



Stock Code : 3088

AXIOMTEK CO., LTD.

Handbook for the 2025 Annual Meeting of Shareholders (Translation)

Meeting Time : May 22nd, 2025

Meeting Venue : 8F., No.55, Nanxing Road, Xizhi District,
New Taipei City, Taiwan

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AXIOMTEK CO., LTD.

2025 Annual Meeting of Shareholders

PART ONE – MEETING AGENDA

Meeting time: 9:00 a.m., May 22nd (Thursday), 2025

Meeting venue: 8F., No.55, Nanxing Rd., Xizhi Dist., New Taipei City, Taiwan

Meeting Method: Physical Shareholders Meeting

1. Call Meeting to Order (and declaration of the number of shares of shareholders in attendance)
2. Chairman's Address
3. Reports Items
 - (1) 2024 Business Report.
 - (2) 2024 Consent Report of Audit Committee.
 - (3) Report of Communications between members of Audit Committee and the chief of internal auditor.
 - (4) 2024 Report of Remuneration Distribution to Employees and Directors.
 - (5) 2024 Report of Profit Distribution of Cash Dividend.
 - (6) 2024 Report of Remuneration Paid to Directors.
 - (7) The Status of the Second Domestic Unsecured Convertible Corporate Bonds Conversion.
 - (8) Revision of partial Articles in the "Ethical Corporate Management Best Practice Principles".
 - (9) Revision of partial Articles in the "Operating Procedures and Conduct Principles for Ethical Corporate Management".
4. Proposals and Acknowledgement
 - (1) 2024 Business Report and Financial Statements.
 - (2) 2024 Profit Distribution.
5. Discussion Items
 - (1) Revision of partial Articles in the "Article of Incorporation".
 - (2) Revision of partial Articles in the "Operating Procedures for Trading Derivatives".
 - (3) Revision of partial Articles in the "Operating Procedures for Loaning of Funds and Making of Endorsement/Guarantee".
 - (4) Release of the Prohibition on Directors and its Representative from Participation in a Competitive Business.
6. Extemporaneous Motions
7. Adjournment

I. Reports Items

(I) 2024 Business Report

- Explanation:

The 2024 Business Report is attached as P.9 ~ P.12, ATTACHMENT I.

(II) 2024 Consent Report of Audit Committee

- Explanation:

The 2024 Consent Report of Audit Committee is attached as P.13, ATTACHMENT II.

(III) Report of Communications between members of Audit Committee and the chief of internal auditor.

- Explanation:

The Communications between members of Audit Committee and the chief of internal auditor is attached as P.14 ~ P.15, ATTACHMENT III.

(IV) 2024 Report of Remuneration Distribution to Employees and Directors

- Explanation:

1. According to Article 27 of the Articles of Incorporation of the Company: This Company shall set aside 1%-20% as employees' remuneration and the percentage lower than 2% as directors' remuneration if the Company has profit (means the pre-tax income before deduction of the employees' and directors' remuneration) in the current year.
2. The Board of Directors of the Company had approved to allocate TWD 70,000,000 as the remuneration to employees and TWD 10,439,000 as the remuneration to the directors for the year 2024, where all remuneration shall be paid in cash. (hereinafter all monetary unit is TWD)
3. The above-mentioned remuneration to employees and to directors had been expensed for the year 2024, the amount of the expenditures is consistent with that of the remuneration allocation agreed by the Board of Directors.
4. The proposal has been approved by the Remuneration Committee and passed by the resolution of the Board of Directors.

(V) 2024 Report of Profit Distribution of Cash Dividend

● Explanation:

1. According to the 27-1 of the Article of Incorporation of the Company, the Board of Directors is authorized to distribute dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the Shareholders' Meeting.
2. 2024 profit distribution of cash dividend totaling in TWD 466,243,110, or TWD 4.5 per share. The Chairman of the Board of Directors is authorized to determine the record date, payment date and other relevant matters for the distribution of the cash dividend.
3. If there is any change in the number of common shares of the Company which consequently leads to a change in the dividend distribution ratio, the Chairman of the Board of Directors is authorized to adjust the dividend distribution ratio based on the actual shares outstanding on the record date for distribution.
4. The 2024 net income shall be distributed with higher priority this time.
5. Regarding the cash dividend distribution this time, the cash dividend is to be calculated to the integral number with all decimals truncated. And all the truncated decimals from all distorted figures are accumulated to a summation amount which will then be adjusted among shareholders - in the order of decimal of each cash dividend amount from big to small as well as in the order of account number from the top to the bottom - until the total amount of cash dividend actually paid out can match that in the book.

(VI) 2024 Report of Remuneration Paid to Directors.

● Explanation:

1. According to the Company's profitability, the investment and contribution of each director to the Company's affairs, the Chairman of the board will propose a remuneration proposal, which will be approved by the Remuneration Committee and passed by the Board of Directors.
2. Information on Directors' remuneration, including remuneration policy, content and amount of individual remuneration, etc., please refer to P.16 ~ P.17, ATTACHMENT IV.

(VII) The Status of the Second Domestic Unsecured Convertible Corporate Bonds Conversion.

● Explanation:

Particulars about the issuance and conversion of the Second Domestic Unsecured Convertible Corporate Bonds are as follows:

1. The aggregate amount of issuance: The face value of each convertible corporate bond was set to be TWD 100,000 even sold at the full price where totally 8,000 convertible corporate bonds were issued this time totaling in TWD 800 million even. Issued at 106% of the face value, the actual total issuance amount is TWD 848,003,380.
2. Coupon rate: Annual coupon rate was set to be 0%.
3. Issuance period: The maturity period was set to be three years from August 28th, 2023 (the issuance date) to August 28th, 2026(the maturity date).
4. Conversion status: As of March 24th, 2025, totally 4,314 of the convertible corporate bonds had been converted to 4,638,585 ordinary shares of the Company by the bondholders.

(VIII) Revision of partial Articles in the "Ethical Corporate Management Best Practice Principles".

● Explanation:

In cooperate with the company's organizational adjustment, the Company hereby proposes to amend the "Ethical Corporate Management Best Practice Principles". Please refer to ATTACHMENT V for Comparison Table of amendments to the "Ethical Corporate Management Best Practice Principles".(P.18)

(IX) Revision of partial Articles in the "Operating Procedures and Conduct Principles for Ethical Corporate Management".

● Explanation:

In cooperate with the company's organizational adjustment, the Company hereby proposes to amend the "Operating Procedures and Conduct Principles for Ethical Corporate Management ". Please refer to ATTACHMENT VI for Comparison Table of amendments to the "Operating Procedures and Conduct Principles for Ethical Corporate Management ".(P.19)

II. Proposals and Acknowledgement

(I) Proposal One (proposed by the Board of Directors)

- Subject:
2024 Business Report and Financial Statements.
- Explanation:
 1. 2024 Business Report and Financial Statements (including Parent Company Only and Consolidated Financial Statements) of the Company had been passed by the Audit Committee and the Board of Directors where the Financial Statements had been audited by CPA Lin, Po-Chuan and Wang, Song-Tse of PricewaterhouseCoopers Taiwan. The Audit Committee had also issued a written Consent Report incorporating 2024 Business Report, Financial Statements along with 2024 Profit Distribution.
 2. For details, please refer to ATTACHMENT I for 2024 Business Report (P.9 ~ P.12). ATTACHMENT VII for 2024 Independent Auditors' Report and Parent Company Only Financial Statements (P.21 ~ P.31), and ATTACHMENT VIII for 2024 Independent Auditors' Report and Consolidated Financial Statements (P.32 ~ P.41).
 3. Please kindly acknowledge this proposal.
- Resolutions:

(II) Proposal Two (proposed by the Board of Directors)

- Subject:
2024 Profit Distribution.
- Explanation:
 1. Please refer to P.42, ATTACHMENT IX for the 2024 Profit Distribution Table.
 2. For 2024, the beginning retained earnings of the Company is TWD 1,309,963,309, added remeasurement of defined benefit plans recognized in retained earnings of TWD 3,332,142, plus 2024 net income of TWD 768,938,586, and set aside legal reserve of TWD 77,227,073, the total unappropriated retained earnings is TWD 2,005,006,964, 2024 profit distribution of cash dividend totaling in TWD 466,243,110. The Company shall, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors.
 3. The 2024 net income shall be distributed with higher priority this time.
 4. Please kindly acknowledge this proposal.
- Resolutions:

III. Discussion Items

(I) Proposal One

(proposed by the Board of Directors)

- Subject:

Revision of partial Articles in the "Article of Incorporation".

- Explanation:

1. In response to Article 14 , Paragraph 6 of the Securities and Exchange Act, “ A company referred to in the preceding paragraph shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees. ” Non-executive employees refer to those who are not managers and whose salary level is lower than a certain amount, the Company hereby proposes to amend the “ Articles of Incorporation ”. Please refer to ATTACHMENT X for Comparison Table of amendments to the “ Articles of Incorporation ”. (P.43 ~ P.45)

2. Please kindly discuss this proposal.

- Resolutions:

(II) Proposal Two

(proposed by the Board of Directors)

- Subject:

Revision of partial Articles in the "Operating Procedures for Trading Derivatives".

- Explanation:

1. New memorandum Log Book of Trading Derivatives, the Company hereby proposes to amend the “ Operating Procedures for Trading Derivatives ” . Please refer to ATTACHMENT XI for Comparison Table of amendments to the “ Operating Procedures for Trading Derivatives ” . (P.46)

2. Please kindly discuss this proposal.

- Resolutions:

(III) Proposal Three

(proposed by the Board of Directors)

- Subject:

Revision of partial Articles in the "Operating Procedures for Loaning of Funds and Making of Endorsement/Guarantee".

- Explanation:

1. In response to Question 39 of the Q&A on the handling of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, which states that "public companies may not repay loans to others through actual cash flow or extend the repayment period with the consent of the board of directors due to short-term fund financing until the one-year term expires.", the Company hereby proposes to amend the "Operating Procedures for Loaning of Funds and Making of Endorsement/Guarantee" . Please refer to ATTACHMENT XII for Comparison Table of amendments to the "Operating Procedures for Loaning of Funds and Making of Endorsement/Guarantee" . (P.47)
2. Please kindly discuss this proposal.

- Resolutions:

(IV) Proposal Four

(proposed by the Board of Directors)

- Subject:

Release of the Prohibition on Directors and its Representative from Participation in a Competitive Business.

- Explanation:

1. In order to comply with Article 209 of the Company Act: “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”. Hereby propose for getting approval of Shareholders’ Meeting to release the prohibition on directors and its representative from participation in concurrent positions in other companies as below:

Title	Name	Concurrent Positions in Other Companies
Director	Advantech Co., Ltd. Representative Liu, Wei-Ting	Director of Advantech Co., Ltd. Corporate treasury and affiliate finance division. Chairman of Advanixs Corporation. Representative Director of Advantech Co., Ltd. Representative Director of Advantech Corporate Investment Co., Ltd. Representative Director of Spingence technology Co., Ltd. Representative Director of Yan Xu Green Electricity Co., LTD. Representative Director of Expetech Co., Ltd. Director of AIDC Investment Co., Ltd. Director of Aures Technologies S.A. Director of Aures Technologies Ltd. (UK) Director of J2 Technology Systems Director of Retail Technology Group Inc. Director of AGH US Holding Company Inc. Director of Aures Technologies Pty (AUS)
Independent Director	Yu, Chwo-Ming	Independent Director of Song Chuan Precision Co., Ltd. Director and CEO of Kung - Hwa Management Foundation.
Independent Director	Lin, Hsiu-Ting	Chairman of I Am That Co., Ltd. Chairman of Dong Qiong International Music Co., Ltd. Supervisor of Powerful Content Inc.

2. Please kindly discuss this proposal.

- Resolutions:

IV. Extemporary Motions

V. Adjournment

PART TWO – ATTACHMENTS

(ATTACHMENT I)

AXIOMTEK CO., LTD.

2024 Business Report

Axiomtek Co., Ltd. (hereinafter referred to as "the Company") has the annual operating revenue of TWD 4.78 billion in 2024, an increase of 3.72% from TWD 4.609 billion in 2023.

Axiomtek has grown for four consecutive years despite global instability. Future opportunities include AI, edge computing, IoT, industrial cybersecurity, and smart retail. The company leverages its strengths to provide valuable solutions and aims for sustainable operations, upholding corporate social responsibility and sustainable development.

The Company's operating results in 2024 and business plan for 2025 are illustrated as follows:

I. Operating Results in 2024:

(I) Outcome of business plan implementation:

The Company's operating revenue was TWD 4.78 billion, the net income of TWD 769 million, a total comprehensive income of TWD 829 million and after-tax earnings per share was TWD 7.53 in 2024.

(II) Budget implementation:

The Company has not disclosed the financial forecast for 2024, so there is no budget achievement.

(III) Financial income, expenditures and profitability:

Item		2024	2023
Financial Structure (%)	Debt to assets ratio	29.79	33.61
	Long-term capital to property, plant and equipment ratio	268.98	244.42
Solvency (%)	Current ratio	294.32	236.64
	Quick ratio	213.69	135.60
	Interest earned ratio (times)	6,301.56	7,784.77
Profitability	Return on assets (%)	12.07	12.37
	Return on equity (%)	17.38	18.76

Item		2024	2023
	Income before tax to paid-in capital (%)	94.06	90.12
	Profit ratio (%)	16.09	15.79
	Earnings per share (TWD)	7.53	7.19

(IV) Research and development status:

In response to sustainable management and market development trends, the following medium and long-term development directions are planned:

1. Focus on the industrial application in vertical markets such as factory automation, rail transit, green energy, and smart grid; provide edge computing platforms, machine vision solutions, touch panel computer, and combine core technologies to provide comprehensive AIoT solutions.
2. The edge computing system is developing toward intelligent, compact, and modular products. Strengthen the integrated application of the embedded operating system and provide a security upgrade solution for the Internet of Things.
3. Develop specific domain-focused platforms for vertical markets and integrate software expertise to provide customers with a complete and reliable solution.
4. Migrate the system level to an application market solution, combine DigiHub to provide software and hardware integration services for partners.

II. Summary Business Plan for 2025:

(I) Business policy

1. Focus on integrating AI, IoT, smart manufacturing, and edge computing. Continue investing in factory automation, smart energy, transportation, medical, gaming, and smart retail.
2. Provide a complete product line and professional customization services for targeted vertical markets.
3. Collaborate with strategic partners to create alliances, integrate software and hardware to enhance value-added products, and pursue long-term development and sustainable operation of the enterprise.
4. Global localization business policy, actively deploying overseas Design Engineering Service to provide localized professional services; adding overseas service bases, global marketing channels to deepen customer relationship.
5. Form follows function can organize corresponding development, pursue the vision of sustainable development of the enterprise and long-term talent cultivation.

(II) Production and sales policies:

1. Introduce MES (Manufacturing Execution System) smart factory operations management and progress towards full factory automation.
2. Implement green production supply chain and supplier management, use GPMS and SCM management mechanisms to confirm that products are non-toxic and harmless, and regularly audit the quality of suppliers.
3. Use the PLM and global information systems to get data on materials, semi-finished products, inventories, and market demands. This reduces inventory costs and losses from slow-moving stock.

