have been audited and reviewed by the Audit Committee. The Audit Committee's Review Report is attached as per page 11, [Attachment 2].

Proposal 3:
Submission of the 2023 Report on the Distribution of Compensation and Remuneration for Employees and Directors for Review

Explanation:

1. According to Article 20 of the Company's Articles of Incorporation, the Company provides 2% to 15% of the pre-tax and pre-employee and Director remuneration and compensation profit as employee remuneration, and no more than 3% as Director remuneration.
2. The Company plans to allocate 6.32% of the pre-tax, employee, and Director remuneration profits for the fiscal year 2023, totaling NT$15,000,000, as employee remuneration, and 1.52% of the pre-tax, employee, and Director remuneration profits, totaling NT$3,600,000, as Director remuneration, with both amounts to be paid in cash.
3. The proposed amounts mentioned above are consistent with the employee and Director remuneration recognized in the financial statements for the fiscal year 2023.

Matters to Be Ratified

Proposal 1:

Proposal of the 2023 Annual Business Report and Financial Statements for ratification

(Proposed by the Board)

Explanation:

1. The Company's 2023 consolidated financial statements and individual financial statements have been audited by PwC Taiwan Certified Public Accountants, including LIN, PO-CHUAN and HSU, SHENG-CHUNG, and have been reviewed and approved by the Audit Committee and the Board of Directors.
2. For the Annual Business Report, auditor's audit report, and financial statements, please refer to pages 6-10 [Attachment 1] and pages 12-37 [Attachment 3] of this handbook.

Resolution:

Proposal 2:

Proposal of the 2023 Distribution of the Company’s Profits for ratification.

(Proposed by the Board)

Explanation:

1. The proposal of the distribution of profits for the year 2023 has been approved by the Company's Board of Directors on February 27, 2024. It is proposed to distribute cash dividends to Shareholders totaling NT$149,966,606, with a distribution of NT$2.0 per share (calculated to the nearest dollar, amounts less than one dollar are rounded down and any fractional amounts not constituting a full dollar are recorded as other income for the Company).
2. In the event that changes in the Company's share capital affect the number of shares in circulation on the dividend record date, it is proposed that the Shareholders' Meeting authorize the Chairperson to handle all related matters fully.
3. For the Company’s 2023 Earnings Appropriation Statement, please refer to page 38, [Attachment 4].

Resolution:

Matters to Be Discussed

Proposal 1:

Amendment of Procedures for Acquisition or Disposal of Assets of the Company, hereby submitted for discussion

(Proposed by the Board)

Explanation:

1. To align with business needs, it is proposed to amend certain articles of the Procedures for Acquisition or Disposal of Assets of the Company. Please refer to the comparison table of the revised articles on page 39 of this Handbook, [Attachment 5].
2. Please proceed for resolution.

Resolution:

Proposal 2:

Proposal of the Company's cash capital reduction and refund of Shareholders' capital, hereby submitted for discussion

(Proposed by the Board)

Explanation:

1. To adjust the capital structure and enhance the return on Shareholders' equity, the Company intends to execute a cash capital reduction and refund Shareholders' capital.
2. This proposal has been reviewed by the Company's Audit Committee and approved by the Board of Directors. The proposed reduction amount is set at NT$187,458,260, canceling 18,745,826 shares. Based on the current total issued shares of 74,983,303, the expected cash capital reduction ratio is 25%, with NT$2.5 per share refunded. The refund will be calculated individually for each Shareholder based on the number of shares held as recorded in the Shareholder Register on the capital reduction base date, with an anticipated exchange of 750 shares per 1,000 shares reduced (a reduction of 250 shares per 1,000 shares). However, the Actual Paid-in Capital amount and reduction ratio after the reduction will be calculated based on the total number of issued shares on the capital reduction share issuance base date.
3. For fractional shares less than one full share resulting from this capital reduction, Shareholders may consolidate these into whole shares through the Company's Shares Affairs Agency from five days prior to the cessation of share transfers up to one day prior to the cessation. For fractional shares that remain after consolidation, payment will be made in cash based on the closing price of the last trading day prior to the capital reduction base date in the public stock market, rounded to the nearest dollar (fractions of a dollar are discarded), where the Chairperson is authorized to negotiate with specified individuals to

purchase these shares at the specified closing price.

4. The new shares issued due to this cash capital reduction will be issued in dematerialized form, with the same rights and obligations. After approval at the Annual Shareholders' Meeting and submission to the regulatory authorities for effectiveness, the Board of Directors is authorized to set a new capital reduction base date and other related matters regarding the issuance of capital reduction shares.
5. Prior to the capital reduction base date for this cash capital reduction, if adjustments are required due to legal amendments, regulatory approval, or changes in external conditions, it is proposed that the Annual Shareholders' Meeting authorize the Chairperson to handle these matters.
6. Please proceed for resolution.

Resolution:

Questions and Motions

Adjournment

Attachment 1

JETWAY INFORMATION CO., LTD.
Annual Business Report

In the post-pandemic era of 2023, Taiwan's manufacturing sector experienced inventory adjustments as a result of a decrease in global demand and a decline in international orders. With the easing of inflation and the gradual reduction of negative inventory adjustments, there is a noticeable recovery in the demand for end-user electronic products like mobile phones and PCs. Propelled by the increasing need for cutting-edge technology solutions, the Industrial Technology Research Institute predicts a promising 7.57% growth in the output value of the information electronics industry by 2024. Looking ahead, the International Monetary Fund (IMF) has revised its economic growth forecast for this year to 3.1% in its latest economic predictions. However, this figure still falls short of the long-term average of 3.8% observed in recent years. In today's ever-evolving world, various factors such as geopolitical risks, instability in the Middle East, and the Red Sea crisis have the potential to affect the global supply chain. In addition, the current situation may be influenced by uncertainties such as the ongoing conflict in technology between the United States and China. We will continue to closely monitor developments and respond accordingly, aiming to maximize our operational advantages and corporate value. We greatly appreciate the strong support of all Directors for the Company!

An overview of the Business Plan for 2024 and the operational results for 2023 are provided below:

1. 2023 Annual Business Report

   (1) Results of the implementation of the business plan

   The Company recorded a consolidated annual net revenue of NT$1.331 billion in 2023, reflecting a decline of 25.2% compared to the NT$1.779 billion generated in 2022. The total number of shipments for the year amounted 220,000 units. In terms of profit and loss, the year generated NT$197 million in operating income and NT$172 million in net income after taxes, a decrease of 34.3% compared to 2022.

(2) Financial income and profitability analysis

Item		2022	2023
Financial Structure Analysis	Debt-to-Asset Ratio（%）	19.28	20.09
	Ratio of Long-term Capital to Property, Plant and Equipment（%）	371.62	383.28
Profitability Analysis	Return on Assets（%）	13.90	9.46
	Return on Equity（%）	18.40	11.80
	Income before Tax to Capital Ratio（%）	44.29	30.80
	Net Income Ratio (%)	14.74	12.96
	Earnings per Share (NT$)	3.50	2.30

Data Source: Consolidated Financial Statements audited and certified by CPAs

Inventory depletion and sluggish demand in the overall market as a result of high inflation and interest rates impeded shipments in 2023, leading to a decline in revenue, pre-tax and after-tax income, in comparison to the prior period. Consequently, the profitability analysis ratios and earnings per share experienced a reduction in comparison to the prior period.

(3) Research and Development Status

① Advancements in intelligent human body temperature and facial recognition technology have been implemented in construction site management and safety protocols, facilitating the seamless integration of intelligent construction sites.

② To streamline the management and communication of personnel and vehicles in factories (parks), the development of software and hardware systems, along with the integration of AI algorithms, can greatly assist managers in acquiring real-time information and maintaining control.

③ In order to meet the demands of AI applications across different industries, we have given top priority to the integration of the HAILO-8 solution. Additionally, we have future plans to develop solutions for the Intel® Movidius™ Myriad™ X VPU and NVIDIA technologies.

④ JETWAY INFORMATION's system solutions and expansion cards are combined to meet the rapid growth requirements in the field of AI applications. The combination of high-end graphics cards and the HAILO-8 *4 can effectively meet the requirements for AI-specific computation and pre-development training.

⑤ The Company adopts Intel's new generation platform, Meteor Lake-U/H, which includes an NPU, to design and develop motherboards and fan less systems with high AI performance, high graphics processing, low power consumption, wide voltage input, and multiple expansion signals. These systems are capable of supporting 4K4 displays, multiple I/O options, and high data transfer rates, suitable for edge AI, smart digital displays, analytics and simulation of high-performance computing, and smart manufacturing applications.

⑥ Using the Intel Amston platform, the Company develops industrial-grade, wide-temperature, and wide-voltage motherboards, supporting PoE PD series applications. These motherboards ensure network transmission performance and stability even in harsh environments, providing a high-performance solution with wide voltage support.

⑦ The inclusion of IEEE1588 functionality offers optimal solutions for smart factories and intelligent production in Industry 4.0.

⑧ The Company continues to strengthen its network communication products, developing support for a broad range of network neural system applications, including PoE PD and PoE PSE expansion applications.

2. Outline of 2024 Business Plan

(1) Management Strategies

① Improving Product Quality: Our products are a crucial component of the Company's competitive advantage. Furthermore, alongside our ongoing efforts to develop specialized products such as industrial motherboards and pre-systems, we are diligently striving to enhance product quality in order to satisfy client demands and establish their confidence in our brand. Through consistently optimized quality control processes, including testing, validation, and ongoing improvement, our goal is not only to reduce defects but also to enhance product reliability and durability, thereby creating value for our customers.

② Customization and Flexibility: Our Company has always excelled in customization and adaptability. By using more flexible research and development (R&D) and production procedures, we can promptly modify product design, functionality, and specifications. This allows us to swiftly respond to market fluctuations and evolving client needs, thereby improving both the value of our products and customer loyalty.

③ Organizational and Efficiency Optimization: Through the strategic reallocation of tasks within the Company, we enhance the performance of each function to achieve optimal efficiency. Through leveraging the combined strengths of Group resources, we can expedite the product development and market launch processes to fulfill client requests and provide a competitive advantage.

(2) Core Guidelines

① Maximize Client Order Value: Our objective is to raise the average order value per client by providing comprehensive machines or peripheral products alongside sales.

② Promote Product Competitiveness: Accelerate up the process of product research and development, with an emphasis on developing both general and industry-specific products, in order to enhance the range of products offered.

③ Specialized Production Bases: Strive to enhance and improve production equipment in order to ensure that production capacity and efficiency align with market expectations.

④ Quality and Customer Service: Establish a comprehensive Quality System encompassing research and development, production, product application, material return management, and customer satisfaction maintenance. In addition, ensure that specialized units are in place to deliver professional services.

⑤ Digital Upgrade and Transformation: Through comprehensive digitization, process optimization, and automation, our objective is to minimize errors and internal expenses while simultaneously improving the client experience and increasing sales through streamlined processes, thus increasing sales.

(3) Expected Sales Volume and Corresponding Bases

In anticipation of 2024, the Company intends to concentrate on cultivating industrial motherboards, quasi-systems, and touch computers, while additionally actively pursuing the development of AI intelligent products that encourage business growth and achieve simultaneous improvements in revenue and profit. It is anticipated that a consistent rate of growth may be sustained in 2024.

(4) Significant Production and Sales Policies

The Taiwan headquarters is a logistics center focusing on research and development and management, implementing roots in Taiwan. Regarding production, we have made significant investments in our China subsidiaries with the aim of reducing product expenses while strengthening our competitive edge. In the future, we intend to maximize the production efficiency of our plants to maintain our competitive edge.

3. Future Company Development Strategy, Influence of External Competitive Environment, Regulatory Environment and Overall Operating Environment

In April 2023, the Company entered into a strategic cooperation agreement with AAEON Technology Inc. through a share exchange. Both parties have extensively developed the industrial computer business for a considerable period of time, and each possesses distinct advantages in their own areas of expertise. This share exchange collaboration will establish a mutually beneficial and close relationship, where both parties will complement and share their corporate resources through sales and procurement channels. This will result in integrated marketing for customers and complementary product lines, leading to increased economic benefits. Furthermore, it will strengthen and consolidate each party's advantages in their respective professional fields, ultimately creating maximum value for Shareholders.

