SUN MAX TECH LIMITED

2024 Annual Shareholders Meeting Minutes

Meeting convention method: Physical shareholders meeting

Time: 9:00 a.m. on May 31 (Friday), 2024

Location: Conference Room, Sun Max Tech Limited

(9F, No. 166, Jian 1st Road, Chunghe District, New Taipei City)

Attendance: Total shares representd by shareholders present in person or by proxy:

25,023,253hares as for 66.58% of total outstanding 37,583,873 shares.

Chairman: HSU Wen-Faung for and on behalf of SINOTEAM HOLDINGS INC

Recorded by: Chen Ying- Ju

Directors present:

HSU Wen-Faung for and on behalf of SINOTEAM HOLDINGS INC
LAI,Jen-Chun；HSIEH,Yu-Tien(Independent director)；CHEN, Tien-Szu(Independent director) ；CHIU,Shih-Fang(Independent director)；GUAN, JYH-LIANG(Independent director) and Hsieh Tung Ju (Deloitte & Touche)(Accountants)；Yao,Cheng-Min (CFO)

Company Reports

Proposal 1:

Subject: Presenting the 2023 Business Report

Note: The 2023 Business Report is on page 8~10 (Attachment 1) of the Handbook.

Proposal 2:

Subject: Presenting the 2023 Audit Committee's Review Report

Note: The 2023 Audit Committee's Review Report is on page 11 (Attachment 2) of the Handbook.

Proposal 3:

Subject: Presenting the 2023 Distribution Status of Remuneration to Employees and Directors

Note: According to the Articles of Incorporation, the profit sharing for 2023, all in the form of cash, is NTD 5,186,444 (or 4% distribution rate) for the employees and NTD 2,593,222 (or 2% distribution rate) for the directors. Please see Page 12 (Attachment 3) in this handbook.

Proposal 4:

Subject: Reporting on the distribution of 2023 earnings as cash dividends.

Notes:
1. Pursuant to Section 125A of the Articles, the Board of Directors is authorized to distribute all or part of the distributable dividends and bonus in cash.
2. The company will appropriate NTD 102,462,775 from the 2023 distributable earnings for cash dividends, and distribute NTD 2.75 per share. The schedule of distribution of 2023 earnings is attached to this manual on page 12 as [Attachment 3].
3. The Chairman is authorized to set the record date and other relevant matters. The cash dividends will be paid to the nearest dollar. Any value difference less than one dollar will be recognized by the company as expense or other incomes. In addition, if the number of outstanding shares for the above distribution of earnings is affected by the repurchase or cancellation of shares, offering and issuance for capital increase in cash, conversion of corporate bonds, the Chairman is fully authorized to take appropriate measures.

Proposal 5:

Subject: Reporting on the conversion of domestic corporate bonds.

Note:
1. The Company issued 2,000 units of the third domestic unsecured convertible corporate bond on August 12, 2022. As of the book closure date, April 2, 2024, 1,470 units were converted, and530 units remained unconverted. The total face value of the remaining third domestic unsecured corporate bond was NTD 53,000,000.-.

Proposal 6:

Subject: Presenting the Company's amended "Rules of Procedure for Board of Directors Meetings".

Note: In accordance with the Order Jin-Guan-Zheng-Fa-Zi No.1120383996 issued by the Financial Supervisory on January 11, 2024, amendments are made to Articles 8, 11 and 18. Pease see Page 13 to 14 (Attachment 4) for the comparisons of old and new articles from "Procedure for Board of Directors Meetings."

Proposals

Proposal 1: [Proposed by the Board]

Subject: The 2023 business report and financial statements are reported for recognition.

Notes: 1. The company's 2023 consolidated financial statements are audited by Hsieh, Tung-Ju, CPA, and Lin, Wang-Sheng, CPA of Deloitte & Touche, who issued unqualified opinion. The business report is attached to this manual on pages 8 and 10 as [Appendix 1]. The 2023 consolidated financial statements are attached to this manual on pages 15 to 24 as [Attachment 5].

2. The motion has been resolved by the 11th meeting of the 3rd term of the Audit Committee on March 14, 2024 and the 12th meeting of the 4th term of Board of Directors on March 14, 2024, and hereby reported for recognition pursuant to the law.

Resolutions: Shares represented at the time of voting：25,023,253 votes，

The above proposal be and hereby was approved as proposed

Vote Results：

Voting Rsults	% of the total represented share present
Votes in favor：24,893,827 Votes (including820,929 votes casted in electronic form)	99.48%
Against Votes：5,678 Votes (including 5,678 votescasted in electronic form)	0.02%
Invalid votes：0 Votes (including 0 votescasted in electronic form)	0.00%
Abstained votes/ no votes：123,748 Votes (including 123,748 votes in electronic form)	0.49%

Proposal 2: [Proposed by the Board]

Subject: Distribution of 2023 earnings.

Note: The distribution of 2023 earnings has been approved by the 11th meeting of the 3rd term meeting of Audit Committee on March 14, 2024, and by the 12th meeting of the 4th term of the Board of Directors on March 14, 2024. The schedule of earning distribution is attached to this manual on page 12 as [Attachment 3] and hereby reported for recognition pursuant to the law.

