



Stock Code : 6643

M31 Technology Corporation

2026 General Shareholders' Meeting

Handbook (Translation)

Time: 9:00 AM, May 22, 2026

Place: 2F., No.3 Tai-Yuan 1st Street, Zhubei City, Hsinchu
County, Taiwan (Multifunction Meeting Room)

Meeting type: Physical Shareholders' Meeting

Notice to Readers

This document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.

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M31 Technology Corporation

Procedure for 2026 General Shareholders' Meeting

1. Commencement of the Meeting
2. Chairman's Address
3. Report Matters
4. Acknowledged Matters
5. Discussion Matters
6. Election Matters
7. Other Proposals
8. Extempore Motions
9. Adjournment

M31 Technology Corporation

Agenda of 2026 General Shareholders' Meeting

Time: 9:00 AM (Friday) May 22, 2026

Place: 2F., No.3 Tai-Yuan 1st Street, Zhubei City, Hsinchu County, Taiwan.

(Multifunction Meeting Room)

Meeting type: Physical Shareholders' Meeting

Chairman: Dr. Huey-Ling Chen, Chairman of the Board

1. Commencement of the Meeting (announce the number of shares in attendance)
2. Chairman's Address
3. Report Matters
 - (1) 2025 Business Report
 - (2) Audit Committee's Review Report and communication with chief internal auditor
 - (3) 2025 Remuneration of Directors and Employee Compensation.
 - (4) Directors' Remuneration Report
 - (5) 2025 Cash dividend through earnings distribution
 - (6) Implementation Status of the 2025 "Long-term Capital Raising Plan"
 - (7) Implementation Status of the Share Repurchase
4. Acknowledged Matters
 - (1) 2025 Business Report and Financial Statements
 - (2) 2025 Earnings Distribution
5. Discussion Matters
 - (1) Planning of M31's Long-term Capital Raising
6. Election Matters
 - (1) Election of the 6th-Term Directors (including Independent Directors)
7. Other Proposals
 - (1) Lifting of Non-compete Restrictions for M31's Newly Elected Directors (including Independent Directors)
8. Extempore Motions
9. Adjournment

1. Commencement of the Meeting

2. Chairman's Address

3. Report Matters

Report No. 1 Proposed by the Board of Directors
Subject : 2025 Business Report.
Explanation : 2025 Business Report, please refer to Attachment 1 of this handbook.

Report No. 2 Proposed by the Board of Directors
Subject : Audit Committee's Review Report and communication with chief internal auditor.
Explanation : 1. Audit Committee's Review Report of 2025, please refer to Attachment 2 of this handbook.
2. The Company's Independent Directors have good communication with chief internal auditor, mainly through the following three approaches:
(1) The chief internal auditor sends the audit report to the Independent Directors by email every month, and the Independent Directors communicate with each other by phone or email regarding the audit report.
(2) At least once a quarter, the chief internal auditor shall report and explain the implementation of audit plan and significant audit findings to the Audit Committee or the Board of Directors, and engage in direct face-to-face discussions and communication with the Independent Directors.
(3) The Company arranges at least one private session annually for Independent Directors to communicate separately with the external auditors and the Chief Internal Auditor (without the presence of management) to facilitate the Independent Directors' in-depth understanding and supervision of company affairs.

Report No. 3 Proposed by the Board of Directors
Subject : 2025 Remuneration of Directors and Employee Compensation.
Explanation : 1. According to Article 23 of the Company's Articles of Incorporation "If the Company generates a profit for the year, no more than 1.5% of the profit shall be allocated as remuneration for directors, and no less than 1% shall be allocated as employee compensation, of which at least 0.1% of the profit shall be specifically allocated to compensation for base-level employees. However, if the Company has accumulated losses, the amount required to cover such losses shall be retained in advance."
2. As resolved by the Board of Directors on March 3, 2026, the Company appropriated NT\$1,340,000 as directors' remuneration and NT\$16,820,000 as employees' compensation for 2025 (including NT\$1,682,000 for base-level employees), all to be distributed in cash. The employees' compensation will be granted in conjunction with the annual bonus program.

Subject : Directors' Remuneration Report.

Explanation : The Company's policy on directors' remuneration and the details and amounts of individual remuneration are set forth below:

1. The remuneration policy of the Company's directors is in accordance with the Company's Articles of Incorporation. The remuneration of the Company's directors is based on their participation in the Company's operations and the value of their contributions, and is determined by the Board of Directors' meeting with reference to industry standards.
2. The Company's Articles of Incorporation also stipulate that the directors' remuneration shall be no more than 1.5% of the Company's profit. If the Company makes a profit in its annual accounts, the directors' remuneration will be based on the results of the Company's operations and individual directors' evaluations, which will be reviewed by the Compensation Committee and approved by the Board of Directors. In FY2025, the directors' self-assessment scored 90% or more, i.e., "exceeded the standard", therefore, the directors' remuneration is distributed based on their respective terms of office, with individual allocation amounts as follows:

12/31/2024 Unit: NTS thousands, %

Title	Name	Remuneration								Amount and Ratio of Total Remuneration (A+B+C+D) to Net Income (NTS thousand / %)		Relevant Remuneration Received by Directors Who are Also Employees				Amount and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (NTS thousand / %)		Remuneration Paid to Directors from Non-consolidated Affiliate or Parent Company		
		Base Compensation (A)		Severance Pay (B)		Director Remuneration (C) (Note 1)		Allowances (D)		Salary, Bonus, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)		The company	Companies in the consolidated financial statements			
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements					
Chairman	Hsu-Lung Chen	2,958	2,958	-	-	292	292	14	14	3,264	3,264	-	-	-	-	-	-	3,264	3,264	-
Director	Yim-Hsun Chang	-	-	-	-	292	292	12	12	304	304	7,037	7,037	108	108	-	-	7,449	7,449	-
Director	Li-Kuo Liu	-	-	-	-	292	292	12	12	304	304	-	-	-	-	-	-	304	304	-
Director	Chen-Mao Liu	-	-	-	-	292	292	10	10	302	302	-	-	-	-	-	-	302	302	-
Independent Director	Jan-S Lin	-	-	-	-	292	292	12	12	304	304	-	-	-	-	-	-	304	304	-
Independent Director	Sich-Yung Huang	-	-	-	-	292	292	12	12	304	304	-	-	-	-	-	-	304	304	-
Independent Director	Cheng-Wen Wu (Note 2)	-	-	-	-	101	101	-	-	101	101	-	-	-	-	-	-	101	101	-

1. Please describe the policy, system, standards and structure for the remuneration of independent directors, and the relevance to the amount of remuneration based on the responsibilities, risks, and time commitment: The independent directors' remuneration shall be set at no more than 1.5% of the Company's profits in accordance with Article 23 of the Company's Articles of Incorporation. If the Company makes a profit in its annual accounts, the directors' remuneration shall be approved by the Board of Directors after consideration by the Compensation Committee based on the results of the Company's operations and the evaluation of individual directors.
2. In addition to the above table, the remuneration received by the Company's directors for services rendered to all companies in the financial statements (e.g., serving as consultants to non-employees) in the most recent year: None.

Note 1: This column represents the remuneration of directors approved by the Board of Directors on February 25, 2025.

Note 2: Independent Director Cheng-Wen Wu resigned on May 19, 2024.

Report No. 5

Proposed by the Board of Directors

Subject : 2025 Cash dividend through earnings distribution.

Explanation : 1. In accordance with Article 24 of the Company's Articles of Incorporation, when dividends from the Company's profits are distributed in cash, the Board of Directors is authorized to resolve the distribution and report to the shareholders' meeting.

2. In accordance with the resolution of the Board of Directors' meeting held on March 3, 2026, the Company approved the distribution of cash dividends of NT\$1.2 per share, amounting to NT\$50,149,392, and authorized the chairman to set the ex-dividend date.

3. 2025 Statement of Earnings Distribution, please refer to Attachment 3 of this handbook.

Report No. 6

Proposed by the Board of Directors

Subject : Implementation Status of the 2025 "Long-term Capital Raising Plan"

Explanation : 1. The "Long-term Capital Raising Plan" was approved at the Company's 2025 General Shareholders' Meeting held on May 27, 2025.

2. After evaluating the Company's actual needs and market conditions, the Board of Directors resolved on March 3, 2026 not to proceed with the 2025 "Long-term Capital Raising Plan."

Report No. 7

Proposed by the Board of Directors

Subject : Implementation Status of the Share Repurchase

Explanation : Please refer to the table below for the status of share repurchases

Repurchase Round	3rd (1st in 2025)
Purpose of Repurchase	Transfer of Shares to Employees
Repurchase Period	2025/04/15~2025/06/14
Repurchase Price Range	NT\$420~600
Type and Number of Shares Repurchased	7,000 common shares
Amount of Shares Repurchased	NT\$3,407,564
Percentage of Shares Repurchased to Total Planned Repurchase (%)	2.80%
Number of Shares Cancelled or Transferred	0
Cumulative Number of Treasury Shares Held	7,000 shares
Percentage of Cumulative Treasury Shares Held to Total Issued Shares (%)	0.02%
Reason for Execution Rate Below 50%	In response to U.S. tariff policies that caused irrational short-term declines in global equity markets, the Company initiated a share repurchase program to safeguard shareholders' interests. During the execution period, continued changes in U.S. tariff policies led to a rapid market stabilization, resulting in a stable share price.
Improvement Measures	The Company will proceed in accordance with the "Procedures for Share Repurchase."

4. Acknowledged Matters

Proposal No. 1

Proposed by the Board of Directors

Subject : 2025 Business Report and Financial Statements.

Explanation : 1. The Business Report of 2025, Consolidated and Parent Company Only Financial Statements including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, Statements of Cash Flows, have been approved by the 21st Meeting of the 5th Board of Directors.

2. The aforementioned Consolidated and Parent Company Only Financial Statements audited by the certified public accountants Mei-Chen Tsai and Chih Yuan Wen of Deloitte & Touche with the proposed audit report.

3. The preceding mentioned Business Report, Consolidated and Parent Company Only Financial Statements had been submitted to the Audit Committee for review, and the review report was issued accordingly.

4. 2025 Business Report, Independent Auditors' Report and Financial Statements, please refer to Attachments 1, 4 & 5 of this handbook.

Resolution :

Proposal No. 2

Proposed by the Board of Directors

Subject : 2025 Earnings Distribution.

Explanation : The Board of Directors approved the 2025 Statement of Earnings Distribution on March 3, 2026, please refer to Attachment 3 of this handbook.

Resolution :

5. Discussion Matters

Proposal No. 1

Proposed by the Board of Directors

Subject : Planning of M31's Long-term Capital Raising.

Explanation : 1. In response to the Company's future long-term strategic development and funding needs for operational growth (including, but not limited to, reinvestments; investments in advanced technology products such as software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or other funding needs related to the Company's long-term development), it is proposed that the shareholders authorize the Board of Directors to, depending on market conditions and the Company's financial status, raise long-term capital by selecting appropriate timing and financing instruments, within a limit of up to 16,000 thousand common shares (each with a par value of NT\$10). This capital may be raised through one or a combination of the following methods: a cash capital increase by issuing common shares, a private placement of common shares, and/or a private placement of domestic or overseas convertible corporate bonds.

2. For details regarding the issuance methods and related content, please refer to Attachments 6 to 7 of this handbook.
3. This long-term capital raising plan shall be executed either once or twice or three times within one year from the date of the shareholders' meeting resolution. Key details—including but not limited to the underwriting method, issue price, actual number of shares issued, issuance terms, issuance methods, project plans, use of funds, total capital to be raised, expected fund utilization schedule, anticipated benefits, and all other matters related to the issuance—are proposed to be authorized to the Board of Directors, who may determine and adjust them in accordance with market conditions. Should any changes be required in the future due to regulatory approvals, operational considerations, or objective circumstances, the Board of Directors is also fully authorized to handle such changes.
4. To carry out the capital raising plan, the Chairman or a designated representative is authorized to approve and act on behalf of the Company in handling all matters related to this long-term capital raising plan, including the signing of relevant contracts and documents.
5. For any matters not covered herein, it is proposed that the shareholders authorize the Board of Directors to handle them with full authority in accordance with relevant laws and regulations.