Despite a decrease in inflation since the start of the year, it remains persistently resistant to drop, leading several countries to implement substantial increases in interest rates in order to influence demand. In 2024, the progress of developed nations is anticipated to decelerate, while global economic growth continues to depend on developing markets for stimulation. However, the presence of geopolitical tensions, regional military confrontations, and heightened economic disparities will introduce specific threats to the global economy. In addition, the lack of recovery momentum in China, the continuing downturn in the manufacturing industry... etc., numerous challenges are testing the Company's management capabilities. In the face of rapid changes in the industry and market, as well as overwhelming pressure, the Company is not only building an efficient procurement and inventory management system, optimizing process technology and production efficiency, adjusting international marketing strategies in the post-pandemic era, but also actively investing in product innovation and upgrade to achieve the annual operating income goals.

Sincerely yours,

Wishing you good health and success in all!

JETWAY INFORMATION CO., LTD.

Chairperson: Yung-Shun Chuang

General Manager: Howard Lin

Head of Accounting: Alonzo Chuang

Attachment 2

JETWAY INFORMATION CO., LTD.

Audit Committee Review Report

The Board of Directors has submitted the Company's 2023 consolidated financial statements and individual financial statements, which have been audited by PwC Taiwan Certified Public Accountants, including LIN, PO-CHUAN and HSU, SHENG-CHUNG, and have been reviewed and approved by the of cost Audit Committee and the Board of Directors. The above-mentioned reports and financial statements have been reviewed and determined to be accurate by the Audit Committee. According the Securities and Exchange Act and the Company Act, we hereby submit this report.

To:
The 2024 Annual Shareholders' Meeting of the Company

JETWAY INFORMATION CO., LTD.
Audit Committee Convener: WU, JIA-JIN

February 27, 2024

Attachment 3

Independent Auditors’ Report

(113) Cai-Shen-Bao-Zi No. 23003000

To Jetway Information Co., Ltd.:

Audit Opinion

Jetway Information Co., Ltd. (hereinafter referred to as "Jetway Group") has completed the audit of the consolidated balance sheet as of December 31, 2023 and 2022, as well as the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flow for the period from January 1 to December 31 of both years, along with the notes to the consolidated financial statement (including a summary of significant accounting policies).

In the opinion of the auditors, based on the audit results and other auditors' review reports (please refer to the section on other matters), the aforementioned consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations, and explanatory announcements approved and effective by the Financial Supervisory Commission. These statements fairly present Jetway Group's financial position as of December 31, 2023 and 2022, as well as its financial performance and cash flows for the period from January 1 to December 31 of both years.

Basis for Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Consolidated Financial Reports section of our report. We are independent of the Jetway Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other auditors, we believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are the most important matters for the audit of Jetway Group's consolidated financial statements for the year 2023, based on the professional judgment of the auditors. These matters have been addressed in the overall audit of the consolidated financial statements and the formation of the audit opinion, and the auditors do not express an opinion on these matters separately.

Key audit matters for Jetway Group's consolidated financial statements for the year 2023 are as follows:

Evaluation of allowance for inventory valuation losses

<u>Description of the matter</u>

For accounting policies related to inventory valuation, please refer to Note 4 (12) of the consolidated financial statement; for uncertainty in accounting estimates and assumptions related to inventory valuation, please refer to Note 5 (2) of the consolidated financial statement; for a description of inventory accounting items, please refer to Note 6 (5) of the consolidated financial statement. As of December 31, 2023, Jetway Group's inventory and allowance for inventory valuation losses were NT$386,660 thousand and NT$87,697 thousand, respectively.

Jetway Group mainly manufactures and sells industrial motherboards and computer peripherals. The inventory of these products is subject to rapid technological changes, short life cycles, and susceptible to market price fluctuations, resulting in higher risks of inventory price declines or obsolescence. Jetway Group measures inventory at the lower of cost and net realizable value. Since Jetway Group's inventory amount is significant, the items are numerous, and the net realizable value of individual long-aged inventory items often involves management's subjective judgment, which also falls within the realm of judgment in the audit process. Therefore, the evaluation of Jetway Group's allowance for inventory valuation losses is one of the most important audit matters.

Response procedures

The response procedures that the auditors have performed for the specific aspects described in the key audit matters are summarized as follows:

1. Obtain Jetway's inventory allowance for valuation loss policy, compare the consistent application during the financial reporting period, and evaluate the reasonableness of the policy.
2. Observe the inventory conditions during the inventory count process and inquire about the control of obsolete and outdated inventory with management and relevant personnel responsible for inventory management.
3. Observe the inventory conditions during the inventory count process and inquire about the control of obsolete and outdated inventory with management and relevant personnel responsible for inventory management.
4. Obtain the detailed statement of inventory cost net realizable value, review the relevant supporting documents, evaluate the basis and reasonableness of management's estimate of net realizable value, and assess the adequacy of the allowance for valuation loss provision.

Other matters– Mention of Other Accountants' Audits

1. Some subsidiaries included in Jetway Group's consolidated financial statements for the year 2022 have their financial statements audited by other accountants rather than the Company's accountant. Therefore, the opinion expressed by the Company's accountant on the consolidated financial statements for the year 2022 is based on the audit reports of other accountants for the amounts listed in the financial statements of those subsidiaries. The total assets of those subsidiaries as of December 31, 2022 were NT$213,111 thousand, accounting for 11.68% of the total consolidated assets. The net operating income for the year ended December 31, 2022 was NT$458,698 thousand, accounting for 25.79% of the consolidated net operating income.

Other matters– Parent Company Only Financial Statement

2. Jetway Information Co., Ltd. has prepared parent company only financial statements for the fiscal years 2023 and 2022, and the Company's accountant has issued unqualified and unqualified with other matters audit reports on them for reference.

Management's and Governance Unit's Responsibility for Financial Statements

Management is responsible for preparing consolidated financial statements that fairly present the financial position in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, interpretations, and explanatory announcements approved and effective by the Financial Supervisory Commission, and maintaining necessary internal controls related to the preparation of consolidated financial statements to ensure that they do not contain material misrepresentations due to fraud or error.

When preparing consolidated financial statements, management's responsibility also includes assessing

Jetway Group's ability to continue as a going concern, disclosing relevant matters, and adopting the going concern accounting basis, unless management intends to liquidate Jetway Group or cease operations, or there is no other practical alternative but to liquidate or cease operations.

The governance unit of Jetway Group (including the audit committee) is responsible for overseeing the financial reporting process.

Auditor's Responsibility for Auditing Financial Statements

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

As part of an audit in accordance with auditing standards generally accepted in Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

5. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
6. Obtain an understanding of internal controls 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 internal controls of Jetway Group.
7. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
8. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the capability of Jetway Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 our auditors' report. However, future events or conditions may cause Jetway Group to cease to continue as a going concern.
9. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes to financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. Obtain sufficient and appropriate audit evidence regarding the financial information of Jetway Group's components and express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and performing the Jetway Group audit engagement, and for forming an audit opinion on the Group.

The matters communicated by the auditors with the governance unit include the planned audit scope and timing, as well as significant audit findings (including significant deficiencies in internal control identified during the audit process).

The auditors also provided a statement to the governance unit that the personnel of the firm affiliated with the auditors who are subject to the independence rules have complied with the independence requirements set forth in the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and communicated with the governance unit all relationships and other matters that may be considered to affect the auditors' independence (including relevant safeguards).

Based on the matters communicated with the governance unit, the auditors determined the key audit matters for the audit of Jetway Group's consolidated financial statements for the year 2023. The auditors described these matters in the audit report, unless the law prohibits the public disclosure of specific matters, or in extremely rare cases, the auditors decided not to communicate specific matters in the audit report because the reasonably expected negative consequences of such communication outweigh the public interest it promotes.

PwC Taiwan

LIN, PO-CHUAN

CPA

HSU, SHENG-CHUNG

Financial Supervision Commission Approval No.:
Jin-Guan-Zheng-Shen-Zi No. 1100350706
Jin-Guan-Zheng-Shen-Zi No. 1010034097

February 27, 2024

Jetway Information Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and December 31, 2022, January 1, 2022

Unit: NTD in thousands

	Asset	Notes	December 31, 2023			(After adjustments) December 31, 2022			(After adjustments) January 1, 2022		
				Amount	%		Amount	%		Amount	%
	Current assets										
1100	Cash and cash equivalents	6 (1)	$	865,919	48	$	779,620	43	$	471,577	24
1136	Financial assets measured at amortized cost – current	6 (3)		30,705	2		50,000	3		55,487	3
1150	Net notes receivable	6 (4)		2,644	-		1,949	-		1,184	-
1170	Net accounts receivable	6 (4) & 7		103,487	6		75,650	4		143,748	7
1220	Current income tax assets			-	-		51	-		323	-
130X	Inventory	6 (5)		298,963	16		390,930	21		604,157	31
1410	Prepayment			20,576	1		19,416	1		60,771	3
1470	Other current assets			3,413	-		5,747	-		7,438	1
11XX	**Total current assets**			1,325,707	73		1,323,363	72		1,344,685	69
	Non-current assets										
1517	Financial assets measured at fair value through other comprehensive income - non-current	6 (2)		-	-		-	-		72,244	3
1600	Property, plant and equipment	6 (6) & 8		391,526	22		409,197	22		433,048	22
1755	Right-of-use assets	6 (7)		58,151	3		51,943	3		53,858	3
1780	Intangible assets			632	-		3,709	-		2,160	-
1840	Deferred income tax assets	6 (21)		25,032	1		35,456	2		41,230	2
1900	Other non-current assets	6 (9)		13,272	1		8,844	1		15,607	1
15XX	**Total non-current assets**			488,613	27		509,149	28		618,147	31
1XXX	**Total assets**		$	1,814,320	100	$	1,832,512	100	$	1,962,832	100

(Continued on next page)

Jetway Information Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and December 31, 2022, January 1, 2022

Unit: NTD in thousands

	Liabilities and equity	Notes	December 31, 2023 Amount	%	(After adjustments) December 31, 2022 Amount	%	(After adjustments) January 1, 2022 Amount	%
	Current liabilities							
2130	Contract liabilities - current	6 (15)	$ 28,065	2	$ 27,961	2	$ 30,567	2
2150	Notes payable		-	-	1,773	-	2,578	-
2170	Accounts payable		154,044	8	76,443	4	328,035	17
2180	Accounts payable - related parties	7	3,772	-	-	-	-	-
2200	Other payables	6 (8)	95,089	5	149,087	8	100,769	5
2230	Current income tax liabilities		12,298	1	29,751	2	49,101	3
2250	Provisions for liabilities - current	6 (10)	7,782	-	9,080	1	8,169	-
2280	Lease liabilities - current		12,086	1	7,551	-	6,127	-
2399	Other current liabilities - others		554	-	2,059	-	1,923	-
21XX	**Total current liabilities**		313,690	17	303,705	17	527,269	27
	Non-current liabilities							
2550	Provisions for liabilities - non-current	6 (10)	5,102	-	7,790	-	8,777	1
2570	Deferred income tax liabilities	6 (21)	11,373	1	14,934	1	8,725	-
2580	Lease liabilities - non-current		24,531	1	21,200	1	23,903	1
2600	Other non-current liabilities	6 (9)	9,781	1	12,294	1	16,182	1
25XX	**Total non-current liabilities**		50,787	3	56,218	3	57,587	3
2XXX	**Total liabilities**		364,477	20	359,923	20	584,856	30
	Equity attributable to owners of the parent company							
	Capital stock	6 (11)						
3110	Common stock		749,833	41	749,833	41	749,833	38
	Capital surplus	6 (12)						
3200	Capital surplus		127,452	7	127,452	7	127,452	6
	Retained earnings	6 (13)						
3310	Legal reserve		146,153	8	118,443	6	94,196	5
3320	Special reserve		9,777	1	52,240	3	52,526	3
3350	Unappropriated earnings		434,441	24	434,399	24	406,209	21
	Other equity	6 (14)						
3400	Other equity		(17,813)	(1)	(9,778)	(1)	(52,240)	(3)
31XX	**Total equity attributable to owners of the parent company**		1,449,843	80	1,472,589	80	1,377,976	70
3XXX	**Total equity**		1,449,843	80	1,472,589	80	1,377,976	70
	Significant contingent liabilities and unrecognized contractual commitments	9						
	Significant post-balance sheet events	11						
3X2X	**Total liabilities and equity**		$ 1,814,320	100	$ 1,832,512	100	$ 1,962,832	100

The accompanying notes to the consolidated financial statements are an integral part of these financial statements and should be read in conjunction therewith.