III. The Company's Development Strategy:

(I) Sales strategy:

1. Give full play to the key influence of digital transformation, accumulate software and hardware integration technology, deepen the added value of the industry, and provide customers with exclusive technology services.
2. Marketing globally with its own brand, focusing on design, manufacturing, and sales; actively deploying global localization strategies, establishing sales bases and technical bases, expanding marketing channels, and realizing localized services.
3. Formulate strategies and tactics for the sales strategies of major global customers including key accounts, domain-focused system integrators, and channel partners, expand sales scale and assist customers to develop a new market.
4. Strengthen the added value of software and hardware integration, duplicate success cases, shorten customer development time and development costs, and create a win-win model.
5. Utilize the Salesforce cloud application and platform, use IT and BI (Business Intelligence) to effectively manage customer relationships and manage project progress, and integrate digital marketing models to improve customer experience.

(II) Product technology:

1. The industrial IoT edge computing platform integrates software and hardware services, emphasizing user experience, and targets automation, smart green energy, machine vision, AMR (Autonomous Mobile Robot), AI, and IoT applications.
2. Targeting the industrial network security application market, developing edge computing platforms, remote monitoring technology IPMI (Intelligent Platform Management Interface), high-speed Ethernet modules, and multi-layer network security architectures.

3. Provide digital signage players and self-service kiosks with integrated touch screens, barcode readers, and payment devices. Through multiple screen output interfaces and customized firmware programs to achieve multi-screen splicing and system self-management.
4. The computer for medical equipment offers customized services for high-performance, compact hosts, speeding up diagnostic instruments, and AI chip cards boost computing power, creating an intelligent medical environment.
5. Developing a Botton Deck platform for gaming, Video Mixer technology, and the PTS (Player Tracking System) for machines. Also focusing on backend management, image processing, Jackpot servers, and ARM-based products with vertical industry expertise and integration.

IV. The Effect of the External Competitive, the Legal Environment and the Overall Business Environment:

As technologies like AI, IoT, edge computing, smart mobility, green energy, and network security rapidly evolve, these technologies will be deeply integrated with more vertical application markets. Our company will drive digital transformation and regional growth, enhancing innovative design services and developing flexible strategies based on organizational needs. We prioritize sustainable operations, corporate social responsibility, and nurturing talents from a global perspective.

As part of its long-term development strategy, the company plans to enhance industrial IoT technology capabilities, target vertical application markets, and improve software and hardware integration. By leveraging innovative technology services, the goal is to achieve performance growth. The company will collaborate with key customers, system integrators, and distribution partners to establish an industrial alliance ecosystem and encourage joint development.

Additionally, the company focuses on corporate governance and sustainable development, sets visions and goals, and is committed to working with strategic partners to achieve sustainable growth and create more business opportunities.

Yang, Yu-Te, Chairman

Huang, Jui-Nan, President

Hsu, Chin-Chuan,
Principal Accounting Officer

AXIOMTEK CO., LTD.

(ATTACHMENT II)

2024 Consent Report of Audit Committee

To 2025 Annual Meeting of Shareholders of
AXIOMTEK CO., LTD.

Date: February 26th, 2025

Consented by the Audit Committee, the 2024 Business Report, Financial Statements and profit distribution proposals have also been resolved by the Board of Directors of the Company where the financial statements have been completely audited and subsequently the Unqualified Opinion Independent Auditors' Report has been issued by the CPA Lin, Po-Chuan and Wang, Song-Tse of PricewaterhouseCoopers Taiwan which has been entrusted by the Board of Directors.

In compliance with the provisions of relevant laws and regulations, the abovementioned 2024 Business Report, Financial Statements and Profit Distribution proposals are being reported and presented herewith for review in order to comply with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely yours,

Chang, Jen-Chih
Convener of Audit Committee
AXIOMTEK CO., LTD.

(ATTACHMENT III)

Communication Status between the Members of Audit Committee and the Head of Internal Auditor.

Participant	Date	Attendees	Significant Matters of Communication	Outcome of the Communication
Head of Internal Auditor	Feb 22, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Lin, Yih-Jong, Yu, Chwo-Ming Internal Auditor: Alex Mou PwC Taiwan: CPA Lin, Po-Chuan, Manager Raby Cheng	1. 2024 Q4 audit report 2. The status of the execution of the internal control system and the results of the self-audits. Discuss the effectiveness of the 2023 internal control system and the internal control system statement. 3. Explanation and discussion on the revision of the "Internal Control System" and " Internal Audit Implementation Rules " of the company.	The defect part has been improved immediately. Report to the Board of Directors after resolution passed.
	Apr 25, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Lin, Yih-Jong, Yu, Chwo-Ming Internal Auditor: Alex Mou	1. 2024 Q1 audit report	The defect part has been improved immediately. Report to the Board of Directors after resolution passed.
	Jul 25, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Yu, Chwo-Ming, Lin, Hsiu-Ting Internal Auditor: Alex Mou PwC Taiwan: CPA Lin, Po-Chuan, Manager Raby Cheng	1. 2024 Q2 audit report	The defect part has been improved immediately. Report to the Board of Directors after resolution passed.
	Oct 29, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Yu, Chwo-Ming, Lin, Hsiu-Ting Internal Auditor: Alex Mou	1. 2024 Q3 audit report 2. 2025 annual audit plan 3. Explanation and discussion on the revision of the "Internal Control System" and " Internal Audit Implementation Rules " of the company	The defect part has been improved immediately. Report to the Board of Directors after resolution passed.
	Jan 29, 2024 Mar 5, 2024 April 16, 2024 May 3, 2024 Jun 5, 2024 July 4, 2024 Aug 13, 2024 Sep 5, 2024 Oct 7, 2024 Nov 4, 2024 Dec 2, 2024 Dec 31, 2024 Internal audit reports	Before the end of each month, the confirmed audit report of the previous month will be sent to the mailboxes of the Independent Directors	Jan 2024 Monthly audit and tracking report. Feb 2024 Monthly audit and tracking report. Mar 2024 Monthly audit and tracking report. Apr 2024 Monthly audit and tracking report. May 2024 Monthly audit and tracking report. Jun 2024 Monthly audit and tracking report. Jul 2024 Monthly audit and tracking report.	According to the 2024 annual audit plan passed on Oct 26, 2023, various circular audits will be carried out monthly, and the audit results and follow-up reports will be sent to each Independent Directors before the end of each month and obtained all Independent Director's Receipt letter.

Participant	Date	Attendees	Significant Matters of Communication	Outcome of the Communication
			Aug 2024 Monthly audit and tracking report. Sep 2024 Monthly audit and tracking report. Oct 2024 Monthly audit and tracking report. Nov 2024 Monthly audit and tracking report. Dec 2024 Monthly audit and tracking report.	

(ATTACHMENT IV)**2024 Remuneration Paid to Directors**

Unit: Thousand shares/TWD Thousand

Job Title	Name	Remuneration to Directors								Sum of A+B+C+D and Ratio to Net Income (%)		Remuneration Received by Directors for Concurrent Service as an Employee								Sum of A+B+C+D+E+ F+G and Ratio to Net Income (%) (Note 10)		Remuneration Received from Investee Enterprises other than Subsidiaries or from the Parent Company (Note 11)
		Base Compensation (A) (Note 2)		Retirement Pay and Pension (B)		Directors Profit-Sharing Compensation (C) (Note 3)		Expenses and Perquisites (D) (Note 4)				Salary, Rewards, and Special Disbursements (E) (Note 5)		Retirement Pay and Pension (F)		Employee Profit-Sharing Compensation (G) (Note 6)						
		The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company		All Consolidated Entities (Note 7)		The Company	All Consolidated Entities (Note 7)	
Amount in Cash	Amount in Stock															Amount in Cash	Amount in Stock					
Chairman	Yang, Yu-Te	0	0	0	0	2,351	2,351	35	35	2,386 0.31%	2,386 0.31%	9,999	9,999	0	0	0	0	0	0	12,385 1.61%	12,385 1.61%	None
Director	Advantech Co., Ltd.	0	0	0	0	1,213	1,213	0	0	1,213 0.16%	1,213 0.16%	0	0	0	0	0	0	0	0	1,213 0.16%	1,213 0.16%	None
	Representative: Liu, Wei-Ting	0	0	0	0	0	0	35	35	35 0.00%	35 0.00%	0	0	0	0	0	0	0	0	35 0.00%	35 0.00%	None
Director	Tsai, Shih-Yang	0	0	0	0	1,243	1,243	35	35	1,278 0.17%	1,278 0.17%	0	0	0	0	0	0	0	0	1,278 0.17%	1,278 0.17%	None
Director	Huang, Jui-Nan	0	0	0	0	1,243	1,243	35	35	1,278 0.17%	1,278 0.17%	11,912	11,912	108	108	0	0	0	0	13,297 1.73%	13,297 1.73%	None
Independent Director	Chang, Jen-Chih	0	0	0	0	1,404	1,404	35	35	1,439 0.19%	1,439 0.19%	0	0	0	0	0	0	0	0	1,439 0.19%	1,439 0.19%	None
Independent Director	Yu, Chwo-Ming	0	0	0	0	1,490	1,490	35	35	1,525 0.20%	1,525 0.20%	0	0	0	0	0	0	0	0	1,525 0.20%	1,525 0.20%	None
Independent Director	Lin, Hsiu-Ting (Note 12)	0	0	0	0	993	993	20	20	1,013 0.13%	1,013 0.13%	0	0	0	0	0	0	0	0	1,013 0.13%	1,013 0.13%	None
Independent Director	Lin, Yih-Jong (Note 13)	0	0	0	0	503	503	15	15	518 0.07%	518 0.07%	0	0	0	0	0	0	0	0	518 0.07%	518 0.07%	None

1. The policies, systems, standards, and structure of Independent Directors' remuneration, and describe the correlation with the amount of remuneration according to the responsibilities, risks, and investment time:
The Company mainly distributes the remuneration of Directors in accordance with the "Operating Procedures for Performance Evaluation of Board of Directors" and "Directors' Remuneration Distribution Method". According to the Articles of Incorporation, if the Company is profitable in the current year (means the Pre-tax Income before deduction of the employees' and Directors' compensation) in the current year. Directors' payout should be no more than 2%. The remuneration of Directors in the preceding paragraphs only can receive the profit in the form of cash. The proportion and amount of Directors' remuneration allocation each year are proposed by the Remuneration Committee based on the Company's operating performance, business risks, development trends and reference to industry standards, and by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of Directors. The distribution of remuneration for Directors and Independent Directors is first based on the Directors' attendance at the Shareholders' Meeting, the degree of participation in the Company's operations, and the evaluation of the value of their contribution. The distribution of reasonable remuneration is given priority, and the weighted calculation is based on the content of positions and functional committee members. In general, Directors' remuneration is evaluated according to the performance of the responsibilities, risks, and time invested, and the rationality of the remuneration has been evaluated by the Nomination Committee, reviewed by the Remuneration Committee, and passed by the Board of Directors. Relevant laws and regulations review the remuneration system in a timely manner to implement corporate governance and expect to make the distribution of remuneration for Directors transparent, rational and institutionalized.
2. Except as disclosed in the above table, the remuneration received by the Directors of the Company for providing services to all the companies in the financial report in the most recent year (such as serving as a non-employee consultant for the parent company, all companies and investment enterprises in the consolidated financial statements): TWD\$0
3. Retirement pay and pension is the contribution of labor pension funds paid on a monthly basis according to the law.

Note 1: The names of Directors shall be listed separately (the institutional shareholder and its representative should be illustrated separately), and Directors and Independent Directors shall be listed separately, and the various payment amounts shall be disclosed in a collective manner.

Note 2: Refers to remuneration in the past year for the Directors (including Director's salaries, additional fees, severance pay, various bonuses, incentive payouts, etc.)

Note 3: Director's remuneration for the past year, approved by the Board.

Note 4: Director's operating expenses in the past year (includes transportation, special fees, various allowances, lodging, allotted vehicles, other amenities, etc.) In the case of the provision of housing, cars and other means of transport or exclusive payments, the nature and cost of the assets provided, rental at actual or at a fair market price, fuel and other payments should be disclosed. Where a driver is assigned, including the payment made by the Company that is not already included in the remuneration.

Note 5: Remuneration for Directors who are also employees (includes Presidents, Vice Presidents, other managerial officers, and employees) including salaries, job add-on, severance pay, various bonuses, incentive payouts, transportation expenses, special skills fees, various allowances, lodging, allotted vehicles and other amenities. In the case of the provision of housing, cars and other means of transport or exclusive payments, the nature and cost of the assets provided, rental at actual or at a fair market price, fuel and other payments should be disclosed. Where a driver is assigned, including the payment made by the Company that is not already included in the remuneration. Per IFRS 2 the salary expenses recognized in the "Share-based payment", including the acquisition of employee stock option certificates, restricted shares, and participation in cash increase subscription shares, shall also be included in the remuneration.

Note 6: Past year's remuneration (including stock and cash) approved by the Board of Directors to Directors also serving as employees (includes the President, Vice Presidents, other managerial officers, and employees). If an estimate is not available, compute using the previous year's actual payouts and complete Table 1-3.

Note 7: All categories of remuneration paid to the Directors by the companies (including this Company) listed in the consolidated report, must be disclosed.

Note 8: Total remuneration paid to each Director must be disclosed in the appropriate range against the Name of Director.

Note 9: All categories of remuneration paid to the Directors by the companies (including this Company) listed in the consolidated report, must be disclosed in the appropriate range against the Name of Director.

Note 10: Net profit after tax refers to the past year's net profit after tax. Per international financial reporting standards, net profit after tax refers to the net profit after tax of the parent company or individual companies in the past year.

Note 11: a. State clearly the remuneration amount paid to the Director by reinvested businesses other than subsidiary or parent company (Fill in "None" if not in the case).

b. If the Director has received remuneration from reinvested businesses other than subsidiary or parent company, please specify the amount received in the relevant ranges tabled and denote these as "Parent company and all reinvested businesses".

c. Remuneration here refers to any fees, compensation (including the remuneration for employees, Directors, and supervisors) and reimbursement for expenses incurred while executing their duties in the appointments held by Directors, supervisors or Presidents in reinvested businesses other than subsidiary or parent company.

Note 12: Newly elected on May 24, 2024.

Note 13: Resigned on May 24, 2024.

* The remuneration disclosed in the table differs from the concept of income defined according to Income Tax Law, therefore, the table is for the purpose of information disclosure instead of tax levy.

AXIOMTEK CO., LTD.**Comparison Table of Amendments to the
“Ethical Corporate Management Best Practice Principles”**

Amendment Article	Existing Article	Explanation
<p>Article 17 (Organization and Liability) The directors, supervisors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the Company shall <u>designate the Human Resources Department as the responsible unit</u> with sufficient resources and competent employees and responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the Board of Directors (At least once a year). (Omitted below)</p>	<p>Article 17 (Organization and Liability) The directors, supervisors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the Company shall <u>establish a dedicated unit that is under the Chief Executive Office</u> with sufficient resources and competent employees and responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the Board of Directors (At least once a year). (Omitted below)</p>	Cooperate with the Company’s organizational adjustments
<p>Article 28 (Amendment) These Principles are agreed to and signed on April 26, 2016 by all the promoters of the Company. The first Amendment was made on August 1, 2019. <u>The second Amendment was made on February 26, 2025.</u></p>	<p>Article 28 (Amendment) These Principles are agreed to and signed on April 26, 2016 by all the promoters of the Company. The first Amendment was made on August 1, 2019.</p>	Add dates of amendment.

AXIOMTEK CO., LTD.

