



Groundhog Inc.

2024 General Shareholders' Meeting

Agenda

Time: 9:00AM, June 24, 2024

Place: NTUH International Convention Center No. 2, Xuzhou
Road, Zhongzheng District, Taipei City

Convening method: Convened in a physical way

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 Chinese version, the Chinese version shall prevail.

Table of Contents

I. Meeting Procedure.....	1
II. Meeting Agenda.....	2
III. Reporting Matters.....	3
IV. Acknowledged Matters.....	4
V. Discussion Matters.....	5
VI. Election Matters.....	6
VII. Other Matters.....	7
VIII. Extemporary Motions.....	7
IX. Adjournment	
X. Attachments	
Attachment 1: 2023 Business Operation Report.....	8
Attachment 2: Audit Committee’s Review Report.....	10
Attachment 3: Sustainable Development Implementation Report.....	11
Attachment 4: Independent Auditors’ Report and 2023 Parent Company Only Financial Statements.....	33
Attachment 5: Independent Auditors’ Report and 2023 Consolidated Financial Statements.....	40
Attachment 6: 2023 Statement of Profit Distribution.....	47
Attachment 7: Comparison Table for the Articles of Incorporation Before and After Revision.....	48
Attachment 8: Comparison Table for the Rules and Procedures for Election of Directors Before and After Revision.....	52

XI. Appendices

Appendix 1: Articles of Incorporation.....	55
Appendix 2: Rules and Procedures of Shareholders' Meeting.....	63
Appendix 3: Rules and Procedures for Election of Directors.....	74
Appendix 4: Shareholdings of All Directors.....	78

I. Meeting Procedure

Groundhog Inc.

Meeting Procedure of 2024 General Shareholders' Meeting

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

II. Meeting Agenda

Groundhog Inc.

Meeting Agenda of 2024 General Shareholders' Meeting

Time: 9:00 AM (on Monday) June, 24, 2024

Place: NTUH International Convention Center No. 2, Xuzhou Road, Zhongzheng District, Taipei City, Taiwan. (Physical Shareholders' Meeting)

Chairman: Mr. Chiou Ta- Gang, the Chairman of Board of Directors

1. Commencement of the Meeting
2. Chairman's Address
3. Reporting Matters
 - (1). Report on the Business of 2023
 - (2). Audit Committee's Review Report of 2023
 - (3). Report on the Distribution of Employees' Compensation and Directors' Remuneration of 2023
 - (4). Report on the Progress in Sustainable Development Implementation
4. Acknowledged Matters
 - (1). Adoption of the Business Report and Financial Statements of 2023
 - (2). Adoption of the Proposal for Profit Distribution of 2023
5. Discussion Matters
 - (1). Amendment to the "Articles of Incorporation"
 - (2). Amendment to the "Rules and Procedures for Election of Directors"
6. Election Matters
 - (1). By-election of Director
7. Other Matters
 - (1). Lifting the non-competition restrictions on the company's new director
8. Extemporaneous Motions
9. Adjournment

III. Reporting Matters

Report No.1

Proposed by the Board of Directors

Subject: Report on the Business of 2023

Explanation:

1. The status of business operation in 2023 is reported by the Chairman.
2. Please refer to the 2023 Business Report (Attachment 1, pages 10 to 11).

Report No.2

Proposed by the Board of Directors

Subject: Audit Committee's Review Report of 2023

Explanation:

Please refer to the Audit Committee's Review Report (Attachment 1, pages 12).

Report No.3

Proposed by the Board of Directors

Subject: Report on the Distribution of Employees' Compensation and Directors'

Remuneration of 2023

Explanation:

1. According to the company's articles of incorporation, if there is a profit in the annual financial statements, an amount not less than five percent shall be allocated for employee compensation and not more than one percent for director remuneration. However, if the company has accumulated losses from previous years, an amount should be reserved first to offset the losses before allocating for employee and director remuneration, with the remaining balance allocated according to the aforementioned proportions.
2. 10% is set aside as the employees' compensation, which is in a total amount of NT\$ 15,268,004.
3. 1% is set aside as the Directors' remuneration, which is in a total amount of NT\$ 1,526,800.

4. Employee compensation shall be disbursed to employees of both the Company and eligible employees of subsidiary companies, subject to specific conditions. These matters are authorized to be handled by the Chairman of the Board with full authority.