Chairman:
CHUANG, YUNG-SHUN

Manager:
LIN, CHIEN-HUNG

Accounting Supervisor:
CHUANG, CHEN-YEN

Jetway Information Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands
(Except for earnings per share in NTD)

	Item	Notes	2023 Amount	2023 %	(After adjustments) 2022 Amount	2022 %
4000	Operating revenue	6 (15) & 7	$ 1,330,751	100	$ 1,778,621	100
5000	Operating cost	6 (5) (19) (20) & 7	(840,296)	(63)	(1,167,359)	(65)
5900	Gross profit		490,455	37	611,262	35
	Operating expenses	6 (19) (20)				
6100	Sales promotion expenses		(134,045)	(10)	(130,066)	(7)
6200	Administrative expenses		(96,436)	(7)	(125,172)	(7)
6300	Research and development expenses		(64,445)	(5)	(79,160)	(5)
6450	Expected credit impairment gains	12 (2)	1,431	-	-	-
6000	Total operating expenses		(293,495)	(22)	(334,398)	(19)
6900	Operating profit		196,960	15	276,864	16
	Non-operating income and expenses					
7100	Interest income	6 (16)	14,172	1	2,342	-
7010	Other income	6 (17)	12,068	1	12,538	1
7020	Other gains and losses	6 (18)	7,940	-	40,785	2
7050	Finance costs		(184)	-	(451)	-
7000	Total non-operating income and expenses		33,996	2	55,214	3
7900	**Profit before tax**		230,956	17	332,078	19
7950	Income tax expense	6 (21)	(58,545)	(4)	(69,854)	(4)
8200	**Net profit for the period**		$ 172,411	13	$ 262,224	15

(Continued on next page)

Jetway Information Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands
(Except for earnings per share in NTD)

	Item	Notes	2023 Amount	2023 %	(After adjustments) 2022 Amount	(After adjustments) 2022 %
	Other comprehensive income (net)					
	Items that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6 (9)	$ 422	-	$ 3,918	-
8316	Unrealized valuation gains (losses) on equity instruments measured at fair value through other comprehensive income	6 (2) (14)	-	-	33,403	2
8349	Income tax related to items not to be reclassified	6 (21)	(86)	-	(784)	-
8310	Total items not to be reclassified to profit or loss		336	-	36,537	2
	Items that may be subsequently reclassified to profit or loss					
8361	Exchange differences on translating foreign operations' financial statements	6 (14)	(10,072)	(1)	26,031	1
8399	Income tax related to items that may be reclassified	6 (14) (21)	2,037	-	(5,229)	-
8360	Total items that may be subsequently reclassified to profit or loss		(8,035)	(1)	20,802	1
8300	**Other comprehensive income (net)**		($ 7,699)	(1)	$ 57,339	3
8500	**Total comprehensive income for the period**		$ 164,712	12	$ 319,563	18

(Continued on next page)

Jetway Information Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands
(Except for earnings per share in NTD)

	Net income attributable to:					
8610	Owners of the parent company		$ 172,411	13	$ 262,224	15
	Total comprehensive income attributable to:					
8710	Owners of the parent company		$ 164,712	12	$ 319,563	18
	Basic earnings per share	6 (22)				
9750	Basic earnings per share		$ 2.30		$ 3.50	
	Diluted earnings per share	6 (22)				
9850	Diluted earnings per share		$ 2.28		$ 3.45	

The accompanying notes to the consolidated financial statements are an integral part of these financial statements and should be read in conjunction therewith.

Chairman: CHUANG, YUNG-SHUN Manager: LIN, CHIEN-HUNG Accounting Supervisor: CHUANG, CHEN-YEN

Jetway Information Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands

		Equity attributable to owners of the parent company								
			Capital surplus		Retained earnings			Other equity		
	Notes	Common stock	Capital surplus - issue premium	Capital surplus - other	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translating foreign operations' financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity
From January 1 to December 31, 2022										
January 1, 2022		$ 749,833	$ 108,818	$ 18,634	$ 94,196	$ 52,526	$ 406,209	($ 30,580)	($ 21,660)	$ 1,377,976
Net profit for the period		-	-	-	-	-	262,224	-	-	262,224
Other comprehensive income for the period	6 (14)	-	-	-	-	-	3,134	20,802	33,403	57,339
Total comprehensive income for the period		-	-	-	-	-	265,358	20,802	33,403	319,563
2021 Earnings appropriation and distribution	6 (13)									
Legal reserve allocation		-	-	-	24,247	-	(24,247)	-	-	-
Special reserve allocation		-	-	-	-	(286)	286	-	-	-
Cash dividend		-	-	-	-	-	(224,950)	-	-	(224,950)
Disposal of equity instruments measured at fair value through other comprehensive income	6 (2)	-	-	-	-	-	11,743	-	(11,743)	-
December 31, 2022		$ 749,833	$ 108,818	$ 18,634	$ 118,443	$ 52,240	$ 434,399	($ 9,778)	$ -	$ 1,472,589
From January 1 to December 31, 2023										
January 1, 2023		$ 749,833	$ 108,818	$ 18,634	$ 118,443	$ 52,240	$ 434,399	($ 9,778)	$ -	$ 1,472,589
Net profit for the period		-	-	-	-	-	172,411	-	-	172,411
Other comprehensive income for the period	6 (14)	-	-	-	-	-	336	(8,035)	-	(7,699)
Total comprehensive income for the period		-	-	-	-	-	172,747	(8,035)	-	164,712
2022 Earnings appropriation and distribution:	6 (13)									
Legal reserve allocation		-	-	-	27,710	-	(27,710)	-	-	-
Special reserve allocation		-	-	-	-	(42,463)	42,463	-	-	-
Cash dividend		-	-	-	-	-	(187,458)	-	-	(187,458)
December 31, 2023		$ 749,833	$ 108,818	$ 18,634	$ 146,153	$ 9,777	$ 434,441	($ 17,813)	$ -	$ 1,449,843

The accompanying notes to the consolidated financial statements are an integral part of these financial statements and should be read in conjunction therewith.

Chairman: CHUANG, YUNG-SHUN　　Manager: LIN, CHIEN-HUNG　　Accounting Supervisor: CHUANG, CHEN-YEN

Jetway Information Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands

		2023	2022
Cash flows from operating activities			
Profit before tax for the current period		$ 230,956	$ 332,078
Adjustments			
Income and expense items			
Depreciation expenses	6 (6) (7) (19)	31,243	35,606
Amortization expenses	6 (19)	732	527
Expected credit gains	12 (2)	(1,431)	-
Interest expenses		184	451
Interest income	6 (16)	(14,172)	(2,342)
Loss (gain) on disposal of property, plant, and equipment	6 (18)	2	(7)
Loss on lease modification	6 (18)	12	-
Net changes in assets/liabilities related to operating activities			
Net changes in operating assets			
Notes receivable		(695)	(765)
Accounts receivable		(26,231)	67,958
Inventory		91,967	213,227
Prepayment		(1,160)	41,355
Other current assets		2,334	1,691
Net defined benefit assets		(10,137)	-
Other non-current assets		8,386	5,809
Net changes in operating liabilities			
Contract liabilities		104	(2,606)
Notes payable		(1,773)	(805)
Accounts payable		81,373	(251,592)
Other payables		(53,998)	48,318
Provisions for liabilities		(3,986)	(76)
Other current liabilities		(1,505)	136
Net defined benefit liabilities		(1,977)	-
Long-term deferred income		(524)	-
Cash inflows generated from operations		329,704	488,963
Interest received		14,172	2,342
Interest paid		(184)	(451)
Income taxes paid		(67,252)	(78,080)
Net cash inflow from operating activities		276,440	412,774
Cash flows from investing activities			
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	6 (2)	-	105,647
Decrease in financial assets measured at amortized cost		19,295	5,487
Acquisition of property, plant, and equipment	6 (6)	(7,707)	(6,739)
Acquisition of intangible assets		(512)	(238)
Decrease (increase) in refundable deposits		173	(865)
Net cash (outflow) inflow from investing activities		11,249	103,292
Cash flows from financing activities			
Decrease in refundable deposits		(12)	-
Increase in other non-current liabilities		-	30
Principal repayments of lease liabilities	6 (23)	(8,061)	(8,643)
Cash dividends paid	6 (13)	(187,458)	(224,950)
Net cash outflow from financing activities		(195,531)	(233,563)
Exchange rate impact		(5,859)	25,540
Increase in cash and cash equivalents for the period		86,299	308,043
Cash and cash equivalents balance at the beginning of the period		779,620	471,577
Cash and cash equivalents balance at the end of the period		$ 865,919	$ 779,620

Independent Auditors’ Report

(113) Cai-Shen-Bao-Zi No. 23003130

To Jetway Information Co., Ltd.:

Audit Opinion

Jetway Information Co., Ltd. (hereinafter referred to as "Jetway") has completed the audit of the parent company only balance sheet as of December 31, 2023 and 2022, as well as the parent company only statement of comprehensive income, parent company only statement of changes in equity, and parent company only statement of cash flow for the period from January 1 to December 31 of both years, along with the notes to the parent company only financial statement (including a summary of significant accounting policies).

In the opinion of the auditors, based on the audit results and other auditors' review reports (please refer to the section on other matters), the aforementioned parent company only financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and fairly present Jetway's financial position as of December 31, 2023 and 2022, as well as its financial performance and cash flows for the period from January 1 to December 31 of both years.

Basis for Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Parent Company Only Financial Reports section of our report. We are independent of the Jetway in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other auditors, we believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are the most important matters for the audit of Jetway's parent company only financial statements for the year 2023, based on the professional judgment of the auditors. These matters have been addressed in the overall audit of the parent company only financial statements and the formation of the audit opinion, and the auditors do not express an opinion on these matters separately.

Key audit matters for Jetway's parent company only financial statements for the year 2023 are as follows:

Evaluation of allowance for inventory valuation losses

<u>Description of the matter</u>

For accounting policies related to inventory valuation, please refer to Note 4 (10) of the parent company only financial statement; for uncertainty in accounting estimates and assumptions related to inventory valuation, please refer to Note 5 (2) of the parent company only financial statement; for a description of inventory accounting items, please refer to Note 6 (4) of the parent company only financial statement. As of December 31, 2023, Jetway's inventory and allowance for inventory valuation losses were NT$238,013 thousand and NT$33,695 thousand, respectively.

Jetway mainly sells industrial motherboards and computer peripherals, and its indirectly wholly-owned subsidiary, Xinyida Electronic (Fujian) Co., Ltd., is the main manufacturer. The inventory of these products is subject to rapid technological changes, short life cycles, and susceptible to market price fluctuations, resulting in higher risks of inventory price declines or obsolescence. Jetway measures inventory at the lower of cost and net realizable value. Since Jetway's inventory amount is significant, the items are numerous, and the net realizable value of individual long-aged inventory items often involves management's subjective judgment, which also falls within the realm of judgment in the audit process. Therefore, the evaluation of Jetway's allowance for inventory valuation losses is one of the most important audit matters.

Response procedures

The response procedures that the auditors have performed for the specific aspects described in the key audit matters are summarized as follows:

11. Obtain Jetway's inventory allowance for valuation loss policy, compare the consistent application during the financial reporting period, and evaluate the reasonableness of the policy.
12. Observe the inventory conditions during the inventory count process and inquire about the control of obsolete and outdated inventory with management and relevant personnel responsible for inventory management.
13. Observe the inventory conditions during the inventory count process and inquire about the control of obsolete and outdated inventory with management and relevant personnel responsible for inventory management.
14. Obtain the detailed statement of inventory cost net realizable value, review the relevant supporting documents, evaluate the basis and reasonableness of management's estimate of net realizable value, and assess the adequacy of the allowance for valuation loss provision.