**Comparison Table of Amendments to the
“Operating Procedures and Conduct Principles for Ethical
Corporate Management”**

Amendment Article	Existing Article	Explanation
<p>Article 5 Competent Unit and duties The Company shall designate the <u>Human Resources Department</u> as the solely responsible unit under the board of directors and in charge of the amendment, implementation, interpretation, and advisory services with respect to the Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports to the board of directors (at least once a year):</p> <ol style="list-style-type: none"> 1. To assist the incorporation of ethical and moral values into business strategy of the Company as well as to stipulate relevant prevention measures against corruption and malfeasance to ensure ethical management of the Company in accordance with the legal system. 2. To analyze and evaluate the risk of dishonesty within the scope of its business regularly, and to stipulate programs on the prevention of unethical conduct as well as to stipulate in each program standard operating procedures and conduct principles relevant to business undertaken. 3. To plan the internal organization, 	<p>Article 5 Competent Unit and duties The Company shall designate the <u>Chief Executive Office</u> as the solely responsible unit under the board of directors and in charge of the amendment, implementation, interpretation, and advisory services with respect to the Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports to the board of directors (at least once a year):</p> <ol style="list-style-type: none"> 1. To assist the incorporation of ethical and moral values into business strategy of the Company as well as to stipulate relevant prevention measures against corruption and malfeasance to ensure ethical management of the Company in accordance with the legal system. 2. To analyze and evaluate the risk of dishonesty within the scope of its business regularly, and to stipulate programs on the prevention of unethical conduct as well as to stipulate in each program standard operating procedures and conduct principles relevant to business undertaken. 3. To plan the internal organization, 	<p>Cooperate with the Company's organizational adjustments</p>

Amendment Article	Existing Article	Explanation
<p>structure and responsibility as well as to deploy mutual supervision and balance mechanism for business activities within the business scope that may engage in a higher risk of unethical conduct.</p> <p>4. To promote and coordinate trainings on the advocacy of ethical management policy.</p> <p>5. To plan the prosecution system to ensure the effectiveness of the implementation.</p> <p>6. To assist the Board of Directors and the management level in auditing and evaluating the effective operation of the preventive measures established for the execution of ethical management as well as to carry out regular reporting on the particulars about the compliance of relevant business processes.</p> <p>7. To produce and properly maintain the documented information on the policy of ethical management and its statement of compliance, implementation of commitments and implementation.</p>	<p>structure and responsibility as well as to deploy mutual supervision and balance mechanism for business activities within the business scope that may engage in a higher risk of unethical conduct.</p> <p>4. To promote and coordinate trainings on the advocacy of ethical management policy.</p> <p>5. To plan the prosecution system to ensure the effectiveness of the implementation.</p> <p>6. To assist the Board of Directors and the management level in auditing and evaluating the effective operation of the preventive measures established for the execution of ethical management as well as to carry out regular reporting on the particulars about the compliance of relevant business processes.</p> <p>7. To produce and properly maintain the documented information on the policy of ethical management and its statement of compliance, implementation of commitments and implementation.</p>	

2024 Independent Auditors' Report

(Parent Company Only Financial Statements)

To the Board of Directors and Shareholders of
AXIOMTEK CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of AXIOMTEK CO., LTD. (hereinafter referred to as "Axiomtek" or "the Company") as of December 31, 2024 and 2023, and the related statements of comprehensive income, changes in equity and of cash flows for the years ended December 31, 2024 and 2023, and notes to parent company only financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in order to comply with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual financial statements of the current period. These matters were addressed in the context of our audit of the individual financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Existence and Occurrence of Sales of Goods

Description

Please refer to Note 4(31) for accounting policy on revenue recognition and Note 6(20) for details of operating revenue.

The Company is primarily engaged in the manufacturing, sales and post-sales service of industrial computer and embedded board products. Apart from long-term partner companies, due to global technological changes, industrial computer orders are susceptible to project cycles. Additionally, The Company is committed to developing new markets and undertaking new projects, resulting in some customers entering the top ten sales targets list, significantly impacting revenue. We believed that the list of the top ten new sales clients with a greater increase in the proportion to the Company's revenue had a material impact on the financial statements. We considered the existence and occurrence of sales of goods from these clients as a key audit matter.

How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

1. Evaluated the Company's internal control procedures for recognition of sales of goods and tested the effectiveness of internal control related to sales of goods.
2. Inspected relevant background information on the top ten sales clients.
3. Obtained and randomly checked relevant receipts or invoices of the top ten new sales clients and the top ten sales clients with a greater increase in the proportion to the Company's revenue this year and confirmed the appropriateness of revenue recognition.

Allowance for Inventory Valuation Losses

Description

Please refer to Note 4(12) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses and Note 6(4) for details of inventories. As at December 31, 2024, the Company's inventories and allowance for inventory valuation losses amounted to NT\$773,680 thousand and NT\$72,500 thousand, respectively.

The Company is primarily engaged in the research and development, manufacturing and sales of industrial computer products. Due to rapid technological innovation and fluctuations in market prices, the Company recognizes inventories at the lower of cost and net realizable value, and the net realizable value is estimated based on historical experience. An allowance for inventory valuation losses is provided for those inventories aged over a certain period of time and individually identified as obsolete or damaged.

As the amounts of inventories are material, the types of inventories vary, and the estimation of net realizable value for individually obsolete or damaged inventories is subject to management's judgment, we considered the allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

1. Ensured consistent application of Company's accounting policies in relation to allowance for inventory valuation losses and assessed the reasonableness of these policies.
2. Evaluated the reasonableness of inventories individually identified as obsolete or damaged with supporting documents, validated the appropriateness of system logic of inventory aging report utilized by management to ensure proper classification of inventories aged over a certain period of time and reperformed the calculation.
3. Discussed with management the net realizable value of inventories aged over a certain period of time and individually identified as obsolete or damaged, validated respective supporting documents, and agreed to information obtained from physical inventory.

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

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

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

Those charged with governance, including Audit Committee, are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the Parent Company Only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Po-Chuan

Wang, Song-Tse

for and on behalf of PricewaterhouseCoopers, Taiwan February 26, 2025.

AXIOMTEK CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in Thousands of New Taiwan Dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,050,918	16	\$ 1,084,067	17
1110	Financial assets at fair value through profit or loss - current	6(2)	62,750	1	720	-
1136	Financial assets at amortized cost – current	6(1)	-	-	10,000	-
1150	Notes receivable	6(3)	1,310	-	2,961	-
1170	Accounts receivable	6(3)	317,747	5	114,084	2
1180	Accounts receivable – related parties	6(3) and 7	417,698	6	249,168	4
1200	Other receivables		23,414	-	25,985	1
1210	Other receivables – related parties	7	25,927	1	-	-
1220	Current income tax assets		542	-	541	-
130X	Inventories	6(4)	701,180	11	1,094,566	17
1410	Prepayments		16,173	-	14,001	-
1470	Other current assets		883	-	244	-
11XX	Total current assets		2,618,542	40	2,596,337	41
Non-current assets						
1550	Investments accounted for under equity method	6(5)	1,724,546	26	1,451,326	23
1600	Property, plant and equipment	6(6)	2,128,563	32	2,141,516	34
1755	Use rights assets	6(7)	4,550	-	4,882	-
1760	Investment property	6(9)	36,992	-	37,488	1
1780	Intangible assets	6(10)	40,994	1	30,381	-
1840	Deferred income tax assets	6(27)	57,840	1	67,495	1
1920	Refundable deposits		3,116	-	1,973	-
15XX	Total non-current assets		3,996,601	60	3,735,061	59
1XXX	Total Assets		\$ 6,615,143	100	\$ 6,331,398	100

(Continued)

AXIOMTEK CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2130	Contract liabilities - current	6(20)	\$ 40,324	1	\$ 58,460	1
2170	Accounts payable		387,621	6	410,116	7
2180	Accounts payable – related parties	7	7,418	-	9,634	-
2200	Other payables	6(12)	339,367	5	439,967	7
2230	Current income tax liabilities		105,600	2	172,590	3
2250	Provisions for liabilities - current		1,255	-	1,361	-
2280	Lease liabilities-current portion		3,007	-	2,178	-
2399	Other current liabilities		5,092	-	2,851	-
21XX	Total current liabilities		889,684	14	1,097,157	18
Non-current liabilities						
2530	Corporate bonds payable	6(13)	773,858	12	760,924	12
2570	Deferred income tax liabilities	6(27)	276,575	4	232,571	4
2580	Lease liabilities-non current		1,674	-	2,869	-
2640	Accrued pension liabilities	6(14)	28,403	-	33,740	-
2645	Guarantee deposit received		638	-	603	-
25XX	Total non-current liabilities		1,081,148	16	1,030,707	16
2XXX	Total liabilities		1,970,832	30	2,127,864	34
Equity attributable to shareholders of the parent						
Share capital						
3110	Ordinary shares	6(16)	1,024,325	16	1,015,374	16
3140	Advance receipts for share capital		7,129	-	3,370	-
Capital surplus						
3200	Capital surplus	6(17)	722,963	11	685,203	10
Retained earnings						
3310	Legal reserve	6(18)	749,499	11	676,932	11
3320	Special reserve		-	-	4,280	-
3350	Unappropriated retained earnings		2,082,113	31	1,816,483	29
Other equity						
3400	Other equity	6(19)	58,282	1	1,892	-
3XXX	Total equity		4,644,311	70	4,203,534	66
Contingencies and Off-Balance Sheet Commitments: 9						
Significant events after the balance sheet date		11				
3X2X	Total Liabilities and Equity		\$ 6,615,143	100	\$ 6,331,398	100

The accompanying notes are an integral part of the parent company only financial statements.

AXIOMTEK CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Items	Notes	Year ended December 31			
		2024		2023	
		Amount	%	Amount	%
4000 Operating revenue	6(20) and 7	\$ 4,780,216	100	\$ 4,608,852	100
	6(4)(25)(26)				
5000 Operating costs	and 7	(3,096,444)	(65)	(3,062,447)	(67)
5900 Gross profit		1,683,772	35	1,546,405	33
5910 Unrealized gain from sale	6(5)	(150,488)	(3)	(154,885)	(3)
5920 Realized gain from sale		154,885	3	121,217	3
5950 Net gross profit		1,688,169	35	1,512,737	33
Operating expenses	6(25)(26)				
6100 Selling expenses		(135,509)	(3)	(130,478)	(3)
6200 General and administrative expenses		(200,518)	(4)	(189,365)	(4)
6300 Research and development expenses		(640,641)	(13)	(577,856)	(13)
6450 Expected credit impairment (losses) gains	12(2)	(57)	-	51	-
6000 Total operating expenses		(976,725)	(20)	(897,648)	(20)
6900 Operating profit		711,444	15	615,089	13
Non-operating income and expenses					
7100 Interest income	6(21) and 7	38,308	1	29,131	1
7010 Other income	6(22)	16,208	-	24,441	1
7020 Other gains and losses	6(23)	79,460	1	4,084	-
7050 Finance costs	6(24)	(15,536)	-	(11,908)	-
7070 Share of profit of associates and joint ventures accounted for under equity method	6(5)	133,591	3	254,265	5
7000 Total non-operating income and expenses		252,031	5	300,013	7
7900 Profit before income tax		963,475	20	915,102	20
7950 Income tax expenses	6(27)	(194,537)	(4)	(187,478)	(4)
8200 Net Income		\$ 768,938	16	\$ 727,624	16
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Remeasurements of defined benefit plan	6(14)	\$ 4,343	-	(\$ 2,352)	-
8330 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(5)	(142)	-	(76)	-
8349 Income tax relating to components of other comprehensive income	6(27)	(869)	-	470	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		70,487	1	7,715	-
8380 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method which may be reclassified to profit or loss	6(5)	(121)	-	-	-
8399 Income tax relating to the components of other comprehensive income	6(27)	(14,097)	-	(1,543)	-
8300 Other comprehensive income (loss) for the year		\$ 59,601	1	\$ 4,214	-
8500 Total Comprehensive Income		\$ 828,539	17	\$ 731,838	16
Earnings per share	6(28)				
9750 Basic earnings per share		\$ 7.53		\$ 7.19	
9850 Diluted earnings per share		\$ 6.92		\$ 6.86	

The accompanying notes are an integral part of the parent company only financial statements.

AXIOMTEK CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Thousands of New Taiwan Dollars)

		Share capital			Retained earnings			Other equity		
			Advance receipts for share capital				Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	Total equity
	Notes	Ordinary share		Capital surplus	Legal reserve	Special reserve				
Year 2023										
Balance at January 1, 2023		\$ 910,235	\$ 13,079	\$ 633,715	\$ 615,504	\$ 76,627	\$ 1,308,972	(\$ 4,280)	\$ -	\$ 3,553,852
Profit for the year		-	-	-	-	-	727,624	-	-	727,624
Other comprehensive income (loss) for the year	6(19)	-	-	-	-	-	(1,958)	6,172	-	4,214
Total comprehensive income		-	-	-	-	-	725,666	6,172	-	731,838
Appropriations of 2022 earnings	6(18)									
Legal reserve		-	-	-	61,428	-	(61,428)	-	-	-
Special reserve		-	-	-	-	(72,347)	72,347	-	-	-
Cash dividends		-	-	-	-	-	(229,074)	-	-	(229,074)
Stock dividends from capital surplus	6(18)	91,629	-	(91,629)	-	-	-	-	-	-
Share-based payments		13,510	(9,815)	46,638	-	-	-	-	-	50,333
Compensation cost of share-based payments	6(17)	-	-	5,338	-	-	-	-	-	5,338
Issue of convertible bonds	6(13)	-	-	87,971	-	-	-	-	-	87,971
Conversion of convertible bonds		-	106	(11)	-	-	-	-	-	95
Capital surplus, changes in equity of investment accounted for using equity method	6(17)	-	-	3,006	-	-	-	-	-	3,006
Change in Capital Surplus-others	6(17)	-	-	175	-	-	-	-	-	175
Balance at December 31, 2023		<u>\$1,015,374</u>	<u>\$ 3,370</u>	<u>\$ 685,203</u>	<u>\$ 676,932</u>	<u>\$ 4,280</u>	<u>\$ 1,816,483</u>	<u>\$ 1,892</u>	<u>\$ -</u>	<u>\$ 4,203,534</u>
Year 2024										
Balance at January 1, 2024		<u>\$1,015,374</u>	<u>\$ 3,370</u>	<u>\$ 685,203</u>	<u>\$ 676,932</u>	<u>\$ 4,280</u>	<u>\$ 1,816,483</u>	<u>\$ 1,892</u>	<u>\$ -</u>	<u>\$ 4,203,534</u>
Profit for the year		-	-	-	-	-	768,938	-	-	768,938
Other comprehensive income (loss) for the year	6(19)	-	-	-	-	-	3,332	56,390	(121)	59,601
Total comprehensive income		-	-	-	-	-	772,270	56,390	(121)	828,539
Appropriations of 2023 earnings	6(18)									
Legal reserve		-	-	-	72,567	-	(72,567)	-	-	-
Special reserve		-	-	-	-	(4,280)	4,280	-	-	-
Cash dividends		-	-	-	-	-	(438,232)	-	-	(438,232)
Share-based payments		8,940	2,250	25,843	-	-	-	-	-	37,033
Compensation cost of share-based payments	6(17)	-	-	10,456	-	-	-	-	-	10,456
Conversion of convertible bonds		11	1,509	(69)	-	-	-	-	-	1,451
Change in Capital Surplus-others	6(17)	-	-	1,530	-	-	-	-	-	1,530
Disposal of debt instrument investments measured at fair value through other comprehensive income - subsidiaries		-	-	-	-	-	121	-	121	-
Balance at December 31, 2024		<u>\$ 1,024,325</u>	<u>\$ 7,129</u>	<u>\$ 722,963</u>	<u>\$ 749,499</u>	<u>\$ -</u>	<u>\$ 2,082,113</u>	<u>\$ 58,282</u>	<u>\$ -</u>	<u>\$ 4,644,311</u>

The accompanying notes are an integral part of the parent company only financial statements.