Report No.4

Proposed by the Board of Directors

Subject: Report on the Progress in Sustainable Development Implementation

Explanation:

1. Please refer to Sustainable Development Implementation Report (Attachment 3, pages 11 to 32).

IV. Acknowledged Matters

Proposal No.1

Proposed by the Board of Directors

Subject: Adoption of the Business Report and Financial Statements of 2023

Explanation:

1. The 2023 Business Report and Financial Statements (including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, Statements of Cash Flows) have been approved by the 13th Meeting of the Board of Directors of the 2nd Term on March 14, 2024, and audited by the certified public accountants Huang, Yung-Hua and Yu, Sheng-Ho of KPMG with the proposed audit report.
2. The preceding mentioned Business Report and Financial Statements had been submitted to the Audit Committee for review, and the review report was issued accordingly.
3. Please refer to the 2023 Business Report (Attachment 1, pages 8 to 9), Independent Auditors' Report and Financial Statements (Attachment 4 and 5, page 33 and 40).

Proposal No.2

Proposed by the Board of Directors

Subject: Adoption of the Proposal for Profit Distribution of 2023

Explanation:

1. The amount of NT\$108,404,546 of accumulated retained earnings is available for distribution. The Company set aside legal reserve in an amount of NT\$ 10,840,455. It is proposed to set aside shareholders' dividends in an amount of NT\$100,612,200 from the surplus earnings, and all of the dividends are proposed to be distributed in cash and will be distributed by NT\$ 3 per share.
2. The cash dividends would be rounded down to the nearest whole number, the fractional balance less than NT\$ 1 shall be summed up and recognized as other income of the Company.
3. In the event that the number of outstanding shares is affected due to alteration of share capital which causes the ratio of dividend distribution per share to be changed, is the General Shareholders' Meeting proposes to authorize the Chairman to make any adjustment and proceed on the relevant matters.
4. Please refer to the proposed 2023 Statement of Profit Distribution (Attachment 6, page 47).

V. Discussion Matters

Proposal No. 1

Proposed by the Board of Directors

Subject: Amendment to the "Articles of Incorporation"

Explanation:

1. To comply with regulations and the Company's operational needs, it is proposed to make amendments to the "Articles of Incorporation".
2. Please refer to the Comparison Table for Content of Articles Before and After Revisions (Attachment 7, pages 48 to 51).

Resolution:

Proposal No. 2

Proposed by the Board of Directors

Subject: Amendment to the "Rules and Procedures for Election of Directors"

Explanation:

1. To comply with regulations and the Company's operational needs, it is proposed to make amendments to the "Rules and Procedures for Election of Directors".
2. Please refer to the Comparison Table for Content of Articles Before and After Revisions (Attachment 8, pages 52 to 54).

Resolution:

VI. Election Matters

Proposal No.1

Proposed by the Board of Directors

Subject: By-Election of the Company's Director

Explanation:

1. According to Article 4, Paragraph 2 of "Taiwan Stock Exchange Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers", starting from the year 2024, there shall be no less than one director of each gender among the members of the board of directors of a listed company.
2. As one director resigned from the Board of Directors on February 29, 2024, a by-election of one director is proposed accordingly. The Company intends to elect one director. The newly-elected director will assume office upon election at the shareholders' meeting and will serve for the remaining term until the expiration of the current term, from June 24, 2024 to August 3, 2025. Adopting a candidate nomination system, shareholders should select the director from a list of candidates.
3. A list of candidates for election as director is set forth as following chart-
For shareholders' reference, and submitted sincerely hereby for the election.

Name	Holding Shares	Education/ Experience	Present position
Liu Chiann	915,894 shares	Bachelor of Music, Tunghai University Master of Music, National Taiwan Normal University Professor, Department of Music, Taipei City University	Chairman of Jin Ge Co., Ltd.

Voting Result:

VII. Other Matters

Proposal No.1

Proposed by the Board of Directors

Subject: To approve the release of non-competition restrictions for new Director

Explanation:

1. In order to meet the needs of business strategy and practical development, also new director may act for themselves or others within the scope of the company's business, it is proposed to approve the release of non-competition restrictions for new Director in accordance with Article 209 of the Company Act.
2. Job at other company taken concurrently by the director

Name	Present position
Liu Chiann	Chairman of Jin Ge Co., Ltd.

Resolution:

VIII.Extemporary Motions

IX. Adjournment

X. Attachments

<Attachment 1>

Groundhog Inc.

2023 Business Operation Report

Sincere thanks to our shareholders for your support and to all our colleagues for their hard work. Groundhog Inc. has successfully listed on the Taiwan Stock Exchange at the beginning of 2024, and we are prepared to strengthen our products further and expand internationally. In 2023, leveraging our leading technological advantages, Groundhog once again stood out in the international 5G arena and secured a five-year contract with Airtel, the third-largest telecommunications operator in India, which will help ensure the visibility of our business for the next four years. This achievement was made possible by the solid technical foundation of our CovMo™ product, which replaced key customers of our competitors in the international market and garnered attention from the global telecommunications industry. Overall, CovMo™ accounted for 62% of our orders in the 5G sector in 2023, up from 34% in 2022. On the other hand, due to factors such as the delay in 5G spectrum auctions in many countries during the pandemic, most of our Southeast Asian customers are expected to officially enter the 5G era in 2024, which will serve as significant momentum for future revenue growth.