Other Matters - Mention of Other Accountants' Audits

Some subsidiaries included in Jetway's parent company only financial statements for the year 2022 have their financial statements audited by other accountants rather than the Company's accountant. Therefore, the opinion expressed by the Company's accountant on the parent company only financial statements for the year 2022 is based on the audit reports of other accountants for the amounts listed in the financial statements of those subsidiaries. The total assets of those subsidiaries as of December 31, 2022 were NT$213,111 thousand, accounting for 11.88% of the total assets. The net operating income for the year ended December 31, 2022 was NT$458,698 thousand, accounting for 30.03% of the net operating income.

Management's and Governance Unit's Responsibility for Parent Company Only Financial Statements

Management is responsible for preparing parent company only financial statements that fairly present the financial position in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and maintaining necessary internal controls related to the preparation of parent company only financial statements to ensure that they do not contain material misrepresentations due to fraud or error.

When preparing parent company only financial statements, management's responsibility also includes assessing Jetway's ability to continue as a going concern, disclosing relevant matters, and adopting the going concern accounting basis, unless management intends to liquidate Jetway or cease operations, or there is no other practical alternative but to liquidate or cease operations.

The governance unit of Jetway (including the audit committee) is responsible for overseeing the financial reporting process.

Auditor's Responsibility for Auditing Parent Company Only Financial Statements

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

As part of an audit in accordance with auditing standards generally accepted in Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
2. Obtain an understanding of internal controls 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 internal controls of Jetway.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the capability of Jetway to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 our auditors' report. However, future events or conditions may cause Jetway to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the notes to financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of Jetway's components and express an opinion on the parent company only financial statements. We are responsible for guiding, supervising, and performing the parent company only audit engagement, and for forming an audit opinion on the parent company only financial statements.

The matters communicated by the auditors with the governance unit include the planned audit scope and timing, as well as significant audit findings (including significant deficiencies in internal control identified during the audit process).

The auditors also provided a statement to the governance unit that the personnel of the firm affiliated with the auditors who are subject to the independence rules have complied with the independence requirements set forth in the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and communicated with the governance unit all relationships and other matters that may be considered to affect the auditors' independence (including relevant safeguards).

Based on the matters communicated with the governance unit, the auditors determined the key audit matters for the audit of Jetway's parent company only financial statements for the year 2023. The auditors described these matters in the audit report, unless the law prohibits the public disclosure of specific matters, or in extremely rare cases, the auditors decided not to communicate specific matters in the audit report because the reasonably expected negative consequences of such communication outweigh the public interest it promotes.

PwC Taiwan

CPA

LIN, PO-CHUAN

HSU, SHENG-CHUNG

Financial Supervision Commission Approval No.:
Jin-Guan-Zheng-Shen-Zi No. 1100350706
Jin-Guan-Zheng-Shen-Zi No. 1010034097

February 27, 2024

Jetway Information Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2023 and 2022

Unit: NTD in thousands

	Assets	Notes	December 31, 2023 Amount		December 31, 2023 %	December 31, 2022 Amount		December 31, 2022 %
	Current assets							
1100	Cash and cash equivalents	6 (1)	$	400,629	23	$	406,435	23
1136	Financial assets measured at amortized cost - current	6 (2)		30,705	2		50,000	3
1170	Net accounts receivable	6 (3)		72,021	4		43,170	2
1180	Net receivables - related parties	6 (3) & 7		32,239	2		71,397	4
1200	Other receivables			1,237	-		3,208	-
130X	Inventory	6 (4)		204,318	12		215,421	12
1410	Prepayment			2,071	-		1,886	-
1470	Other current assets			4,687	-		298	-
11XX	**Total current assets**			747,907	43		791,815	44
	Non-current assets							
1550	Investments accounted for using the equity method	6 (5)		730,340	42		749,522	42
1600	Property, plant and equipment	6 (6) & 8		211,473	12		214,941	12
1755	Right-of-use assets	6 (7)		14,916	1		-	-
1780	Intangible assets			318	-		2,993	-
1840	Deferred income tax assets	6 (22)		19,085	1		27,290	2
1900	Other non-current assets	6 (9)		12,461	1		6,981	-
15XX	**Total non-current assets**			988,593	57		1,001,727	56
1XXX	**Total assets**		$	1,736,500	100	$	1,793,542	100

(Continued on next page)

Jetway Information Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2023 and 2022

Unit: NTD in thousands

	Liabilities and equity	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities					
2130	Contract liabilities - current	6 (15) & 7	$ 25,341	2	$ 21,139	1
2150	Notes payable		-	-	1,773	-
2170	Accounts payable		80,022	5	67,151	4
2180	Accounts payable - related parties	7	94,305	5	86,502	5
2200	Other payables	6 (8)	42,618	3	88,819	5
2230	Current income tax liabilities		11,672	1	29,288	2
2250	Provisions for liabilities - current	6 (10)	7,346	-	8,325	-
2280	Lease liabilities - current		4,552	-	-	-
2399	Other current liabilities - others		384	-	1,865	-
21XX	**Total current liabilities**		266,240	16	304,862	17
	Non-current liabilities					
2550	Provisions for liabilities - non-current	6 (10)	4,639	-	7,346	1
2570	Deferred income tax liabilities	6 (22)	5,425	-	6,768	-
2580	Lease liabilities - non-current		10,353	1	-	-
2600	Other non-current liabilities	6 (9)	-	-	1,977	-
25XX	**Total non-current liabilities**		20,417	1	16,091	1
2XXX	**Total liabilities**		286,657	17	320,953	18
	Equity					
	Capital stock	6 (11)				
3110	Common stock		749,833	43	749,833	42
	Capital surplus	6 (12)				
3200	Capital surplus		127,452	7	127,452	7
	Retained earnings	6 (13)				
3310	Legal reserve		146,153	8	118,443	7
3320	Special reserve		9,777	1	52,240	3
3350	Unappropriated earnings		434,441	25	434,399	24
	Other equity	6 (14)				
3400	Other equity		(17,813)	(1)	(9,778)	(1)
3XXX	**Total equity**		1,449,843	83	1,472,589	82
3X2X	**Total liabilities and equity**		$ 1,736,500	100	$ 1,793,542	100

The accompanying notes to the parent company only financial statements are an integral part of these financial statements and should be read in conjunction therewith.

Chairman: CHUANG, YUNG-SHUN Manager: LIN, CHIEN-HUNG Accounting Supervisor: CHUANG, CHEN-YEN

Jetway Information Co., Ltd.
Parent Company Only Statement of Comprehensive Income
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands
(Except for earnings per share in NTD)

	Item	Notes	2023 Amount	2023 %	2022 Amount	2022 %
4000	Operating revenue	6 (15) & 7	$ 964,172	586	$ 1,527,595	478
5000	Operating cost	6 (4) (20) (21) & 7	(663,446)	(403)	(1,137,388)	(356)
5900	Gross profit		300,726	183	390,207	122
5910	Unrealized sales profit		(21,065)	(13)	(29,799)	(9)
5920	Realized sales profit		29,799	18	24,933	8
5950	Net operating gross profit		309,460	188	385,341	121
	Operating expenses	6 (20) (21)				
6100	Sales promotion expenses		(43,086)	(26)	(52,732)	(16)
6200	Administrative expenses		(48,503)	(29)	(72,110)	(23)
6300	Research and development expenses		(49,064)	(30)	(63,996)	(20)
6000	Total operating expenses		(140,653)	(85)	(188,838)	(59)
6900	Operating profit		168,807	103	196,503	62
	Non-operating income and expenses					
7100	Interest income	6 (16)	8,196	5	1,110	-
7010	Other income	6 (17) & 7	22,471	13	24,204	7
7020	Other gains and losses	6 (18)	6,618	4	40,653	13
7050	Finance costs	6 (19)	(26)	-	(396)	-
7070	Share of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method	6 (5)	12,607	8	59,685	19
7000	Total non-operating income and expenses		49,866	30	125,256	39
7900	**Profit before tax**		218,673	133	321,759	101
7950	Income tax expense	6 (22)	(46,262)	(28)	(59,535)	(19)
8200	**Net profit for the period**		$ 172,411	105	$ 262,224	82
	Other comprehensive income (net)					
	Items that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6 (9)	$ 422	-	$ 3,918	1
8330	Share of other comprehensive income of subsidiaries, associates, and joint ventures accounted for using the equity method - items not to be reclassified to profit or loss	6 (5) (14)	-	-	33,403	10
8349	Income tax related to items not to be reclassified	6 (22)	(86)	-	(784)	-
8310	Total items not to be reclassified to profit or loss		336	-	36,537	11
	Items that may be subsequently reclassified to profit or loss					
8361	Exchange differences on translating foreign operations' financial statements	6 (5) (14)	(10,072)	(6)	26,031	8
8399	Income tax related to items that may be reclassified	6 (14) (22)	2,037	1	(5,229)	(1)
8360	Total items that may be subsequently reclassified to profit or loss		(8,035)	(5)	20,802	7
8300	**Other comprehensive income (net)**		($ 7,699)	(5)	$ 57,339	18
8500	**Total comprehensive income for the period**		$ 164,712	100	$ 319,563	100
	Earnings per share	6 (23)				
9750	Basic earnings per share		$ 2.30		$ 3.50	
9850	Diluted earnings per share		$ 2.28		$ 3.45	

The accompanying notes to the parent company only financial statements are an integral part of these financial statements and should be read in conjunction therewith.

Chairman: CHUANG, YUNG-SHUN Manager: LIN, CHIEN-HUNG Accounting Supervisor: CHUANG, CHEN-YEN

Jetway Information Co., Ltd.
Parent Company Only Statement of Changes in Equity
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands

	Notes	Common stock	Capital surplus - issue premium	Capital surplus - stock options	Capital surplus - other	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translating foreign operations' financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity
			Capital surplus			Retained earnings			Other equity		
From January 1 to December 31, 2022											
January 1, 2022		$ 749,833	$ 108,818	$ 8,149	$ 10,485	$ 94,196	$ 52,526	$ 406,209	($ 30,580)	($ 21,660)	$ 1,377,976
Net profit for the period		-	-	-	-	-	-	262,224	-	-	262,224
Other comprehensive income for the period	6 (14)	-	-	-	-	-	-	3,134	20,802	33,403	57,339
Total comprehensive income for the period		-	-	-	-	-	-	265,358	20,802	33,403	319,563
2021 Earnings appropriation and distribution	6 (13)										
Legal reserve allocation		-	-	-	-	24,247	-	(24,247)	-	-	-
Reversal of special reserve		-	-	-	-	-	(286)	286	-	-	-
Cash dividend		-	-	-	-	-	-	(224,950)	-	-	(224,950)
Disposal of equity instruments measured at fair value through other comprehensive income	6 (14)	-	-	-	-	-	-	11,743	-	(11,743)	-
December 31, 2022		$ 749,833	$ 108,818	$ 8,149	$ 10,485	$ 118,443	$ 52,240	$ 434,399	($ 9,778)	$ -	$ 1,472,589
From January 1 to December 31, 2023											
January 1, 2023		$ 749,833	$ 108,818	$ 8,149	$ 10,485	$ 118,443	$ 52,240	$ 434,399	($ 9,778)	$ -	$ 1,472,589
Net profit for the period		-	-	-	-	-	-	172,411	-	-	172,411
Other comprehensive income for the period	6 (14)	-	-	-	-	-	-	336	(8,035)	-	(7,699)
Total comprehensive income for the period		-	-	-	-	-	-	172,747	(8,035)	-	164,712
2022 Earnings appropriation and distribution	6 (13)										
Legal reserve allocation		-	-	-	-	27,710	-	(27,710)	-	-	-
Reversal of special reserve		-	-	-	-	-	(42,463)	42,463	-	-	-
Cash dividend		-	-	-	-	-	-	(187,458)	-	-	(187,458)
December 31, 2023		$ 749,833	$ 108,818	$ 8,149	$ 10,485	$ 146,153	$ 9,777	$ 434,441	($ 17,813)	$ -	$ 1,449,843

The accompanying notes to the parent company only financial statements are an integral part of these financial statements and should be read in conjunction therewith.