AXIOMTEK CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Thousands of New Taiwan Dollars)

		Years ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 963,475	\$ 915,102
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(6)(7)(25)	105,580	53,442
Depreciation from investment Property	6(9)(23)	496	495
Amortization	6(10)(25)	17,486	16,894
Expected credit impairment losses (gains)	12(2)	57 (	51)
Gain on financial assets at fair value through profit	6(2)(23)	(880 ) (	320)
Interest expense	6(24)	15,536	11,908
Interest income	6(21)	(38,308 ) (	29,131)
Compensation cost of share-based payments	6(15)(26)	8,803	4,215
Share of profit of associates and joint ventures	6(5)	(133,591 ) (	254,265)
Gain on disposal of property, plant and equipment	6(23)	(41 ) (	273)
Gain on disposal of investments	6(23)	- (	493)
Gain on lease modification	6(23)	- (	2)
Unrealized gross (loss) profit on sales		(4,397)	33,668
Changes in assets/liabilities relating to operating			
Changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		(61,151)	493
Notes receivable		1,651	2,622
Accounts receivable (including related parties)		(372,250)	271,800
Other receivables (including related parties)		1,766	4,821
Inventories		393,386	28,995
Prepayments		(2,172)	2,799
Other current assets		(639)	190
Changes in liabilities relating to operating activities			
Contract liabilities		(18,136 ) (	8,197)
Notes payables		- (	1,350)
Accounts payable (including related parties)		(24,711 ) (	194,360)
Other payables		60,200 (	27,032)
Other current assets		2,241 (	347)
Accrued pension liabilities		(994 ) (	997)
Cash inflow generated from operations		913,407	830,626
Receipt of interest		39,838	25,103
Payment of interest		(1,149 ) (	7,416)
Payment of income tax		(222,835 ) (	156,950)
Net cash flows from operating activities		729,261	691,363

(Continued)

AXIOMTEK CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in Thousands of New Taiwan Dollars)

			Years ended December 31	
	Notes		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Acquisition of investments accounted for using the equity method	6(5)	(\$	65,100)	\$ -
Decrease (Increase) in financial assets at amortized cost			10,000	(7,000)
Increase in other receivables – related parties		(	25,000)	-
Proceeds from disposal of investments accounted for using the equity method			92	-
Acquisition of property, plant and equipment	6(29)	(	254,859)	(391,316)
Proceeds from disposal of equipment			41	401
Acquisition of intangible assets	6(10)	(	25,624)	(12,293)
Decrease in refundable deposits			626	3,071
Net cash flows used in investing activities		(	359,824)	(407,137)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Proceeds from short -term borrowings			757,000	3,383,200
Redemption of short -term borrowings		(	757,000)	(4,018,500)
Issue of convertible bonds	6(30)		-	848,003
Payment of cash dividends	6(18)	(	438,232)	(229,074)
Proceeds from exercise of employee stock options			37,033	50,333
Decrease in refundable deposits			35	(160)
Payment of lease liabilities	6(30)	(	2,952)	(8,283)
Proceeds from disposal of employee stock ownership trust			1,530	175
Net cash flows (used in) provided by financing activities		(	402,586)	25,694
(Decrease) Increase in cash and cash equivalents		(	33,149)	309,920
Cash and cash equivalents at beginning of year			1,084,067	774,147
Cash and cash equivalents at end of year		\$	1,050,918	\$ 1,084,067

The accompanying notes are an integral part of the parent company only financial statements.

2024 Independent Auditors' Report

(Consolidated Financial Statements)

Opinion

We have audited the accompanying consolidated balance sheets of AXIOMTEK CO., LTD. and its subsidiaries (hereinafter referred to as “the Group”) as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended December 31, 2024 and 2023, in conformity with the Regulations Governing the Preparations of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China (hereinafter referred to as the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the Consolidated Financial Statements for the year ended December 31, 2024 are stated as follows:

Allowance for Inventory Valuation Losses

Description

Please refer to Note 4(14) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses and Note 6(5) for details of inventories. As of December 31, 2024, the Group's inventories and allowance for inventory valuation losses amounted to NT\$1,616,909 thousand and NT\$90,966 thousand, respectively.

The Group is primarily engaged in the research and development, manufacturing and sales of industrial computers products. Due to rapid technological innovation and fluctuations in market prices, the Group recognizes inventories at the lower of cost and net realizable value, and the net realizable value is estimated based on historical experience. An allowance for inventory valuation losses is provided for those inventories aged over a certain period of time and individually identified as obsolete or damaged.

As the amounts of inventories are material, the types of inventories vary, and the estimation of net realizable value for individually obsolete or damaged inventories is subject to management's judgment, we consider allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

1. Ensured consistent application of Group's accounting policies in relation to allowance for inventory valuation losses and assessed the reasonableness of these policies.
2. Evaluated the reasonableness of inventories individually identified as obsolete or damaged with supporting documents, validated the appropriateness of system logic of inventory aging report utilized by management to ensure proper classification of inventories aged over a certain period of time and reperformed the calculation.
3. Discussed with management the net realizable value of inventories aged over a certain period of time and individually identified as obsolete or damaged, validated respective supporting documents, and agreed to information obtained from physical inventory.

Other Matter – Parent Company Only Financial Reports

We have audited and expressed an unqualified opinion on the Parent Company Only Financial Statements of AXIOMTEK CO., LTD. as of and for the years ended December 31, 2024 and 2023.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in order to accordance with the “Regulations Governing the Preparations of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.

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 ability to continue as a going concern of the Group. 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Po-Chuan

Wang, Song-Tse

for and on behalf of PricewaterhouseCoopers, Taiwan February 26, 2025.

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,745,946	24	\$ 1,501,089	22
1110	Financial assets at fair value through profit or loss - current	6(2)	62,750	1	720	-
1136	Financial assets at amortized cost – current	6(1)	-	-	10,000	-
1140	Contract assets - current	6(23) and 7	7,831	-	-	-
1150	Notes receivable	6(4) and 7	25,628	-	20,924	-
1170	Accounts receivable	6(4) and 7	917,403	13	809,758	12
1196	Operating lease receivables, net		2,118	-	-	-
1197	Finance lease receivables, net	6(9) and 7	1,205	-	-	-
1200	Other receivables		30,465	-	26,112	-
1220	Current income tax assets		50,062	1	22,715	-
130X	Inventories	6(5)	1,525,943	21	1,673,126	25
1410	Prepayments		31,217	1	28,578	1
1470	Other current assets		1,892	-	701	-
11XX	Total current assets		4,402,460	61	4,093,723	60
Non-current assets						
1550	Investments accounted for under equity method	6(6)	16,201	-	16,617	-
1600	Property, plant and equipment	6(7) and 8	2,383,412	33	2,280,458	33
1755	Right-of-use assets	6(8)	137,520	2	159,612	2
1760	Investment property	6(10)	36,992	-	37,488	1
1780	Intangible assets	6(11)	122,713	2	111,228	2
1840	Deferred income tax assets	6(30)	144,424	2	149,952	2
194D	Long-term finance lease receivables, net	6(9) and 7	2,181	-	-	-
1990	Other non-current assets	8	14,949	-	8,912	-
15XX	Total non-current assets		2,858,392	39	2,764,267	40
1XXX	Total Assets		\$ 7,260,852	100	\$ 6,857,990	100

(Continued)

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2130	Contract liabilities - current	6(23)	\$ 65,232	1	\$ 93,610	1
2150	Notes payables		16	-	-	-
2170	Accounts payable	6(14)	563,552	8	497,063	7
2180	Accounts payable – related parties	7	5,020	-	4,757	-
2200	Other payables	6(15) and 7	480,236	7	578,811	9
2230	Current income tax liabilities		109,502	1	216,732	3
2250	Provisions for liabilities - current		2,275	-	1,361	-
2280	Current lease liabilities		57,041	1	48,573	1
2320	Current portion of long-term liabilities	6(13)	6,976	-	-	-
2399	Other current liabilities		12,213	-	6,543	-
21XX	Total current liabilities		<u>1,302,063</u>	<u>18</u>	<u>1,447,450</u>	<u>21</u>
Non-current liabilities						
2530	Corporate bonds payable	6(16)	773,858	11	760,924	11
2540	Long-term borrowings	6(13)	48,317	1	-	-
2550	Non-current provision		734	-	-	-
2570	Deferred income tax liabilities	6(30)	315,654	4	280,783	4
2580	Non-current lease liabilities		90,921	1	120,711	2
2640	Accrued pension liabilities	6(17)	39,472	-	43,985	1
2645	Guarantee deposit received		638	-	603	-
25XX	Total non-current liabilities		<u>1,269,594</u>	<u>17</u>	<u>1,207,006</u>	<u>18</u>
2XXX	Total liabilities		<u>2,571,657</u>	<u>35</u>	<u>2,654,456</u>	<u>39</u>
Equity attributable to shareholders of the parent						
Share capital						
3110	Ordinary shares	6(19)	1,024,325	14	1,015,374	15
3140	Advance receipts for share capital		7,129	-	3,370	-
Capital surplus		6(20)				
3200	Capital surplus		722,963	10	685,203	10
Retained earnings		6(21)				
3310	Legal reserve		749,499	10	676,932	10
3320	Special reserve		-	-	4,280	-
3350	Unappropriated retained earnings		2,082,113	29	1,816,483	26
Other equity		6(22)				
3400	Other equity		58,282	1	1,892	-
31XX	Total equity attributable to shareholders of the parent		<u>4,644,311</u>	<u>64</u>	<u>4,203,534</u>	<u>61</u>
36XX	Non-controlling Interest		<u>44,884</u>	<u>1</u>		
3XXX	Total equity		<u>4,689,195</u>	<u>65</u>	<u>4,203,534</u>	<u>61</u>
Significant contingent liabilities and unrecognized contract commitments		9				
Significant after the balance sheet date		11				
3X2X	Total Liabilities and Equity		<u>\$ 7,260,852</u>	<u>100</u>	<u>\$ 6,857,990</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share)

Items	Notes	Year ended December 31			
		2024		2023	
		Amount	%	Amount	%
4000 Operating revenue	6(23) and 7	\$ 6,893,071	100	\$ 6,700,479	100
	6(5)(28)				
5000 Operating costs	(29) and 7	(4,353,531)	(63)	(4,297,582)	(64)
5900 Gross profit		2,539,540	37	2,402,897	36
5910 Unrealized gain from sale	6(6)	(71)	-	(58)	-
5920 Realized gain from sale		58	-	234	-
5950 Net operating margin		2,539,527	37	2,403,073	36
Operating expenses	6(28)(29)				
6100 Selling expenses		(544,871)	(8)	(520,598)	(8)
6200 General and administrative expenses		(431,476)	(6)	(355,656)	(5)
6300 Research and development expenses		(657,598)	(10)	(581,329)	(9)
6450 Expected credit impairment losses	12(2)	(1,477)	-	(1,352)	-
6000 Total operating expenses		(1,635,422)	(24)	(1,458,935)	(22)
6900 Operating profit		904,105	13	944,138	14
Non-operating income and expenses					
7100 Interest income	6(24)	44,379	1	29,298	1
7010 Other income	6(25)	19,411	-	28,384	-
7020 Other gains and losses	6(26)	96,519	1	2,057	-
7050 Finance costs	6(27)	(22,424)	-	(18,732)	-
7060 Share of profit of associates and joint ventures accounted for under equity method	6(6)	(469)	-	(3,588)	-
7000 Total non-operating income and expenses		137,416	2	37,419	1
7900 Profit before income tax		1,041,521	15	981,557	15
7950 Income tax expenses	6(30)	(271,119)	(4)	(253,933)	(4)
8200 Net Income		\$ 770,402	11	\$ 727,624	11
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Remeasurements of defined benefit plan	6(17)	\$ 4,201	-	(\$ 2,428)	-
8349 Income tax relating to components of other comprehensive income	6(30)	(869)	-	(470)	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		70,487	1	7,715	-
8367 Unrealized gains (losses) from debt instrument investments measured at fair value through other comprehensive income	6(3)	(201)	-	-	-
8399 Income tax relating to the components of other comprehensive income	6(30)	(14,097)	-	(1,543)	-
8300 Other comprehensive income (loss) for the year		\$ 59,521	1	\$ 4,214	-
8500 Total Comprehensive Income		\$ 829,923	12	\$ 731,838	11
Profit attributable to:					
8610 Shareholders of the parent		\$ 768,938	11	\$ 727,624	11
8620 Non-controlling Interest		\$ 1,464	-	\$ -	-
Total comprehensive income (loss) attributable to:					
8710 Shareholders of the parent		\$ 828,539	12	\$ 731,838	11
8720 Non-controlling Interest		\$ 1,384	-	\$ -	-
Earnings per share	6(31)				
9750 Basic earnings per share		\$ 7.53		\$ 7.19	
9850 Diluted earnings per share		\$ 6.92		\$ 6.86	

The accompanying notes are an integral part of these consolidated financial statements.

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Equity attributable to shareholders of the parent												
Share capital				Retained Earnings			Other equity					
Notes	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	Total	Non-controlling interest	Total	
Year 2023												
Balance of January 1, 2023		\$ 910,235	\$ 13,079	\$ 633,715	\$ 615,504	\$ 76,627	\$ 1,308,972	(\$ 4,280)	\$ -	\$ 3,553,852	\$ -	\$ 3,553,852
Profit for the year		-	-	-	-	-	727,624	-	-	727,624	-	727,624
Other comprehensive income (loss) for the	6(22)	-	-	-	-	-	(1,958)	6,172	-	4,214	-	4,214
Total comprehensive income		-	-	-	-	-	725,666	6,172	-	731,838	-	731,838
Appropriations of 2022 earnings:	6(21)											
Legal reserve		-	-	-	61,428	-	(61,428)	-	-	-	-	-
Special reserve		-	-	-	-	(72,347)	72,347	-	-	-	-	-
Cash dividends		-	-	-	-	-	(229,074)	-	-	(229,074)	-	(229,074)
Stock dividends from capital surplus	6(21)	91,629	-	(91,629)	-	-	-	-	-	-	-	-
Share-based payments		13,510	(9,815)	46,638	-	-	-	-	-	50,333	-	50,333
Compensation cost of share-based payments	6(18)(20)	-	-	5,338	-	-	-	-	-	5,338	-	5,338
Issue of convertible bonds	6(16)	-	-	87,971	-	-	-	-	-	87,971	-	87,971
Conversion of convertible bonds		-	106	(11)	-	-	-	-	-	95	-	95
Capital surplus, changes in equity of investment accounted for using equity	6(20)	-	-	3,006	-	-	-	-	-	3,006	-	3,006
Change in Capital Surplus-others	6(20)	-	-	175	-	-	-	-	-	175	-	175
Balance of December 31, 2023		\$ 1,015,374	\$ 3,370	\$ 685,203	\$ 676,932	\$ 4,280	\$ 1,816,483	\$ 1,892	\$ -	\$ 4,203,534	\$ -	\$ 4,203,534
Year 2024												
Balance of January 1, 2024		\$ 1,015,374	\$ 3,370	\$ 685,203	\$ 676,932	\$ 4,280	\$ 1,816,483	\$ 1,892	\$ -	\$ 4,203,534	\$ -	\$ 4,203,534
Profit for the year		-	-	-	-	-	768,938	-	-	768,938	1,464	538,085
Other comprehensive income (loss) for the	6(22)	-	-	-	-	-	3,332	56,390	(121)	59,601	(80)	44,689
Total comprehensive income		-	-	-	-	-	772,270	56,390	(121)	828,539	1,384	582,774
Appropriations of 2023 earnings:	6(21)											
Legal reserve		-	-	-	72,567	-	(72,567)	-	-	-	-	-
Reversal of special reserve		-	-	-	-	(4,280)	4,280	-	-	-	-	-
Cash dividends		-	-	-	-	-	(438,232)	-	-	(438,232)	-	(438,232)
Share-based payments		8,940	2,250	25,843	-	-	-	-	-	37,033	-	37,033
Compensation cost of share-based payments	6(18)(20)	-	-	10,456	-	-	-	-	-	10,456	-	10,456
Conversion of convertible bonds		11	1,509	(69)	-	-	-	-	-	1,451	-	1,451
Disposal of debt instrument investments measured at fair value through other comprehensive income	6(3)	-	-	-	-	-	(121)	-	121	-	-	-
Change in Capital Surplus-others	6(20)	-	-	1,530	-	-	-	-	-	1,530	-	1,530
Increase in non-controlling interest	6(32)	-	-	-	-	-	-	-	-	-	43,500	43,500
Balance of December 31, 2024		\$ 1,024,325	\$ 7,129	\$ 722,963	\$ 749,499	\$ -	\$ 2,082,113	\$ 58,282	\$ -	\$ 4,644,311	\$ 44,884	\$ 4,689,195

The accompanying notes are an integral part of these consolidated financial statements.