I. The operating results for 2023:

1. Total consolidated revenue for the year 2023 amounted to NT\$371,188 ,000, with consolidated net profit after tax of NT\$109,882,000.
2. Financial income and expenditure analysis: Please refer to the financial statements attached for the financial overview of the year 2023.
3. Research and development status: The research and development expenses incurred in the year 2023 amounted to NT\$94,597,000, accounting for 25.5% of the operating income.

II. The operation plan for the year 2024

Competitive advantages and business development strategy:

Despite CovMo™'s significant advantages in both precise positioning and real-time response capabilities, we will continue to widen the leading gap with competitors by

leveraging the advantages of artificial intelligence technology to further strengthen our competitive capabilities. In terms of product modules, significant enhancements will be made in areas such as 3D analysis, multi-source input geolocation, and even more efficient virtualized deployment of CovmoTM, all aimed at further assisting telecom operators in improving their return on investment and customer satisfaction.

About the data monetization through Mobility IntelligenceTM in collaboration with telecommunications operators, we embarked on a long-term partnership with Dentsu Group, one of the largest media agencies globally, in the latter half of 2023. Additionally, we continued our collaboration with Indosat, a telecommunications company in Indonesia with over a hundred million users. Our plan is to complete the integration of various data sources by 2024, positioning ourselves as a dominant advantage in the cookieless era, further contributing to medium and long-term revenue growth.

Corporate governance:

In terms of corporate governance, our company continues to uphold the principles of ESG (Environmental, Social, and Governance), with a commitment to increasing the representation and proportion of female directors and optimizing the group's organizational structure to ensure audit independence and promote a culture of internal control. Groundhog remains dedicated to utilizing AI technology for big data analysis, aiming to expand its influence and become a model of ESG excellence among Taiwanese software enterprises.

In the foreseeable future, as the global market gradually transitions into the widespread adoption phase of 5G networks, the sources of revenue momentum will be abundant. We will continue to maintain our position at the forefront of artificial intelligence technology, accelerating operational growth and expanding our corporate footprint. Our focus remains on deepening our presence in the mobile communication sector, striving for further advancements and achievements in this field.

We extend our heartfelt gratitude to all shareholders for standing with Groundhog as we venture towards a bright future driven by artificial intelligence.

Chairman:

Chiou, Ta-Gang

President:

Chiou, Ta-Gang

Accounting Officer:

Syu, Fu-Ciang

<Attachment 2>

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 business report, financial statements, and proposal for allocation of profits. The CPA firm of KPMG was retained to audit Groundhog Inc.'s financial statements and has issued an audit report relating to the financial statements. The business report, financial statements, and profit allocation 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.

To Groundhog Inc. 2024 General Shareholders' Meeting

Groundhog Inc.

Chairman of the Audit Committee: Tseng, Tsung-Lin

March 14, 2024

<Attachment 3>

Sustainable Development Implementation Report

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
1. Whether the Company has established a management structure for promoting sustainable development and set up an exclusively (or concurrently) dedicated unit handled by senior management officer(s) authorized by the Board of Directors, and under the supervision of the Board of Director?	V		<p>The company's board of directors adopted the "Sustainable Development Code of Practice" on August 12, 2022, and submitted a report to the shareholders' regular meeting on December 3, 2022.</p> <p>In line with the promotion of sustainable development, the company formulated the "Corporate Sustainable Development Promotion Measures" on December 30, 2022, and established the Corporate Sustainability Promotion Team as a full-time unit. Its members include the general manager office and department-level supervisors, responsible for promoting sustainable development. Continuously develop the resources and planning management methods of each group, and the general manager ensures that the company implements relevant corporate sustainability responsibilities and reviews the implementation status and makes revised plans at any time. The Sustainable Development Promotion Team regularly reports to the Board of Directors on the implementation of sustainable development work every year.</p> <p>The board of directors listens to the management's executive report on the company's operations and sustainable development. The management reports the company's planned strategies to the board of directors. The board of directors conducts feasibility studies on the strategies and provides suggestions to the management as appropriate.</p>	None