6. Election Matters

Proposal No. 1

Proposed by the Board of Directors

Subject : Election of the 6th-Term Directors (including Independent Directors)

Explanation : 1. The 5th Board of Directors' term of office will expire on May 23, 2026, and a full re-election is proposed at this General Shareholders' Meeting.

2. In accordance with Article 15 of the Company's Articles of Incorporation, a total of 7 directors (including 3 independent directors) shall be elected under the candidate nomination system, and shareholders shall elect directors from the list of director nominees. The term of office of the newly elected directors shall be 3 years, commencing on May 22, 2026 and ending on May 21, 2029. The term of office of the incumbent directors shall continue until the completion of this General Shareholders' Meeting.

3. This election shall be conducted in accordance with the company's "Director Election Rules."

4. The list of director nominees has been reviewed and approved by the Board of Directors of the Company on March 3, 2026. Please refer to Attachment 8 of this handbook.

Election Results:

7. Other Proposals

Proposal No. 1

Proposed by the Board of Directors

Subject : Lifting of Non-compete Restrictions for M31's Newly Elected Directors (including Independent Directors)

Explanation : 1. This is processed pursuant to the provision in Article 209 of the Company Act that "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."

2. In order to leverage the expertise and experience of the Company's directors, the shareholders' meeting is requested to approve the lifting of non-competition restrictions for the newly elected directors (including independent directors). For their concurrent positions, please refer to Attachment 9 of this handbook.

Resolution :

8. Extempore Motions

9. Adjournment

M31 Technology Corporation Business Report

In 2025, the global economic environment remained highly uncertain, with significant fluctuations in market demand. Tariff policies continued to impact global supply chains, while volatility in the U.S. dollar exchange rate also posed challenges to the semiconductor industry. In the face of these external uncertainties, although investments in advanced technologies compressed profit margins, M31 leveraged its leading advantages in silicon intellectual property (IP) technologies and differentiated product portfolio to further strengthen core competitiveness and enhance collaboration with customers and strategic partners, successfully capturing market opportunities. Benefiting from an optimized product mix and expansion into broader application areas, the Company's annual revenue increased by 20% compared to the previous year, reaching a record high. We would like to express our sincere gratitude to all shareholders for their continued support. Going forward, the Company will continue to pursue a prudent strategy to drive technological innovation and market expansion, laying a more solid foundation for sustainable development.

1. FY 2025 Operating Results

1.1 Business Plan Implementation Results

- (1) Operating revenue for the year was NT\$1,782,169 thousand, representing a year-over-year increase of 20.34% compared to NT\$1,480,903 thousand in 2024. The gross profit margin for both years was 100%; technical service revenue accounted for 86.26%, and royalty income accounted for 13.74% of the operating revenue in FY2025, with a slight increase in royalty income compared to FY2024.
- (2) Net income after tax was NT\$70,591 thousand, with a net profit margin of 3.96% . This represents a year-over-year decrease of 44.38% compared to NT\$126,922 thousand in 2024, mainly due to an increase in non-operating foreign exchange losses; EPS for FY2025 was NT\$1.69.

1.2 Financial Budget: M31 did not prepare the annual financial projection for the year 2025.

1.3 Analysis of Financial Income and Profitability

Item		Year		
		FY2025	FY2024	Difference
Financial Income and Expenses (NT\$ in Thousands)	Net cash generated from operating activities	26,324	46,638	(20,314)
	Net cash generated from (used in) investing activities	45,940	(93,018)	138,958
	Net cash used in financing activities	(98,194)	(289,200)	191,006
Profitability (%)	Return on Assets	3.31	5.62	(41.10%)
	Return on Equity	3.70	6.37	(41.92%)
	Net income before tax as a percentage of paid-in capital	22.47	35.98	(37.55%)
	Net profit ratio	3.96	8.57	(53.79%)
	Earnings per share (NT\$)	1.69	3.05	(44.59%)

In 2025, M31's net cash outflow decreased compared to 2024, while profitability declined, mainly due to net foreign exchange losses resulting from the appreciation of the New Taiwan dollar.

1.4 Research and Development

– Deepen collaboration with foundries, focusing on **FinFET and automotive-grade processes below 6nm**:

- **6nm process**: Launched **low-power memory compilers** to meet high-performance and low-power requirements.
- **5nm process**: Developed **automotive-grade memory compilers** to enhance competitiveness.
- **3nm process**: Invested in **Foundation IP R&D** to strengthen technological capabilities.

– Mature and specialty process platforms:

- Expand **28nm and above mature process technologies** through collaboration with global foundry partners.
- Expanded deployment in **high-performance computing (HPC+)**, **high-voltage (HV)**, **EF**, and **BCD** technologies, successfully introducing specialized processes such as **28nm HPC+**, **40nm HV**, **55nm EF** and **130nm BCD**.

– Advanced process memory segment:

- Completed design and validation of **3nm, 4nm, 5nm, and 6nm ONFI I/O and PHY**, with ongoing optimization.
- Developed **integrated PHY and controller** to expand into the AI and edge computing markets.

– High-Speed Interface IP:

- Development of **2nm eUSB2 PHY IP** completed; **2nm eUSB2-v2 PHY IP** is under development.
- Development of **2nm PCIe PHY IP** completed.
- Successfully launched **3nm MIPI CD PHY**.
- Successfully launched **4nm UFS 4.0** solution.

– Memory Interface and Analog IP:

- Successful Development of **6nm PVT Sensor**.
- Completed **3nm DPLL** development, demonstrating strong technological innovation.

Overall, in 2025, M31 continued to closely follow the evolution of foundry process technologies and remained focused on market demand, further strengthening the deployment of high-performance and low-power foundational IP. The Company fully supported advanced process platforms at 6nm and 5nm, while progressively advancing the development of Foundation IP for 3nm. In the field of high-speed interface IP, the Company continued to expand and optimize the product portfolio to meet the stringent requirements for ultra-high performance and reliability in advanced applications. These solutions have been widely adopted across diverse markets, including automotive electronics, 5G,

artificial intelligence (AI), edge computing, networking and communications, and cloud storage, enabling customers to accelerate product innovation and technological upgrades. At the same time, the Company has strategically expanded into 2nm advanced process technologies with a forward-looking approach. These technologies have not only been adopted by leading global customers on multiple occasions but have also continued to attract new customer engagements, demonstrating strong R&D capabilities and global competitive advantages.

2. Business Plan Outline for 2026

In response to the continuously increasing demand for advanced process IP from IC design companies and foundries, M31 established an overseas R&D center in India in 2023, focusing on the development of advanced process IP, while simultaneously expanding the scale of its China subsidiary and actively recruiting global R&D talent. Looking ahead to 2026, the Company will continue to deepen advanced process deployment, expand IP market presence, and enhance market share through strengthened collaboration with strategic partners. At the same time, as countries accelerate the development of localized semiconductor supply chains, M31 will continue to collaborate with leading global foundries and major IC design companies to develop diverse foundation IP and high-speed interface IP, providing high value-added IP solutions.

In 2025, as project activity from foundry customers rebounded, M31 actively completed the deployment of multiple platforms. Looking ahead to 2026, as these platforms gradually ramp up, related projects are expected to progressively contribute to royalty income. Meanwhile, supported by sustained demand for advanced process IP, M31 will maintain steady growth momentum, advance toward long-term stable development, and continue to enhance overall market competitiveness.

2.1 Growth and Sales Expectation

As artificial intelligence (AI), 5G, high-performance computing (HPC), and automotive electronics continue to accelerate, the market is rapidly evolving toward big data-intensive, high-speed transmission, and low-latency applications. According to the World Semiconductor Trade Statistics (WSTS), the global semiconductor market grew by 25.6% in 2025, reaching US\$791.7 billion, driving continued growth in Taiwan's semiconductor industry. Within this trend, the IP market is projected to expand steadily at a compound annual growth rate (CAGR) of 15.1% from 2025 to 2034, while the top five high-speed interface IP segments are expected to achieve an even higher CAGR of 17%, highlighting strong growth momentum in the high-speed interface domain. In alignment with industry trends, M31 continues to focus on high-frequency and high-speed technologies, advanced process nodes, and core technologies, delivering high-quality and differentiated IP solutions. As the product portfolio becomes increasingly comprehensive, combined with leading customized R&D capabilities, the Company expects overall sales and revenue performance in 2026 to surpass that of 2025, sustaining the growth trajectory.

2.2 Production and Marketing

M31's primary markets include Mainland China, the United States, and Taiwan, each with distinct IP demand characteristics. In the China market, supported by government policies, the IC design industry has grown rapidly, with both advanced process development and localization initiatives progressing in parallel, driving demand for high-speed interface IP and foundation IP for mature process nodes at 28nm and above. In the United States, the market is focused on advanced semiconductor and high-end chip development, with IP applications concentrated in high-performance domains such as mobile computing, AI, automotive electronics, high-end storage, and cloud servers. In Taiwan, the Company maintains close collaboration with leading foundries. In 2023, M31 entered FinFET process technologies below 16nm, expanded to 6nm in 2024, and continues to deepen deployment in specialty process IP, including high-voltage (HV) for display driver ICs, BCD for power management ICs, and embedded flash (eFlash) for microcontroller ICs, addressing demand from Taiwan-based consumer IC design companies. In addition, in 2025, markets such as Europe and South Korea have also demonstrated strong project momentum. In Europe, demand for automotive and specialty process IP has increased, while in South Korea, foundries are accelerating the deployment of advanced process technologies. M31 will continue to provide differentiated IP solutions tailored to regional market characteristics, expanding IP product penetration. As a professional silicon IP provider, the Company adheres to the principle of not competing with customers and not developing proprietary IC products, thereby establishing long-term, trust-based partnerships and continuously creating value for customers and the broader industry ecosystem.

3. Future Development Strategies and External Competitive, Regulatory, and Overall Business Environment

Entering 2026, uncertainties in the global macroeconomic environment and geopolitical landscape persist. Ongoing adjustments to U.S.–China technology and trade policies, including export controls, tariffs, and investment reviews, have become key variables affecting industry operations. In response to these risks, since the escalation of U.S.–China trade tensions, M31 has adhered to a prudent project selection approach, strictly complying with applicable laws and regulatory requirements across jurisdictions. Through a robust internal review mechanism, the Company ensures that customers and projects comply with relevant regulations, thereby serving global customers within a framework of legal and regulatory compliance. Looking ahead, M31 will continue to closely monitor U.S. regulatory measures and proactively manage geopolitical risks to safeguard the long-term interests of the Company's shareholders and employees.

4. Environmental, Social, and Corporate Governance (ESG)

M31 is committed to sound corporate governance, values the rights and interests of stakeholders, and actively promotes the three aspects of ESG through the Sustainability Committee, striving toward long-term corporate sustainability.

In 2025, the Company published its second Sustainability Report, disclosing its actions and initiatives in response to economic, environmental, social, and corporate governance issues, thereby enhancing information transparency. At the same time, M31 has been ranked among the top 5% of companies in the TPEX Corporate Governance Evaluation for four consecutive years,

reflecting the Company's long-term commitment to and achievements in strengthening corporate governance.

In terms of protecting shareholder rights and ensuring operational transparency, we have consistently held our shareholders' meeting before the end of May since 2018 (with the exception of 2021, which was postponed in accordance with regulatory guidelines due to the pandemic). Since the fourth quarter of 2019, we have also published bilingual (Chinese and English) financial statements immediately following each board meeting to ensure information symmetry. In addition, the company has obtained international certifications in quality management, information security, automotive electronics, and environmental protection, further enhancing operational quality and market competitiveness.

In terms of environmental protection, we actively promote energy reduction and green, low-carbon transformation, continuously working to reduce greenhouse gas emissions. We have set a target to achieve net-zero emissions by 2050. In 2025, the Company received the Taiwan Corporate Sustainability Awards (TCSA) "Sustainability Report – Gold Award" and "Comprehensive Performance" awards, demonstrating outstanding achievements in sustainable development.