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,041,521	\$ 981,557
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(28)	178,598	110,356
Depreciation from investment Property	6(10)(26)	496	495
Amortization	6(11)(28)	26,101	23,331
Expected credit impairment losses (gains)	12(2)	1,477	1,352
Gain on financial assets at fair value through profit or loss	6(2)(26)	(904)	(320)
Interest expense	6(27)	22,424	18,732
Interest income	6(24)	(44,379)	(29,298)
Compensation cost of share-based payments	6(18)(29)	10,456	5,338
Share of profit of associates and joint ventures accounted for under equity method	6(6)	469	3,588
(Gain) loss on disposal of property, plant and equipment	6(26)	(39)	(273)
Gain on disposal of investments	6(26)	-	(493)
Gain on lease modification	6(26)	(65)	(36)
Unrealized profit (loss) from sales		13	(176)
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		(61,127)	493
Contract assets - current		9,546	-
Notes receivable		16,953	(3,304)
Accounts receivable (including related parties)		(63,421)	(65,824)
Operating lease receivables		(2,118)	-
Finance lease receivables (including related parties)		3,662	-
Other receivables		(712)	3,469
Inventories		198,579	253,980
Prepayments		1,926	3,237
Other current assets		(1,191)	341
Long-term finance lease receivables (including related parties)		(2,181)	-
Changes in liabilities relating to operating activities			
Contract liabilities		(93,442)	16,669
Notes payables		(1,409)	(1,350)
Accounts payable (including related parties)		41,318	(191,246)
Other payables		47,718	(9,607)
Other current liabilities		4,954	(10,609)
Non-current provision		327	-
Other non-current assets		(312)	44
Cash inflow generated from operations		1,335,238	1,110,446
Receipt of interest		45,909	25,270
Payment of interest		(7,994)	(14,240)
Payment of income tax		(377,019)	(219,637)
Net cash flows from operating activities		996,134	901,839

(Continued)

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in Financial assets at amortized cost		\$ 10,000	(\$ 7,000)
Disposal of financial assets measured at fair value through other comprehensive income	6(3)	1,036	-
Acquisition of property, plant and equipment	6(33)	(279,764)	(403,790)
Proceeds from disposal of property, plant and equipment		43	409
Acquisition of intangible assets	6(11)	(29,077)	(15,921)
(Increase) Decrease in other non-current assets		(1,373)	3,618
Net cash flow from acquisition of subsidiaries	6(32)	4,829	-
Net cash flows-used in investing activities		(294,306)	(422,684)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short -term borrowings		768,000	3,383,200
Redemption of short -term borrowings		(817,740)	(4,018,500)
Proceeds from long-term borrowings		10,000	-
Redemption of long-term borrowings		(20,552)	-
Issue of convertible bonds	6(16)(34)	-	848,003
Payment of cash dividends	6(21)	(438,232)	(229,074)
Proceeds from exercise of employee stock options		37,033	50,333
Payment of lease liabilities	6(34)	(55,406)	(51,905)
Increase (Decrease) in refundable deposits		35	(160)
Proceeds from disposal of employee stock ownership trust		1,530	175
Net cash flows used in financing activities		(515,332)	(17,928)
Effects due to changes in exchange rate		58,361	8,241
Increase in cash and cash equivalents		244,857	469,468
Cash and cash equivalents at beginning of year		1,501,089	1,031,621
Cash and cash equivalents at end of year		\$ 1,745,946	\$ 1,501,089

The accompanying notes are an integral part of these consolidated financial statements.

(ATTACHMENT IX)

AXIOMTEK CO., LTD.
2024 Profit Distribution Table

Unit : TWD

Item	Amount	
	Sub-total	Total
Unappropriated retained earnings at the beginning of the term		1,309,963,309
Remeasurement of defined benefit plans recognized in retained earnings	3,332,142	
Adjusted unappropriated retained earnings		1,313,295,451
2024 Net income	768,938,586	
10% set aside as legal reserve	(77,227,073)	
Total unappropriated retained earnings		2,005,006,964
Distributable item:		
Shareholders' dividend – cash (\$4.5 per share)		(466,243,110)
Unappropriated retained earnings at the end of the term		1,538,763,854

Note: The 2024 net income shall be distributed with higher priority this time.

Chairman : Yang, Yu-Te

President : Huang, Jui-Nan

Principal Accounting Officer : Hsu, Chin-Chuan

AXIOMTEK CO., LTD.
Comparison Table of Amendments to the
“Article of Incorporation”

Amendment Article	Existing Article	Explanation
<p>Article 27 This Company shall set aside 1%-20% as employees’ remuneration and the percentage lower than 2% as directors’ remuneration if the Company has profit (means the pre-tax income before deduction of the employees’ and directors’ remuneration) in the current year. However, the Company’s accumulated deficit shall have been covered, if any (including the adjustment of unappropriated retained earnings).</p> <p><u>No less than 20% of the employee remuneration ratio mentioned in the preceding paragraphs shall be allocated for the compensation distributions to non-executive employees.</u></p> <p>The Company may have the profit distributable as employees' remuneration in the <u>first</u> paragraphs distributed in the form of shares or in cash to the qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, the requirement and manner of distribution are authorized to Board of Directors for resolution. The remuneration of directors in the <u>first</u> paragraphs only can receive the profit in the form of cash.</p> <p>The Company shall, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors for the preceding <u>three</u> paragraphs distributed and in addition thereto a report of such distribution shall be submitted to the Shareholders’ Meeting.</p>	<p>Article 27 This Company shall set aside 1%-20% as employees’ remuneration and the percentage lower than 2% as directors’ remuneration if the Company has profit (means the pre-tax income before deduction of the employees’ and directors’ remuneration) in the current year. However, the Company’s accumulated deficit shall have been covered, if any (including the adjustment of unappropriated retained earnings).</p> <p>The Company may have the profit distributable as employees' remuneration in the <u>preceding</u> paragraphs distributed in the form of shares or in cash to the qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, the requirement and manner of distribution are authorized to Board of Directors for resolution. The remuneration of directors in the <u>preceding</u> paragraphs only can receive the profit in the form of cash.</p> <p>The Company shall, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors for the preceding <u>two</u> paragraphs distributed and in addition thereto a report of such distribution shall be submitted to the Shareholders’ Meeting.</p>	<p>Act in connection with the articles modifications of Securities and Exchange Act.</p>

Amendment Article	Existing Article	Explanation
<p>Article 29</p> <p>These Articles of Incorporation were established on May 8, 1990.</p> <p>The first amendment was approved on January 7, 1993.</p> <p>The second amendment was made on October 1, 1993.</p> <p>The third amendment was made on May 24, 1997.</p> <p>The fourth amendment was made on August 15, 1997.</p> <p>The fifth amendment was made on September 5, 1997.</p> <p>The sixth amendment was made on June 20, 1998.</p> <p>The seventh amendment was made on June 12, 1999.</p> <p>The eighth amendment was made on June 24, 2000.</p> <p>The ninth amendment was made on June 16, 2001.</p> <p>The tenth amendment was made on March 5, 2002.</p> <p>The eleventh amendment was made on June 25, 2002.</p> <p>The twelfth amendment was made on June 30, 2003.</p> <p>The thirteenth amendment was made on May 24, 2004.</p> <p>The fourteenth amendment was made on June 24, 2005.</p> <p>The fifteenth amendment was made on June 9, 2006.</p> <p>The sixteen amendment was made on June 25, 2007.</p> <p>The seventeenth amendment was made on June 6, 2008.</p> <p>The eighteenth amendment was made on June 22, 2009.</p> <p>The nineteenth amendment was made on June 17, 2010.</p> <p>The twentieth amendment was made on June 24, 2011.</p> <p>The twenty-first amendment was made on June 18, 2012.</p> <p>The twenty-second amendment was made on June 3, 2015.</p> <p>The twenty-third amendment was made on May 31, 2016.</p> <p>The twenty-fourth amendment was made on May 22, 2017.</p>	<p>Article 29</p> <p>These Articles of Incorporation were established on May 8, 1990.</p> <p>The first amendment was approved on January 7, 1993.</p> <p>The second amendment was made on October 1, 1993.</p> <p>The third amendment was made on May 24, 1997.</p> <p>The fourth amendment was made on August 15, 1997.</p> <p>The fifth amendment was made on September 5, 1997.</p> <p>The sixth amendment was made on June 20, 1998.</p> <p>The seventh amendment was made on June 12, 1999.</p> <p>The eighth amendment was made on June 24, 2000.</p> <p>The ninth amendment was made on June 16, 2001.</p> <p>The tenth amendment was made on March 5, 2002.</p> <p>The eleventh amendment was made on June 25, 2002.</p> <p>The twelfth amendment was made on June 30, 2003.</p> <p>The thirteenth amendment was made on May 24, 2004.</p> <p>The fourteenth amendment was made on June 24, 2005.</p> <p>The fifteenth amendment was made on June 9, 2006.</p> <p>The sixteen amendment was made on June 25, 2007.</p> <p>The seventeenth amendment was made on June 6, 2008.</p> <p>The eighteenth amendment was made on June 22, 2009.</p> <p>The nineteenth amendment was made on June 17, 2010.</p> <p>The twentieth amendment was made on June 24, 2011.</p> <p>The twenty-first amendment was made on June 18, 2012.</p> <p>The twenty-second amendment was made on June 3, 2015.</p> <p>The twenty-third amendment was made on May 31, 2016.</p> <p>The twenty-fourth amendment was made on May 22, 2017.</p>	<p>Add dates of amendment.</p>

Amendment Article	Existing Article	Explanation
<p>The twenty-fifth amendment was made on May 29, 2019.</p> <p>The twenty-sixth amendment was made on May 30, 2023.</p> <p><u>The twenty-seventh amendment was made on May 22, 2025.</u></p>	<p>The twenty-fifth amendment was made on May 29, 2019.</p> <p>The twenty-sixth amendment was made on May 30, 2023.</p>	

AXIOMTEK CO., LTD.
Comparison Table of Amendments to the
“Operating Procedures for Trading Derivatives”

Amendment Article	Existing Article	Explanation
<p>7.2. Procedures of the Work 7.2.1~7.2.3.4 (Omitted) 7.2.3.5. The Company is engaging in derivatives trading shall establish the “Log Book of <u>Trading Derivatives</u>” in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated, and shall be recorded in detail in the log book.</p> <p>7.2.3.6 Finance dept. collect and pass 「 Foreign exchange transaction monthly report 」 to Accounting Dept. by month for being the basement of accounting valuation.</p>	<p>7.2. Procedures of the Work 7.2.1~7.2.3.4 (Omitted) 7.2.3.5. The Company is engaging in derivatives trading shall establish the “Log Book of <u>Acquisition or Disposal of Assets</u>” in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated, and shall be recorded in detail in the log book.</p> <p>7.2.3.6 Finance dept. collect and pass 「 Foreign exchange transaction monthly report 」 to Accounting Dept. by month for being the basement of accounting valuation.</p>	<p>Act in connection with the articles modifications of Procedures for Verification and Disclosure of Material Information of Companies.</p>
<p>Article 8: The Related Document: 8.1 Documents 8.1.1 Procedures for Acquisition or Disposal of Assets 8.2 Forms: 8.2.1 Foreign Exchange Transactions Application 8.2.2 Log Book of <u>Trading Derivatives</u> 8.3 Record and Others: Not applicable.</p>	<p>Article 8: The Related Document: 8.1 Documents 8.1.1 Procedures for Acquisition or Disposal of Assets 8.2 Forms: 8.2.1 Foreign Exchange Transactions Application 8.2.2 Log Book of <u>Acquisition or Disposal of Assets</u> 8.3 Record and Others: Not applicable.</p>	

AXIOMTEK CO., LTD.
Comparison Table of Amendments to the
“Operating Procedures for Loaning of Funds and Making of
Endorsement/Guarantee”

Amendment Article	Existing Article	Explanation
7.2.1 The period of the loan made by the Company shall be made resolution by the Board of the directors by complying with this procedures, the period shall <u>be limited to 1 year.</u>	7.2.1 The period of the loan made by the Company shall be made resolution by the Board of the directors by complying with this procedures, the period shall <u>not be exceed 1 year. After the expiration of the period, it can be extended after approving by the Board of Directors.</u>	Handling of non-compliance issues identified in the internal control audit by the Taipei Exchange.
7.2.2 <u>The one-year term for short-term loan funds shall commence from the actual disbursement date. If the loan is disbursed in installments or has a revolving nature, the term shall begin from the date of the first actual disbursement. If the funds remain unused after the resolution of Board of Directors, the loan shall expire one year from the date of the resolution and may no longer be utilized.</u>		New addition
7.2.3 <u>Upon the expiration of the one-year term for short-term funds loans to others, repayment shall be made through actual cash flow. The repayment period may not be extended with approval of Board of Directors, nor may the loan be renewed by a resolution of Board of Directors.</u>		New addition
7.2.4 When the Company makes loans to the others, the rate could not be lower than short-term lending average rates of Financial Industry, and shall calculate the interest by month.	7.2.2 When the Company makes loans to the others, the rate could not be lower than short-term lending average rates of Financial Industry, and shall calculate the interest by month.	Adjust item numbers.

PART THREE – APPENDICES

(APPENDIX I)

AXIOMTEK CO., LTD.

Article of Incorporation(before Revision)

Section I-General Principles

Article 1

The Company is incorporated under the Company Act and its name shall be “Axiomtek Co., Ltd.”.

Article 2

The scope of business of the Company shall be as follow:

1. CB01020 Office Machines Manufacturing
2. CC01080 Electronic Parts and Components Manufacturing
3. F219010Retail Sale of Electronic Materials
4. I301020 Data Processing Services
5. I301030 Digital Information Supply Services
6. I501010 Product Designing
7. E605010 Computing Equipment Installation Construction
8. CC01060 Wired Communication Equipment and Apparatus Manufacturing
9. CC01070 Telecommunication Equipment and Apparatus Manufacturing
10. CC01110 Computers and Computing Peripheral Equipment Manufacturing
11. CE01010 Precision Instruments Manufacturing
12. EZ05010 Apparatus Installation Construction
13. I301010 Software Design Services
14. F213030Retail sale of Computing and Business Machinery Equipment
15. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company’s headquarter is in New Taipei City and may setup domestic or overseas branches with the resolution of the Board of Directors.