Promotion Item	Implementation Status			Deviations from “the				
	Y E S	N O	Abstract Explanation	Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons				
2.Does the Company make the risk assessment on the issues concerning environment, society and corporate governance which are related to the operation of Company according to the materiality principle, and establish relevant risk management policies or strategy?	V		<div><div>The boundary of this risk assessment is limited to the company. Based on the principle of materiality of sustainable development, relevant risk assessments of important issues are conducted. Based on the risk items identified in the assessment, relevant risk management countermeasures and measures are formulated as follows: :</div><table><tr><td>risk assessment</td><td>Risk management countermeasures and measures</td></tr><tr><td>Environmental protection, ecological conservation</td><td>The company's main business is the development and sales of software platforms. It is not engaged in manufacturing, has no physical product output, does not emit greenhouse gases from the manufacturing process, and does not emit business waste. Our company's office produces general waste, which originates from domestic waste and is divided into general waste (including kitchen waste) and resource recycling waste. Colleagues daily sort their garbage and place it in the garbage classification storage area, which is collected by the building property management company. The waste will then be transported to an incineration plant for processing by qualified waste removal operators. At present, the building management center has signed a contract with a waste</td></tr></table></div>	risk assessment	Risk management countermeasures and measures	Environmental protection, ecological conservation	The company's main business is the development and sales of software platforms. It is not engaged in manufacturing, has no physical product output, does not emit greenhouse gases from the manufacturing process, and does not emit business waste. Our company's office produces general waste, which originates from domestic waste and is divided into general waste (including kitchen waste) and resource recycling waste. Colleagues daily sort their garbage and place it in the garbage classification storage area, which is collected by the building property management company. The waste will then be transported to an incineration plant for processing by qualified waste removal operators. At present, the building management center has signed a contract with a waste	None
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Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>removal manufacturer to carry out centralized removal of waste in the entire building. There is no additional charge or deduction within the weight variation range of 7 metric tons per month plus or minus 20%. Based on the current building garbage removal model, the average daily waste per floor is less than 30 kilograms. The building management center has not yet measured the weight of waste from tenants on each floor. The company only rents one of the 12 floors in the building. The daily output of waste is not significant.</p> <p>The company has formulated the "Greenhouse Gas and Waste Management Measures" to clearly state the management policies and practices for water conservation, electricity conservation, greenhouse gas emission reduction, and waste reduction, and lists annual water, electricity, and greenhouse gas management goals. Our company office promotes to colleagues to turn off lights and computers or electrical appliances when not in use at all times, scan instead of printing, recycle photocopy paper, and save water. Since 110, the office has been</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
				counting water and electricity consumption, and has implemented environmental protection work with the goal of reducing carbon emissions, water consumption, and electricity consumption every year.
			Society-Work-place Safety	Our company has obtained the ISO45001:2018 occupational safety and health management system certification. In accordance with ISO specifications, building safety laws and occupational safety and health laws, in order to provide employees with a safe workplace, we regularly implement building security inspections, fire equipment security inspections, Fire self-defense group drills and fire protection professional knowledge training. In terms of creating a friendly working environment, a dedicated lactation room, fitness equipment and resting space are set up. In terms of maintaining the physical and mental health of employees, we conduct regular employee health examinations, sponsor employee sports club venue rentals, provide on-site medical staff to the office to assist employees in health management, and provide health consultation services.

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			Society-Product Safety	The company has obtained ISO9001:2015 quality management system certification. The company adheres to the core value of "quality first, customer service first", takes providing customers with high-quality services and products as its top priority and maintains smooth communication channels with customers.
			Society - Risks caused by the company's operating activities to the community	The company mainly develops and sells software platforms. The company's operating activities have been assessed as not posing risks or negative impacts to neighboring communities.
			Corporate Governance – Social and Compliance	By establishing a corporate governance organization and implementing an internal control mechanism, all employees and operating procedures of the company can comply with relevant laws and regulations. The technologies exclusively developed by our company have applied for and obtained patent certificates from the Republic of