Chairman: CHUANG, YUNG-SHUN　　Manager: LIN, CHIEN-HUNG　　Accounting: Supervisor: CHUANG, CHEN-YEN

Jetway Information Co., Ltd.
Parent Company Only Statement of Cash Flow
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands

	Notes	From January 1 to December 31, 2023	From January 1 to December 31, 2022
Cash flows from operating activities			
Profit before tax for the current period		$ 218,673	$ 321,759
Adjustments			
Income and expense items			
Depreciation expenses	6 (6) (7) (20)	6,660	6,677
Amortization of intangible assets	6 (20)	338	94
Interest expenses	6 (19)	26	396
Interest income	6 (16)	(8,196)	(1,110)
Investment income recognized under the equity method	6 (5)	(12,607)	(59,685)
Unrealized sales profit		21,065	29,799
Realized sales profit		(29,799)	(24,933)
Net changes in assets/liabilities related to operating activities			
Net changes in operating assets			
Net notes receivable		-	259
Accounts receivable		10,307	60,367
Other receivables		1,971	(553)
Inventory		11,103	134,402
Prepayment		1,615	502
Other current assets		(4,389)	(14)
Other non-current assets		(3,549)	5,809
Net changes in operating liabilities			
Contract liabilities		4,202	5,800
Notes payable		(1,773)	(805)
Accounts payable		20,674	(185,228)
Other payables		(46,201)	33,822
Other current liabilities		(1,482)	350
Provisions for liabilities		(3,685)	1,620
Accrued pension liabilities		(1,555)	224
Cash inflows generated from operations		183,398	329,552
Interest received		8,196	1,110
Dividends received		30,450	-
Interest paid	6 (24)	(26)	(396)
Income taxes paid		(55,065)	(68,756)
Net cash inflow from operating activities		166,953	261,510

(Continued on next page)

Jetway Information Co., Ltd.
Parent Company Only Statement of Cash Flow
From January 1 to December 31, 2023 and 2022

Unit: NTD in thousands

	Notes	From January 1 to December 31, 2023	From January 1 to December 31, 2022
Cash flows from investing activities			
Acquisition of property, plant, and equipment	6 (6)	($ 2,789)	($ 1,107)
Increase in intangible assets		(513)	(238)
Increase in refundable deposits		(880)	(377)
Decrease (increase) in financial assets measured at amortized cost		19,295	(22,320)
Net cash inflow (outflow) from investing activities		15,113	(24,042)
Cash flows from financing activities			
Principal repayments of lease liabilities	6 (24)	(414)	-
Cash dividends paid	6 (13)	(187,458)	(224,950)
Net cash outflow from financing activities		(187,872)	(224,950)
(Decrease) increase in cash and cash equivalents for the period		(5,806)	12,518
Cash and cash equivalents balance at the beginning of the period		406,435	393,917
Cash and cash equivalents balance at the end of the period		$ 400,629	$ 406,435

Attachment 4

JETWAY INFORMATION CO., LTD.

2023Earnings Appropriation Statement

Unit: NTD

Item	Amount
Beginning balance of undistributed earnings	**261,692,669**
Add (less):	
Changes in re-measured number for defined benefit plans in the current period	337,467
Adjusted unappropriated earnings - beginning of period	**262,030,132**
Add (less):	
Net income after tax for the year	172,410,816
Legal reserve provision	(17,274,828)
Statutory reserve of equity deficit from special earnings reserve	(8,035,052)
Earnings available for distribution	**409,131,072**
Distributed Items:	
Distribution of Shareholders' Bonus - Cash (NT$2.0 per share) Note	(149,966,606)
Ending balance of undistributed earnings	**259,164,466**

Note: The cash dividend per share for Shareholders are calculated based on the actual circulating shares as of February 27, 2024, which are 74,983,303 shares.

Chairperson: YUNG-SHUN CHUANG　　Manager: HOWARD LIN　　Head of Accounting: ALONZO CHUANG

Attachment 5

JETWAY INFORMATION CO., LTD.

Comparison Table for the Revised Articles of the Procedures for Acquisition or Disposal of Assets

Amendment of Article	Existing Article	Revised Article	Reasons for Amendment
Article 8 Section 2 Paragraph 1	For short-term securities transactions conducted at the centralized exchange market or securities firm branches shall be decided by the responsible unit based on market conditions. Transactions amounting to less than NT$10 million shall be approved by the General Manager; those exceeding NT$10 million must be approved by the Chairperson. Transactions exceeding NT$20 million require approval from the Board of Directors prior to proceeding. However, the purchase and sale of bonds, bills, and bond funds with repurchase or resale agreements may be authorized by the Chief Financial Officer upon authorization by the Board of Directors.	For short-term securities transactions conducted at the centralized exchange market or securities firm branches, the responsible unit shall decide based on market conditions. Transactions amounting to less than NT$10 million shall be approved by the General Manager; those exceeding NT$10 million must be presented for approval by the Chairperson; transactions exceeding NT$100 million require approval from the Board of Directors prior to proceeding. However, the purchase and sale of bonds, bills, and bond funds with repurchase or resale agreements may be authorized by the Chief Financial Officer upon authorization by the Board of Directors. However, the purchase and sale of bonds, bills, and bond funds with repurchase or resale agreements may be authorized by the Chief Financial Officer upon authorization	In response to the actual operational needs of the Company, the authorization limits of the Chairperson are hereby amended.

		by the Board of Directors.	
Amendment of Article	Existing Article	Revised Article	Reasons for Amendment
Article 19	(Omitted) 5th amendment was made on June 19, 2020.	(Omitted) 5th amendment was made on June 19, 2020. 6th amendment was made on x x, 2024.	Addition of the amendment date.

Appendix 1

JETWAY INFORMATION CO., LTD.
Articles of Incorporation

Chapter 1 General Provisions

Article 1

The Company is organized in accordance with the provisions of the Company Act and is named JETWAY INFORMATION CO, LTD..

Article 2

The Company's business items are as follow:

1. CC01080 Electronics Components Manufacturing
2. CC01110 Computer and Peripheral Equipment Manufacturing
3. F113050 Wholesale of Computers and Clerical Machinery Equipment
4. F118010 Wholesale of Computer Software
5. F119010 Wholesale of Electronic Materials
6. F213030 Retail Sale of Computers and Clerical Machinery Equipment
7. F218010 Retail Sale of Computer Software
8. F219010 Retail Sale of Electronic Materials
9. F401010 International Trade
10. I301010 Information Software Services
11. I301030 Electronic Information Supply Services
12. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1

The total amount of our company's investments may exceed forty percent of the paid-in capital, which is not subject to the restriction of Article 13 of the Company Law.

Article 2-2

The company may provide endorsements and guarantees for external parties based on business needs, and its operations shall comply with the regulations of the competent authority and the company's procedures.

Article 3

The company's head office is located in New Taipei City, and branches can be established domestically or abroad as necessary, subject to the resolution of the board of directors.

Article 4

The method of the company's announcement shall be in accordance with the Company Law and the regulations of the competent authority.

Chapter 2 Shares

Article 5

The total capital of the company is set at two billion New Taiwan dollars, divided into 200 million shares, each share worth ten New Taiwan dollars, authorizing the board of directors to issue shares in batches.

Article 6

Deleted.

Article 7

The company's shares are generally registered. They are signed or stamped by three or more directors, and they are issued after being legally verified. The company's issued shares can also be exempted from printing, but the exempted shares should be registered with the securities central depository.

Article 7-1

The handling of stock affairs shall comply with the regulations of the "Guidelines for the Handling of Stock Affairs by Publicly Issued Stock Companies" promulgated by the competent authority.

Article 8

The transfer of shares is prohibited within sixty days before the regular shareholders meeting, thirty days before the temporary shareholders meeting, or five days before the benchmark date for the company's decision to distribute dividends and bonuses or other benefits.

Chapter 3 Shareholders' Meeting

Article 9

The shareholders' meetings are divided into regular meetings and special meetings. The regular meeting is held once a year within six months after the end of each fiscal year, convened by the board of directors in accordance with the law. The special meeting is convened as necessary in accordance with the law. For shareholders holding less than 1,000 shares of registered stock, the notification of the shareholders' meeting can be announced through the "Public Information Observation Station."

Article 10

If a shareholder is unable to attend the shareholders' meeting due to circumstances, they may authorize a proxy to attend the meeting with a power of attorney issued by the company specifying the scope of authorization. The method of proxy attendance for shareholders, in addition to the provisions of Article 177 of the Company Law, shall be handled in accordance with the "Rules for the Use of Powers of Attorney for Publicly Issued Companies to Attend Shareholders' Meetings" promulgated by the competent authority.

Article 11

Each shareholder of the company, except in the circumstances specified in Article 179 of the Company Law, has one voting right per share.

Article 12

Resolutions of the shareholders' meeting, except as otherwise provided by relevant laws and regulations, should be attended by shareholders representing over half of the total number of issued shares, and approved by over half of the voting rights of the attending shareholders.

Article 12-1
The resolutions of the shareholders' meeting should be recorded in minutes, signed or sealed by the chairman. The distribution of the minutes of the aforementioned meeting may be announced.

Chapter 4 Directors and Audit Committee

Article 13
The company shall have seven to nine directors. Directors shall be elected from the list of director candidates by the shareholders' meeting. The term of directors is three years and they are eligible for re-election. When the number of directors falls to less than two-thirds or all independent directors are dismissed, the board of directors should call a special shareholders' meeting to elect replacements within 60 days.
The total amount of registered shares held by all directors shall be handled in accordance with the regulations of the competent authority.
The compensation of the directors of the company is determined by the board of directors in accordance with the extent of the directors' participation in the company's operations and the usual level of the industry, regardless of whether there is business profit or loss.

Article 13-1
Among all directors of the company, the number of independent directors shall not be less than three and not less than one-fifth of the total number of directors.
The professional qualifications, shareholding, restrictions on concurrent positions, nomination and election methods, and other matters that should be followed by independent directors shall be in accordance with the relevant regulations of the securities regulatory authority.

Article 14
The board of directors shall be organized by the directors, and one person shall be elected as the chairman by the consent of over half of the attending directors who constitute over two-thirds of the board of directors. The chairman represents the company externally.

Article 15
The board of directors should be chaired by the chairman. When the chairman is on leave or unable to perform his duties, it should be handled according to Article 208, Paragraph 3 of the Company Act.
The board of directors' meeting should be notified to each director seven days before the meeting stating the purpose of the meeting, but in the event of an emergency, it can be convened at any time. The board of directors' meeting of the company can notify each director by written, fax, or email. When the board of directors' meeting is conducted by video conference, the directors who participate in the meeting by video are considered to be present in person.

Article 15-1
The resolution of the Board of Directors, unless otherwise provided by the Company Law, requires more than half of the directors to attend, and to be conducted with the consent of more than half of the attending directors. If a director cannot attend due to circumstances, they may authorize another director in writing to attend the board of directors meeting on their behalf.
The proxy in the previous clause is limited to one person's commission.

Article 16
This company has set up an audit committee. The audit committee is composed of all independent directors. The exercise of powers and other matters to be followed are handled in accordance with the provisions of the Company Law, the Securities Exchange Law, and related laws and regulations.

Chapter 5 Managers

Article 17
This company can appoint several managers. Their appointment, dismissal, and remuneration are handled in accordance with the provisions of Article 29 of the Company Law.

Chapter 6 Accounting

Article 18
The fiscal year of this company starts from January 1st of each year and ends on December 31st. At the end of each fiscal year, the following items are prepared by the board of directors in accordance with the legal process, and submitted to the regular shareholders meeting for recognition:
1. Business report.
2. Financial statements.
3. Proposals for profit distribution or loss compensation.

Article 19
Deleted.

Article 20
This company provides 2% to 15% of the pre-tax and pre-employee and director remuneration profit as employee remuneration, and no more than 3% as director remuneration, but if the company still has accumulated losses, it should reserve the compensation amount in advance.
The employee remuneration in the previous clause can be distributed in the form of stocks or cash, and the distribution targets include employees of subsidiary companies that meet certain conditions.
The employee and director remuneration shall be determined by a resolution of the board of directors with the attendance and agreement of more than two-thirds of the directors and reported to the shareholders meeting.