Resolutions: Shares represented at the time of voting：25,023,253 votes，

The above proposal be and hereby was approved as proposed

Vote Results：

Voting Rsults	% of the total represented share present
Votes in favor：24,908,824Votes (including835,926 votes casted in electronic form)	99.54%
Against Votes：2,679 Votes (including 2,679 votescasted in electronic form)	0.01%
Invalid votes：0 Votes (including 0 votescasted in electronic form)	0.00%
Invalid votes：111,750 Votes (including 111,750 votescasted in electronic form)	0.45%

Discussions

Proposal 1: [Proposed by the Board]

Subject: Amendment to "Rules and Procedures of Shareholders Meeting."

Notes 1. Amendment pursuant to Taiwan Stock Exchange Tai-Zheng-Ji-Li-Zhi No. 11200041671 Order dated March 17, 2023. Amendments are made to Articles 2, 5-1, 17-4 and 19, and please refer to Attachment 6 on pages 25–27 for the Comparison Table of Amendments to the "Rules and Procedures of Shareholders' Meeting."

2. The motion has been resolved by the 7th meeting of the 3rd term of the Audit Committee on May 12, 2023 and the 8th meeting of the 4th term of Board of Directors on May 12, 2023, and is presented here for discussion in accordance with laws.

Resolutions: Shares represented at the time of voting：25,023,253 votes，

The above proposal be and hereby was approved as proposed

Vote Results：

Voting Rsults	% of the total represented share present
Votes in favor：24,895,755Votes (including 882,857 votes casted in electronic form)	99.49%
Against Votes：2,751 Votes (including 2,751 votescasted in electronic form)	0.01%
Invalid votes：0 Votes (including 0 votescasted in electronic form)	0.00%
Abstained votes/ no votes：124,747 Votes (including 124,747 votes in electronic form)	0.50%

Proposal 2: [Proposed by the Board]

Subject: Presenting the Company's amended "Procedures for Election of Directors".

Notes 1. Amendment pursuant to Taiwan Stock Exchange Tai-Zheng-Ji-Li-Zhi No. 11200147631 Order dated August 23, 2023. Amendment Article 3, 6, 7 and 18. Please refer to [Attachment 7] on pages 28–29 for the Comparison Table of Amendments to the "Procedures for Election of Directors."

2. The motion has been resolved by the 9th meeting of the 3rd term of the Audit Committee on November 10, 2023 and the 10th meeting of the 4th term of Board of Directors on November 1, 2023, and is presented here for discussion in accordance with laws.

Resolutions: Shares represented at the time of voting：25,023,253 votes，

The above proposal be and hereby was approved as proposed

Vote Results：

Voting Rsults	% of the total represented share present
Votes in favor：24,895,754Votes (including 822,856 votes casted in electronic form)	99.949
Against Votes：2,756Votes (including 2,756 votescasted in electronic form)	0.01%
Invalid votes：0 Votes (including 0 votescasted in electronic form)	0.00%
Abstained votes/ no votes：124,743 Votes (including 124,743 votes in electronic form)	0.50%

Questions and Motions：There being no other business and special motion.

Adjournment：The meeting was adjourned at a.m. 09:15

Note：There are no shareholders' questions at this shareholders' meeting

Chairman: HSU Wen-Faung for and on behalf of SINOTEAM HOLDINGS INC

SINOTEAM HOLDINGS INC. 代表人:許文昉

Recorded by: Chen Ying- Ju 陳盈如

III. Attachment

Attachment 1. 2023 Business Report

2023 Business Report

Hindered by the hiking inflation in the global market, the sluggish demand at the end market and the inventory adjustment of the industry in 2023, the global economic growth has slowed, accompanied with weakened spending power. As a result, the Company's revenue for 2023 was 16.66% down from 2022. Coping with these challenges in the business environment, we rightsized the factory in Mainland China and effectively raised the production efficiency while continuously deepening our core technology and manufacturing capability to reduce production costs and successively enhance quality and service efficiency, thereby maintaining our profitability and protecting shareholders' interests. At the same time, we continue to strengthen our ability in providing cooling solutions and add value to the existing products by developing applications in new markets, such as edge computing, high-performance computing and artificial intelligence.

Looking ahead in 2024, we will endeavor to increase the presence of niche cooling fan products in various industries, such as AI servers and automobiles. Following the on-time testing schedule with clients, we are expecting to intensify the cooperation with clients in the e-sports industry and, at the same time, lay out the development plan in new fields for exceptional business performance in the future.

I. 2023 business overview

(I) Financial performance:

(1) Consolidated operating revenues and net profit after tax

Unit: NTD thousand

Item	2023	%	2022	%	Increase (decrease) in amount	Variation
Operating revenue	1,382,210	100.00	1,658,588	100.00	(276,378)	(16.66)
Gross profit	390,973	28.29	515,507	31.08	(124,534)	(24.16)
Profit from operations	122,331	8.85	259,797	15.66	(137,466)	(52.91)
Profit after income tax	118,311	8.56	225,947	13.62	(107,636)	(47.64)

The gross profit margin was 28.29% in 2023, representing a decrease of 2.79% from the 31.08% in the year before; the operating net profit margin was 8.85%, representing a decrease of 6.81% from the 15.66% in the year before; the net income rate was 8.56%, representing a decrease of 3.30% from the 11.86% in the year before.