Lastly, we sincerely thank our shareholders for their trust and support. All of our employees will continue to work diligently, driving growth through outstanding technology and innovation to deliver greater investment returns and create long-term value together.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 business report, financial statements, and proposal for distribution of profits. The CPA firm of Deloitte & Touche was retained to audit M31's financial statements (Consolidated and Parent Company Only) and has issued an audit report relating to the financial statements. The business report, financial statements, and profit distribution proposal have been reviewed by the Audit Committee and no irregularities were found. We hereby report as above according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

M31 Technology Corporation

Chairman of the Audit Committee: Shih-Ying Huang

March 4, 2026

M31 Technology Corporation Statement of Earnings Distribution

2025

Unit : NT\$

	Amount
Beginning Balance of Unappropriated Retained Earnings	420,509,975
Add : Net Earnings of 2024	70,590,599
Less : Legal Reserve Appropriated	(7,059,060)
	484,041,514
Distribution Item	
Shareholder Dividends –Cash (NT\$1.2 per share)	(50,149,392)
	433,892,122

- Remarks: 1. According to the Rule No.871941343 issued by the Ministry of Finance on April 30, 1998, the appropriation of earnings for the current year has priority over the most recent year, i.e., the 2025 earnings.
2. Allotment calculation basis: Based on 41,791,160 shares outstanding as of February 1, 2026 (41,798,160 shares issued less 7,000 shares of treasury shares).
3. The cash dividend is NT\$1.2 per share, and the total amount of dividends to be distributed to each shareholder is calculated to the nearest dollar, with any amount less than one dollar being disregarded. Any remaining fractional amounts of cash dividends that are less than one dollar will be transferred to the Company's Employee Welfare Committee. The aforementioned cash dividend distribution will be reported to the shareholders' meeting, and the Board of Directors has authorized the Chairman to determine the ex-dividend date.
4. If, for any reason, the total number of outstanding shares of the Company is affected in the future, the distribution ratio will be adjusted according to the actual number of outstanding shares of the Company on the ex-dividend date in accordance with the total amount of cash dividends authorized and resolved above.

DELOITTE

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

M31 Technology Corporation

Opinion

We have audited the accompanying consolidated financial statements of M31 Technology Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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, 2025 and 2024, 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 Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) 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 auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 for the year ended December 31, 2025. These matters were addressed in the context 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 these matters.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Risk of Improper Recognition of Technical Service Revenue

The Group's major revenue source is derived from the technical service income and royalty income received from offering silicon intellectual property (SIP) service.

The recognition of revenue from technical services is based on the terms of each contract. Since the terms of each contract are different, there is a risk that revenue may be recognized before the contractual obligations are fulfilled.

Due to the fact that these transactions involve manual control, there is a risk that revenue will be recognized if the contractual obligations are not fulfilled due to errors. Therefore, we list the recognition of technical service revenue as a key audit matter. Please refer to Note 4, point 10, for relevant accounting policies.

We exercise audit processes as below towards the aforementioned risk of improper recognition of technical service revenue:

1. Understand the design and operating effectiveness of the Group's internal control systems relevant to the recognition of technical service revenue contracts.
2. Sample the technical service revenue contracts recognized in 2025, checking relevant documents and receivable collections, reviewing critical contract provisions, for the purpose of ensuring the proper timing of revenue recognition.
3. Sample the technical service revenue contracts recognized in a period before/after the balance sheet dates to perform the cut-off test, for the purpose of ensuring proper satisfaction of performance obligations and revenue recognition prior to the balance sheet dates.

Other Matter

We have also audited the parent company only financial statements of M31 Technology Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

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 accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate 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 Group's financial reporting process.

Auditors' 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 auditors' 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 auditing standards in 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 consolidated financial statements.

As part of an audit in accordance with the auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We 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 Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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 disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 for the year ended December 31, 2025 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.

The engagement partners on the audit resulting in this independent auditors' report are Mei-Chen Tsai and Chih Yuan Wen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 04, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

M31 TECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS****DECEMBER 31, 2025 AND 2024****(In Thousands of New Taiwan Dollars)**

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 497,689	23	\$ 529,011	25
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	42,778	2	135,825	6
Financial assets at amortized cost - current (Notes 4 and 9)	17,564	1	17,610	1
Accounts Receivable (including related parties) (Notes 4, 5, 10, 20, and 28)	335,554	15	262,787	12
Other receivables	33,915	2	6,931	-
Current tax assets (Notes 4 and 22)	111,292	5	95,695	5
Prepayments (Note 15)	184,358	8	148,372	7
Other current assets (Notes 15 and 29)	16,438	1	8,528	-
Total current assets	<u>1,239,588</u>	<u>57</u>	<u>1,204,759</u>	<u>56</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,008	-	1,008	-
Financial assets at amortized cost - non-current (Notes 4 and 9)	260,621	12	303,797	14
Property, plant and equipment (Notes 4, 12 and 29)	605,374	28	591,847	27
Right-of-use assets (Notes 4 and 13)	11,808	1	21,393	1
Intangible assets (Notes 4 and 14)	29,370	1	17,580	1
Deferred tax assets (Notes 4 and 22)	10,940	1	10,872	1
Other non-current assets (Note 15)	4,293	-	7,956	-
Total non-current assets	<u>923,414</u>	<u>43</u>	<u>954,453</u>	<u>44</u>
TOTAL	<u>\$ 2,163,002</u>	<u>100</u>	<u>\$ 2,159,212</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 20)	\$ 3,370	-	\$ 31,255	1
Accounts payable (Note 16)	2,282	-	1,933	-
Other payables (Note 17)	168,838	8	137,117	6
Other payables – related parties (Note 28)	-	-	13,114	1
Current tax liabilities (Notes 4 and 22)	17,699	1	1,253	-
Lease liabilities - current (Notes 4 and 13)	9,332	-	11,017	1
Other current liabilities (Note 17)	47,351	2	21,529	1
Total current liabilities	<u>248,872</u>	<u>11</u>	<u>217,218</u>	<u>10</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 22)	10,231	1	11,394	1
Lease liabilities - non-current (Notes 4 and 13)	3,420	-	11,296	-
Total non-current liabilities	<u>13,651</u>	<u>1</u>	<u>22,690</u>	<u>1</u>
Total liabilities	<u>262,523</u>	<u>12</u>	<u>239,908</u>	<u>11</u>
EQUITY (Note 19)				
Share capital				
Ordinary shares	417,982	19	418,022	19
Share capital pending cancellation	-	-	(25)	-
Share capital subtotal	<u>417,982</u>	<u>19</u>	<u>417,997</u>	<u>19</u>
Capital surplus	744,643	35	745,102	35
Retained earnings				
Legal reserve	250,500	11	237,808	11
Unappropriated earnings	491,101	23	516,801	24
Total retained earnings	<u>741,601</u>	<u>34</u>	<u>754,609</u>	<u>35</u>
Other equity	(339)	-	1,596	-
Treasury shares	(3,408)	-	-	-
Total equity	<u>1,900,479</u>	<u>88</u>	<u>1,919,304</u>	<u>89</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 2,163,002</u>	<u>100</u>	<u>\$ 2,159,212</u>	<u>100</u>

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

M31 TECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 20 and 28)	\$ 1,782,169	100	\$ 1,480,903	100
GROSS PROFIT	1,782,169	100	1,480,903	100
OPERATING EXPENSES (Notes 14, 21 and 28)				
Selling and marketing expenses	(189,437)	(11)	(141,583)	(9)
General and administrative expenses	(147,624)	(8)	(138,016)	(9)
Research and development expenses	(1,350,592)	(76)	(1,122,090)	(76)
Expected credit loss (Note 10)	(1,326)	-	(25,948)	(2)
Total operating expenses	(1,688,979)	(95)	(1,427,637)	(96)
OPERATING INCOME	93,190	5	53,266	4
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4 and 21)	19,073	1	29,078	2
Other income (Notes 4 and 21)	17,130	1	5,824	-
Other gains and losses (Notes 4 and 21)	(34,281)	(2)	63,537	4
Finance costs (Note 21)	(1,203)	-	(1,308)	-
Total non-operating income and expenses	719	-	97,131	6
PROFIT BEFORE INCOME TAX	93,909	5	150,397	10
INCOME TAX EXPENSE (Notes 4 and 22)	(23,318)	(1)	(23,475)	(1)
NET PROFIT FOR THE YEAR	70,591	4	126,922	9

(Continued)

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations (Notes 4 and 19)	(\$ 3,510)	-	\$ 2,731	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 19 and 22)	<u>702</u>	<u>-</u>	<u>(547)</u>	<u>-</u>
Other comprehensive income(loss) for the year, net of income tax	<u>(2,808)</u>	<u>-</u>	<u>2,184</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 67,783</u>	<u>4</u>	<u>\$ 129,106</u>	<u>9</u>
EARNINGS PER SHARE (Note 23)				
Basic	<u>\$ 1.69</u>		<u>\$ 3.05</u>	
Diluted	<u>\$ 1.69</u>		<u>\$ 3.04</u>	

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

M31 TECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Share Capital		Share Capital Pending Cancellation	Capital Surplus	Retained Earnings		Other Equity		Treasury Shares	Total Equity	
	Shares (In Thousands)	Amount			Legal Reserve	Unappropriated Earnings	Exchange Difference On Financial Statements of Foreign Operations				Unearned Employee Benefits
BALANCE AT JANUARY 1, 2024	34,866	\$ 348,658	(\$ 180)	\$ 750,042	\$ 194,211	\$ 781,894	\$ 285	(\$ 11,891)	\$ -	\$ 2,063,019	
Appropriations of 2023 earnings											
Legal reserve	-	-	-	-	43,597	(43,597)	-	-	-	-	
Cash dividends	-	-	-	-	-	(278,734)	-	-	-	(278,734)	
Stock dividends	6,968	69,684	-	-	-	(69,684)	-	-	-	-	
Net profit for the year ended December 31, 2024	-	-	-	-	-	126,922	-	-	-	126,922	
Other comprehensive income(loss) for the year ended December 31, 2024, net of income tax (Note 19)	-	-	-	-	-	-	2,184	-	-	2,184	
Total comprehensive income(loss) for the year ended December 31, 2024	-	-	-	-	-	126,922	2,184	-	-	129,106	
Compensation cost of restricted employee shares (Note 19)	-	-	-	-	-	-	-	7,563	-	7,563	
Restricted employee shares cancellation (Note 19)	(32)	(320)	155	(4,940)	-	-	-	3,455	-	(1,650)	
BALANCE AT DECEMBER 31, 2024	41,802	418,022	(25)	745,102	237,808	516,801	2,469	(873)	-	1,919,304	
Appropriations of 2024 earnings											
Legal reserve	-	-	-	-	12,692	(12,692)	-	-	-	-	
Cash dividends	-	-	-	-	-	(83,599)	-	-	-	(83,599)	
Net profit for the year ended December 31, 2025	-	-	-	-	-	70,591	-	-	-	70,591	
Other comprehensive income(loss) for the year ended December 31, 2025, net of income tax (Note 19)	-	-	-	-	-	-	(2,808)	-	-	(2,808)	
Total comprehensive income(loss) for the year ended December 31, 2025	-	-	-	-	-	70,591	(2,808)	-	-	67,783	
Repurchase of treasury shares	-	-	-	-	-	-	-	-	(3,408)	(3,408)	
Compensation cost of restricted employee shares (Note 19)	-	-	-	-	-	-	-	549	-	549	
Restricted employee shares cancellation (Note 19)	(4)	(40)	25	(459)	-	-	-	324	-	(150)	
BALANCE AT DECEMBER 31, 2025	41,798	\$ 417,982	\$ -	\$ 744,643	\$ 250,500	\$ 491,101	(\$ 339)	\$ -	(\$ 3,408)	\$ 1,900,479	