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<div>China, the United States, Japan, the European Union and other countries and regions.</div> <div>Corporate Governance - Stakeholder Communication In order to strengthen communication and avoid misunderstandings, the company has set up an investor mailbox and has relevant authorities to respond.</div> <div>Corporate Governance -Strengthening the Functions of Directors Arrange professional training courses for directors and purchase directors’ liability insurance.</div>	
3. Environment Topic (1) Does the Company establish proper environmental management systems based on the characteristics of their industries?	V		The company's main business is the development and sales of software platforms. It does not produce pollution or business waste, so it is not suitable for environmental management system verification.	None
(2) Does the Company endeavor to improve energy more efficiently and use renewable materials which have low	V		The company's main business is the development and sales of software platforms and is not engaged in production and manufacturing. In terms of improving energy efficiency, our office promotes turning off unnecessary lights during lunch breaks, setting the air conditioner at a temperature above 26 degrees Celsius in summer, and unplugging unnecessary	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
impact on the environment?			<p>electrical appliances during consecutive long holidays to reduce standby power consumption. In terms of planning, each conference room uses a separate air-conditioning controller to reduce power waste; the company's main business is the development and sales of software platforms, and the products or services provided to customers do not use packaging materials (i.e., so-called materials). However, the company's computer equipment is centrally reused, and through waste paper reuse and supplier packaging boxes, the company extends the product life cycle, improves resource usage efficiency, and strives to reduce environmental impact.</p>	
(3) Does the Company evaluate the potential risk and opportunity caused by the climate change currently and in the future, and take measures corresponding to the climate relevant issues?	V		<p>The "Corporate Sustainability Promotion Team" convenes relevant departments to identify risk opportunities caused by climate change, analyze short, medium and long-term risk projects, and assess the financial impact of risk opportunities. The board of directors is the management organization that actually oversees the company's climate change risks and opportunities.</p> <p>Scenario analysis, response strategy formulation, goal achievement and other matters related to climate change are planned and integrated by the management and reported to the board of directors.</p> <p>Risks and opportunities related to climate change identified by the Company: Short-term risks: Rising domestic electricity prices will lead to an increase in related operating costs.</p>	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>Medium-term risks: Possible losses from operational interruptions due to extreme weather events such as natural disasters.</p> <p>Long-term risk: Customers changing their behavior as a result of climate change.</p> <p>Financial impact: Risks - Increase operating costs and impact on financial performance. Opportunity - Expand new business to potential customers and increase revenue.</p> <p>Strategic impact: The company's response measure is to continue to educate employees about saving electricity. On the one hand, it saves energy and reduces greenhouse gas emissions. On the other hand, it reduces the impact of future increases in electricity prices on the company's operating expenses.</p> <p>Business impact: The company's response measures are to target customers in telecom operators and related industries, emphasizing that the company's products can bring energy conservation, carbon reduction, and cost savings, in order to expand business reach and further strive for business opportunities.</p> <p>In the face of extreme climate events, the company identifies possible risks and plans corresponding transformation actions. The financial impact is analyzed as follows: The financial impact of extreme weather events</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>Extreme weather events such as severe typhoons and large floods may be accompanied by power outages, traffic interruptions and other accidents, interrupting the company's operations, causing personnel to be unable to work in the office normally, and shutting down the computer rooms, increasing the chance of loss of the company's revenue. Large, no significant impact on finances. In addition, the rise in average temperature and sea level will have a low impact on the location of the company's office.</p> <p>Financial Impact of Transformation Initiatives The company's products themselves are developed to help customers save energy and reduce carbon. The chance of the products being listed as the subject of carbon tax at home and abroad is not high. The transformation action is more inclined to the use of carbon offsets or renewable energy certificates to reduce the scope of Category 2. indirect emissions from energy use. After comprehensive analysis, the financial impact of the transformation actions is not significant.</p>	