(2) Profitability

Item	2023	2022
ROA (%)	4.62	8.62
Return on shareholders' equity (%)	6.77	13.87
Net profit rate (%)	8.56	13.62
Earnings per share (NTD)	3.40	6.9

(3) Budget implementation: Not applicable (the Company did not prepare a financial forecast for the year of 2023)

(II) Research and development:

(1) The number of new patents added to the fan structure category in 2023 was 24. As of end 2023, the number of new utility model patents obtained was 115 in Mainland China and 137 in Taiwan. During the same period, the number of new invention patents obtained was 1 in U.S.A., 7 in Japan and 1 in Europe. Total research expenditure for 2023 went up by 7.60% to NTD 68,551 thousand (4.96% of revenue) from NTD 63,709 thousand (3.84% of revenue) last year.

(2) We will continue to strengthen our competitive advantages in R&D and technology. Through capital expenditure in purchasing laboratory equipment and aggressive cultivation and recruitment of R&D professionals, we are extending our scope to e-sports, servers and telematics cooling, thereby scaling up the overall performance and revenue.

II. 2024 Business Plan Overview

(I) **2024** business strategy:

(1) We will boost the strategic partnership with clients, foster the collaboration in developing the industry and provide diversified and integrated solutions and professional after-sales services.

(2) We will build up an excellent quality management system to meet customer needs and provide services, so as to realize the goal of smart factory by automating, digitalizing, and intelligentizing the manufacturing process.

(3) Build up a no-nonsense R&D team and cultivate R&D talents, enhance R&D energy, continue patent innovation and application technology betterment, and enhance the Company's core competence and creativity continuously.

(4) We will continue the R&D projects that closely track customer needs and the market trends with the established and completed simulation and testing facilities to ensure sound product quality to our customers.

(II) Sales volume forecast and the basis therefor: the Company does not publish its financial forecast, so it is not applicable.

(III) Important production and sales policies:

(1) Improve coordination ability for production and sales, precisely manage product delivery schedule, constantly monitor change of market demands and correctly deliver to meet customers' demands.

(2) Continue to optimize manufacturing process, increase the manufacturing automation rate, and enhance product quality and production efficiency to gain competitive edge.

(3) Review product strategy and development trend and lay out an optimized product development process by focusing on market trend.

(4) Master market trend and actively build up our strength in R&D, design and production management to raise added value of products.

(5) In response to various demands of customers, provide diverse system cooling solutions and form a wide spectrum of product lines.

III. The Company's future development strategy:

(I) Expand R&D in the application of cooling products in telematics and collaborate with customers to develop high added value products and high-performance cooling solutions.

(II) Develop the smart factory, making good use of machinery and equipment to enhance manufacturing efficiency and product yield and reducing labor cost and error rate. In addition, with the models provided by the MES, transform the key physical manufacturing elements in the manufacturing process, such as work orders, manufacturing equipment, raw materials and manufacturing areas, into controllable data and processes.

(III) We will boost the momentum for patent creations and business innovations to serve our global customers with the capacity to compete locally.

(IV) R&D cooling products for AI PC and servers in line with customers' business development needs and form strategic partnerships with these customers.
(V) Launch low-carbon transition and quantify carbon emissions through carbon inventory. Move toward the vision of low-carbon sustainable development to lower the carbon emissions from operation and hence meet customers' requirements for supply chain.

IV. Impacts by the external competitive environment, regulatory environment and overall business environment:

We have set up a sustainable development promotion team responsible for compliance with current domestic and foreign laws and regulations required for our operations. The management team will also monitor, guide with and review topics in business operations that will possibly impact the policies and laws related to the Company's financial and business position, environmental topics concerning the relation between operations and production and environment, and social topics about how to create mutually beneficial relations between the Company, society and all stakeholders.

Looking ahead in 2024, the uneasy geopolitical instability and China–US trade war along with the pressure from inflation have placed the global economy and political situation in an era of hyper uncertainty. We will maintain the business resilience of the Company and close partnership with customers and continue to focus on the development in various application fields. We are committed to our business philosophy of technology enhancement and stable production capacity, so that we can provide our customers with comprehensive solutions and become their trusted partner in the hope of stable profit growth for our shareholders and fulfillment of social responsibilities.

Finally, I would like to express my heartfelt thanks to all shareholders for your support and encouragement. In the coming year, with your continuous guidance and support, the management team will continue to pursue the business philosophy and new ideas, hence granting us fruitful results to share with you.

Chairman: SINOTEAM HOLDINGS INC Legal representative: HSU Wen-Faung	Manager: HSU Wen-Faung	Head of Accounting: YAO, Cheng-Min

Attachment 2. 2023 Audit Committee' Review Report.

Audit Committee' Review Report

The board of directors has prepared the company's business report, financial statements and earnings distribution proposal for 2023. The financial statements have been audited by Hsieh, Tung-Ju and Lin, Wang-Sheng, certified public accountants of Deloitte CPA Firm and the audit report has been issued. The above-mentioned business report, financial statement and earnings distribution proposal have not been found to be consistent by the audit committee. Therefore, the report is as the above in accordance with the relevant provisions of the Securities and Exchange Act and the Company Act. Please check.