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

M31 TECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	<u>Year Ended December 31, 2025</u>	<u>Year Ended December 31, 2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 93,909	\$ 150,397
Adjustments for:		
Depreciation expenses	65,235	55,738
Amortization expenses	9,516	7,688
Expected credit loss	1,326	25,948
Net gain on fair value changes of financial assets at fair value through profit or loss	(790)	(3,973)
Finance costs	1,203	1,308
Net loss on derecognition of financial assets measured at amortized cost	617	-
Interest income	(19,073)	(29,078)
Dividend income	(1,747)	(1,747)
Compensation cost of restricted employee shares	549	7,563
Loss on disposal of property, plant and equipment	247	-
Unrealized loss (gain) on foreign currency exchange	20,069	(41,259)
Changes in operating assets and liabilities		
Accounts receivable	(76,204)	97,480
Other receivables	(28,335)	60
Prepayments	(35,986)	(104,217)
Other current assets	(3,191)	(905)
Contract liabilities	(27,885)	3,104
Accounts payable	350	(2,889)
Other payables	15,959	(89,725)
Other payables -related parties	(13,114)	13,114
Other current liabilities	<u>25,959</u>	<u>13,140</u>
Cash generated from operations	28,614	101,747
Interest received	20,164	26,632
Dividend received	1,747	1,747
Interest paid	(1,203)	(1,308)
Income tax paid	(22,998)	(82,180)
Net cash generated from operating activities	<u>26,324</u>	<u>46,638</u>

(Continued)

	<u>Year Ended</u> <u>December 31, 2025</u>	<u>Year Ended</u> <u>December 31, 2024</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ -	(\$ 1,008)
Acquisition of financial assets at amortized cost	(676)	(204,053)
Disposal of financial assets at amortized cost	27,607	162,740
Disposal of financial assets at fair value through profit or loss	93,837	51,247
Acquisition of property, plant and equipment	(48,223)	(80,289)
Increase in refundable deposits	(522)	(2,306)
Acquisition of intangible assets	(21,303)	(13,129)
Increase in other financial assets	(4,780)	(6,220)
Net cash generated (used in) from investing activities	<u>45,940</u>	<u>(93,018)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(11,037)	(8,816)
Cash dividends paid	(83,599)	(278,734)
Treasury shares repurchase cost	(3,408)	-
Payment for buy-back of restricted employee shares	(150)	(1,650)
Net cash used in financing activities	<u>(98,194)</u>	<u>(289,200)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(5,392)</u>	<u>15,470</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		
	(31,322)	(320,110)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	<u>529,011</u>	<u>849,121</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	<u>\$ 497,689</u>	<u>\$ 529,011</u>

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

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

M31 Technology Corporation

Opinion

We have audited the accompanying parent company only financial statements of M31 Technology Corporation (the "Company"), which comprise the parent company only balance sheet as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statement, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and the parent company only financial performance and the parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and 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, 2025 are stated as follows:

Risk of Improper Recognition of Technical Service Revenue

The Company's major revenue source is derived from the technical service income and royalty income received from offering silicon intellectual property (SIP) service.

The recognition of revenue from technical services is based on the terms of each contract. Since the terms of each contract are different, there is a risk that revenue may be recognized before the contractual obligations are fulfilled.

Due to the fact that these transactions involve manual control, there is a risk that revenue will be recognized if the contractual obligations are not fulfilled due to errors. Therefore, we list the recognition of technical service revenue as a key audit matter. Please refer to Note 4, point 11, for relevant accounting policies.

We exercise audit processes as below towards the aforementioned risk of improper recognition of technical service revenue:

4. Understand the design and operating effectiveness of the Company's internal control systems relevant to the recognition of technical service revenue contracts.
5. Sample the technical service revenue contracts recognized in 2025, checking relevant documents and receivable collections, reviewing critical contract provisions, for the purpose of ensuring the proper timing of revenue recognition.
6. Sample the technical service revenue contracts recognized in a period before/after the balance sheet dates to perform the cut-off test, for the purpose of ensuring proper satisfaction of performance obligations and revenue recognition prior to the balance sheet dates.

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 Preparation 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company 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 Company's financial reporting process.

Auditors' 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 auditors' 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 auditing standards in 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 auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

7. 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.
8. 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 Company's internal control.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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 Company's ability to continue as a going concern. 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.

11. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the 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 parent company only financial statements for the year ended December 31, 2025 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.

The engagement partners on the audit resulting in this independent auditors' report are Mei-Chen Tsai and Chih Yuan Wen.

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 04, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

M31 TECHNOLOGY CORPORATION**PARENT COMPANY ONLY BALANCE SHEETS****DECEMBER 31, 2025 AND 2024****(In Thousands of New Taiwan Dollars)**

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 406,527	19	\$ 461,473	22
Financial assets at fair value through profit or loss – current (Notes 4 and 7)	42,778	2	135,825	6
Accounts receivable (Notes 4, 5, 10 and 20)	238,676	11	212,199	10
Accounts receivable - related parties (Notes 4, 5, 20 and 28)	118,555	5	86,453	4
Other receivables	33,571	2	6,570	-
Other receivables – related parties (Notes 4 and 28)	10,827	-	6,592	-
Current tax assets (Notes 4 and 22)	101,646	5	90,306	4
Prepayments (Note 15)	177,113	8	144,408	7
Other current assets (Notes 15 and 29)	16,438	1	8,528	1
Total current assets	<u>1,146,131</u>	<u>53</u>	<u>1,152,354</u>	<u>54</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income – non-current (Notes 4 and 8)	1,008	-	1,008	-
Financial assets at amortized cost - non-current (Notes 4 and 9)	260,621	12	303,797	14
Investments accounted for using the equity method (Notes 4 and 11)	98,130	5	71,403	3
Property, plant and equipment (Notes 4, 12 and 29)	594,558	28	586,162	27
Right-of-use assets (Notes 4 and 13)	2,196	-	294	-
Intangible assets (Notes 4 and 14)	28,790	1	17,009	1
Deferred tax assets (Notes 4 and 22)	10,734	1	10,577	1
Other non-current assets (Note 15)	336	-	229	-
Total non-current assets	<u>996,373</u>	<u>47</u>	<u>990,479</u>	<u>46</u>
TOTAL	<u>\$ 2,142,504</u>	<u>100</u>	<u>\$ 2,142,833</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities – current (Note 20)	\$ 3,370	-	\$ 31,255	2
Accounts payable (Note 16)	1,722	-	1,476	-
Other payables (Note 17)	147,129	7	134,927	6
Other payables – related parties (Note 28)	21,505	1	24,453	1
Current tax liabilities (Notes 4 and 22)	9,756	1	-	-
Lease liabilities – current (Notes 4 and 13)	937	-	300	-
Other current liabilities (Notes 17 and 28)	46,106	2	19,724	1
Total current liabilities	<u>230,525</u>	<u>11</u>	<u>212,135</u>	<u>10</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 22)	10,231	-	11,394	-
Lease liabilities – non-current (Notes 4 and 13)	1,269	-	-	-
Total non-current liabilities	<u>11,500</u>	<u>-</u>	<u>11,394</u>	<u>-</u>
Total liabilities	<u>242,025</u>	<u>11</u>	<u>223,529</u>	<u>10</u>
EQUITY (Note 19)				
Share capital				
Ordinary shares	417,982	19	418,022	20
Share capital pending cancellation	-	-	(25)	-
Share capital subtotal	<u>417,982</u>	<u>19</u>	<u>417,997</u>	<u>20</u>
Capital surplus	<u>744,643</u>	<u>35</u>	<u>745,102</u>	<u>35</u>
Retained earnings				
Legal reserve	250,500	12	237,808	11
Unappropriated earnings	491,101	23	516,801	24
Total retained earnings	<u>741,601</u>	<u>35</u>	<u>754,609</u>	<u>35</u>
Other equity	(339)	-	1,596	-
Treasury shares	(3,408)	-	-	-
Total equity	<u>1,900,479</u>	<u>89</u>	<u>1,919,304</u>	<u>90</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 2,142,504</u>	<u>100</u>	<u>\$ 2,142,833</u>	<u>100</u>

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

M31 TECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 20 and 28)	\$ 1,731,855	100	\$ 1,472,044	100
GROSS PROFIT	1,731,855	100	1,472,044	100
OPERATING EXPENSES (Notes 14, 21 and 28)				
Selling and marketing expenses	(149,124)	(9)	(139,389)	(10)
General and administrative expenses	(147,624)	(8)	(138,016)	(9)
Research and development expenses	(1,370,007)	(79)	(1,135,826)	(77)
Expected credit loss (Note 10)	(1,326)	-	(25,948)	(2)
Total operating expenses	(1,668,081)	(96)	(1,439,179)	(98)
OPERATING INCOME	63,774	4	32,865	2
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 4 and 21)	18,326	1	28,219	2
Other income (Notes 4 and 21)	17,100	1	5,824	-
Other gains and losses (Notes 4 and 21)	(32,149)	(2)	66,652	5
Finance costs (Note 21)	(23)	-	(10)	-
Share of profit of subsidiaries (Note 4)	17,079	1	13,463	1
Total non-operating income and expenses	20,333	1	114,148	8
PROFIT BEFORE INCOME TAX	84,107	5	147,013	10
INCOME TAX EXPENSE (Notes 4 and 22)	(13,516)	(1)	(20,091)	(1)
NET PROFIT FOR THE YEAR	70,591	4	126,922	9

(Continued)

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations (Notes 4 and 19)	(\$ 3,510)	-	\$ 2,731	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Notes 4, 19 and 22)	<u>702</u>	<u>-</u>	(<u>547</u>)	<u>-</u>
Other comprehensive income(loss) for the year, net of income tax	(<u>2,808</u>)	<u>-</u>	<u>2,184</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 67,783</u>	<u>4</u>	<u>\$ 129,106</u>	<u>9</u>
EARNINGS PER SHARE (Note 23)				
Basic	<u>\$ 1.69</u>		<u>\$ 3.05</u>	
Diluted	<u>\$ 1.69</u>		<u>\$ 3.04</u>	

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

M31 TECHNOLOGY CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Share Capital				Retained Earnings		Other Equity		Treasury Shares	Total Equity
	Shares (In Thousands)	Amount	Share Capital Pending Cancellation	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Difference			
							On Financial Statements of Foreign Operations	Unearned Employee Benefits		
BALANCE AT JANUARY 1, 2024	34,866	\$ 348,658	(\$ 180)	\$ 750,042	\$ 194,211	\$ 781,894	\$ 285	(\$ 11,891)	\$ -	\$ 2,063,019
Appropriations of 2023 earnings										
Legal reserve	-	-	-	-	43,597	(43,597)	-	-	-	-
Cash dividends	-	-	-	-	-	(278,734)	-	-	-	(278,734)
Stock dividends	6,968	69,684	-	-	-	(69,684)	-	-	-	-
Net profit for the year ended December 31, 2024	-	-	-	-	-	126,922	-	-	-	126,922
Other comprehensive income(loss) for the year ended December 31, 2024, net of income tax (Note 19)	-	-	-	-	-	-	2,184	-	-	2,184
Total comprehensive income(loss) for the year ended December 31, 2024	-	-	-	-	-	126,922	2,184	-	-	129,106
Compensation cost of restricted employee shares (Note 19)	-	-	-	-	-	-	-	7,563	-	7,563
Restricted employee shares cancellation (Note 19)	(32)	(320)	155	(4,940)	-	-	-	3,455	-	(1,650)
BALANCE AT DECEMBER 31, 2024	41,802	418,022	(25)	745,102	237,808	516,801	2,469	(873)	-	1,919,304
Appropriations of 2024 earnings										
Legal reserve	-	-	-	-	12,692	(12,692)	-	-	-	-
Cash dividends	-	-	-	-	-	(83,599)	-	-	-	(83,599)
Net profit for the year ended December 31, 2025	-	-	-	-	-	70,591	-	-	-	70,591
Other comprehensive income(loss) for the year ended December 31, 2025, net of income tax (Note 19)	-	-	-	-	-	-	(2,808)	-	-	(2,808)
Total comprehensive income(loss) for the year ended December 31, 2025	-	-	-	-	-	70,591	(2,808)	-	-	67,783
Repurchase of treasury shares	-	-	-	-	-	-	-	-	(3,408)	(3,408)
Compensation cost of restricted employee shares (Note 19)	-	-	-	-	-	-	-	549	-	549
Restricted employee shares cancellation (Note 19)	(4)	(40)	25	(459)	-	-	-	324	-	(150)
BALANCE AT DECEMBER 31, 2025	41,798	\$ 417,982	\$ -	\$ 744,643	\$ 250,500	\$ 491,101	(\$ 339)	\$ -	(\$ 3,408)	\$ 1,900,479