Promotion Item	Implementation Status			Deviations from “the																																
	Y E S	N O	Abstract Explanation	Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons																																
(4) Does the Company make statistics of total greenhouse gas emissions, water consumption and waste weight of the Company during past two years, and establish strategies for energy conservation, carbon and greenhouse gas reduction, water consumption saving or waste management?	V		<p>The company's greenhouse gas emissions and water and electricity usage are included in the inventory, and subsidiaries are not included. The water and electricity consumption in 2022 and 2023, as well as the greenhouse gas emissions have been recorded.</p> <p>The relevant statistical list is as follows :</p> <table><tr><td>Year</td><td>Total water consumption (Degree)</td><td>Number of employees at the end of the year</td><td>water consumption per capita: Total water consumption/ Number of employees at the end of the year</td></tr><tr><td>2022</td><td>1,061</td><td>132</td><td>8.04</td></tr></table> <table><tr><td>Year</td><td>Total electricity consumption (Degree)</td><td>Consolidated revenue (NTD million)</td><td>Electricity consumption per unit revenue (NTD million): Total electricity consumption / Annual revenue</td></tr><tr><td>2022</td><td>241,482</td><td>312.877</td><td>771.81</td></tr></table> <table><tr><td>Year</td><td>Scope 1 greenhouse gas emissions (t CO2e)</td><td>Scope 2 greenhouse gas emissions (t CO2e)</td><td>Greenhouse gas emissions per unit of revenue (NTD million): t CO2e/ Annual revenue</td></tr><tr><td>2022</td><td>0</td><td>119.5336</td><td>0.3820</td></tr></table> <table><tr><td>Year</td><td>Total water consumption (Degree)</td><td>Number of employees at the end of the year</td><td>water consumption per capita: Total water consumption/ Number of employees at the end of the year</td></tr><tr><td>2023</td><td>1,191</td><td>142</td><td>8.39</td></tr></table>	Year	Total water consumption (Degree)	Number of employees at the end of the year	water consumption per capita: Total water consumption/ Number of employees at the end of the year	2022	1,061	132	8.04	Year	Total electricity consumption (Degree)	Consolidated revenue (NTD million)	Electricity consumption per unit revenue (NTD million): Total electricity consumption / Annual revenue	2022	241,482	312.877	771.81	Year	Scope 1 greenhouse gas emissions (t CO2e)	Scope 2 greenhouse gas emissions (t CO2e)	Greenhouse gas emissions per unit of revenue (NTD million): t CO2e/ Annual revenue	2022	0	119.5336	0.3820	Year	Total water consumption (Degree)	Number of employees at the end of the year	water consumption per capita: Total water consumption/ Number of employees at the end of the year	2023	1,191	142	8.39	None
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			<table><tr><th>Year</th><th>Total electricity consumption (Degree)</th><th>Consolidated revenue (NTD million)</th><th>Electricity consumption per unit revenue (NTD million): Total electricity consumption / Annual revenue</th></tr><tr><td>2023</td><td>268,217</td><td>371.188</td><td>722.59</td></tr></table> <table><tr><th>Year</th><th>Scope 1 greenhouse gas emissions (t CO2e)</th><th>Scope 2 greenhouse gas emissions (t CO2e)</th><th>Greenhouse gas emissions per unit of revenue (NTD million): t CO2e/ Annual revenue</th></tr><tr><td>2023</td><td>0</td><td>132.4992</td><td>0.3570</td></tr></table> <p>The company has formulated the "Greenhouse Gas and Waste Management Measures" to clearly state the management policies and measures for water and electricity conservation, greenhouse gas emission reduction, and waste reduction, and lists annual water, electricity and greenhouse gas management goals.</p>	Year	Total electricity consumption (Degree)	Consolidated revenue (NTD million)	Electricity consumption per unit revenue (NTD million): Total electricity consumption / Annual revenue	2023	268,217	371.188	722.59	Year	Scope 1 greenhouse gas emissions (t CO2e)	Scope 2 greenhouse gas emissions (t CO2e)	Greenhouse gas emissions per unit of revenue (NTD million): t CO2e/ Annual revenue	2023	0	132.4992	0.3570	
Year	Total electricity consumption (Degree)	Consolidated revenue (NTD million)	Electricity consumption per unit revenue (NTD million): Total electricity consumption / Annual revenue																	
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Year	Scope 1 greenhouse gas emissions (t CO2e)	Scope 2 greenhouse gas emissions (t CO2e)	Greenhouse gas emissions per unit of revenue (NTD million): t CO2e/ Annual revenue																	
2023	0	132.4992	0.3570																	
4.Society Topic (1)Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights? ?	V		<p>Human rights policy</p> <p>In order to fulfill its corporate social responsibilities, the company protects the basic human rights of all colleagues, customers and stakeholders, abides by the laws and regulations where the company is located, and follows internationally recognized human rights norms and principles, including the "United Nations Universal Declaration of Human Rights" and the "United Nations Global Covenant" ”, the “United Nations Guiding Principles on Business and Human Rights” and the International Labor Organization’s “Declaration on Fundamental Principles and Rights at Work” to ensure a working environment that protects human rights and eliminate any</p>				None													