To:

Sun Max Tech Limited

Sun Max Tech Limited
Convener of Audit Committee, HSIEH, Yu-Tien

March 14, 2024

Attachment 3. 2023 Statement of Retained Earnings

SUN MAX TECH LIMITED

Statement of earnings distribution

2023

Unit: NTD

Item	No.	Amount	Remarks
Unappropriated earnings - beginning	1	371,695,466	
Current year net income after tax	2	118,516,494	
Legal reserve (10%)	3	(11,851,649)	
Appropriate special reserve lawfully	4	(23,219,369)	Note 1
Distributable earnings of current period	5=1+2+3+4	455,140,942	
Distribution:			
Shareholder bonus – NTD 2.75 per share	8	(102,462,775)	Note 2
Unappropriated earnings - ending	9=7+8	352,678,167	
Additional notes			
Distribution of cash dividends to employee		5,186,444	
Distribution of directors' remuneration		2,593,222	

Note:

1. Pursuant to Article 41, Paragraph 1 of the Securities and Exchange Act, allocate or reverse special reserve.
2. When the Company repurchases or cancels shares, handles cash capital increase and corporate bond conversion with offering, issuance, etc. that affects the outstanding shares and the shareholder dividend rate, the chairman should be authorized for discretionary process

Chairman: Manager: Chief accountant:

Attachment 4. Comparison Table for Rules of Procedure for Board of Directors Meetings

Clauses after the amendment	Existing clauses	Remark
Article 8 and above are omitted. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement on the day of the meeting time, provided that no more than two such postponements be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The term "all the directors" as used in the preceding paragraph and in Article 16, Paragraph 2, Subparagraph 2 shall be calculated as the number of directors then in office.	Article 8 and above are omitted. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The term "all the directors" as used in the preceding paragraph and in Article 16, Paragraph 2, Subparagraph 2 shall be calculated as the number of directors then in office.	1. Amended in accordance with the announcement of the Financial Supervisory Committee issued on January 11, 2024 (Jin-Guan-Zheng-Fa-Zi No.1120383996). Adjusted the methods of announcement pursuant to the law. 2. In order to avoid any conflict caused by undetermined time of postponed meeting, it specified that the chair may only postpone the meeting to the time on the same day.
Article 11 A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of attending directors does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article	Article 11 A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in	1. Amended in accordance with the announcement of the Financial Supervisory Committee issued on January 11, 2024 (Jin-Guan-Zheng-Fa-Zi No.1120383996). Adjusted the methods of announcement pursuant to the law. 2. In real practice, during the proceedings of a board meeting, there are times when the chair is unable to chair the meeting or fails to declare the meeting closed, so in order to maintain the normal operation of board meetings, Paragraph 4 was added to stipulate the application of Article 7, Paragraph 3 to the

Clauses after the amendment	Existing clauses	Remark
8, paragraph 3 shall apply *mutatis mutandis*. During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in Paragraph 2, the provisions of Article 7, Paragraph 3 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.	which case Article 8, paragraph 3 shall apply *mutatis mutandis*.	selection of a deputy to act in place thereof, where the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
Article 18 The Rules must be stipulated with the approval of the Company's board of directors and presented in the shareholders' meeting. If there are any amendments in the future, the board of directors shall be authorized for resolution of the amendments. These Rules are prescribed on April 30, 2016. The first amendment was made on August 13, 2017. The second amendment was made on June 19, 2020. The third amendment was made on June 18, 2021. The four amendment was made on March 14, 2024.	Article 18 The Rules must be stipulated with the approval of the Company's board of directors and presented in the shareholders' meeting. If there are any amendments in the future, the board of directors shall be authorized for resolution of the amendments. These Rules are prescribed on April 30, 2016. The first amendment was made on August 13, 2017. The second amendment was made on June 19, 2020. The third amendment was made on June 18, 2021.	Add the implementation and time of the new amendment.

Attachment 5. 2023 Consolidated financial statements and Auditor's Report

Deloitte.

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Independent Auditors' Report

To: SUN MAX TECH LIMITED:

Opinion

We have audited the accompanying consolidated financial statements of SUN MAX TECH LIMITED and its subsidiaries (hereinafter, "SUN MAX Group") which comprise the balance sheets as of December 31, 2023 and 2022 and the related consolidated statements comprehensive of income, changes in shareholders' equity and cash flows for the years then ended and the notes to consolidated financial statement (including a summery of significant accounting policies).

In our opinion, the accompany consolidated financial statements present fairly, in all material respects, the financial position of SUN MAX Group and its subsidiaries as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuer," and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretation (IFRIC) and SIC Interpretations*.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Auditing Standards. Our responsibilities under those standards are further described in the responsibilities of auditors' responsibilities for the audit of the consolidated financial statements section of our report. The personnel of the CPA Firm subject to the independence requirement have acted independently from the business operations of SUN MAX Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and with other responsibilities of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China performed. We believed that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

The "Key Audit Matters" means that the independent auditor has used their professional judgment to audit the most important matters on the 2023 consolidated financial statements of SUN MAX Group. These matters were addressed in the content of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

The Key Audit Matters to be performed on the 2023 consolidated financial statements of SUN MAX TECH LIMITED follows:

Recognition of revenue

The operating revenue of the Power Group is mainly from the sales of cooling fans and concentrated in the top ten customers, of which the operating revenue of the top two customers' accounts for about 35% of the total operating revenue in 2023. In the opinion of the accountant, the company's industry is highly competitive and the management may be under pressure to achieve the expected goals. Therefore, it is judged that the top two customers and the top ten new customers may have higher income recognition risks. Therefore, the existence of the revenue recognition of the top two customers and the top ten new customers in the current year is recognized as a Key Audit Matters. Please refer to Note 4(11) for revenue recognition policy.