Article 4

The Company for business needs may conduct the making of endorsement and guarantee in accordance with the “Operating Procedures of Fund Lending and Making of Endorsements and Guarantees”.

Section II – Shares

Article 5

The Company's total capital shall be in the amount of NT\$1,600,000,000, divided into 160,000,000 shares, at a par value of Ten New Taiwan Dollars (NT\$10) each, and may be issued in installments subject to the resolution of Board of Directors.

Within the aforementioned capital, NT\$100,000,000 divided into 10,000,000 shares, with a par value of Ten New Taiwan Dollars (NT\$10) each shall be reserved for issuing employee stock options which may be issued in installments in accordance with the resolution of the Board of Directors.

Article 6

To transfer shares to employees at less than the average actual share repurchase price, the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent Shareholders' Meeting attended by shareholders representing a majority of total issued shares.

Article 6-1

When the Company issuing the employee stock options at an exercise price lower than the Company's closing price on the date the issuance, it must obtain the consent of at least two-thirds of the voting rights represented at a Shareholders Meeting attended by shareholders representing a majority of the total issued shares.

Article 6-2

Qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to receive the Company's treasury stocks in accordance with the Company Act. The requirement and manner of distribution are authorized to Board of Directors for resolution.

Qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to receive the share subscription warrant. The requirement and manner of distribution are authorized to Board of Directors for resolution.

When the Company issues new shares, qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to receive the shares. The requirement and manner of distribution are authorized to Board of Directors for resolution.

Qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to receive restricted stock for employees. The requirement and manner of distribution are authorized to Board of Directors for resolution.

Article 7

The Company is exempted from having the stock shares printed out; however, the Company should contact the securities depository and clearing institution for registration.

Article 8

Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Article 9

All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock transaction conducted by shareholder of the Company shall follow the “Guidelines for Stock Operations for Public Companies”.

Article 10

The total investment of the Company shall not be restricted by Article 13 of the Company Act, which shall not exceed 40% of the paid-up capital of the Company.

SECTION III- Shareholders’ Meeting

Article 11

Shareholders’ Meeting of the Company shall be of two types, namely regular meeting and special meetings. Regular meeting shall be convened once a year by the Board of Directors in accordance with laws within six months after the close of each fiscal year. Special meetings shall be convened in accordance with laws whenever necessary.

The Company’s Shareholders’ Meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 12

Shareholder who is unable to attend the Shareholders’ Meeting in person may have a representative appointed to attend the meeting by issuing the power of attorney that is printed by the Company with the scope of authorization specified and then signed and sealed. The power of attorney referred to above is regulated in accordance with Article 177 of the Company Act and the “Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies” published by the competent authority.

Article 13

A shareholder shall have one voting power in respect of each share in his/her/its possession. The shares shall have no voting power in accordance with the regulations of Article 179 of the Company Act.

Article 14

Resolutions at a Shareholders' Meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 15

A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than thirty (30) days prior to the scheduled meeting date. In case the Company intends to convene a special meeting of shareholders, a meeting notice shall be given to each shareholder no later than fifteen (15) days prior to the scheduled meeting date. All shareholders will be notified of the meeting date, venue and proposed matters for convening any such meeting.

Article 16

The Chairman of the Board of Directors shall be the Chairman of the Shareholders’ Meeting. When the Chairman is absent for some reason, the Chairman shall appoint one of the Board of Directors as the Chairman, and when not appointed, one of the directors shall be elected as the Chairman. If a Shareholders' Meeting convened by any other person having the convening right, he/she shall act as the Chairman of that meeting provided, however, that if there are two or more persons having the convening right, the Chairman of the meeting shall be elected from among themselves.

Article 17

Resolutions adopted at a Shareholders' Meeting shall be recorded in the minutes of the meeting, and handle in accordance with the regulations of Article 183 of the Company Act.

Section IV-Directors and Functional Committees

Article 18

The Company shall have seven to nine directors. They are elected from capable candidates through a nominating system at the Shareholders' Meeting for a term of three (3) years. A director may be re-elected. The total shareholding of the Company held by all Directors shall be handled in accordance with the regulations of the security's regulatory authorities. The Company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.

Article 18-1

The Company shall have to appoint Independent Directors at least three in number and not less than one-fifth of total number of Directors in accordance with the regulations of Article 14-2 of the Securities Exchange Act. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and appointment, and other matters for compliance with respect to Independent Directors shall be prescribed by the competent authority. Independent Directors and Directors shall be elected at the same time, but in separately calculated numbers, a candidate to whom the ballots cast represent a prevailing number of votes shall be deemed Independent Directors and Directors.

Article 19

The Board of Directors is formed by the Directors. The Chairman is elected by a majority of the attending directors at the Board meeting that is attended by two-thirds of the Directors. The Chairman of the Board of Directors shall externally represent the Company.

Article 20

In case the Chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, the matter regarding the deputy of the Chairman should be handled in accordance with Article 208 of the Company Act.

Article 21

In calling a meeting of the Board of Directors, a notice shall be given to each director no later than seven (7) days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time.

The Board of Directors is authorized to determine the remunerations of all Directors according to their participation and contributions to the Companies' operation and by referring to the remuneration standard adopted by other firms of the same industry.

Article 22

When the number of vacancies in the Board of Directors of the Company equals to one-third of the total number of Directors, the Board of Directors shall convene a special meeting of shareholders to elect succeeding directors to fill the vacancies within 60 days, the new Directors shall serve the remaining term of the predecessors.

Article 23

Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. In case a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy for one other director only.

Article 24

Resolutions adopted at a meeting of the Board of Directors shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be distributed to all Directors within fifteen (15) days after the close of the meeting. The minute of the meeting of the Board of Directors shall record the date and place of the meeting, the name of the Chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the Company. The attendance list bearing the signatures of Directors present at the meeting and the powers of attorney of the proxies shall be kept with the minutes of the meeting by the Company.

Article 24-1

The Board of Directors may set up a Remuneration Committee, an Audit Committee or other Functional Committees due to the needs of business operations.

The Company establishes an Audit Committee, which composes of the entire number of Independent Directors in accordance with Article 14-4 of the Securities and Exchange Act, The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Act, Securities and Exchange Act and other relevant regulations.

Section V-Managers

Article 25

The Company may have one or more managerial personnel. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with Article 29 of the Company Act. Managerial personnel shall be empowered to manage the operation of the Company and to sign relevant business documents for the company, subject to the scope of authorization. The Company may obtain managerial liability insurance with respect to liabilities resulting from exercising their duties during their tenure.

Section VI-Accounting

Article 26

At the close of each fiscal year, the Board of Directors shall prepare Business Report, Financial Statement, and the Profit Distribution Proposal for acknowledgement in the general meeting of shareholders.

Article 27

This Company shall set aside 1%-20% as employees' remuneration and the percentage lower than 2% as directors' remuneration if the Company has profit (means the pre-tax income before deduction of the employees' and directors' remuneration) in the current year. However, the Company's accumulated deficit shall have been covered, if any (including the adjustment of unappropriated retained earnings). The Company may have the profit distributable as employees' remuneration in the preceding paragraphs distributed in the form of shares or in cash to the qualification requirements of employees,

including the employees of parents or subsidiaries of the Company meeting certain specific requirements, the requirement and manner of distribution are authorized to Board of Directors for resolution. The remuneration of directors in the preceding paragraphs only can receive the profit in the form of cash.

The Company shall, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors for the preceding two paragraphs distributed and in addition thereto a report of such distribution shall be submitted to the Shareholders' Meeting.

Article 27-1

When allocating the net income for each fiscal year, the Company shall first offset its losses in previous years and set aside a legal capital reserve at 10% of the profits left over, where such legal reserve amounts to the total authorized capital, this provision will not apply. The Company would set aside or fund another sum as special reserve in accordance with the regulations of the Law or the rules of the Authorities, plus the rest of the and accumulated retained earnings of preceding fiscal year (including the adjustment of undistributed earnings), and the meeting of Board of Directors would draft the proposal for distribution, and to authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the Shareholders' Meeting.

The Company distributing surplus earning in the form of new shares to be issued by the Company in accordance with the preceding paragraphs shall follow the provisions of Article 240 of the Company Act with a resolution adopted at a meeting of shareholders.

The dividend policy of the Company is in concert with the development plan of current and future, the environment of investment, funds requirement, and the competition condition of domestic and foreign, also considers the shareholders' interest, as results, the Company shall set aside earnings available for distribution which is not less than 25% as shareholders' dividends and bonuses, the stock dividends of share allocations will not be higher than 80% of the total dividends and bonuses.

Article 27-2

When the Company incurs no loss, it may authorize the legal reserve (only the portion of legal reserve which exceeds 25 percent of the paid-in capital may be distributed) and the capital reserve following the provisions of the Company Act in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the Shareholders' Meeting.

Section VII-Supplementary Provisions

Article 28

For all matters not stipulated in the Company's Articles of Incorporation, the Company Act shall govern.

Article 29

These Articles of Incorporation were established on May 8, 1990.

The first amendment was approved on January 7, 1993.

The second amendment was made on October 1, 1993.

The third amendment was made on May 24, 1997.

The fourth amendment was made on August 15, 1997.

The fifth amendment was made on September 5, 1997.

The sixth amendment was made on June 20, 1998.

The seventh amendment was made on June 12, 1999.

The eighth amendment was made on June 24, 2000.

The ninth amendment was made on June 16, 2001.
The tenth amendment was made on March 5, 2002.
The eleventh amendment was made on June 25, 2002.
The twelfth amendment was made on June 30, 2003.
The thirteenth amendment was made on May 24, 2004.
The fourteenth amendment was made on June 24, 2005.
The fifteenth amendment was made on June 9, 2006.
The sixteen amendment was made on June 25, 2007.
The seventeenth amendment was made on June 6, 2008.
The eighteenth amendment was made on June 22, 2009.
The nineteenth amendment was made on June 17, 2010.
The twentieth amendment was made on June 24, 2011.
The twenty-first amendment was made on June 18, 2012.
The twenty-second amendment was made on June 3, 2015.
The twenty-third amendment was made on May 31, 2016.
The twenty-fourth amendment was made on May 22, 2017.
The twenty-fifth amendment was made on May 29, 2019.
The twenty-sixth amendment was made on May 30, 2023.

AXIOMTEK CO., LTD.

Operating Procedures for Trading Derivatives(before Revision)

Article 1 Purpose:

For establishing the risk management of derivative products and internal control system, also for the purpose of protecting investments, fulfilling information disclosure, this Procedure are handled in accordance with Article 36-1 of Securities & Exchange Law and 『Operating Procedures for Acquisition and Disposal of Assets by Public Companies』 announced by Securities and Futures Commission, Ministry of Finance, R.O.C.

Article 2 Scope:

The Company shall implement its handling and disclosure of material inside information in accordance with these Procedures, for matters not specified in these Procedures, should follow applicable laws and regulations. applicable laws and regulations.

Article 3 Definition:

- 3.1 The term "Derivative Products" as used in these Key Points means any trading contracts with worth derived from assets, interest rates, foreign exchange rates, indexes or other interests (such as forward contracts, options, futures, swaps, and the hybrid products consisted by them).
- 3.2 The term "Forward Contracts" as used in these Key Points does not include insurance contracts, fulfillment contracts, aftersales service contracts, long-term lease contracts and long-term purchase (sale) contracts.

Article 4 Reference document:

- 4.1 Article 36-1 of Securities & Exchange Law.
- 4.2 『Operating Procedures for Acquisition and Disposal of Assets by Public Companies』 announced by Securities and Futures Commission, Ministry of Finance, R.O.C.
- 4.3 The Chapter of Audit Committee Organization.

Article 5 Duty:

5.1 Finance Unit:

- 5.1.1 Evaluate the risk of the derivative transactions.
- 5.1.2 Build up the book for record as doing the derivative transactions.
- 5.1.3 Bill the realized and unrealized exchange gains or loses of derivative transactions periodically, and record it as accounts.

5.2 Audit Unit:

Audit the situation of derivative transactions periodically and make audit report, submit the report to Audit Committee and Boarding Meeting.

5.3 General Manager:

Review the evaluation report made by Finance Unit for the derivative transactions.

5.4 Audit Committee and Boarding Meeting:

Stipulate and Amend these procedures, supervise and manage the matters related to derivative transactions.

Article 6: Flow Chart

Not applicable

Article 7: Procedure/Way

7.1 Trading principles and policies:

7.1.1 Transactions Type

The derivatives transactions of the Company are limited to the type of forward contract and option. Regarding to the forward contract, is not including insurance contract, contract compliance, after-service contract, long-term leasing contract, and long-term procurement contract.

7.1.2 Operation or hedge strategies

Financial derivatives are mainly used for hedging purpose, and trading product used need to be assured as for hedging the risk occurred by the business operation of the Company.

7.1.3 Duties

7.1.3.1 Finance Unit: In charge of trading and confirmation for derivative transactions in accordance with this procedure, and collect information in the market, judge the tendency and risk for providing enough and timely information to the management, the financial personnel shall operate foreign exchange position under the Company's policy and authorization.

7.1.3.2 Accounting Unit: Is responsible for confirming the trading, delivery, and login details.

7.1.3.3 Audit Unit: Internal auditors shall check the suitability of internal control of derivative transactions periodically and inspect monthly the compliance of the trading departments with the "Handling Procedure to Engage in the Transaction of Derivative Products" and analyze the trading cycle in order to make the auditing report. Auditors shall file the auditing report to Audit Committee and Boarding Meeting in writing, provided if, there has any major irregularities.

7.1.4 Performance Evaluation

For controlling the situation of benefit and loss, the operation detail (amount, rate, bank, due day) shall be record on the trading detail list, and the exchange gain or loss shall be calculated by monthly, season, half of year, and yearly.

7.1.5 Transactions Amount

7.1.5.1 The Hedge Operations

The amount of forward contract will be the position of Assets and liabilities in foreign currency. The national currency of optional commodity should be unidirectional controlled under the field of USD\$10 millions, and the amount of contract shall be controlled under the field of USD \$ 15 millions.

7.1.5.2 The Trading Operations

The Company shall not do the trading transactions.

7.1.6 The loss of single contract and the total amount of contract for each trading products shall be as following:

7.1.6.1 The maximum for the single floating loss is under 6%.

7.1.6.2 The maximum for the total floating loss is under NT \$10 millions.

7.1.6.3 Each of the total floating loss of the fiscal year is under NT \$ 10 millions.

7.2 Procedures of the Work

7.2.1 The Company shall handle the derivative products transactions in accordance with the following authorization amount:

Level	Daily trading authorization amount	Internal authorization amount
Chairman	Up to USD\$ 2 millions	Up to USD\$ 2 millions
General Manager	USD \$ 1 million to USD\$ 2 millions (included)	USD \$ 1 million to USD\$ 2 millions (included)
CFO & Finance Director	USD\$0-USD \$1 million	USD\$0-USD \$1 million

7.2.2 Executed Unit: Authorize Personnel of Finance Dept. to handle.

7.2.3 Statement of Work

- 7.2.3.1 Financial Personnel place orders to banks under the scope of authorization mandate, provided if the order amount is over the authorization amount stated in 7.2.1 herein, the personnel shall get the approval from his/her supervisor in advance.
- 7.2.3.2 After the confirmation, Financial Personnel shall fill out of the form 「 Foreign Exchange Transaction Application 」 in accordance with the report back from banks.
- 7.2.3.3 The approved 「 Foreign Exchange Transaction Application 」 need to be attached when stamping on the foreign exchange transaction confirmed document of banks.
- 7.2.3.4 When the exchange gains and losses had due to settlement of foreign exchange transaction, treasury settlement clerk shall apply for the amount according to the approved 「 transaction sheet 」 and 「 Forward foreign exchange settlement Record Form 」 and the forms mentioned herein should be the basement for the Accounting Dept. for Recording.
- 7.2.3.5 The Company is engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated, and shall be recorded in detail in the log book.
- 7.2.3.6 Finance dept. collect and pass 「 Foreign exchange transaction monthly report 」 to Accounting Dept. by month for being the basement of accounting valuation.