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>infringements and violations of human rights, so that both internal and external members of the company can Be treated reasonably, equally and with dignity.</p> <p>Human Rights Management Policy</p> <p>The company implements human rights policies through the following implementation guidelines based on its operating projects and characteristics:</p> <ol style="list-style-type: none"> 1. Diversity and inclusiveness ensure equal job opportunities. There will be no unfair and unfair treatment based on an individual’s gender, race, socioeconomic status, nationality, age, marriage, family status, language, religion, party affiliation, appearance, height, physical or mental disability, etc. Differential treatment, we are committed to creating a working environment with equal opportunities, dignity, safety, equality, and freedom from discrimination and harassment. 2. Construct a safe and hygienic working environment, promote the physical and mental health of employees, and achieve work-life balance. 3. Reasonably arrange employees’ working hours, rest and vacation time. 4. Respect the wishes of employees and prohibit forced labor. 5. Employment standards comply with local regulations and minimum age limits, and child labor is prohibited. 	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>6. Provide employees with reasonable salaries and related welfare conditions in accordance with laws and regulations.</p> <p>7. Provide multiple and smooth communication channels, hold regular labor-management meetings, strive to promote harmony between labor and management, create good labor-management relations, and effectively mediate differences in opinions.</p>	
(2)Does the Company establish and implement rational employee welfare measures (including remuneration, leave and other welfare etc.) and appropriately reflect the corporate business performance or achievements in the employee remuneration policy?	V		<p>The company adheres to the concept of "only satisfied employees can have satisfied customers" and hopes to fully take care of the physical and mental health of employees so that employees can be focused and happy at work. In addition to formulating personnel management regulations, employee performance appraisals, work rules, etc. In addition, the company has an employee welfare committee composed of colleagues, which is responsible for the planning and implementation of various employee welfare matters. Currently, the company's various welfare matters are as follows:</p> <ol style="list-style-type: none"> 1. Guaranteed annual salary for 14 months 2. Performance bonus 3. Annual salary increases based on performance 4. Employee dividends 5. Labor insurance, health insurance, labor pension withdrawal and group insurance 6. Annual employee travel allowance 7. Department dinner subsidy 8. Regular health check-ups for colleagues 9. Three-day gift certificates and birthday gifts 	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>10. Various community activities and community activity subsidies</p> <p>11. Wedding and funeral subsidies</p> <p>12. Educational training provision and further study subsidies</p> <p>The company's articles of association stipulate that if the company makes a profit during the year, it should allocate no less than 5% as employee remuneration. The recipients of the payment include employees of subsidiary companies who meet certain conditions, and business performance will be reflected in employee remuneration.</p> <p>In order to ensure a stable life for employees after retirement, the company formulates labor retirement measures and provides employees with retirement benefits in accordance with the Labor Standards Act. Retirement system and its implementation status:</p> <p>A. Old system: For employees subject to the provisions of the "Labor Standards Act", the company will transfer 2% of the salary to the Taiwan Bank account of the Labor Retirement Reserve Supervisory Committee. The payment of pension is based on the length of service and approval. The average salary of the six months before the retirement date is calculated to protect labor rights.</p> <p>B. New system: For employees who are subject to the provisions of the "Labor Pension Ordinance", the company will allocate 6% of the total employee salary to the employee's personal pension account on a monthly basis;</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			for those who voluntarily contribute to their pension, an additional voluntary contribution rate will be applied It is deducted from the employee's monthly salary to the personal pension account of the Labor Insurance Bureau.	
(3)Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		In accordance with the Occupational Safety and Health Law and the implementation rules of this law, the company has formulated "Measures for the Prevention and Control of Sexual Harassment in the Workplace", "Plan for the Prevention of Human-Based Hazards", "Plan for the Prevention of Unlawful Infringements During the Performance of Duties", and "Plan for the Prevention of Diseases Induced by Abnormal Work Loads" ” to promote employee health and safety. Provide group insurance, establish dedicated lactation rooms for female employees, provide regular health examinations for current employees and their families, and sign on-site health promotion service contracts with specially appointed medical institutions. Nurses will come to the company to provide health consulting services to employees twice a month. Doctors came to the	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>company twice to provide employees with health examination data analysis suggestions and personal health consultations, and implemented flexible working hours and a work-from-home system. Providing a safe and healthy working environment for employees is the core value that the company adheres to. The company implements regular fire safety inspections every year in accordance with the provisions of the Fire Law, and conducts fire self-defense training and drills for employees twice a year; it cooperates with the building management center in accordance with the provisions of the Construction Management Law, Public safety inspections of buildings are conducted every two years to allow employees to train their ability to deal with disasters and prepare sufficient relevant knowledge. The head of the General Affairs Department also serves as the head of occupational safety and health business and is responsible for formulating, planning, supervising, and educating and training matters on occupational safety and health in the workplace. Introducing on-site health promotion services for medical staff, nurses and doctors come to the office twice a month to provide health education and consultation services to colleagues. The company's workplace is an office, and there are no places or machines that may cause injuries to employees. There were no occupational accidents in 2012.</p> <p>Every month, the electronic platform system automatically reminds colleagues on their service</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			<p>expiration anniversary of their unused vacation hours to encourage colleagues to take vacations.</p> <p>In accordance with the certified ISO45001:2018 standards (the scope of the certification is our company) and the Occupational Safety and Health Law, the company formulates the "Safety and Health Work Code" to construct the planning, implementation, evaluation and improvement of the occupational health and safety management system. process.</p>	
(4)Does the Company provide its employees with career development and training sessions?	V		<p>The company arranges functional training for supervisors and employees at all levels, including newcomer training, professional training, supervisor training, etc., to help colleagues continue to learn and grow in multiple ways. According to the needs of each supervisor or employee, relevant personnel are arranged to external professional organizations Conduct training on key knowledge or key skills.</p> <p>Supervisors regularly conduct performance appraisals and interviews with employees every year, and discuss and formulate personal annual functional and work development plans with employees. Through regular review and feedback, we help employees develop an effective and feasible career competency training blueprint.</p>	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons								
	Y E S	N O	Abstract Explanation									
			<div>In 2023, the company’s education and training statistics are as follows:<table><tr><th>Item</th><th>Statistics</th></tr><tr><td>Total number of classes throughout the year</td><td>96</td></tr><tr><td>Total number of students taking classes throughout the year frequency</td><td>478</td></tr><tr><td>Total number of class hours throughout the year (hours)</td><td>295.5</td></tr></table></div>	Item	Statistics	Total number of classes throughout the year	96	Total number of students taking classes throughout the year frequency	478	Total number of class hours throughout the year (hours)	295.5	
Item	Statistics											
Total number of classes throughout the year	96											
Total number of students taking classes throughout the year frequency	478											
Total number of class hours throughout the year (hours)	295.5											
(5)Has the Company complied with relevant laws and regulations and international standards for the health and safety of customers, customer privacy, marketing and labeling of products and services, and formulated relevant consumer or customer	V		<div>Customer complaint handling mechanism: Our company's customers are all corporate households, and each customer has a dedicated business to deal with customer complaints or product use problems. At the same time, the company's official website allows customers to leave contact information, as well as matters or opinions to be reported, and the company will transfer them to relevant personnel for understanding and processing.</div> <div>The company's main business is the development and sales of software platforms and does not provide the supply of physical products. The issues of product labeling do not apply to the company;</div> <div>The company has currently obtained the ISO9001:2015 quality management system certification and complies with relevant government regulations and industry standards to ensure the</div>	None								