The audit procedure for potential misstatement risk of revenue recognition is as below:

1. Understand and test the effectiveness of internal control related to sales revenue recognition.
2. Examine whether or not there are any changes among the top ten customers; if there is a new party, not only review its basic information and credit evaluation form, but also test the transaction details to see if there are any anomalies.
3. For the top two customers and the top ten new customers, we randomly check the relevant transaction certificates, including the purchase orders, shipping orders, invoices and collection information, to confirm the authenticity of the sales.

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

The responsibility of management is to prepare fairly presented consolidated financial statements in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reports Standards, International Accounting Standards interpretations, and announcements of interpretations recognized and published by the Financial Supervisory Commission and maintain necessary internal control related to the preparation of consolidation of financial statements in order to ensure the material misstatement caused by fraud or error does not exist in the consolidated financial statements.

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

Those in charge of governance (including the Auditing Committee) are responsible for overseeing the reporting process of SUN MAX Group.

Auditors' Responsibilities for 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 and Independent Auditors' Report. Reasonable assurance is a high level of assurance, but is not a guarantee that and audit conducted in accordance with the accounting principles in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If fraud or errors are considered materials, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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 risks, and obtain evidence that is sufficient and appropriate to provide a basis of 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 effective in SUN MAX Group.
3. Evaluate the appropriateness of accounting policies used and the reasonability of accounting estimates and related disclosures made by the management.
4. Conclude the appropriateness of the use of the going concern basis of accounting by the management, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on SUN MAX Group and its ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Independent Auditors' Report to the related disclosures in the consolidated financial statements or, if such disclosure are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the Independent Auditors' Report. However, future events or conditions may cause SUN MAX Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated statements, including related notes, whether the consolidated statements represent the underlying transactions and events in a matter that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence on the financial information of business entities within the Group in order to express an opinion on the consolidated financial statements. The independent auditor is responsible for guiding, supervising, and implementing the audit of the Group; also, is responsible for forming an opinion on the audit of the Group.

We communicate with those in charge of 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 in charge of 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 in charge of governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of SUN MAX Group of 2023 and are therefore the Key Audit Matters. We describe these matters in our Independent 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 communications.

Deloitte & Touche

CPA, Tung-Ju Hsieh

CPA, Wang-Sheng Lin

Financial Supervisory Commission approval no.
Chin-Kuan-Cheng-Shen-Zi No. 1090347472

Financial Supervisory Commission approval no.
Chin-Kuan-Cheng-Shen-Zi No. 1060023872

March 14, 2024

SUN MAX TECH LIMITED

SUN MAX TECH LIMITED and subsidiaries

Consolidated Balance Sheets

December 31, 2023 and 2022

Unit: NTD thousand

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 4 and 6)	$ 627,497	24	$ 916,884	31
1136	Financial assets based on cost after amortization- Current (Note 4 and 8)	921	-	-	-
1170	Net notes receivable and accounts receivable (Note 4 and 9)	560,958	21	528,335	18
1200	Other receivables	6,316	-	2,921	-
1220	Current income tax asset (Note 4 and 22)	10,582	1	8,336	-
130X	Inventories (Note 4 and 10)	220,274	8	263,093	9
1479	Other current assets (Note 11)	13,504	1	22,874	1
11XX	Total current assets	1,440,052	55	1,742,443	59
	Non-current assets				
1600	Property, plant and equipment (Note 4, 13 and 27)	1,092,586	42	1,086,895	37
1755	Right-of-use assets (Note 4 and 14)	25,022	1	35,059	1
1780	Intangible asset (Note 4 and 15)	8,434	-	7,151	-
1990	Other non-current assets (Note 11)	57,861	2	71,897	3
15XX	Total non-current assets	1,183,903	45	1,201,002	41
1XXX	Total assets	$ 2,623,955	100	$ 2,943,445	100
Code	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Note 16 and 27)	$ 26,011	1	$ 44,094	2
2120	Financial liabilities at fair value through profit and loss current (Note 4 and 7)	14	-	900	-
2170	Notes and account payables	151,141	6	143,833	5
2200	Other payable (Note 17)	175,602	7	202,360	7
2230	Current income tax liabilities (Note 4 and 22)	21,743	1	80,366	3
2280	Leasehold liability- current (Note 4 and 14)	3,243	-	13,798	-
2320	Long-term debts and bonds payable that are due within one year (Notes 16, 18 and 27)	149,100	5	181,459	6
2399	Other current liabilities	6,957	-	7,705	-
21XX	Total current liability	533,811	20	674,515	23
	Non-current liabilities				
2530	Corporate bonds payable (Note 4 and 18)	-	-	189,086	6
2540	Long-term loan (Note 16 and 27)	183,400	7	198,040	7
2570	Deferred income tax liabilities (Note 4 and 22)	109,568	4	104,833	4
2580	Leasehold liability- non-current (Note 4 and 14)	4,023	-	4,399	-
2630	Deferred income (Note 24)	34,281	2	36,466	1
2670	Other non-current liabilities	339	-	51	-
25XX	Total non-current liability	331,611	13	532,875	18
2XXX	Total liabilities	865,422	33	1,207,390	41
	Equity Attributable to Owners of the company (Note 4 and 20)				
3100	Common stock capital	356,403	14	341,969	12
3200	Capital surplus	826,927	31	777,187	26
	Retained earnings				
3310	Legal reserve	99,140	4	76,009	3
3320	Special reserve	33,518	1	58,813	2
3350	Unappropriated earnings	490,212	19	506,320	17
3300	Total retained earnings	622,870	24	641,142	22
	Other equity				
3410	Exchange differences on Translating the financial statements of foreign operations	(56,738)	(2)	(33,519)	(1)
31XX	Total equity of the company	1,749,462	67	1,726,779	59
36XX	Non-controlling interest	9,071	-	9,276	-
3XXX	Total equity	1,758,533	67	1,736,055	59
	Total liabilities and equity	$ 2,623,955	100	$ 2,943,445	100

The accompanying notes are an integral part of the Consolidated financial statements.