7.3 Supervise Management: The Boarding meeting shall supervise and manage this procedure in accordance with the principals as follows:

- 7.3.1 To Appoint High Top Management Personnel pay attention to the supervision and control of the risk of Derivatives Transactions at any time.
- 7.3.2 To evaluate if the performance of Derivatives Transactions meet the management policy and check if the risk is under the field the Company can bear regularly.

7.4 Risk Management Control Measure

7.4.1 Credit Risk Management

The transaction target shall be limited to the banks has business contact with the Company.

7.4.2 Market Price Risk Management

The Market shall be focus on the open foreign exchange provided by bank for hedging transactions, Futures Market is not considered temporarily.

7.4.3 Liquidity Risk Management

For the market liquidity, the personnel shall choose the high liquidity financial products (it can be round turn in the market anytime), the financial organization entrusted by the Company shall have enough information and be capable to trade in the market at any times.

7.4.4 Cash Flow Risk Management

For making the operational funds of the Company to be stable, the funding for the Derivatives Transactions shall be limited in the own funds of the Company.

7.4.5 SOW Risk management

- 7.4.5.1 For avoiding the risk of SOW, the personnel shall adhere the authorization amount of the Company, SOW progress and the whole progress shall be included in internal audit.
- 7.4.5.2 The personnel that deal with the transaction of derivative products, make confirmation of these transactions and make settlements of these transactions shall not be the same.
- 7.4.5.3 The personnel who is responsible for the measure of risk, supervision and control shall be not in the same department with the personnel stated in preceding paragraph, and shall report to Boarding Meeting or General Manager.
- 7.4.5.4 The derivatives products hold in the Company shall be evaluated with one time a week, only for the hedging transactions need to be evaluated with twice times a month because of business requirement, and the evaluation report shall be submitted to the high level management authorized by the Boarding Meeting.

7.4.6 Legal Risk Management

For avoiding the risk, the documents signed by between finance organizations shall be reviewed by exchange personnel or legal consultant.

7.4.7 Other important risk management measure:

None.

7.5 Internal Audit System

Internal auditors shall check the suitability of internal control of derivative transactions periodically and inspect monthly the compliance of the trading departments with the "Handling Procedure to Engage in the Transaction of Derivative Products" and analyze the trading cycle in order to make the auditing report.

7.6 The evaluation procedure and Unusual circumstances handling

- 7.6.1 The derivatives products hold in the Company shall be evaluated with one time a week, only for the hedging transactions need to be evaluated with twice times a month because of business requirement, and the evaluation report shall be submitted to the high level management authorized by the Boarding Meeting.
- 7.6.2 The Boarding meeting shall appoint High Top Management Personnel to supervise and manage this procedure in accordance with the principals as follows:
 - 7.6.2.1 To evaluate if the risk management measure is suitable on the current status and the transaction is dealt with in accordance with this procedure.
 - 7.6.2.2 To supervise transaction and the situation of gains and losses, when the abnormal circumstances happened, the personnel shall take necessary response measures and report to Audit Committee. The Company who has established Independent Directors, Independent Directors shall attend to the Boarding Meeting and express their opinions.
 - 7.6.2.3 Derivative transactions engaged by the Company should be reported to the most recent Audit Committee and Boarding Meeting.

7.7 Announcement/Declare

- 7.7.1 The Company shall announce on the market observatory post system in accordance with 「Operating Procedures for Acquisition and Disposal of Assets by Public Companies」.
- 7.7.2 The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant of the preceding paragraph.

7.8 These Procedures shall be adopted by the major approval of all members of Audit Committee before approved by Board Meeting, and reported to the shareholders meeting. The same is the amendment. If there has director objects to or expresses reservations about these procedures and recorded in the board meeting minutes or has statement in writing, The Company shall submit the

director's objection to Audit Committee. When submit these procedures to Boarding Meeting for discussion in accordance with the provisions of the preceding paragraph, all Independent Directors' opinion shall be fully considered, and the reasons of the agreement/objections shall be recorded in the meeting minute.

Article 8: The Related Document:

8.1 Documents

8.1.1 Procedures for Acquisition or Disposal of Assets

8.2 Forms:

8.2.1 Foreign Exchange Transactions Application

8.2.2 Log Book of Acquisition or Disposal of Assets

8.3 Record and Others:

Not applicable.

AXIOMTEK CO., LTD.

Operating Procedures for Loaning of Funds and Making of Endorsement/Guarantee (before Revision)

Article 1 Purpose

For the purpose of the Company's Loaning of Funds and Making of Endorsement/Guarantee has the standard procedure to be followed, so make this procedures, but it should be made in accordance with the applicable law, if any.

Article 2 Scope

2.1 The Company shall comply with these Regulations when making loans to and endorsements/guarantees for others; provided that where another act or regulation provides otherwise, the provisions of such act shall prevail.

2.2 The party can be loaned of funds by the Company

2.2.1 Under Article 15 of the Company Act, the Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:

2.2.1.1 Where an inter-company or inter-firm business transaction calls for a loan arrangement.

2.2.1.2 Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent (40%) of the lender's net worth.

2.3 The Scope and the party can be making of endorsement/guarantee by the Company

2.3.1 The endorsement and/or guaranty include the following:

2.3.1.1 Financial endorsements/guarantees, including:

2.3.1.1.1 Discounted bill financing.

2.3.1.1.2 Endorsement or guaranty made for the financing needs of other companies.

2.3.1.1.3 Issuing negotiable instruments for the purpose of providing guaranty to obtain finance for its own businesses to an entity other than the financial institutions.

2.3.1.2 "Custom Duty Endorsement and/or Guaranty", which shall mean endorsement or guarantee for the Company itself or other companies in respect of the custom duty matters.

2.3.1.3 "Other endorsements and/or guarantees" which shall mean other endorsements or guarantees which cannot be included in Article 2.3.1.1 and Article 2.3.1.2.

2.3.1.4 The Company which creates a pledge or mortgage on its chattel or real estate as security for the loans of another company shall be subject to these procedures.

2.3.2 The Company may provide endorsement and/or guarantee for the following companies:

2.3.2.1 Subsidiaries in which the Company holds more than 50% of its total outstanding common shares.

2.3.2.2 The company which holds, directly or indirectly through a subsidiary, more than 50% of its outstanding common shares.

2.3.3 Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other, and the amount of endorsements/guarantees may not exceed the regulation of 7.4.1.3.

Article 3 Definitions

- 3.1 Short –term: the period of either one year or one operating cycle, whichever is longer.
- 3.2 Financing Amount: The cumulative balance of the Company’s short-term financing amount.
- 3.3 Subsidiary and Parent Company: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- 3.4 The financial report of Public Company: Refers to the report made by International Financing Reporting Standards (IFRS).
- 3.5 Net Worth: Refers to the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- 3.6 Announce and Report: Refers to the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).
- 3.7 Date of occurrence: Refers to the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the loan and endorsements/guarantees, whichever date is earlier.

Article 4 Reference Regulations

- 4.1 Item 15 of Company Law.
- 4.2 Item 36-1 of Security and Exchange Law.
- 4.3 『Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies』 made by Financial Supervisory Commission (FSC).
- 4.4 Organizational Rules of Audit Committee.

Article 5 Duty

- 5.1 Applicant: To issue the application of Loaning of Funds or Making of Endorsement/Guarantee.
- 5.2 Finance Department:
 - 5.2.1 To evaluate the risk for Loaning of Funds and Making of Endorsement/Guarantee.
 - 5.2.2 To establish memorandum book for recording.
 - 5.2.3 Control and manage the credit of loaning of funds and making of endorsements/guarantees.
 - 5.2.4 Evaluate the status of the Company’s loans of funds and reserve sufficient loss allowance or contingency loss recognition for endorsements/guarantees.
 - 5.2.5 To provide the related information for Certified Accountants exercise the necessary audit program.
 - 5.2.6 Be responsible for the follow-up management process for executing the progress of loaning of funds and making of endorsements/guarantees.
- 5.3 Audit Department: To audit the report of loaning of funds and making of endorsements/guarantees by routine.
- 5.4 President: To review the evaluation report of loaning of funds and making of endorsements/guarantees issued by Finance Department.

5.5 Audit Committee: To establish and modify the procedures herein, and supervise any issue related to the loaning of funds and making of endorsements/guarantees.

5.6 Board of Directors: To make resolution for the issue related to the loaning of funds and making of endorsements/guarantees.

Article 6 Flow Chart

Not applicable

Article 7 Procedures/Way

7.1 The aggregate amount of loans and the maximum amount permitted to a single borrower:

7.1.1 Where an inter-company or inter-firm business transaction calls for a loan arrangement, the loan amount shall not exceed 20 percent of the Company's net worth.

7.1.2 Where a short-term financing facility is necessary, the loan amount shall not exceed 20 percent of the Company's net worth; the individual loan amount shall not exceed 10 percent of the Company's net worth.

7.1.3 Inter-company loans of funds between foreign companies or with the Company in which the Company holds, directly or indirectly, 100% of the voting shares, the loan amount shall not exceed 40 percent of the Company's net worth. The individual loan amount shall not exceed 10 percent of the Company's net worth.

7.1.4 The responsible person of the Company who has violated the regulation of 2.2.1 shall be liable, jointly and severally with the borrower, for the repayment of the loan at issue and for the damages, if any, to company resulted there-from.

7.2 Duration of loans and calculation of interest

7.2.1 The period of the loan made by the Company shall be made resolution by the Board of the directors by complying with this procedures, the period shall not be exceed 1 year. After the expiration of the period, it can be extended after approving by the Board of the directors.

7.2.2 When the Company makes loans to the others, the rate could not be lower than short-term lending average rates of Financial Industry, and shall calculate the interest by month.

7.3 Procedures for handling loans of funds and detailed review

7.3.1 The applied unit shall provide the basic information of the party the Company is going to make loan to, the recent 2 years financial information, describe the necessity and rationality, risk evaluation, estimated loan term and amount, pay-off plan and the source of funds and so on, the applicant need to send the information mentioned herein to Financial dept. for verifying.

7.3.2 When making a loan to the other, it shall meet the requirement of item 2.2, and the finance object needs to be verified detail by Finance dept. in advance, the procedures shall include as following:

7.3.2.1 The necessity and rationality evaluation for making a loan to the others.

7.3.2.2 The Borrower's credit investigation and risk evaluation, including the financial situation of it's business operation, debt-paying, credit ability, profit situation, use of the loan, the maximum amount for the loan, duration and calculation of interest.

7.3.2.3 Impact on the Company's business operations, financial condition, and shareholders' equity.

7.3.2.4 Explain to if the Company needs to get guarantor or have collateral to the Company and the appraisal report of collateral.

7.3.2.5 The Company intending to loan funds to others shall evaluate cautiously to see if the procedures compliance with these Regulations, and submits it for discussion by the Board of Directors with appraisal under the preceding paragraph, the directors' authorization is prohibited.

- 7.3.2.6 Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the Board of Directors pursuant to the regulations, and the chairperson may be authorized, for a specific borrowing counterparty, within the limitation of 10 percent of net worth of the last financial statement of the Company resolved by the Board of Directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.
- 7.3.3 Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights
 - 7.3.3.1 The Company shall prepare a memorandum book for its fund-lending activities and truthfully record the following information: borrower, amount, date of approval by the Board of Directors, lending/borrowing date, and matters to be carefully evaluated under the regulations.
 - 7.3.3.2 Finance Dept. shall evaluate the status of making a loan and reserve sufficient loss allowance, and disclose the related information for making a loan, also provide the related information to Certified Accountant for exercising necessary audit procedure.
 - 7.3.3.3 When the borrower repays the loan on or before the due date, the interest of the loan shall be calculated in advance, and be paid off with principal, then the Company can write the loan off or make a lien cancellation.
 - 7.3.3.4 Finance Dept. shall investigate and evaluate the finance situation, business and the related credit condition of borrowers and guarantors, Finance Dept. shall circulate a notice immediately, provided if any dramatic changes happened.
 - 7.3.3.5 If finance object can not exercise the finance contract for its own reasons, the Company has the right to disposal of collateral of borrowers or recovery of loss from the guarantor of borrowers directly according to the law.
 - 7.3.3.6 If, as a result of a change in circumstances, an entity for which an endorsement/guarantee is made does not meet the requirements of these Regulations or the loan balance exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the members of Audit Committee, and shall complete the rectification according to the timeframe set out in the plan.

7.4 Procedures for handling endorsements/guarantee and detailed review

7.4.1 The Amount of endorsement/guarantee

- 7.4.1.1 The ceilings on the amounts the Company is permitted to make in endorsements/guarantees shall not exceed 50 percent of the Company's net worth. The amount of endorsements/guarantees for any single entity shall not exceed 10 percent of the Company's net worth.
- 7.4.1.2 The amount of endorsement/guarantee of the Company and its subsidiaries as a whole are permitted to make shall not exceed 50 percent of the Company's net worth. And amount of endorsement/guarantee of the Company and its subsidiaries as a whole are permitted for any single entity shall not exceed 10 percent of the Company's net worth.
- 7.4.1.3 The Company can make endorsement/guarantee for the companies it holds, directly or indirectly, 90% or more of the voting shares, and the amount shall not exceed 10 percent of the Company's net worth of the most recent financial statement, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.

7.4.2 Procedures for handling endorsements/guarantee and detailed review

- 7.4.2.1 The applied unit shall provide the basic information of the party the Company is going to make endorsement/guarantee to, the recent 2 years financial information, describe the necessity and rationality, risk evaluation, estimated endorsement/guarantee term and amount, the applicant need to send the information mentioned herein to Finance

dept. for verifying.