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

M31 TECHNOLOGY CORPORATION**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	<u>Year Ended December 31, 2025</u>	<u>Year Ended December 31, 2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 84,107	\$ 147,013
Adjustments for:		
Depreciation expenses	50,214	45,683
Amortization expenses	9,217	7,543
Expected credit loss	1,326	25,948
Net gain on fair value changes of financial assets at fair value through profit or loss	(790)	(3,973)
Finance costs	23	10
Net loss on derecognition of financial assets measured at amortized cost	617	-
Interest income	(18,326)	(28,219)
Dividend income	(1,747)	(1,747)
Compensation cost of restricted employee shares	549	7,563
Share of profit of subsidiaries	(17,079)	(13,463)
Loss on disposal of property, plant and equipment	247	-
Unrealized loss (gain) on foreign currency exchange	19,810	(44,813)
Changes in operating assets and liabilities		
Accounts receivable	(28,987)	112,327
Accounts receivable - related parties	(32,825)	(26,986)
Other receivables	(28,352)	321
Other receivables - related parties	(4,280)	(2,086)
Prepayments	(32,705)	(101,126)
Other current assets	(3,191)	(905)
Contract liabilities	(27,885)	3,104
Accounts payable	247	(3,346)
Other payables	(3,560)	(91,837)
Other payables - related parties	(2,848)	22,209
Other current liabilities	26,519	12,119
Cash generated from operations	(9,699)	65,339
Interest received	19,417	25,774
Dividend received	1,747	1,747
Interest paid	(23)	(10)
Income tax paid	(15,718)	(75,983)
Net cash generated from operating activities	(4,276)	16,867

(Continued)

	<u>Year Ended December 31, 2025</u>	<u>Year Ended December 31, 2024</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ -	(\$ 1,008)
Acquisition of financial assets at amortized cost	-	(203,243)
Disposal of financial assets at amortized cost	27,607	162,740
Disposal of financial assets at fair value through profit or loss	93,837	51,247
Acquisition of long-term equity investments under the equity method	(13,158)	(13,544)
Acquisition of property, plant and equipment	(42,185)	(71,551)
Increase in refundable deposits	(107)	(149)
Acquisition of intangible assets	(20,998)	(12,416)
Increase in other financial assets	(<u>4,780</u>)	(<u>6,220</u>)
Net cash generated (used in) from investing activities	<u>40,216</u>	(<u>94,144</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(918)	(890)
Dividends paid	(83,599)	(278,734)
Treasury shares repurchase cost	(3,408)	-
Payment for buy-back of restricted employee shares	(<u>150</u>)	(<u>1,650</u>)
Net cash used in financing activities	(<u>88,075</u>)	(<u>281,274</u>)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	(<u>2,811</u>)	<u>13,979</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		
	(54,946)	(344,572)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	<u>461,473</u>	<u>806,045</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	<u>\$ 406,527</u>	<u>\$ 461,473</u>

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

M31 Technology Corporation

Description of Issuance Methods and Details for Long-Term Capital Raising Plan

1. Purpose and Amount of Capital Raising:

In response to the Company's future long-term strategic development and funding needs for operational growth (including, but not limited to, reinvestments; investments in advanced technology products such as software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or other funding needs related to the Company's long-term development), it is proposed that the shareholders authorize the Board of Directors to, depending on market conditions and the Company's financial status, raise long-term capital by selecting appropriate timing and financing instruments, within a limit of up to 16,000 thousand common shares (each with a par value of NT\$10). This capital may be raised through one or a combination of the following methods: a cash capital increase by issuing common shares, a private placement of common shares, and/or a private placement of domestic or overseas convertible corporate bonds (hereinafter referred to as "Convertible Bonds"). If Convertible Bonds are issued through a private placement, the number of common shares to be converted shall be calculated based on the conversion price at the time of issuance and must be within the aforementioned limit of 16,000 thousand shares.

2. Methods of Capital Raising and Implementation Principles:

2.1 Cash capital increase through public offering of common shares:

- (1) The actual issue price shall be determined in accordance with the relevant provisions of the "Rules Governing Self-Regulation of Securities Offerings and Issuance by Companies Assisted by Underwriter Members of the Securities Association of the Republic of China," and shall be jointly negotiated by the Chairman and the underwriter based on market conditions at the time of issuance. The issuance shall proceed after obtaining approval from the competent authority.
- (2) Regarding the sales method for the public underwriting portion, the Board of Directors is proposed to be authorized to select one of the following three methods for implementation:
 - (2.1) In accordance with Article 267, Paragraph 1 of the Company Act, 10% to 15% of the total number of newly issued shares shall be reserved for employees to subscribe at the issue price. As for the remaining shares, it is proposed, pursuant to Article 28-1 of the Securities and Exchange Act, that the shareholders' meeting approve a **waiver** by existing shareholders of their preemptive rights in proportion to their shareholdings, and that all such shares be allocated through a **book-building and public offering process**. In the event that employees waive or do not fully subscribe to their allocated shares, it is proposed that the Chairman be authorized to negotiate with specific persons to subscribe to the unsubscribed portion at the issue price.
 - (2.2) In accordance with Article 267, Paragraph 1 of the Company Act, 10% to 15% of the total number of newly issued shares shall be reserved for employees to subscribe at the issue price. As for the remaining shares, it is proposed, pursuant to Article 28-1 of the Securities and Exchange Act, that the shareholders' meeting approve a **waiver** by

existing shareholders of their preemptive rights in proportion to their shareholdings, and that all such shares be allocated through a **competitive bidding process**. In the event that employees waive or do not fully subscribe to their allocated shares, it is proposed that the Chairman be authorized to negotiate with specific persons to subscribe to the unsubscribed portion at the issue price.

(2.3) In accordance with Article 267, Paragraph 1 of the Company Act, 10% to 15% of the total number of newly issued shares shall be reserved for employees to subscribe at the issue price. Additionally, pursuant to Paragraph 2, Article 28-1 of the Securities and Exchange Act, 10% of the total number of newly issued shares shall be allocated for public offering. **The remaining shares shall be allocated to the Company's existing shareholders in proportion to their shareholdings.** In the event that employees or existing shareholders waive or do not fully subscribe to their allocated shares, it is proposed that the Chairman be authorized to negotiate with specific persons to subscribe to the unsubscribed portion at the issue price.

(3) Purpose of the Capital Raised, Fund Utilization Schedule, and Expected Benefits:

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products such as software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will enhance the Company's competitiveness and improve operational efficiency.

2.2 Cash capital increase through private placement of common shares:

(1) Basis and Reasonableness of the Private Placement Price Determination:

(1.1) The subscription price for this private placement of common shares is determined based on the higher of the following two reference prices: (i) the simple arithmetic average of the closing prices of the common shares for 1, 3, or 5 business days prior to the pricing date (whichever is selected), or (ii) the simple arithmetic average of the closing prices for the 30 business days prior to the pricing date, both adjusted by deducting for ex-rights and ex-dividend on stock dividends and adding back price adjustments due to capital reductions.

(1.2) The subscription price for this private placement of common shares shall be no less than 80% of the reference price. The actual subscription price, provided it does not fall below the percentage approved by the shareholders' meeting, is proposed to be determined by the Board of Directors based on market conditions and negotiations with specific parties.

(1.3) The subscription price of the aforementioned privately placed common shares is based on the Company's share price and the reference price, and complies with the relevant regulations governing private placements of securities by public companies. In consideration of the three-year transfer restriction on privately placed securities, the pricing is therefore considered reasonable.

(2) Method and Purpose of Selecting Specific Persons, Necessity, and Expected Benefits:

Method for Selecting Specific Persons:

The targets of this private placement shall be limited to specific persons as defined under Article 43-6 of the Securities and Exchange Act and must be strategic investors. Priority will be given to those expected to contribute to the Company's long-term development, enhance competitiveness, and benefit existing shareholders. As of now, no specific investors have been finalized. It is proposed that the Board of Directors be fully authorized to handle all matters related to their selection.

Purpose, Necessity, and Expected Benefits of Selecting Strategic Investors:

To meet the needs of the Company's operational development, it is proposed that strategic investors be selected to directly or indirectly assist the Company in areas such as finance, business operations, R&D, technology, procurement, management, and strategic planning, in order to enhance the Company's competitiveness, improve operational efficiency, and promote long-term development.

(3) Reason for Conducting a Private Placement:

Considering factors such as the relative timeliness and convenience of private placements, as well as the Company's plan to introduce strategic investors to support its development, conducting the offering through a private placement is deemed necessary.

(4) Purpose of the Capital Raised and Expected Benefits:

This private placement will be carried out in one or two rounds within one year from the date of the shareholders' meeting resolution, depending on market conditions and negotiations with specific investors.

(4.1) Single Round:

The total number of common shares offered through this public offering, combined with the number of common shares that may be converted from the privately placed convertible bonds, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

(4.2) Two Rounds of Issuance:

First Round of Issuance:

The total number of common shares offered through this public offering, combined with the number of common shares that may be converted from the privately placed convertible bonds, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

Second Round of Issuance:

The total number of common shares issued in this round, together with those issued in the first round of the private placement, the common shares offered through this public offering, and the common shares that may be converted from the privately placed convertible bonds under this plan, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

(4.3) Three Rounds of Issuance:

First Round of Issuance:

The total number of common shares offered through this public offering, combined with the number of common shares that may be converted from the privately placed convertible bonds, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

Second Round of Issuance:

The total number of common shares issued in this round, together with those issued in the first round of the private placement, the common shares offered through this public offering, and the common shares that may be converted from the privately placed convertible bonds under this plan, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

Third Round of Issuance:

The total number of common shares issued in this round, together with those issued in the first round and second round of the private placement, the common shares offered through this public offering, and the common shares that may be converted from the privately placed convertible bonds under this plan, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

- (5) For this private placement of securities, it is proposed that the Board of Directors be authorized to apply to the Taipei Exchange (TPEX) for a letter of approval for listing, in accordance with TPEX listing standards, upon completion of a three-year period from the date of delivery of the privately placed securities. The Company shall subsequently file with the competent authority for retroactive public issuance and apply for TPEX trading.
- (6) If it is anticipated that the two rounds of private placement cannot be completed within one year from the date of the shareholders' meeting resolution, or if there is no plan to proceed with additional rounds during the remaining period, and the original plan is still deemed feasible, the private placement shall be considered as having been fully subscribed in terms of share capital or bond proceeds.

2.3 Private Placement of Domestic or Overseas Convertible Corporate Bonds:

(1) Basis and Reasonableness of the Private Placement Price Determination:

- (1.1) **Determination of Theoretical Pricing:** This refers to the price of the securities calculated using an appropriate valuation model that takes into account the various rights associated with the issuance terms. The selected model should comprehensively and simultaneously consider all rights embedded in the issuance conditions. If any rights cannot be incorporated into the model, such rights should be excluded from the issuance terms.
- (1.2) The issue price of the privately placed convertible corporate bonds shall not be lower than 80% of the theoretical price. The actual issue price, provided that it does not fall below the percentage approved by the shareholders' meeting, is proposed to be determined by the Board of Directors based on market conditions and negotiations with specific investors.
- (1.3) The issue price of the aforementioned privately placed convertible corporate bonds is determined with reference to both the Company's share price and the theoretical price, and it complies with the relevant regulations governing private placements of securities by public companies. Furthermore, as the bonds are subject to a statutory three-year transfer restriction, the pricing is therefore considered reasonable.

(2) Method and Purpose of Selecting Specific Persons, Necessity, and Expected Benefits:

The targets of this private placement shall be limited to specific persons as defined under Article 43-6 of the Securities and Exchange Act and must be strategic investors. Priority will be given to those expected to contribute to the Company's long-term development, enhance competitiveness, and benefit existing shareholders. As of now, no specific investors have been finalized. It is proposed that the Board of Directors be fully authorized to handle all matters related to their selection.