Chairman: HSU Wen-Faung Manager: HSU Wen-Faung Head of Accounting: YAO, Cheng-Min

SUN MAX TECH LIMITED

SUN MAX TECH LIMITED and subsidiaries

Consolidated Statement of Comprehensive Income

January 1 to December 31, 2023 and 2022

Unit: NTD thousands, except Earnings Per Share (NTD)

Code		2023 Amount	2023 %	2022 Amount	2022 %
4000	Operating income (Note 4)	$ 1,382,210	100	$ 1,658,588	100
5000	Operating cost (Note 10 and 21)	(991,237)	(72)	(1,143,081)	(69)
5900	Gross profit	390,973	28	515,507	31
	Operating expenses (Note 21 and 26)				
6100	Selling and Marketing expense	(37,231)	(2)	(35,072)	(2)
6200	General and administrative expenses	(162,860)	(12)	(156,929)	(10)
6300	Research and development expenses	(68,551)	(5)	(63,709)	(4)
6000	Total operating expenses	(268,642)	(19)	(255,710)	(16)
6900	Profit from operations	122,331	9	259,797	15
	Non-operating revenues and expenses				
7100	Interest revenue (Note 21)	18,111	2	7,195	1
7010	Other income (Note 21 and 24)	44,141	3	39,268	2
7020	Other gains and losses (Note 21)	3,923	-	43,120	3
7050	Financial cost (Note 21)	(12,245)	(1)	(10,660)	(1)
7000	Total non-operating income and expenses	53,930	4	78,923	5
7900	Profit before income tax	176,261	13	338,720	20
7950	Income tax expense (Note 4 and 22)	57,950	4	112,773	7
8200	Net profit for the year	118,311	9	225,947	13

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Code		2023 Amount	2023 %	2022 Amount	2022 %
	Other comprehensive income (Note 4 and 20)				
8310	Titles not reclassified as profit and loss accounts:				
8316	Unrealized valuation gains and losses on Investment in equity instruments at fair value through other comprehensive income	$ -	-	$ 3,914	-
8360	Accounts to be reclassified to profit or loss subsequently:				
8361	Exchange differences on Translating the financial statements of foreign operations	(23,219)	(2)	26,679	2
8300	Total other comprehensive income or loss	(23,219)	(2)	30,593	2
8500	Total Comprehensive Income for the year	$ 95,092	7	$ 256,540	15
	Net profit attributable to:				
8610	Owners of the Company	$ 118,516	9	$ 226,013	14
8620	Non-controlling interest	(205)	-	(66)	-
8600		$ 118,311	9	$ 225,947	14
	Comprehensive income attributable to:				
8710	Owners of the Company	$ 95,297	7	$ 256,606	15
8720	Non-controlling interest	(205)	-	(66)	-
8700		$ 95,092	7	$ 256,540	15
	Earnings per share (Note 23)				
9710	Basic	$ 3.40		$ 6.90	
9810	Diluted	$ 3.03		$ 6.27	

The accompanying notes are an integral part of the Consolidated financial statements.

Chairman: HSU Wen-Faung Manager: HSU Wen-Faung Head of Accounting: YAO, Cheng-Min

SUN MAX TECH LIMITED

SUN MAX TECH LIMITED and subsidiaries

Consolidated Statements of Changes in Equity

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

Code		Equity of the company								Non-controlling interest	Total equity
				Retained earnings			Other equity				
		Share Capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on Translating the financial statements of foreign operations	Unrealized gain on financial assets at fair value through other comprehensive profit or loss	Total		
A1	Balance at January 1, 2022	$ 320,979	$ 712,765	$ 54,191	$ 51,627	$ 432,402	($ 60,198)	$ 1,386	$ 1,513,152	$ 9,342	$ 1,522,494
	Appropriation of 2021 earnings										
B1	Legal reserve	-	-	21,818	-	(21,818)	-	-	-	-	-
B3	Special reserve	-	-	-	7,186	(7,186)	-	-	-	-	-
B5	Cash dividends	-	-	-	-	(128,391)	-	-	(128,391)	-	(128,391)
C5	Issuance of convertible corporate bonds recognized in the equity component – share options	-	8,872	-	-	-	-	-	8,872	-	8,872
E1	Proceeds from issuance of ordinary shares	20,000	49,235	-	-	-	-	-	69,235	-	69,235
N1	Issuance of ordinary shares under employee share options	-	1,720	-	-	-	-	-	1,720	-	1,720
I1	Conversion of convertible bonds	990	4,595	-	-	-	-	-	5,585	-	5,585
Q1	Disposition of subsidiary measured at fair value through other comprehensive income	-	-	-	-	5,300	-	(5,300)	-	-	-
D1	Net profit for the year ended December 31, 2022	-	-	-	-	226,013	-	-	226,013	(66)	225,947
D3	Other comprehensive income in 2022	-	-	-	-	-	26,679	3,914	30,593	-	30,593
D5	Total Comprehensive profit or loss in 2022	-	-	-	-	226,013	26,679	3,914	256,606	(66)	256,540
Z1	Balance at December 31, 2022	341,969	777,187	76,009	58,813	506,320	(33,519)	-	1,726,779	9,276	1,736,055
	Appropriation of 2022 earnings										
B1	Legal reserve	-	-	23,131	-	(23,131)	-	-	-	-	-
B3	Special reserve	-	-	-	(25,295)	25,295	-	-	-	-	-
B5	Cash dividends	-	-	-	-	(136,788)	-	-	(136,788)	-	(136,788)
I1	Conversion of convertible bonds	14,434	49,740	-	-	-	-	-	64,174	-	64,174
D1	Net profit for the year ended December 31, 2023	-	-	-	-	118,516	-	-	118,516	(205)	118,311
D3	Other comprehensive income in 2023	-	-	-	-	-	(23,219)	-	(23,219)	-	(23,219)
D5	Total Comprehensive profit or loss in 2023	-	-	-	-	118,516	(23,219)	-	95,297	(205)	95,092
Z1	Balance at December 31, 2023	$ 356,403	$ 826,927	$ 99,140	$ 33,518	$ 490,212	($ 56,738)	$ -	$ 1,749,462	$ 9,071	$ 1,758,533