- 7.4.2.2 When making an endorsement/guarantee to the other, it shall meet the requirement of item 2.3, and the Finance dept. needs to verified detail in advance, the procedures shall include as following:
 - 7.4.2.2.1 The necessity and rationality evaluation for making an endorsement/guarantee to the others.
 - 7.4.2.2.2 The warrantee's credit investigation and risk evaluation, including the financial situation of it's business operation, debt-paying, credit ability, profit situation, use of the endorsement/guarantee, the maximum amount for the endorsement/guarantee and the duration.
 - 7.4.2.2.3 Impact on the Company's business operations, financial condition, and shareholders' equity.
 - 7.4.2.2.4 Explain to if the Company needs to get guarantor or have collateral to the Company and the appraisal report of collateral.
- 7.4.2.3 Before making an endorsement/guarantee for others, the Company shall carefully evaluate whether the endorsement/guarantee is in compliance with these Regulations and the Company's Operational Procedures for Endorsements/Guarantees for Others. The Company may make an endorsement/guarantee only after the evaluation results under this paragraph have been submitted to and resolved upon by the Board of Directors.
- 7.4.2.4 The Company shall prepare a memorandum book for its endorsement/guarantee activities and record in detail the following information for the record: the entity for which the endorsement/guarantee is made, the amount, the date of passage by the Board of Directors or of authorization by the chairman of the board, the date the endorsement/guarantee is made, and the matters to be carefully evaluated under the regulations.
- 7.4.2.5. For circumstances in which an entity for which the Company makes any endorsement/guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, the Company shall keep monitoring and follow-up. In the case of a subsidiary with shares having no par value or a par value other than NT\$10, for the paid-in capital in the calculation under preceding paragraph, the sum of the share capital plus paid-in capital in excess of par shall be substituted.
- 7.4.2.6 Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of these Regulations, or the amount of endorsement/guarantee exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all members of Audit Committee, and shall complete the rectification according to the timeframe set out in the plan.
- 7.4.2.7 The Company shall evaluate or record the contingent loss for endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its financial reports and provide certified public accountants with relevant information for implementation of necessary audit procedures.
- 7.4.3 The use and safekeeping of the corporate Chop and procedures
 - 7.4.3.1 The Company shall use the company chop (the "Chop") registered with the Ministry of Economic Affairs ("MOEA") for the use of endorsement and/or guarantee, the Chop shall be under the safekeeping of a special personnel who is approved by the resolution of the Board of Directors, the Chop may be used and safekeeping only following the regulations of 『Procedures for Managing the Chop』。
 - 7.4.3.2 If the Company provides guarantees in favor of a foreign company, the Guarantee Agreement shall be signed by the person who was authorized by the Board of Directors.

7.4.4 The management level responsible for decision making and authorizing personnel within the Company

7.4.4.1 When proving endorsements and/or guarantees to the Company's subsidiaries, the Board of Directors may authorize the Chairman of the Board to decide such matters when the transaction is within a specified amount regulated by these procedures and then submit such matter to the Board of Directors for ratification.

7.4.4.2 When proving endorsements and/or guarantees necessary due to the Company's business consideration, it shall be approved by the meeting of the Board of the Directors in advance, however, for co-operating the time effectiveness, the Chairman can be authorized by the Board of Directors to decide such matters within the amount of 10 percent of net worth, and then submit such matter to the Board of Directors for ratification. If the meeting of the board of the directors does not pass the resolution for ratification, the company shall adopt a plan to discharge the endorsements and/or guarantees within a certain period.

7.4.4.3 The Company may provide endorsement/guarantee exceeding the amount permitted in the Procedure of item 7.4.1, provided that the prior approval from the board of the directors is obtained, and more than half of the directors shall be the joint guarantors for the loss of the company resulting from the amount in excess of the permitted endorsement/guarantee amount. The Company shall also revise the Procedure accordingly and submit it to the Shareholders' Meeting for ratification. If the Shareholders' Meeting does not pass the resolution for ratification, the company shall adopt a plan to discharge the amount in excess within a certain period. When this matter is submitted to the meeting of the Board of Directors, it shall take into full consideration each independent director's opinions; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the Board of Directors.

7.5 The managers and organizers violate these procedures, he/she shall be warned, given a demerits, demoted, suspend, partial salary, or other punishment in accordance with the seriousness of the case; the meeting of the board of the directors has the right to make a resolution to decide if arise out of a litigation against the person who violate these procedures when the his/her violation cause any damage to the Company.

7.6 The procedure for making public announcement and filing

7.6.1 The Company shall announce and report the previous month's balance of the loan and endorsements/guarantees of itself and its subsidiaries by the 10th day of each month.

7.6.2 The Company's loans of funds reach one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:

7.6.2.1 The aggregate balance of loans to others by the Company and its subsidiaries reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.

7.6.2.2 The balance of loans by the Company and its subsidiaries to a single enterprise reaches 10 percent or more of the Company's net worth as stated in its latest financial statement.

7.6.2.3 The amount of new loans of funds by the Company or its subsidiaries reaches NT\$10 million or more, and reaches 2 percent or more of the Company's net worth as stated in its latest financial statement.

7.6.2.4 The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant of Article 7.6.2.3.

7.6.3 The Company's balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the

date of occurrence:

- 7.6.3.1 The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.
- 7.6.3.2 The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.
- 7.6.3.3 The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, the carrying amount of investments accounted for using equity method, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.
- 7.6.3.4 The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.
- 7.6.3.5 The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant of Article 7.6.3.4.

7.7 The Company's internal auditors shall audit the Operational Procedures for making a loan and Endorsements/Guarantees for Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify Audit Committee in writing of any material violation found.

7.8 The management of subsidiaries

- 7.8.1 When the subsidiaries of the Company is Making a loan and Endorsements/Guarantees for Others, the Company shall have subsidiaries set 「Procedures for Loaning of Funds and Making of Endorsement/Guarantee」 in accordance with these procedures, and shall be follow the procedures.
- 7.8.2 Before making any endorsement/guarantee pursuant to Article 7.4.1.3., a subsidiary in which the Company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsement/guarantee to the Company's Board of Directors for a resolution, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.
- 7.8.3 Subsidiaries shall report to the Company the previous month's balance of the loan and endorsements/guarantees, the party and the term by the 5th day of each month.

7.9 The provisions or modification of the Procedure:

- 7.9.1 It shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution, and then submitted to Shareholders' Meeting for approval, if a director objects to or expresses reservations about any matter of the procedure, it shall be recorded in the minutes of the Board of Directors meeting and the Company shall submit the director's dissenting opinion to Shareholders' Meeting for discussion.
- 7.9.2 If approval of more than half of all Audit Committee members is not obtained, the Procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors.
- 7.9.3 All audit committee members and all directors shall be counted as the actual number of persons currently holding those positions.

Article 8 The related documents

8.1 Documents

Procedures for Managing the Chop.

8.2 Form

8.2.1 The memorandum book of making a loan to others.

8.2.2. The memorandum book of Endorsements/Guarantees to others.

8.3 Record and others

Not applicable

AXIOMTEK CO., LTD.

Rules of Procedures for Shareholders' Meeting

Article 1

To establish a strong governance system and sound supervisory capabilities for the Company's Shareholders Meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies".

Article 2

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

Article 3

Unless otherwise provided by law or regulation, the Company's Shareholders Meeting shall be convened by the Board of Directors.

When the Company convenes the virtual meeting of the Shareholders meeting, unless otherwise stipulated in Regulations Governing the Administration of Shareholder Services of Public Companies, it shall be specified in the articles of association, and shall be resolved by the Board of Directors, and the virtual meeting of the Shareholders meeting shall be implemented with the attendance of more than two-thirds of the Directors and the consent of more than half of the Directors present at the Board of Directors.

Changes to how the Company convenes its Shareholders Meeting shall be resolved by the Board of Directors and shall be made no later than mailing of the Shareholders Meeting notice.

The Company shall prepare electronic versions of the Shareholders Meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular Shareholders Meeting or before 15 days before the date of a special Shareholders Meeting. The Company shall prepare electronic versions of the Shareholders Meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular Shareholders Meeting or before 15 days before the date of the special Shareholders Meeting. If, however, the Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the Shareholders Meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular Shareholders Meeting. In addition, before 15 days before the date of the Shareholders Meeting, the Company shall also have prepared the Shareholders Meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

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

1. For physical Shareholders Meetings, to be distributed on-site at the meeting.
2. For hybrid Shareholders Meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

3. For virtual-only Shareholders Meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a Shareholders Meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Matters pertaining to election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of Company Act, Article 26-1, Article 43-6 of Securities and Exchange Act, Article 56-1 and Article 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions.

The convening of the Shareholders Meeting has stated the full re-election of directors and the date of appointment. After the re-election of the Shareholders Meeting is completed, the same meeting may not change its appointment date by provisional motion or other means.

A shareholder holding one percent (1%) or more of the total number of outstanding shares may propose to the Company a proposal for discussion at a regular Shareholders Meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Shareholders may submit a proposed proposal for urging the Company to promote public interests or fulfill its social responsibilities, and it is limited to one only in accordance with the relevant provisions of Article 172-1 of Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the date on which share transfer registration is suspended before the convention of a regular Shareholders Meeting, the company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular Shareholders Meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a Shareholders Meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the Shareholders Meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4

For each Shareholders Meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given Shareholders Meeting and shall deliver the proxy form to the Company before 5 days before the date of the Shareholders Meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the Shareholders

Meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

The venue for a Shareholders Meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a Shareholders Meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the Independent Directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only Shareholders Meeting.

Article 6

The Company shall specify in its Shareholders Meeting notices the time during which shareholder, solicitor and proxies (collectively, “shareholders”) attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

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

Shareholders shall attend Shareholders Meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker’s slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a Shareholders Meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

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

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

Article 6-1

To convene a virtual Shareholders Meeting, the Company shall include the follow particulars in the Shareholders Meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual Shareholders Meeting shall not attend the postponed or resumed session.

- C. In case of a hybrid Shareholders Meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual Shareholders Meeting online, meets the minimum legal requirement for a shareholder meeting, then the Shareholders Meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that Shareholders Meeting.
 - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only Shareholders Meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual Shareholders Meeting online shall be specified. Except for the circumstances stipulated in Item 6, Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, at least shareholders shall be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the Company and other relevant matters shall be specified.

Article 7

If a Shareholders Meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the Directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the Directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that Shareholders Meetings convened by the Board of Directors be chaired by the chairperson of the board in person and attended by a majority of the Directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a Shareholders Meeting in a non-voting capacity.

Article 8

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the Shareholders Meeting, and the voting and vote counting procedures.

The Company shall retain the recording for at 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation. Where a Shareholders Meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be

provided to and kept by the party appointed to handle matters of the virtual meeting. In case of a virtual Shareholders Meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9

Attendance at Shareholders Meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sing-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and announce relevant information such as the number of non-voting rights and the number of shares in attendance. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual Shareholders Meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act, all shareholders shall be notified of the tentative resolution and another Shareholders Meeting shall be convened within 1 month. In the event of a virtual Shareholders Meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

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. Relevant motions (including temporary motions and amendments to the original motions) shall be decided on a case-by-case basis. 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. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in order to comply with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders, when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

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.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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.

When a juristic person shareholder appoints two or more representatives to attend a Shareholders Meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

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

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

Article 12

Voting at Shareholders Meeting shall be calculated based the number of shares.

With respect to resolutions of Shareholders Meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When voting rights are exercised by correspondence or electronic means, the method of exercise shall be established in accordance with the laws and 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. However, the shareholder mentioned in the preceding paragraph will be deemed to waive the right for the motion and the modification of the proposal at that Shareholders Meeting mentioned herein, therefore, the Company shall avoid the situation of providing the proposal for the motion and the modification for the agenda item.

When shareholder exercises voting rights by written consent or electronic means in accordance with the preceding paragraph, the intention shall be delivered to the Company before 2 days before the date of the Shareholders Meeting, when the intention repeat, the one received earliest shall prevail unless a declaration is made to cancel the previous intention.

After shareholder exercises voting rights by written consent or electronic means, if they want to attend to the Shareholders Meeting in personal or online, the shareholder mentioned in the preceding sentence shall withdraw the intention by written consent or electronic means in the same way of exercising voting rights before 2 days before the date of the Shareholders Meeting; when the withdraw mentioned

herein is overdue, the voting rights by written consent or electronic mean shall prevail. If shareholder exercises voting rights by written consent or electronic means and appoint agent as proxy to attend the Shareholders Meeting, the voting right of proxy shall prevail.

Except as otherwise specified in the Company Act or in the Company's articles of incorporation, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the meeting.

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 veto, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, and all monitoring personnel shall be shareholders of the Company.

Vote counting shall be conducted in public at the place of the Shareholders Meeting and voting results shall be reported on-site immediately and recorded in writing.

When the Company convenes a virtual Shareholders Meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

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

When the Company convenes a hybrid Shareholders Meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical Shareholders Meeting in person, they shall revoke their registration two days before the Shareholders Meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the Shareholders Meeting online.

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

Article 14

The election of Directors at a Shareholders Meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the list of elected Directors and the number of elected rights, and the list of failed Directors and the number of election rights obtained.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a Shareholders Meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The distribution of the meeting minutes could be in the way of electronic form.

The distribution for the meeting minutes in the preceding paragraph can be in the ways of published in MOPS.

The meeting minutes shall record the date of the meeting, place, the chair name, the way of resolution and the results of voting (including the weight of statistics). When there are elected directors, the number of votes for each candidate shall be disclosed and keep it forever during the term of continuing of the Company.

Where a virtual Shareholders Meeting is convened, in addition to the particulars to be included in the

meeting minutes as described in the preceding paragraph, the start time and end time of the Shareholders Meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

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

Article 16

On the day of a Shareholders Meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the Shareholders Meeting. In the event a virtual Shareholders Meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual Shareholders Meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a Shareholders Meeting constitute information under applicable laws or regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

The personnel who is responsible for the Shareholders Meeting shall wear the badge or identification card.

The chairman may conduct the disciplinary officers or the security guard to assist in keeping order of the meeting place. Such disciplinary officers or the security guard shall wear the badge marked "Disciplinary officers" for identification purpose.

At the place of meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceeding and refusing to heed calls to stop, the chair may direct relevant personnel to escort the shareholder from the meeting.

Article 18

During the meeting, the chairman may, at his discretion, set time for intermission. In case of incident of force majeure, the chairman may decide to temporarily suspend the Meeting and announce, depending on the situation.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the Shareholders Meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a Shareholders Meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19

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

Article 20

When the Company convenes a virtual-only Shareholders Meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21

In the event of a virtual Shareholders Meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual Shareholders Meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

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

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

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

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

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

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

Article 22

When convening a virtual-only Shareholders Meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual Shareholders Meeting online. Except for the circumstances stipulated in Item 6, Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, at least shareholders shall be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the Company and other relevant matters shall be specified.

Article 23

These Rules and Procedure shall be effective from the date it is approved by the Shareholders Meeting. The same applies in case of revision.

Article 24

The amendment was made on May 30, 2023.

AXIOMTEK CO., LTD.**Particulars about Shareholding of All Directors**

I. As per calculation based on the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the minimum number of shares that all directors of the Company should hold is as follows:

- (I) The Company's paid-in capital is TWD 1,075,630,170, and the number of issued shares is 107,563,017. The total registered shares owned by all directors shall not be less than 7.5% of the total shares, totaling 8,067,226 shares. Since it is less than the maximum shareholding under the preceding subparagraph, according to the regulations, the minimum number of shares held by all directors shall be 10,000,000 shares based on the maximum number of 10,000,000 shares stipulated in the preceding subparagraph.
- (II) The Company has elected three independent directors. According to the regulations, the shareholding ratio calculated based on the ratio in the preceding paragraph for all directors other than independent directors is reduced to 80%. Therefore, the minimum number of shares that all directors of the Company should hold is 8,000,000 shares.

II. As of March 24th, 2025 (book closure date), the shareholding of all directors in the shareholders' registry are as follows:

Title	Name	Representative	Current Shareholding	
			Shares	Shareholding Ratio %
Chairman	Yang, Yu-Te		2,037,156	1.89
Director	Advantech Co., Ltd.	Liu, Wei-Ting	28,080,142	26.11
Director	Tsai, Shih-Yang		1,697,855	1.58
Director	Huang, Jui-Nan		319,865	0.30
Independent Director	Chang, Jen-Chih		0	0
Independent Director	Yu, Chwo-Ming		18,595	0.02
Independent Director	Lin, Hsiu-Ting		0	0
The Shareholding of Ordinary Shares Held by all Directors			32,153,613	29.90

III. The number of shares held by all Directors has reached the legal minimum shareholding ratio.