Purpose, Necessity, and Expected Benefits of Selecting Strategic Investors: To meet the needs of the Company's operational development, it is proposed that strategic investors be selected to directly or indirectly assist the Company in areas such as finance, business operations, R&D, technology, procurement, management, and strategic planning, in order to enhance the Company's competitiveness, improve operational efficiency, and promote long-term development.

(3) Reason for Conducting a Private Placement:

Considering factors such as the relative timeliness and convenience of private placements, as well as the Company's plan to introduce strategic investors to support its development, conducting the offering through a private placement is deemed necessary.

(4) Purpose of the Capital Raised and Expected Benefits:

This private placement will be carried out in one or two rounds or three rounds within one year from the date of the shareholders' meeting resolution, depending on market conditions and negotiations with specific investors.

(4.1) Single Round of Issuance:

The total number of publicly offered and privately placed common shares under this plan shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

(4.2) Two Rounds of Issuance

First Round of Issuance:

The total number of shares from this public offering and the privately placed common shares combined shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

Second Round of Issuance:

The total number of common shares from this round, combined with the shares that may be converted from the privately placed convertible bonds in the first round, the common shares offered through the public offering, and the privately placed common shares, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

(4.3) Three Rounds of Issuance

First Round of Issuance:

The total number of shares from this public offering and the privately placed common shares combined shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

Second Round of Issuance:

The total number of common shares from this round, combined with the shares that may be converted from the privately placed convertible bonds in the first round, the common shares offered through the public offering, and the privately placed common shares, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

Third Round of Issuance:

The total number of common shares from this round, combined with the shares that may be converted from the privately placed convertible bonds in the first round and second round, the common shares offered through the public offering, and the privately placed common shares, shall not exceed 16,000 thousand shares.

Use of Funds:

For one or more of the following purposes: reinvestments; investments in advanced technology products including software, equipment, and related technologies; replenishment of working capital; plant construction; strengthening of the financial structure; and/or addressing other funding needs related to the Company's long-term development.

Expected Benefits:

The funds are expected to be fully utilized within three years after the completion of the capital raising, which will help strengthen the Company's competitiveness and enhance operational efficiency.

- (5) For the provisional rules governing the issuance and conversion of this private placement of convertible corporate bonds, please refer to Attachment 7 of this manual.

- (6) If it is anticipated that the two or three rounds of private placement cannot be completed within one year from the date of the shareholders' meeting resolution, or if there is no plan to proceed with additional rounds during the remaining period, and the original plan is still deemed feasible, the private placement shall be considered as having been fully subscribed in terms of share capital or bond proceeds.
3. The common shares issued through this cash capital increase and the privately placed common shares will be issued or delivered in dematerialized form. Except for the transfer restrictions within three years from the date of delivery, as stipulated in Article 43-8 of the Securities and Exchange Act and applicable to the privately placed securities, the rights and obligations of the newly issued common shares shall be the same as those of the existing common shares.
4. This long-term capital raising plan shall be executed once or twice or three times within one year from the date of the shareholders' meeting resolution. Key details—including but not limited to the underwriting method, issue price, actual number of shares issued, issuance terms, issuance methods, project plans, use of funds, total capital to be raised, expected fund utilization schedule, anticipated benefits, and all other matters related to the issuance—are proposed to be authorized to the Board of Directors, who may determine and adjust them in accordance with market conditions. Should any changes be required in the future due to regulatory approvals, operational considerations, or objective circumstances, the Board of Directors is also fully authorized to handle such changes.
5. To carry out the capital raising plan, it is proposed that the shareholders' meeting authorize the Chairman or a designated representative to act on behalf of the Company in handling all matters related to this long-term capital raising plan and to sign all relevant contracts and documents.
6. For any matters not addressed herein, it is proposed that the Shareholders' Meeting authorize the Board of Directors to handle them with full authority in accordance with applicable laws and regulations.

M31 Technology Corporation
Private Placement and Conversion of Convertible Corporate Bonds Regulations
(Tentative)

1. Issuer: M31 Technology Corporation (hereinafter referred to as the “Company” or “M31”).
2. Total Issuance Amount: The Board of Directors is authorized to, within a limit of no more than 16,000 thousand shares of common shares, carry out the capital raising through one or a combination of the following methods: issuance of common shares through a cash capital increase, private placement of common shares through a cash capital increase, and/or private placement of domestic or overseas convertible corporate bonds. When conducting the private placement of domestic or overseas convertible corporate bonds (hereinafter referred to as the “Convertible Bonds”), the number of common shares to be converted shall be calculated based on the conversion price at the time of the private placement and must be within the aforementioned limit of 16,000 thousand shares.
3. Issue Date: To be issued once or twice or three times within one year after approval by the 2025 General Shareholders’ Meeting.
4. Method of Issuance: The Convertible Bonds will be issued in accordance with Article 43-6 of the Securities and Exchange Act and the applicable laws and regulations of the place of issuance. The targets of this private placement shall be limited to specific persons as defined under Article 43-6 of the Securities and Exchange Act and must be strategic investors. Priority will be given to those who are expected to contribute to the Company’s long-term development, enhance competitiveness, and benefit the interests of existing shareholders. It is proposed that the Board of Directors be fully authorized to handle all matters related to the identification and engagement of such specific persons.
Purpose, Necessity, and Expected Benefits of Selecting Strategic Investors: To meet the needs of the Company’s operational development, it is proposed that strategic investors be selected to directly or indirectly assist the Company in areas such as finance, business operations, R&D, technology, procurement, management, and strategic planning, in order to enhance the Company’s competitiveness, improve operational efficiency, and promote long-term development.
5. Type, Par Value, and Issue Price of the Convertible Bonds: These bonds are privately placed, registered, convertible corporate bonds with a par value of US\$10,000 or a multiple thereof, or NT\$100,000 or a multiple thereof. The issue price shall not be lower than 80% of the theoretical price.
6. Coupon Rate and Interest Payment Method of the Corporate Bonds: To be determined by the Board of Directors based on financial market conditions.
7. Term of Issuance: Shall not exceed five years from the date of issuance.
8. Redemption Method: Except for bonds that have been converted, exercised through a put option, redeemed, or repurchased and canceled, these corporate bonds shall be redeemed by the Company in cash at their par value, or at par value plus an interest compensation amount, upon maturity.
9. Conversion Target: Newly issued common shares of M31.

10. Conversion:

(1) Conversion Period for the Convertible Bonds:

Except during periods of early redemption, repurchase, cancellation, exercise of conversion rights, or any other non-convertible periods as specified in the bond issuance agreement, bondholders may request to convert the bonds into the Company's common shares at any time during a specified period starting after the issuance and ending prior to the bond's maturity, in accordance with applicable laws and the terms of the issuance agreement.

(2) Bond Conversion Procedure:

When requesting conversion, the bondholder shall submit a 'Conversion Notice' along with the bond certificate and any documents or certifications required under the laws of the Republic of China to the Company.

(3) Determination and Adjustment of the Conversion Price:

The conversion price shall not be lower than 80% of the higher of: (i) the simple arithmetic average closing price of the common shares for 1, 3, or 5 business days prior to the pricing date (whichever is selected), adjusted for ex-rights and ex-dividends from stock distributions, and adding back the price adjustment from capital reduction; or (ii) the simple arithmetic average closing price of the common shares for the 30 business days prior to the pricing date, also adjusted for ex-rights and ex-dividends, and adding back the price adjustment from capital reduction. The actual conversion price is proposed to be determined by the Board of Directors in accordance with applicable laws and regulations, subject to authorization by the Shareholders' Meeting. Adjustments to the conversion price shall also be determined by the Board of Directors.

(4) Entitlement to Dividends in the Year of Conversion:

Holders of the convertible bonds shall not be entitled to any dividends or distributions prior to conversion. After conversion, the bondholders shall be entitled to receive dividends or distributions on the Company's common shares in accordance with the law, on the same basis as other common shareholders of the Company.

(5) Rights and Obligations After Conversion:

Except for the transfer restrictions within three years from the date of delivery as stipulated in Article 43-8 of the Securities and Exchange Act, the common shares issued upon conversion of the bonds shall have the same rights and obligations as the Company's existing common shares.

11. Conditions for Early Redemption by the Issuer: To be determined by the Board of Directors.

12. Conditions for Bondholder Put Option: The Company may choose not to provide a put option, or the bondholders may, after a specified period from the issuance date, request the Company to redeem all or part of the bonds at a price calculated based on a predetermined annual yield rate.

13. Other Important Terms and Conditions: The issuance terms of the bonds and any other matters not specified herein shall be determined, adjusted, and fully handled by the Board of Directors as authorized.

M31 Technology Corporation

List of Director Nominees for the 6th Term (including Independent Directors)

Title	Name	Number of Shares Held	Education, Professional Experience, and Current Position
Director	Huey-Ling Chen	8,786,647	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - Ph.D. in Information Engineering, Tsinghua University - M.S. in Computer Science, University of California, USA - B.S. in Information Engineering, National Taiwan University - Senior Soft Engineer, Cadence - Associate Professor, Minghsin University - Supervisor, M31 Technology Corp. <p>Current Position:</p> <ul style="list-style-type: none"> - Chairman, M31 Technology Corp. - Chairman, Sirius Venture Ltd. - Chairman, Jui-Chun Investment Company Ltd.
Director	Yuan-Hsun Chang	140,926	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - M.S. in Electronic Engineering, National Chiao Tung University - B.S. in Electronic Engineering, National Chiao Tung University - R&D Manager, Faraday Technology Corporation <p>Current Position:</p> <ul style="list-style-type: none"> - CEO, M31 Technology Corp. - Chairman, M31 Technology USA, Inc. - Chairman, M31 Technologies India Private Limited - Chairman, Hephia IP Technology Ltd.
Director	Li-Kuo Liu	0	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - M.S. in Electrical Engineering, State University of New York at Stony Brook, USA. - B.S. in Electrical Engineering, National Cheng Kung University - VP, Faraday Technology Corporation <p>Current Position:</p> <ul style="list-style-type: none"> - Chairman, JMicron Technology Corp. - Chairman, JMicron International (SAMOA) Ltd. - Chairman, KaiKutech Inc.
Director	Chun-Hao Lai	0	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - M.S. in Electrical Engineering, University of California, Santa Barbara, USA - B.S. in Electrical Engineering, National Taiwan University - CEO, Global Unichip Corp. <p>Current Position:</p> <ul style="list-style-type: none"> - Chairman, Skymizer Taiwan Inc. - Director (Institutional Representative), Giga Solution Tech. Co., Ltd. - Director (Institutional Representative), Jmem Tek - Director, InPsytech Inc. - Independent Director, Silicon Optronics, Inc. - Independent Director, Andes Technology Corp. - Independent Director, FocalTech Systems Co., Ltd.

Title	Name	Number of Shares Held	Education, Professional Experience, and Current Position
Independent Director	Pei-Ying Li	0	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - LL.M. in Technology Law, National Yang Ming Chiao Tung University - MBA, University of California, Riverside - B.S. in Management Science, National Chiao Tung University - VP, Holtek Semiconductor Inc. - Assistant Manager, Deloitte & Touche <p>Current Position:</p> <ul style="list-style-type: none"> - Managing Partner / Lead Attorney, Patty Li Law Firm - Managing Partner / Lead CPA, Patty Li CPA Firm - Chairman, Insight Consulting Corporation - Director, JBG (Jia Bin Ge) Hotspring Resort Hotel Co., Ltd. - Independent Director, Harvatek Corporation - Independent Director, Holtek Semiconductor Inc.
Independent Director	Shu-Ling Lin	0	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - M.S. in Accounting, National Chengchi University - B.S. in Accounting, Fu Jen Catholic University - CPA, Chen-Chien & CO., CPAs Firm - Senior Associate, Deloitte Taiwan <p>Current Position:</p> <ul style="list-style-type: none"> - Managing Partner, Honesty CPA Firm - Independent Director, CviLux Corp. - Independent Director, Group Up Industrial Co., Ltd.
Independent Director	Yean-Jen Shue	1,000	<p>Education and Professional Experience:</p> <ul style="list-style-type: none"> - Ph.D. in Electrical Engineering, University of Florida - M.S. in Electrical Engineering, National Taiwan University - B.S. in Electrical Engineering, National Taiwan University - Special Assistant to the Chairman and Senior Vice President, Pegatron Corporation - Vice President, Pegatron Corporation - Associate Vice President, ASUSTeK Computer Inc. - Associate Research Fellow, National Chung-Shan Institute of Science and Technology <p>Current Position:</p> <ul style="list-style-type: none"> - CTO and Senior Vice President, Pegatron Corporation - Independent Director, CyberLink Corp.