Article 20-1
The company's dividend policy is to comply with the overall environment and industry growth, and to consider the optimization of long-term financial planning and shareholder value.
If the company has a profit in the annual settlement, the board of directors will prepare a profit distribution proposal and submit it to the shareholders meeting for resolution.
The company's dividend shall at least allocate 50% of the current net profit after tax deducting the amount to compensate for the loss, legal profit reserve and special profit reserve for distribution, of which the cash dividend distributed to shareholders is not less than 20% of the total shareholder bonus.

Chapter 7 Supplementary Provisions

Article 21

Matters not covered in these articles shall be handled in accordance with the provisions of the Company Law.

Article 22

The Article was established on July 26, 1986.
First amendment was made on February 19, 1987.
Second amendment was made on February 15, 1989.
Third amendment was made on June 3, 1989.
Fourth amendment was made on August 5, 1992.
Fifth amendment was made on April 2, 1993.
Sixth amendment was made on September 13, 1996.
Seventh amendment was made on November 25, 1996.
Eighth amendment was made on July 15, 1997.
Ninth amendment was made on May 30, 2000.
Tenth amendment was made on June 27, 2000.
Eleventh amendment was made on November 15, 2000.
Twelfth amendment was made on December 1, 2000.
Thirteenth amendment was made on May 28, 2001.
Fourteenth amendment was made on May 20, 2002.
Fifteenth amendment was made on April 24, 2003.
Sixteenth amendment was made on April 30, 2004.
Seventeenth amendment was made on April 25, 2005.
Eighteenth amendment was made on June 19, 2007.
Nineteenth amendment was made on June 17, 2009.
Twentieth amendment was made on June 24, 2011.
Twenty-first amendment was made on June 21, 2012.
Twenty-second amendment was made on June 17, 2014.
Twenty-third amendment was made on June 21, 2016.
Twenty-fourth amendment was made on June 21, 2019.
Twenty-fifth amendment was made on June 19, 2020.

Appendix 2

JETWAY INFORMATION CO., LTD.
Rules of Procedure for Shareholders Meetings

Article 1

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, the Rule is adopted pursuant to related Law thereby.

Article 2

This Corporation's shareholders meetings (Including ordinary and extraordinary shareholders' meetings), except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

Attending shareholders or proxies should hand in a sign-in card in lieu of signing in.

The number of shares in attendance shall be calculated according to the shares indicated by sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

Article 4

Attendance and voting at shareholders meetings shall be calculated based on numbers of shares.

A shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

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

Article 5

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

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

Article 7

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

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

Article 8

The audio or video recordings of the shareholders' meeting process should be preserved for at least one year.

Article 9

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. After the meeting is adjourned, shareholders are not allowed to re-elect a chairman to continue the meeting at the original location or find another venue.

Article 11
Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
Article 12
Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.
If the shareholder's speech violates the preceding rules or exceeds the scope of the agenda item, the chair may terminate the speech.
Article 13
When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
Article 14
After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
Article 15
The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.
Article 16
Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes, and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
Article 17
When a meeting is in progress, the chair may announce a break based on time considerations.
Article 18
Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, followed by a poll of the shareholders.

Article 19

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

Article 20

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

Article 21

These Rules shall take effect after having been submitted to and approved by a shareholders meeting.

Subsequent amendments thereto shall be effected in the same manner.

The Rule was established on June 27, 2000,

The first revision was made on May 20, 2002,

The second revision was made on June 19, 2020.

Appendix 3

JETWAY INFORMATION CO., LTD.
Procedures for Acquisition or Disposal of Assets

Article 1. Purpose:

To protect assets and ensure information disclosure, this procedure has been specifically established.

Article 2. Legal Foundation:

This procedure is established in accordance with Article 36-1 of the Securities Exchange Act and the Regulations Governing the Acquisition or Disposal of Assets by Public Companies.

Article 3. Scope of Assets

1. Securities such as shares, government bonds, corporate bonds, financial bonds, recognition funds, depositary receipts, subscription (sale) warrants, beneficial securities, and asset-backed securities.
2. Property (including land, houses, and buildings, investment properties, and inventory in the construction industry) and equipment.
3. Membership certificates.
4. Intangible assets such as patents, copyrights, trademarks, and licenses.
5. Right-of-use assets.
6. Claims against financial institutions (including receivables, foreign exchange bills discounted, and loans, collections).
7. Derivative products.
8. Assets acquired or disposed of through legal mergers, splits, acquisitions, or share transfers.
9. Other significant assets.

Article 4. Terminology Definitions

1. Derivative Products: Refer to forward contracts, options contracts, futures contracts, leveraged margin contracts, swap contracts, combinations of the aforementioned contracts, or structured products that include embedded derivative components, whose value is derived from specific interest rates, prices of financial instruments, commodity prices, exchange rates, price or rate indices, credit ratings or credit indices, or other variables. The term forward contracts do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease agreements, or long-term purchase (sales) contracts.
2. Assets Acquired or Disposed of Through Legal Mergers, Splits, Acquisitions, or Share Transfers: Refers to assets acquired or disposed of through mergers, splits, or acquisitions conducted in accordance with the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act, or other legal frameworks, or pursuant to Article 156-3 of the Company Act concerning the issuance of new shares for the transfer of shares from another company (hereafter referred to as

share transfers).

3. Related Parties, Subsidiaries: Should be recognized in accordance with the standards set forth in the Regulations Governing Preparation of Financial Reports by Securities Issuers.
4. Professional Appraisers: Refer to property appraisers or others legally qualified to engage in the appraisal of property and equipment.
5. Date of Occurrence: Refers to the date of contract signing, payment, commission fulfillment, transfer, Board of Directors resolution, or any other date sufficient to determine the transaction counterparties and transaction amount, whichever comes first. However, for investments requiring approval from the competent authority, the date shall be the earlier of the aforementioned dates or the date approval is received from the competent authority.
6. Investment in China: Refers to investments or technical cooperation in China, as permitted under the regulations of the Investment Review Committee of the Ministry of Economic Affairs.
7. Professionals in Investment: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust companies, securities firms engaged in proprietary trading or underwriting, futures merchants engaged in proprietary trading, securities investment trust enterprises, securities investment advisory enterprises, and fund management companies, all established in accordance with legal provisions and regulated by the local financial authorities.
8. Securities Exchanges: Domestic securities exchanges refer to the Taiwan Stock Exchange Corporation; foreign securities exchanges refer to any organized market regulated by the securities authorities of that country.
9. Securities Firm Business Locations: Domestic securities firm business locations refer to places specifically set up by securities firms for trading securities as regulated by the Regulations Governing Securities Trading on the Taipei Exchange; foreign securities firm business locations refer to business locations of financial institutions regulated by foreign securities authorities and authorized to conduct securities business.

Article 5. Investment limits for non-operational property, right-of-use assets, and securities.

The Company and its subsidiaries individually set the following limits for acquiring the assets mentioned above:

1. Non-operational property and its right-of-use assets are limited to 20% of the Actual Paid-in Capital.
2. The total investment in short-term securities must not exceed 40% of the Actual Paid-in Capital; however, bonds, bills, and bond funds with repurchase or resale conditions are not subject to this restriction.
3. The investment limit for individual short-term securities must not exceed 20% of the Actual Paid-in Capital; however, bonds, bills, and bond funds with repurchase or resale conditions are not subject to this restriction.

Article 6. The valuation reports or opinions from accountants, lawyers, or securities underwriters obtained by the Company must meet the following requirements:

1. The professional appraisers, their staff, accountants, lawyers, or securities underwriters should not have been convicted of a definitive sentence of one year or more for violating the Securities Exchange Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, Business Accounting Act, or for crimes involving fraud, breach of trust, embezzlement, forgery, or other business-related criminal activities. However, this does not apply if three years have elapsed since the completion of the sentence, the probation period has ended, or a pardon has been granted.
2. There should be no relationship or substantive relationship between the professional and the transaction parties.
3. If the Company is required to obtain valuation reports from two or more professional appraisers, the different professional appraisers or appraiser personnel must not be related parties or have substantial relationships with each other.

When issuing valuation reports or opinions, the aforementioned personnel should handle the following matters:

1. prior to accepting the case, they should carefully assess their professional capabilities, practical experience, and independence.
2. When auditing the case, they should properly plan and execute appropriate operational procedures to form conclusions and issue reports or opinions; and should accurately record the procedures performed, data collected, and conclusions in the case working papers.
3. They should evaluate each data source, parameter, and information used for its completeness, accuracy, and reasonableness, to serve as the basis for issuing valuation reports or opinions.
4. The declaration should include that the relevant personnel possess professionalism and independence, have assessed the information used as reasonable and correct, and have complied with relevant laws.

Article 7. Procedures for the Acquisition or Disposal of Property, Equipment, or its Right-of-Use Assets

1. Evaluation and Operational Procedures

   The acquisition or disposal of property, equipment, or its right-of-use assets by the Company shall be conducted in accordance with the Company's internal control system and the fixed asset cycle procedures.

2. Decision-Making Procedure for Transaction Conditions and Authorization Limits

(1) For acquiring or disposing of property, equipment, or its right-of-use assets, the transaction conditions and prices shall be determined based on the announced current value, assessed value, and actual transaction prices of nearby property. An analysis report shall be produced after soliciting and comparing prices and through negotiations. For transactions amounting to less than NT$10 million, approval must be obtained from the General Manager; for transactions exceeding NT$10 million, approval must be sought from the Chairperson; for transactions exceeding NT$20 million, approval must be given by more than half of the members of the Audit Committee and then the

transaction must be resolved at the Board of Directors meeting.

(2) When submitting asset acquisition or disposal transactions for discussion at the Board of Directors under the provisions of the previous paragraph, the opinions of each Independent Director should be fully considered. If an Independent Director has an opposing opinion or a reservation, it should be recorded in the minutes of the Board meeting.

3. Execution Unit

Once the acquisition or disposal of property, equipment, or its right-of-use assets is authorized according to the aforementioned decision-making powers, the head of the Management Department is responsible for convening the relevant personnel to execute the transaction.

4. Property, Equipment, or Right-of-Use Asset Valuation Report

When the Company acquires or disposes of property, equipment, or its right-of-use assets, except in transactions with domestic government agencies, self-commissioned construction, leased land commissioned construction, or acquisition/disposal of equipment or its right-of-use assets for operational use, and the transaction amount reaches 20% of the Company's Actual Paid-in Capital or exceeds NT$300 million, a professional appraiser's valuation report must be obtained prior to the Date of Occurrence. The transaction must comply with the following regulations:

(1) If a specific or restricted price needs to be used as a reference for the transaction price due to special reasons, such transactions must first be approved by resolution of the Board of Directors; any subsequent changes in transaction conditions must also be approved in the same manner.

(2) For transactions exceeding NT$1 billion, valuations must be obtained from more than two professional appraisers.

(3) If the valuation results from professional appraisers meet any of the following conditions, unless the valuation results for acquiring assets are all higher than the transaction amount, or the disposal of assets are all outside the transaction amount, a CPA must handle it according to Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation, and provide specific opinions on the reasons for the differences and the appropriateness of the transaction price:

① The difference between the valuation results and the transaction amount reaches 20% or more of the transaction amount.

② The difference between the valuation results of two or more professional appraisers reaches 10% or more of the transaction amount.

(4) The date of the professional appraiser’s report must not exceed three months from the contract establishment date. However, if the same period’s announced current value is used and does not exceed six months, an opinion can be issued by the original professional appraiser.

(5) If the Company acquires or disposes of assets through court auction procedures, documentation issued by the court can replace the valuation report or accountant's opinion.

Article 8. Procedures for Acquisition or Disposal of Securities Investments

1. Evaluation and Operational Procedures

The purchase and sale of long-term and short-term securities by the Company are conducted in accordance with the Company's internal control system for investment cycle operations.