The accompanying notes are an integral part of the Consolidated financial statements.

Chairman: HSU Wen-Faung Manager: HSU Wen-Faung Head of Accounting: YAO, Cheng-Min

SUN MAX TECH LIMITED

SUN MAX TECH LIMITED and subsidiaries

Consolidated Statements of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

Code		2023	2022
	Cash flow from operating activities		
A10000	Income before income tax	$ 176,261	$ 338,720
A20010	Profits and loss		
A20100	Depreciation expenses	77,716	72,904
A20200	Amortization expenses	4,083	2,869
A20300	Expected credit loss recognized on receivables	1,361	1,996
A20400	Net gain (loss) on financial assets and liabilities at fair value through profit and loss	(875)	(177)
A20900	Financial cost	12,245	10,660
A21200	Interest revenue	(18,111)	(7,195)
A21900	Compensation cost of employee share option	-	1,720
A22500	(Gain) loss on disposal of property, plant and equipment	2,594	(20)
A24200	Loss on buyback of bond payable	-	939
A23700	Write-downs of inventories and loss of idle inventory (recovery gain)	(7,071)	11,581
A29900	Reversal of provision	(232)	(22)
A29900	Government grant	(29,242)	(29,333)
A29900	Lease modification gain	(126)	-
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	(268)	(69)
A31150	Accounts receivable	(33,698)	131,791
A31180	Other receivables	(2,950)	62,418
A31200	Inventories	49,890	156,949
A31240	Other current assets	7,818	96,715
A32150	Notes and account payables	7,308	(113,795)
A32180	Other payables	(30,851)	(95,730)
A32230	Other current liabilities	(526)	476
A32990	Others	298	-
A33000	Cash generated for operations	215,624	643,397
A33100	Interest received	17,666	6,434
A33300	Interest paid	(6,448)	(5,023)

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Code		2023	2022
A33500	Income tax refund	$ 6,235	$ 5,204
A33500	Income tax paid	(120,896)	(102,768)
AAAA	Net cash inflow generated from operating activities	112,181	547,244
	Cash payments for investing activities		
B00020	Disposition of financial assets measured at fair value through other comprehensive income	-	6,000
B00040	Acquisition of financial assets measured at amortized cost	(921)	-
B00050	Disposal of financial assets based on cost after amortization	-	581
B02700	Purchase of property, plant, and equipment	(66,557)	(356,044)
B02800	Disposal of property, plant, and equipment	4,814	118
B03800	Increase in refundable deposits	(81)	(22)
B04500	Purchase of intangible assets	(3,901)	(3,248)
B07100	Increase in installment on equipment	(4,007)	(21,652)
B09900	Receipt of government grants	27,526	27,275
BBBB	Net cash used in from investing activities	(43,127)	(346,992)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	-	26,912
C00200	Repayments of short-term borrowings	(18,083)	-
C01200	Issuance of convertible corporate bonds	-	197,175
C01300	Convertible bonds buyback	-	(31,412)
C01300	Redemption of corporate bonds	(163,100)	-
C01600	Proceeds from Long-term borrowings	-	212,680
C01700	Repayments of proceeds from long-term loans	(14,640)	-
C04020	Payment of principal element of lease liabilities	(13,207)	(14,278)
C04500	Cash dividend paid	(136,788)	(128,391)
C04600	Proceeds from issuance of ordinary shares	-	69,235
CCCC	Net cash inflow (outflow) from financing activities	(345,818)	331,921
DDDD	Effects of exchange rate changes on the balance of Cash held in foreign currencies	(12,623)	18,597
EEEE	Net increase (decrease) in cash and cash equivalents	(289,387)	550,770
E00100	Cash and cash equivalents at the beginning of the year	916,884	366,114
E00200	Cash and cash equivalents at the end of the year	$ 627,497	$ 916,884

The accompanying notes are an integral part of the Consolidated financial statements.