M31 Technology Corporation
Concurrent Positions Held by Newly Elected Directors for the 6th Term
(including Independent Directors)

Title	Name	Concurrent Positions in Other Companies (Organizations)
Director	Huey-Ling Chen	Chairman, Sirius Venture Ltd.
Director	Yuan-Hsun Chang	Chairman, M31 Technology USA, Inc. Chairman, M31 Technologies India Private Limited Chairman, Hepha IP Technology Ltd.
Director	Li-Kuo Liu	Chairman, JMicon Technology Corp. Chairman, JMicon International (SAMOA) Ltd. Chairman, KaiKutech Inc.
Director	Chun-Hao Lai	Chairman, Skymizer Taiwan Inc. Director (Institutional Representative), Giga Solution Tech. Co., Ltd. Director (Institutional Representative), Jmem Tek Director, InPsytech Inc. Independent Director, Silicon Optronics, Inc. Independent Director, Andes Technology Independent Director, FocalTech
Independent Director	Pei-Ying Li	Managing Partner / Lead Attorney, Patty Li Law Firm Managing Partner / Lead CPA, Patty Li CPA Firm Chairman, Insight Consulting Corporation Director, JBG (Jia Bin Ge) Hotspring Resort Hotel Co., Ltd. Independent Director, Harvatek Corporation Independent Director, Holtek Semiconductor Inc.
Independent Director	Shu-Ling Lin	Managing Partner, Honesty CPA Firm Independent Director, CviLux Corp. Independent Director, Group Up Industrial Co., Ltd.
Independent Director	Yean-Jen Shue	CTO and Senior Vice President, Pegatron Corporation Independent Director, CyberLink Corp.

Articles of Incorporation of M31 Technology Corporation

Section I General Provisions

- Article 1 The Company shall be incorporated under the Company Act, and its name shall be M31Technology Corporation.
- Article 2 The scope of business of the Company shall be as follows:
CC01030 Electrical Appliance and Audiovisual Electric Products Manufacturing
CC01060 Wired Communication Mechanical Equipment Manufacturing
CC01070 Wireless Communication Mechanical Equipment Manufacturing
CC01080 Electronics Components Manufacturing
CC01090 Manufacture of Batteries and Accumulators
CC01110 Computer and Peripheral Equipment Manufacturing
CC01120 Data Storage Media Manufacturing and Duplicating
CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
F118010 Wholesale of Computer Software
F218010 Retail Sale of Computer Software
F219010 Retail Sale of Electronic Materials
F601010 Intellectual Property Rights
I301010 Information Software Services
I301020 Data Processing Services
I301030 Electronic Information Supply Services
I199990 Other Consulting Service
IZ99990 Other Industrial and Commercial Services
CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified
ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval
- Article 3 The total amount of the Company's reinvestment shall not be subject to the restriction of no more than 40% of the Company's paid-up capital, as provided in Article 13 of the Company Act. The Company may provide endorsement and guarantee and act as a guarantor.
- Article 4 The Company has registered its headquarters in Hsinchu County, Taiwan, Republic of China. Upon approval of government authorities in charge, the Company may also have branch offices at such other places both within and without the territory of the Republic of China as the Board of Directors may determine whenever is necessary.

Article 5 Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section II Capital Stock

Article 6 The Company's authorized capital is set at NT\$800 million, divided into 80 million shares, each with a par value of NT\$10, and may be issued in installments as authorized by the Board of Directors based on actual needs. Within this amount, up to NT\$120 million is reserved for the issuance of employee stock option certificates, which may also be issued in installments as resolved by the Board of Directors.

The recipients of the Company's employee stock option certificates include employees of controlling and subsidiary companies who meet certain criteria.

When the Company issues new shares, employees eligible to subscribe include those from controlling and subsidiary companies who meet certain criteria.

Recipients of the Company's restricted employee shares include employees of controlling and subsidiary companies who meet certain criteria.

The recipients of the Company's treasury shares repurchased in accordance with the law include employees of controlling and subsidiary companies who meet certain criteria.

Article 6-1 The issuance of employee stock options with an exercise price lower than the closing price of the Company's ordinary shares on the date of issuance shall be subject to the approval of the shareholders' meeting with more than half of the shareholders representing the total number of outstanding shares and two-thirds of the shareholders' voting rights present.

The transfer of shares of the Company's ordinary shares to employees at a price less than the average price at which the shares of the Company's ordinary shares were actually repurchased shall be approved by at least two-thirds of the voting rights of the shareholders present at the most recent shareholders' meeting representing more than half of the total number of outstanding shares.

Article 7 The share certificates of the Company shall all be name-bearing and issued in accordance with Article 161-1 of the Company Act. Share certificates issued by the Company are exempted from printing; however, they shall be registered in the central securities depository.

Article 8 Registration for share transfer shall be suspended sixty days before the date of shareholders' meeting, and thirty days before the extraordinary general shareholders' meeting, or within five days before the day on which the Company determines to pay dividends, bonuses, or any other benefits.

Section III Meetings of Shareholders

- Article 9 The shareholders' meetings of the Company are classified into two types. The annual meeting shall be annually convened by the Board within six months from the end of each fiscal year in accordance with the relevant laws and regulations. The extraordinary meeting shall be convened in accordance with the relevant laws and regulations, whenever is necessary.
- The Company's shareholders' meetings may be held by video conference or by announcement of the central competent authority.
- Article 10 Shareholders may designate a proxy to attend the shareholders' meeting with a power of attorney issued by the Company in accordance with Article 177, Article 177-1, and Article 177-2 of the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meeting of Public Companies promulgated by the competent authority.
- Article 11 Shareholders of the Company are entitled to one vote for each share held. However, if there are exceptions to the provisions of Article 179 of the Company Act, this shall not apply to Company's shares held by its own pursuant to laws and regulations.
- Article 12 The resolutions of shareholders' meeting, unless otherwise stated in the relevant laws and regulations, shall be agreed by the majority of votes represented by the attending shareholders or proxies who represents the majority of the total number of issued shares. Shareholder who votes electronically shall be deemed as attending the Meeting in person. Electronic voting shall be conducted in accordance with relevant laws and regulations. The proposal shall be deemed adopted if all attending shareholders are solicited by the Chairman and no objection is voiced. Its validity is the same as voted by casting ballot. The Company may withdraw from public offering upon shareholder approval at the Meeting and submission of a request for withdrawal to the competent authority.
- Article 13 If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the directors to act as chair. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- Article 14 The resolutions of the general shareholders' meeting shall be recorded in the minutes. The minutes shall be signed or affixed to the meeting Chairman's seal and be distributed to all shareholders within twenty days after the meeting. The distribution of the preceding minutes shall be in accordance with the provisions of the Company Act.

Section IV Directors and Audit Committee

Article 15 The Company shall have five (5) to nine (9) directors to be elected at the Meeting through a nominating system from persons of legal capacity to serve a term of three years. Shareholders shall nominate candidates for election as directors from the list of candidates. Directors are eligible for re-election. The number of Independent Directors within the number of Directors in the preceding article shall be two at least, and shall not be less than one-fifth of the total number of Directors. The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements with regard to the independent directors shall be set forth in accordance with the competent authorities.

In addition, the Company shall purchase insurance to cover the liability of the directors in respect of the scope of business they are legally obligated to perform during their term of office.

The Company shall establish various functional committees under the Board of Directors, and each functional committee shall establish rules and regulations for the exercise of its powers and functions, which shall be implemented upon approval by the Board of Directors.

Article 16 The Company shall establish an Audit Committee in accordance with the relevant provisions of the Securities and Exchange Act. The number of members, term of office, power and rules of procedure of the Audit Committee shall be determined in accordance with the relevant provisions of the "Regulations Governing the Exercise of Powers and Functions of the Audit Committee of Public Companies" and shall be governed by the Rules and Regulations Governing the Organization of the Audit Committee.

Article 17 The Company's directors shall be elected through cumulative voting. Each share has the voting rights equal to the number of directors to be elected. The votes may be cast to one candidate or among several candidates. The candidates who receives the most votes shall be elected as the director. Any amendment of this voting system shall be handled in accordance with Article 172 of the Company Act and shall be specified, with explanation of the material contents, in the notice of the meeting.

Article 18 The Board is composed of Directors. The Directors shall elect a Chairman from among themselves in the Board meeting with the consent of the majority of attending Directors, which represents more than two-thirds of all Directors. The Chairman shall have the authority to represent the Company.

Article 19 In the case where the Chairman is on leave or cannot exercise his or her authority with due cause, a proxy shall be appointed in accordance with Article 208 of the Company Act.

If a Director is unable to attend the Board meeting for some reason, he/she shall authorize another Director to stand proxy with a power of attorney indicating the scope of authority with reference to the subjects to be discussed at the meeting. No Director may act as a

proxy for more than one other Director.

For Board meetings conducted through video-conferencing, a Director who participates through video conferencing is deemed to attend in person.

- Article 20 All of the directors shall be paid by the Company regardless of operating gains or losses. The Board is delegated to determine the remuneration to Directors based on their involvement in the Company's business operation and their contributions to the Company with reference to the remuneration standard of the industry.

Section V Managers

- Article 21 The Company shall have several managers. Their appointment, dismissal, and remuneration shall be subject to Article 29 of the Company Act.

Section VI Accounting

- Article 22 The Company's Board of Directors shall prepare the following after the end of each fiscal year and forward them to the general shareholders' meeting for approval:

1. Business report
2. Financial statements
3. Profit distribution or deficit compensation proposal

- Article 23 If the Company generates a profit for the year, no more than 1.5% of the profit shall be allocated as remuneration for directors, and no less than 1% shall be allocated as employee compensation, of which at least 0.1% of the profit shall be specifically allocated to compensation for base-level employees. However, if the Company has accumulated losses, the amount required to cover such losses shall be retained in advance.

Employee compensation may be distributed in the form of stock or cash, and recipients may include employees of subsidiary companies who meet certain criteria, as authorized and determined by the Board of Directors. Directors' remuneration shall be distributed in cash.

- Article 24 If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders:

1. Reserve for tax payments.
2. Offset accumulated losses, if any.
3. Legal reserve, which is set aside 10% of remaining net profits after deducting the aforementioned items. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Set aside or reverse of special reserves as required by law or government authorities.
5. The remaining net profits and retained earnings from previous years shall be prepared by the Board for distribution of earnings. If the distribution is made in the form of new shares, it shall be submitted to the shareholders' meeting for a resolution, and if the distribution is made in the form of cash, the Board of Directors shall be authorized to

resolve on the distribution in accordance with Article 240, Paragraph 5 of the Company Act and report to the shareholders' meeting.

In accordance with Article 241 of the Company Act, the Company may issue all or part of the legal reserve and capital reserve to new shares or cash in proportion to the shareholders' common shares, and in the case of a cash payment, the Board is authorized to resolve the matter and report it to the shareholders' meeting.

The Company's dividend policy considers the Company's sustainable operation, stable growth, protection of shareholders' rights and interests, and healthy financial structure, and the Board prepares earnings distribution plans based on future funding needs and long-term financial planning. Total dividends to shareholders shall not be less than 2% of the retained earnings and may be paid in cash or in stock, with cash dividends not less than 10% of the total dividends.

Section VII Additional Provisions

Article 25 Matters not set forth in the Articles of Incorporation shall be subject to the Company Act and other laws and regulations.