2. Decision-Making Procedure for Transaction Conditions and Authorization Limits

(1) Short-term securities transactions conducted at the centralized exchange market or securities firm branches shall be decided by the responsible unit based on market conditions. For transactions amounting to less than NT$10 million, approval must be obtained from the General Manager; for transactions exceeding NT$10 million, approval must be sought from the Chairperson; for transactions exceeding NT$20 million, approval must be given by more than half of the members of the Audit Committee and then the transaction must be resolved at the Board of Directors meeting. However, the purchase and sale of bonds, bills, and bond funds with repurchase or resale agreements may be authorized by the Chief Financial Officer upon authorization by the Board of Directors.

(2) For transactions involving short-term securities that are not conducted at a centralized trading market or at securities firm business locations, a valuation of the transaction price should be made using the most recent financial statements of the target company, which have been audited or reviewed by a CPA, prior to the Date of Occurrence. This assessment should consider factors such as the net value per share, profitability, and potential for future development of the target company. For transactions amounting to less than NT$10 million, approval must be obtained from the General Manager; for transactions exceeding NT$10 million, approval must be sought from the Chairperson; for transactions exceeding NT$20 million, approval must be given by more than half of the members of the Audit Committee and then the transaction must be resolved at the Board of Directors meeting.

(3) The acquisition and disposal of long-term equity investments by the Company must be approved by more than half of the members of the Audit Committee followed by resolution at the Board of Directors meeting prior to proceeding.

(4) When submitting asset acquisition or disposal transactions for discussion at the Board of Directors under the provisions of the previous paragraph, the opinions of each Independent Director should be fully considered. If an Independent Director has an opposing opinion or a reservation, it should be recorded in the minutes of the Board meeting.

3. Execution Unit

For both long-term and short-term securities investments, once the decision-making authority has been exercised as specified above, the head of the Management Department is responsible for convening the relevant personnel to execute the transactions.

4. Acquiring Professional Expert Opinions

(1) When the Company acquires or disposes of securities, it must reference the most recent financial statements of the target company, which have been audited or reviewed by a CPA, prior to the Date of Occurrence to assess the transaction price. Additionally, if the transaction amount reaches 20% of the Company's Actual Paid-in Capital or exceeds NT$300 million, a CPA must be consulted prior to the Date of Occurrence to provide an opinion on the reasonableness of the transaction price. If the accountant requires an expert report, the process should be conducted in accordance with Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation. However, this requirement does not apply if the securities

have an active market with publicly available prices or if there are specific provisions by the Financial Supervisory Commission.

(2) If the Company acquires or disposes of assets through court auction procedures, documentation issued by the court can replace the valuation report or accountant's opinion.

Article 9. Related Party Transaction Procedures

1. When the Company acquires or disposes of assets from related parties, in addition to complying with the relevant provisions of this procedure, the following regulations should be adhered to regarding the decision-making process and assessment of the reasonableness of transaction conditions: For transactions amounting to 10% or more of the Company's total assets, a valuation report from a professional appraiser or a CPA's opinion must be obtained in accordance with regulations. The calculation of the transaction amount shall be conducted in accordance with the provisions of Article 14, Section 1. When determining whether the transaction counterpart is a related party, consideration should be given not only to the legal form but also to the substantive relationship.

2. Evaluation and Operational Procedures

   If the Company acquires or disposes of property or its right-of-use assets from related parties, or acquires or disposes of other assets from related parties and the transaction amount reaches 20% of the Company's Actual Paid-in Capital, 10% of total assets, or exceeds NT$300 million, the following information must be compiled, approved by more than half of the members of the Audit Committee, and resolved at the Board of Directors meeting prior to signing the transaction contract and making payment:

(1) The purpose, necessity, and expected benefits of acquiring or disposing of the assets.

(2) Reasons for selecting related parties as transaction counterparts.

(3) Information related to the assessment of the reasonableness of the planned transaction conditions as required by Section 3 of this Article.

(4) Original acquisition date and price of the related party, the transaction counterpart, and their relationship to the Company and other related parties.

(5) Cash inflow and outflow forecast for each month of the next year starting from the planned contract month, and assessment of the necessity of the transaction and the reasonableness of fund utilization.

(6) Valuation report issued by the professional appraiser obtained under the provisions of the previous paragraph, or accountant's opinion.

(7) Restrictive conditions of this transaction and other significant agreed upon matters.

The calculation of the transaction amount should be conducted in accordance with Article 14, Section 1, and the term "within one year" refers to the period beginning one year prior to the Date of Occurrence of the current transaction. Any part that has already been approved by more than half of the Audit Committee members and resolved at the Board of Directors meeting according to this procedure should not be recalculated.

For transactions between the Company and its subsidiaries, or between subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, the Board of Directors may authorize the Chairperson to act within a certain limit in advance, with subsequent recognition by the nearest Board of Directors meeting for:

(1) Acquiring or disposing of equipment or its right-of-use assets for operational use.
(2) Acquiring or disposing of property right-of-use assets for operational use.

3. Assessment of Transaction Cost Reasonableness

(1) When the Company acquires property or its right-of-use assets from related parties, the reasonableness of the transaction costs should be assessed using the following methods:

① Based on the transaction price with related parties, adding necessary financing interest and costs legally borne by the buyer. The necessary financing interest cost is calculated based on the weighted average interest rate of the loans taken by the Company in the year of asset purchase, provided that it does not exceed the highest borrowing rate for non-financial industries published by the Ministry of Finance.

② If the subject property has been mortgaged to a financial institution by the related party, the total assessment value of the loan provided by the financial institution for that property should be considered, provided that the actual cumulative loan amount given by the financial institution reaches at least 70% of the total assessed value and the loan period has exceeded one year. However, this does not apply if the financial institution and one party of the transaction are related parties.

(2) For consolidated purchases or leases of the same subject land and buildings, the transaction costs can be assessed separately for the land and buildings using any of the methods listed in the previous section.

(3) When the Company acquires property or its right-of-use assets from related parties, the cost of the property or its right-of-use assets must be assessed in accordance with the provisions of the previous two sections, and a CPA should be consulted to review and provide specific opinions.

(4) If the Company acquires property or its right-of-use assets from related parties under any of the following circumstances, the provisions of the second section of this Article shall apply, and the first three provisions do not apply:

① The related party acquired the property or its right-of-use assets through inheritance or donation.

② The related party contracted to acquire the property or its right-of-use assets more than five years prior to the contract date of this transaction.

③ The Company enters into a joint construction contract with the related party, or commissions the related party to construct property on self-owned or leased land.

④ The Company and its subsidiaries, or between subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, acquire right-of-use assets for operational use of property.

(5) If the appraisal results of the Company, according to the third section, are lower than the transaction price, the procedure specified in section (6) should be followed. However, this does not apply if based on the following circumstances and objective evidence and specific opinions on the reasonableness from professional property appraisers and accountants are provided:

① If the related party has obtained bare land or leased land and subsequently constructed on it, they can prove one of the following conditions:

1. If bare land is assessed according to the specified methods, and the building cost plus a reasonable construction profit exceeds the actual

transaction price. The reasonable construction profit should be based on the lower of the average gross profit margin of the related party's construction department over the last three years or the most recent construction industry gross profit rate published by the Ministry of Finance.

2. Transactions of other floors of the same building or other non-related party transactions in the neighboring area within one year that have similar areas and, after assessing the reasonable floor or regional price differences according to customary property buying or leasing practices, have comparable conditions.

② The Company must demonstrate that the transaction conditions of the property or its right-of-use assets acquired from or leased to related parties are comparable to those of other non-related party transactions within a similar area in the nearby area within the last year.

For the purposes of this paragraph, "nearby area transactions" are defined as those within the same or adjacent street blocks, not exceeding a distance of 500 meters from the subject property, or having a similar announced current value. "Similar area" is defined as other non-related party transactions having an area at least 50% of the area of the subject property. "Within one year" refers to the year preceding the Date of Occurrence when the property or its right-of-use assets were acquired.

(6) If the Company acquires property or its right-of-use assets from related parties and the assessment results are lower than the transaction price, the following measures should be taken:

① For the difference between the transaction price and the assessed cost of the property or its right-of-use assets, a statutory surplus reserve must be established as per regulations, which may not be distributed or used for capital increase through bonus shares. For investments in publicly traded companies that are evaluated using the equity method, a statutory surplus reserve should also be established for the proportionate share amount in accordance with Section 41, Paragraph 1 of the Securities and Exchange Act.

② Independent Directors who are members of the Audit Committee must handle these matters in accordance with Article 218 of the Company Act.

③ The aforementioned measures should be reported at the Shareholders' Meeting, and detailed transaction information should be disclosed in the annual report and prospectus.

If a Special Statutory Surplus Reserve is established according to the previous provisions, it should only be used after the overpriced acquired or leased asset has been recognized for impairment loss or disposed of, or the lease has been terminated, or adequate compensation has been made, or restitution has been completed, or if other evidence confirms the absence of unreasonable conditions, and with the approval of the Financial Supervisory Commission.

(7) If the Company acquires property or its right-of-use assets from related parties and there is evidence indicating that the transaction is unconventional for business operations, it should also be handled in accordance with Section 3, Subsection (6) of the mentioned provisions.

Article 10. Procedures for Acquisition or Disposal of Intangible Assets or its Right-Of-Use Assets

1. Evaluation and Operational Procedures

The acquisition or disposal of intangible assets, or its right-of-use assets or membership certificates, by the Company shall be conducted in accordance with the Company's internal control system and the fixed asset cycle procedures.

2. Decision-Making Procedure for Transaction Conditions and Authorization Limits

(1) For the acquisition or disposal of membership certificates, the transaction conditions and price should be determined based on the fair market value. An analysis report must be created and submitted to the General Manager for transactions that are equal to or less than 1% of the Actual Paid-in Capital or below NT$3 million. These transactions require the approval of the General Manager and must be reported at the next Board of Directors meeting as a matter of record. For transactions exceeding NT$3 million, approval from more than half of the Audit Committee members is required, followed by a resolution at the Board of Directors meeting prior to the transactions can proceed.

(2) For the acquisition or disposal of intangible assets or their right-of-use assets, the transaction conditions and price should be determined based on expert valuation reports or the fair market value. An analysis report must also be prepared, detailing the rationale and justification for the terms and pricing of the transaction. For transactions amounting to less than NT$10 million, approval must be obtained from the General Manager; for transactions exceeding NT$10 million, approval must be sought from the Chairperson; for transactions exceeding NT$20 million, approval must be given by more than half of the members of the Audit Committee and then the transaction must be resolved at the Board of Directors meeting.

(3) When submitting asset acquisition or disposal transactions for discussion at the Board of Directors under the provisions of the previous paragraph, the opinions of each Independent Director should be fully considered. If an Independent Director has an opposing opinion or a reservation, it should be recorded in the minutes of the Board meeting.

3. Execution Unit

4. Once the acquisition or disposal of intangible assets, or its right-of-use assets or membership certificates is authorized according to the aforementioned decision-making powers, the head of the Management Department is responsible for convening the relevant personnel to execute the transaction.

5. Expert Evaluation Opinion Report of Intangible Assets or its Right-Of-Use Assets or Membership Certificates

(1) For transactions involving the acquisition or disposal of membership certificates that reach or exceed 1% of the Actual Paid-in Capital or NT$3 million, the Company must obtain an appraisal report from an expert.

(2) For transactions involving the acquisition or disposal of intangible assets or its right-of-use assets that reach or exceed 10% of the Actual Paid-in Capital or NT$20 million, the Company is also required to obtain an appraisal report from an expert.

(3) When the Company acquires or disposes of intangible assets, or its right-of-use assets or membership certificates, where transactions are not to be made with government agencies, if the transaction amount reaches 20% of the Company's Actual Paid-in Capital or exceeds NT$300 million, a CPA must be consulted prior to the Date of Occurrence to provide an opinion on the reasonableness of the transaction price. The accounting process should be conducted in accordance with Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation.

Article 11. Procedures for Acquisition or Disposal of Claims Against Financial Institutions

As a general rule, the Company does not engage in transactions involving the acquisition or disposal of claims against financial institutions. If in the future the Company wishes to engage in transactions for acquiring or disposing of such claims, it will first submit the proposal to the Board of Directors for approval. Upon obtaining approval, the Company will then establish the necessary evaluation and operational procedures to govern such transactions.