Chairman: HSU Wen-Faung Manager: HSU Wen-Faung Head of Accounting: YAO, Cheng-Min

Attachment 6. Comparison Table of amendments to the Rules of Procedure for Shareholders Meetings

Comparison Table of amendments to the Rules of Procedure for Shareholders Meetings

Clauses after the amendment	Existing clauses	Remark
Article 2 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors. Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, if the Company will convene a virtual-only shareholders' meeting, it shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its Board of Directors. Furthermore, the convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors. Omitted hereinafter.	Article 2 Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors. Omitted hereinafter.	Amendment pursuant to Taiwan Stock Exchange Tai-Zheng-Ji-Li-Zhi No. 11200041671 Order dated March 17, 2023. When the Company convenes a virtual-only shareholders meeting, shareholders cannot attend the meeting physically, only virtually, which imposes more restrictions on shareholders' rights and interests. Therefore, to protect shareholders' rights and interests, Paragraph 2 was added to specify that unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, if the Company will convene a virtual-only shareholders' meeting, it shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its Board of Directors. Furthermore, the convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors (that is, a special resolution).
Article 5-1 To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice: Paragraph 1, 2 omitted. 3. To convene a virtual-only shareholders meeting,	Article 5-1 To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice: Paragraph 1, 2 omitted. 3. To convene a virtual-only shareholders meeting,	Amendment pursuant to Taiwan Stock Exchange Tai-Zheng-Ji-Li-Zhi No. 11200041671 Order dated March 17, 2023. 1. Taking into account that shareholders can only attend a virtual-only shareholders' meeting via video conferencing, in

Clauses after the amendment	Existing clauses	Remark
appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Except in the circumstances set out in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.	appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.	order to make appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online and assist them in using connection facilities, the second half of Subparagraph 3 was added to specify that the when the Company holds a virtual-only shareholders' meeting, it shall at least provide the said shareholders with the connection facilities and place, and appoint personnel to provide shareholders necessary assistance, and the period during which shareholders may apply to the Company and other related matters requiring attention in the shareholders' meeting notice. 2. In addition, in the event set forth in Article 44-9, Paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies that if, due to a natural disaster, unforeseen event, or other force majeure event, the Ministry of Economic Affairs announces that within a certain period of time companies may hold their shareholders' meetings by means of video conferencing, companies may be exempted during that period from the requirement of express provision in their Articles of Incorporation, necessary support shall be provided

Clauses after the amendment	Existing clauses	Remark
		depending on various circumstances. Therefore, an exceptional condition was added as Subparagraph 3, which promulgates that in the circumstances described in Article 44-9, Paragraph 6, the provision in the second half of Subparagraph 3 do not apply.
Article 17-4 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 in the circumstances set out in Article 44-9, paragraph 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.	Article 17-4 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.	Amendment pursuant to Taiwan Stock Exchange Tai-Zheng-Ji-Li-Zhi No. 11200041671 Order dated March 17, 2023. Same as that of Article 5-1.
Article 19 These Rules are prescribed on April 30, 2016. The first amendment was made on June 19, 2020. The second amendment was made on June 18, 2021. The third amendment was made on May 31, 2022. The four amendment was made on May 31, 2024.	Article 19 These Rules are prescribed on April 30, 2016. The first amendment was made on June 19, 2020. The second amendment was made on June 18, 2021. The third amendment was made on May 31, 2022.	Add the implementation and time of the new amendment.

Attachment 7. Comparison Table of amendments to the Procedures for Election of Directors

The comparison table of partial amendments to the Procedures for Election of Board of Directors

Clauses after the amendment	Existing clauses	Explanation to the amendments
Article 3 Omitted. No more than half of the directors may be spouses or relatives within the second degree of kinship; starting from the year 2024, there shall be no less than one director of the opposite gender sitting on the board; however, for directors whose terms of office do not expire in 2024, the application shall be initiated when their terms of office expire. Omitted hereinafter.	Article 3 Omitted. More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director. Omitted hereinafter.	
Article 6 Omitted. When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a re-election or a by-election to fill the vacancy at its next shareholders' meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies. Omitted hereinafter.	Article 6 When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies. Omitted hereinafter	Amendment pursuant to Taiwan Stock Exchange Tai-Zheng-Ji-Li-Zhi No. 11200147631 Order dated August 23, 2023.
Article 7 Omitted. Starting from 2024, the majority of independent directors shall not serve for more than three consecutive terms of office; however, for directors whose terms of office do not expire in 2024, the application shall be initiated when their terms of office expire. Starting from 2027, all independent directors shall not serve	Article 7 Omitted. ~~If an independent director candidate included by the company under the provisions of the preceding paragraph has already served as an independent director of the public company for three consecutive terms or more, the company shall publicly disclose, together with the review results under the preceding~~	

Clauses after the amendment	Existing clauses	Explanation to the amendments
for more than three consecutive terms of office; however, for directors whose terms of office do not expire in 2027, the application shall be initiated when their terms of office expire. If the company has established an audit committee under the Act, at least one of its independent directors is required to have accounting or financial expertise. Article 18 These Rules are prescribed on April 30, 2016. The first amendment was made on August 13, 2017. The second amendment was made on June 19, 2020. The third amendment was made on June 18, 2021. The four amendment was made on May 30, 2024.	~~paragraph, the reasons why the candidate is nominated again for the independent directorship, and present the reasons to the shareholders at the time of the election at the shareholders meeting~~. If the company has established an audit committee under the Act, at least one of its independent directors is required to have accounting or financial expertise. Article 18 These Rules are prescribed on April 30, 2016. The first amendment was made on August 13, 2017. The second amendment was made on June 19, 2020. The third amendment was made on June 18, 2021.	