Article 26 The Articles of Incorporation was established on October 5, 2011.

The first amendment was made on January 13, 2012.

The second amendment was made on March 13, 2012.

The third amendment was made on April 17, 2012.

The fourth amendment was made on March 25, 2013.

The fifth amendment was made on June 25, 2014.

The sixth amendment was made on June 28, 2016.

The seventh amendment was made on May 9, 2017.

The eighth amendment was made on May 24, 2018.

The ninth amendment was made on November 13, 2018

The tenth amendment was made on August 5, 2021

The eleventh amendment was made on May 26, 2022

The twelfth amendment was made on May 27, 2025

Rules of Procedure for Shareholders Meetings of M31 Technology Corporation

- Article 1 In order to establish a good governance system for the Company's shareholders' meeting, improve the supervisory function and strengthen the management function, in accordance with the provisions of Article 5 of the Code of Corporate Governance for Listed Companies, these rules are hereby established for compliance.
- Article 2 The rules of procedure for the Shareholders Meetings of the Company, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.
- Article 3 **The Convention and Meeting Notice of Shareholders' Meeting**
The general shareholders' meetings of the Company shall be convened by the Board of Directors unless otherwise provided by laws and regulations.
The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins, as well as explanatory materials, relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a general shareholders' meeting or 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 21 days before the date of the general shareholders' meeting or 15 days before the date of the special shareholders' meeting. In addition, 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 as well as being distributed on-site at the meeting place.
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.
Election or dismissal of directors, amendments to 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, using earnings to increase capitalization, using reserve to increase capitalization, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 (Significant change in business policy) of the Company Act, shall be set out in the notice of the reasons for convening the shareholders' meeting, as well as the essential contents shall be explained. None of the above matters may be raised by an extempore motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice.

Where the matter of that all directors of the Company will be re-elected has been set out in the causes of a meeting of shareholders to be convened, and the date for the elected directors to assume their office is also indicated in, after the re-election is completed in such a shareholders' meeting, the date for the elected directors to assume their office shall not be altered by bring up as extempore motions or by other means.

A shareholder holding 1 % or more of the total number of issued shares may submit to the Company a proposal for discussion at a general shareholders' meeting. Such proposal is limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, the proposed proposal for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at the shareholders' meeting by the Board of Directors. In addition, when any one of the circumstances set forth in each subparagraph of paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before a general shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, methods of acceptance in writing or by way of electronic transmission and the location and time period for their submission; the period for submission of shareholder 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 general 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 Proxy form

For each general 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 general 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 2 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 Principles Determining the Time and Place of a Shareholders' Meeting

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 shall 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.

Article 6 Preparation of Documents such as the Attendance Book

The Company shall specify in its shareholders' meeting notices the time during which shareholder 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. Shareholders and their proxies (collectively, "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.

Article 7 The Chair and Non-voting Participants of a Shareholders' Meeting

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

When a director serves as chair, as referred to in the preceding paragraph, the 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 Chairman 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 Documentation of a Shareholders' Meeting by Audio or Video

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 recorded materials of the preceding paragraph shall be retained for at least 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.

Article 9 Attendance

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 sign-in cards handed in 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. 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. 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 paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.

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 Discussion of Proposals

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The proposals (including extemporaneous motion and the amendment to original proposal) shall require a voting by poll on every resolution. 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 extempore 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 accordance 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 extempore 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 with arranging sufficient time for the vote.

Article 11 Shareholder Speech

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.

Article 12 Calculation of Voting Shares and Recusal System

Voting at a shareholders' meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders' meeting, 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% 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 Vote on a Proposal

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 paragraph 2, Article 179 of the Company Act.

When the Company holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by electronic means or correspondence means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extempore motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extempore motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company 2 days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. During a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 Election of Directors

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 names of those elected as directors and the numbers of votes with which they were elected.

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 Meeting Minutes

The resolutions of the shareholders' meeting shall be recorded in the minutes. The minutes shall be signed or affixed to the meeting Chairman's seal and be distributed to all shareholders within twenty days after the meeting. The production and distribution of video and audio files can be done electronically.

The distribution may be done via public announcement by upload them to the MOPS.

The meeting minutes shall accurately record the year, month, date, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and the results of voting (including the statistical weights of the numbers of votes), in the event of Director election, the number of the votes to each candidate shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the Company.

Article 16 Public Disclosure

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 and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws and regulations, and the Taiwan Stock Exchange(Tapei Exchange), the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 Maintaining Order at the Meeting Place

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

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

At the place of a shareholders' 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 proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 Recess and Resumption of a Shareholders' Meeting

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore 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 These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

Article 20 These Rules were adopted by the Shareholders' Meeting on June 28, 2016.

The first amendment was made on May 24, 2018.

The second amendment was made on May 29, 2020.

M31 Technology Corporation

Rules for Election of Directors

- Article 1 The election, re-election and by-election of directors shall be elected in accordance with the rules specified herein.
- Article 2 For the election of directors of the Company, the name of the elector shall be replaced by the attendance number.
The election of directors shall be based on the nomination of candidates.
- Article 3 For the election of directors, each share shall have the same right to vote as the number of directors to be elected, and the board of directors shall prepare ballots equal to the number of directors to be elected and distribute them to each shareholder.
- Article 4 The directors of the Company shall be elected in accordance with the quotas set forth in the Articles of Incorporation, and the independent directors and non-independent directors shall be elected together and the number of elected quotas shall be calculated separately. The directors shall be elected in the order of the majority of the votes received. If there are more than two persons with the same number of votes and the number of directors exceeds the required number, lots shall be drawn by those with the same number of votes. For persons who are unable to attend, the Chairman shall draw lots for the candidates.
- Article 5 Independent directors shall obtain one of the following professional qualifications and have at least five years of working experience:
1. Lecturer or above from a public or private college or university in business, law, finance, accounting or related fields required for company's business.
 2. Judges, prosecutors, lawyers, accountants or other professional and technical personnel who have passed the national examinations required for the company's business.
 3. Experience in business, legal, finance, accounting or corporate business.
- Anyone who has served as an independent director shall be prohibited from serving as an independent director and shall be terminated if he or she has served as one of the following:
1. In one of the cases specified in Article 30 of the Company Act.
 2. In accordance with Article 27 of the Company Act, the government, legal persons or their representatives shall be elected.
 3. Violation of the qualifications of independent directors as stipulated in the Regulations.
- Article 6 An independent director shall not be one of the following two years prior to his or her election and during his or her term of office:
1. Employees of the Company or its affiliated companies.

2. Directors and supervisors of the Company or its affiliated companies. However, this does not apply if the company or its parent company or subsidiary is an independent director established in accordance with this Act or local laws and regulations, the company shall not be subject to this limitation.
3. The natural shareholders who hold more than one percent of the total issued shares or the top ten natural shareholders in the name of themselves, their spouses, minor children or in the name of others.
4. The spouse of a person listed in the preceding three paragraphs, a relative within the second degree of kinship, or a relative within the third degree of kinship in the direct blood relatives.
5. A director, supervisor or employee of a corporate shareholder who directly holds more than five percent of the total issued shares of the Company, or the top five corporate shareholders who hold shares.
6. Directors, supervisors, managers, or shareholders holding more than 5% of the shares of a specific company or organization with which the Company has financial or business dealings.
7. Professionals, sole proprietors, partners, directors, supervisors, managers and their spouses who provide business, legal, financial and accounting services or consulting services to the Company or its affiliates. However, members of the Compensation Committee who perform their duties and responsibilities in accordance with Article 7 of the Rules Governing the Establishment and Exercise of Powers and Functions of Compensation Committees of Companies whose stocks are Listed or Traded on the Business Premises of Securities Firms shall be excluded.

If an independent director has served as an independent director of a company or its affiliates or a specific company or organization with which the company has financial or business dealings as described in Paragraph 2 or 6 of the preceding paragraph and has now terminated his or her appointment, the preceding two-year period prior to his or her election shall not apply.

The specific company or organization referred to in Paragraph 6 of Item 1 shall mean a company with one of the following circumstances:

1. Hold at least 20% and not more than 50% of the Company's total issued shares.
2. Other companies and their directors, supervisors and shareholders holding more than 10% of the total number of shares hold more than 30% of the total number of issued shares of the Company, and there is a record of financial or business dealings between the two parties. The shares held by the aforementioned persons include their spouses, minor children and those held in the name of others.
3. The Company receives more than 30% of its operating revenues from other companies and its group companies.

4. The Company's major raw materials (defined as those that account for more than 30% of the total purchase amount and are indispensable for the manufacture of products) or major products (defined as those that account for more than 30% of the total operating revenues) are derived more than 50% from other companies and their group companies in quantities or total purchase amounts.

The parent company, subsidiary and group referred to in the first and preceding paragraphs shall be recognized in accordance with the provisions of IFRS 10.

Article 7 An independent director shall not serve as an independent director of more than three other public companies.

Article 8 When the Board of Directors prepares the ballot, it shall be printed according to the attendance number and filled in with its weight.

Article 9 At the beginning of the election, the Chairman shall designate scrutineers and tellers to monitor and count the votes.

Article 10 The ballot boxes shall be prepared by the Board of Directors and shall be opened for inspection by the scrutineers before the voting.

Article 11 If the person to be elected is a shareholder, the elector shall fill in the name of the person to be elected and the shareholder's account number on the ballot paper. If he/she is not a shareholder, he/she shall fill in the name of the person to be elected and the tax ID number (or ID card number), and then put it into the ballot box; however, if the government or a corporate shareholder is the nominee, the nominee column of the ballot paper shall be filled in with the name of the government or the corporate in accordance with the provisions of Article 27, Paragraph 1 of the Company Act, and the name of the government or the corporate and the name of its representative in accordance with the provisions of Paragraph 2 of the same Article.

Article 12 An election ballot shall be invalid if one of the following circumstances occurs:

1. Those who do not use the ballot papers specified in this rule.
2. Those who vote with a blank ballot.
3. The handwriting is blurred and unrecognizable or has been altered.
4. If the name of the candidate is a shareholder, the name of the candidate does not match with the register of shareholders. If the name of the candidate is not a shareholder, the name and the tax ID number (or ID card number) of the candidate do not match.
5. The same ballot is filled with more than two candidates.
6. In addition to the candidate's account name (surname) and shareholder's account number (tax ID number or ID card number), other written characters are included.
7. Not in accordance with the provisions of Article 11.

Article 13 The ballot boxes for the election of directors shall be opened together with the scrutineers and tellers after the ballots have been cast.

- Article 14 The counting of votes shall be monitored by the scrutineers, and the results of the ballot shall be announced by the Chairman on the spot. The election ballots for the aforementioned election shall be sealed and signed by the scrutineers and kept in a safe place for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the conclusion of the litigation.
- Article 15 The elected director shall be given a notice of election by the Board of Directors
- Article 16 (Deleted)
- Article 17 Matters not covered by this Act shall be handled in accordance with the provisions of the Company Law and relevant laws and regulations.
- Article 18 These regulations shall come into effect upon the approval of the shareholders' meeting, and shall be the same when amended.
- Article 19 These Regulations were established on June 28, 2016.
The first amendment was made on May 24, 2018.

M31 Technology Corporation

Shareholdings of All Directors

1. The total number of issued shares: 41,798,160 shares
2. The minimum required combined shareholding of all Directors: 3,600,000 shares
3. Up to the date on which share transfer registration is suspended before the convention of this general shareholders' meeting (March 24, 2026), the status of shareholdings of individual and all Directors registered on the shareholders roster is set forth below:

Title	Name	Holding Shares	Shareholding Ratio
Chairman	Huey-Ling Chen	8,786,647	21.02%
Director	Yuan-Hsun Chang	140,926	0.34%
Director	Li-Kuo Liu	0	0.00%
Director	Chun-Hao Lai	0	0.00%
Independent Director	Jun-Ji Lin	0	0.00%
Independent Director	Shih-Ying Huang	0	0.00%
Independent Director	Pei-Ying Li	0	0.00%
The number of shares held by all Directors		8,927,573	21.36%