Article 12. Procedures for Acquisition or Disposal of Derivatives Transactions

The acquisition or disposal of derivative products should be in accordance with the Company’s Procedures for Processing Derivatives Transactions

Article 13. Procedures for Acquisition or Disposal of Assets Acquired or Disposed of Through Legal Mergers, Splits, Acquisitions, or Share Transfers

1. Evaluation and Operational Procedures

(1) When the Company conducts legal mergers, splits, acquisitions, or share transfers, it must, prior to the resolution of the Board of Directors, appoint accountants, lawyers, or securities underwriters to provide opinions on the reasonableness of the exchange ratios, acquisition prices, or the distribution of cash or other assets to Shareholders. These opinions are then submitted for discussion and approval at the Board meeting. However, for legal mergers involving subsidiaries that are directly or indirectly wholly owned by the Company, where 100% of the issued shares or total capital are held, obtaining an expert opinion on reasonableness as previously mentioned is not required.

(2) The Company is obliged to prepare public documents for Shareholders detailing the significant terms and related matters of legal mergers, splits, or acquisitions prior to the Shareholders' Meeting. These documents, along with the expert opinions mentioned in the first section and the notice of the Shareholders' Meeting, must be provided to the Shareholders to serve as a reference for their decision on whether to agree to the proposed legal merger, split, or acquisition. Exceptions are made if other legal provisions exempt the requirement to hold a Shareholders' Meeting for resolutions on legal mergers, splits, or acquisitions. Additionally, if any of the companies involved in a legal merger, split, or acquisition encounters issues such as insufficient attendance or voting rights at a Shareholders' Meeting, or other legal restrictions preventing the meeting or resolution, or if the proposals are rejected by the Shareholders, the companies involved must immediately publicly disclose the reasons, subsequent handling procedures, and the expected date of the next Shareholders' Meeting.

2. Other Matters to be Disclosed

(1) Board Meeting Date: For companies involved in Legal mergers, splits, acquisitions, or share transfers, unless otherwise provided by law or agreed in advance with the regulatory authorities due to special circumstances, the Board of Directors and Shareholders' Meeting should be convened on the same day to resolve matters related to the legal merger, split, acquisition, or share transfer. For companies involved in Share Transfers, unless otherwise provided by law or agreed in advance with the regulatory authorities due to special circumstances, the Board of Directors should also be convened on the same day.

(2) Confidentiality Agreement: All individuals involved in or aware of plans for legal mergers, splits, acquisitions, or share transfers must sign a written confidentiality agreement. prior to such information is made public, they must not disclose any details of the plan externally, nor may they trade stocks or other securities with equity characteristics of any companies involved in the legal merger, split, acquisition, or share transfer using their own name or another's.

(3) Document Retention: For companies involved in legal mergers, splits, acquisitions, or share transfers that are listed or traded at securities firm business locations, the following information must be recorded in writing and preserved for five years for audit purposes:

① Personnel Information: Including the position, name, tax identification number (or passport number for foreigners) of all individuals involved in the planning or execution of the legal merger, split, acquisition, or share transfer prior to the information was made public.

② Significant Dates: Including dates of signing letters of intent or memorandums, engaging financial or legal advisors, signing contracts, and Board meetings.

③ Significant Documents and Minutes: Including plans for legal mergers, splits, acquisitions, or share transfers, letters of intent or memorandums, significant contracts, and minutes of Board meetings.

Companies involved in legal mergers, splits, acquisitions, or share transfers that are listed or traded at securities firm business locations must, within two days from the date of the Board resolution, report the aforementioned personnel and date information using the prescribed format through an internet-based information system.

(4) Setting and Changing the Exchange Ratio or Acquisition Price: Companies involved in legal mergers, splits, acquisitions, or share transfers should, prior to the respective Boards of Directors meetings, appoint accountants, lawyers, or securities underwriters to provide opinions on the reasonableness of the exchange ratio, acquisition price, or the distribution of cash or other assets to Shareholders, and then submit this for discussion at the Shareholders' Meeting. The principles for setting the exchange ratio or acquisition price should not be arbitrarily changed. However, conditions for change may be stipulated in the contract and disclosed publicly, in which case they are not limited by this stipulation. The conditions under which the exchange ratio or acquisition price may be changed are as follows:

① Conducting cash capital increases, issuing convertible bonds, stock dividends, equity warrant bonds, special shares with warrants, subscription warrants, and other securities that have equity characteristics.

② Disposal of significant Company assets or other actions that impact the Company's financial and business operations.

③ Occurrence of significant disasters, major technological changes, or other events affecting the Company's Shareholder equity or the price of securities.

④ Adjustments due to any party involved in the legal mergers, splits, acquisitions, or share transfers legally repurchasing its treasury shares.

⑤ Changes in the number of entities or parties involved in the legal mergers, splits, acquisitions, or share transfers.

⑥ Other conditions specified in the contract that allow for changes, which have been publicly disclosed.

(5) Contract contents should include, in addition to the provisions required by Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act, the following:

① Handling of breaches of contracts.

② The principles for handling previously issued securities with equity characteristics or treasury shares of a company that is dissolved or split due to a merger.

③ The number of treasury shares that may legally be repurchased by the participating companies after the base date for calculating the exchange ratio and the principles for handling these shares.

④ The methods for handling changes in the number of entities or parties involved.

⑤ The anticipated progress schedule of the plan and the expected completion date.

⑥ Procedures for handling situations where the plan is not completed on time, including the scheduled date for convening a Shareholders' Meeting as required by law.

(6) When there are changes in the number of companies involved in legal mergers, splits, acquisitions, or share transfers: any party to the legal mergers, splits, acquisitions, or share transfers that proposes to engage with other companies in similar transactions after information has been made public must, except in cases where the number of participating entities decreases and the Shareholders' Meeting has resolved and authorized the Board of Directors to change permissions, convene a Shareholders' Meeting to make a new resolution. Original procedures or legal acts completed in the original legal mergers, splits, acquisitions, or share transfers should be redone by all participating companies.

(7) If the companies involved in legal mergers, splits, acquisitions, or share transfers include non-publicly traded companies, an agreement should be signed with them, and the procedures stipulated in the second paragraph, paragraph (1) regarding the date of the Board of Directors meeting, paragraph (2) concerning the confidentiality agreement, and paragraph (6) regarding changes in the number of companies involved, should be followed.

Article 14. Information Disclosure Procedures

1. Disclosure and Reporting Requirements

(1) If the Company acquires or disposes of property or its right-of-use assets from related parties, or acquires or disposes of other assets from related parties and the transaction amount reaches 20% of the Company's Actual Paid-in Capital, 10% of total assets, or exceeds NT$300 million. However, transactions involving the purchase or sale of domestic government bonds, bonds with buyback or sell-back conditions, subscriptions or buybacks of money market funds issued by domestic securities investment trust enterprises are not subject to this restriction.
(2) Legal mergers, splits, acquisitions, or share transfers.
(3) Losses from transactions in derivative products that reach the total or individual contract loss limits set by the handling procedures.
(4) Acquisition or disposal of equipment or its right-of-use assets for operational use, where the transaction party is not a related party, and the transaction amount reaches NT$500 million or more.
(5) The Company acquiring or disposing of property or its right-of-use assets for construction purposes, where the transaction party is not a related party, and the transaction amount reaches NT$500 million or more.
(6) Acquiring property through self-commissioned construction, leased land commissioned construction, joint construction split housing, joint construction profit sharing, or joint construction sales, where the transaction party is not a related party, and the Company’s anticipated investment reaches NT$500 million or more.
(7) Asset transactions, disposal of claims against financial institutions, or investments in China, where the transaction amount reaches 20% of the Company's Actual Paid-in Capital or NT$300 million or more. However, this does not apply where the following circumstances apply:
    ① Purchase and sale of domestic government bonds.
    ② For professionals in investment, transactions in securities made at stock exchanges or securities firm business locations, or subscriptions to ordinary corporate bonds and general financial bonds (excluding subordinated bonds) issued in the domestic primary market, or subscriptions or buybacks of securities investment trust funds or futures trust funds, or securities brokers who subscribe to securities issued by companies they sponsor on the OTC market as per the regulations of the Taipei Exchange.
    ③ Transactions involving the purchase or sale of domestic government bonds, bonds with buyback or sell-back conditions, subscriptions or buybacks of money market funds issued by domestic securities investment trust enterprise.

The transaction amount for the above conditions should be calculated as follows:
(1) The amount of each transaction.
(2) The cumulative amount for transactions with the same counterparty or the same type of subject within one year.
(3) The cumulative amount acquired or disposed of (accumulated separately for acquisitions and disposals) for the same development project property or its right-of-use assets within one year.
(4) The cumulative amount acquired or disposed of (accumulated separately for acquisitions and disposals) for the same securities within one year.

The term "within one year" mentioned in the previous section is defined as the period starting from the Date of Occurrence of the current transaction and extending backward for one year. Any parts of transactions that have been previously disclosed according to the regulations during this period are exempt from being recalculated in the cumulative totals.

2. Disclosure and Reporting Timelines

   When the Company acquires or disposes of assets that meet the disclosure requirements specified in the first paragraph and the transaction amount reaches the stipulated disclosure and reporting threshold, it must complete the disclosure and reporting within two days from the Date of Occurrence.

3. Procedures for Public Disclosure and Filing

   (1) The Company must carry out the disclosure and reporting on the website designated by the regulatory authority.

   (2) The Company must disclose and report the details of its derivatives transactions and those of its non-publicly traded subsidiaries up to the end of the previous month according to the prescribed format, by the 10th of each month.

   (3) If there are any errors or omissions in the disclosed information that require correction, the Company must re-disclose and report all items within two days after becoming aware of such issues.

   (4) The Company must keep relevant contracts, minutes, registers, appraisal reports, and opinions from accountants, lawyers, or securities underwriters at the Company, and save them for at least five years unless otherwise stipulated by law.

   (5) Following any transaction that has been disclosed and reported according to the aforementioned rules, if one of the following situations occurs, the Company must disclose and report the relevant information on the designated website within two days from the Date of Occurrence:

      ① Changes, termination, or cancellation of the contracts related to the original transaction.

      ② Failure to complete a legal merger, split, acquisition, or share transfer according to the scheduled timetable stipulated in the contract.

      ③ Changes in the content of the original disclosure and reporting.

Article 15. Subsidiaries shall comply with the following procedures:

1. Subsidiaries must also establish and implement Procedures for Acquisition or Disposal of Assets according to the Regulations Governing the Acquisition or Disposal of Assets by Public Companies.
2. For subsidiaries that are not publicly traded, if the acquisition or disposal of assets reaches the disclosure and reporting standards set by the Regulations Governing the Acquisition or Disposal of Assets by Public Companies, the parent company should handle the disclosure and reporting on behalf of the subsidiary.
3. In the disclosure and reporting standards for subsidiaries, the standards of 20% of Actual Paid-in Capital" or 10% of Total Assets are based on the parent company's Actual Paid-in Capital or Total Assets.

Article 16. Penal Provisions:

If Company employees violate the procedures for acquiring or disposing of assets as specified, they will be evaluated and disciplined according to the severity of the violation, following the Company's personnel management practices and employee handbook.

Article 17. Implementation and Amendments thereof:

The Procedures shall first require the consent of one-half or more of all Audit Committee members and be submitted to the Board for resolution, followed by approval by the Shareholders' Meeting. Where any Director expresses dissent and/or records are contained in the minutes or a written statement, the Company shall submit the dissenting opinion to the Audit Committee.

When submitting the Procedures for discussion at the Board of Directors for discussion, the opinions of each independent Director should be fully considered. If an Independent Director has an opposing opinion or a reservation, it should be recorded in the minutes of the Board meeting.

Article 18. Supplementary Provisions

Any unspecified matters in these Procedures shall be handled accordance relevant laws and regulations.

Article 19. This regulation was established on June 27, 2000,

The 1st amendment was made on April 24, 2003.

The 2nd amendment was made on April 30, 2004.

The 3rd amendment was made on June 21, 2012.

The 4th amendment was made on June 22, 2017.

5th amendment was made on June 19, 2020.