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
protection policies and complaint procedures?			quality of the company's products and services. The marketing and labeling of products and services comply with relevant laws and international standards, and the "Integrity Business Code" and "Integrity Business Operation Procedures and Conduct Guidelines" are formulated to clearly prevent products or services from harming stakeholders. In product design Provide relevant designs to maintain customer privacy, and comply with the Personal Data Protection Law and the European Union’s General Data Protection Regulation (“GDPR”), and formulate “Personal Data Protection Management Measures” to standardize this.	
(6)Does the Company establish supplier management policy and request suppliers to comply with related standards on the topics of environmental protection, occupational safety and health or labor right, and the implementation status?	V		The company has formulated the "Supplier Sustainable Performance Management Policy", which stipulates that suppliers must promote environmental protection, labor rights, safety, health, and sustainable development, and requires new suppliers to sign a supplier ESG commitment letter and supplier ethical behavior. Standards; for existing suppliers, a "Supplier ESG Self-Assessment Questionnaire" is issued every year to conduct supplier sustainability scoring operations. If the evaluation results of existing suppliers are not good, they will be counseled and asked to improve. Regardless of whether the suppliers are old or new, our company will require them to comply with the requirements of sustainable management in terms of occupational safety and health, labor rights, honest management, environmental protection, social responsibility and	None

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
			feedback, as well as comply with relevant laws and regulations.	
5. Does the Company refer to international reporting rules or guidelines to publish ESG Report to disclose non-financial information of the Company? Has the said Report acquired 3rd certification party verification or statement of assurance?	V	V	Although the capital of the Company does not reach the standard of preparing for ESG report, we voluntarily adopt the Sustainability Reporting Guidelines set by the Global Reporting Initiative (GRI) in preparing the Chinese and English versions of the Company’s ESG report, and disclose this on the Company's website as well as the Market Observation Post System.	None
<p>6. If the Company has established the sustainable development practice principles based on “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation <input type="checkbox"/> :</p> <p>The company adopted the " the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies " and formulated our own "Sustainable Development Practices Guidelines" in August,2022, as approved by the board of directors. The actual implementation aligns closely with the contents outlined in the guidelines without significant discrepancies.</p>				

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Y E S	N O	Abstract Explanation	
7.If the Company has established the sustainable development practice principles based on “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation□：				
<div>(1). Groundhog Inc. firmly believes that companies should not only take revenue as their best interests, but also contribute to the sustainability of the environment, society, and economy. Therefore, during the COVID-19 epidemic, we used leading technologies with the highest positioning accuracy in the industry to utilize the core AI algorithm and big data analysis technology assist the governments and private parties in Taiwan, Indonesia, India, Saudi Arabia, and the United Arab Emirates in their epidemic prevention efforts, hoping to reduce the spread of the virus through our precise positioning technology. In addition, the company also uses geo-positioning technology to assist in infrastructure planning for smart cities in Saudi Arabia, the United Arab Emirates World Expo, and crowd planning for the World Cup in Qatar to improve the quality of local life and maintain the safety of citizens.</div> <div>(2). It is the positioning and mission of Groundhog Inc. to build a sustainable society with its industry technology and expand its influence as a mobile data leader. In addition to giving back to society with its industry technology, the company also continues to pay attention to education and cultural promotion, and helps disadvantaged groups integrate into society and promote social harmony.</div> <div>(3). In view of equal education, cultural promotion, and disadvantaged groups, Groundhog Inc. devotes part of its resources to charity every year through continuous donation activities and strives to improve social problems, such as donating to the "Ministry of Education School Education Savings Account" to provide low- and middle-income families with Financial subsidies for primary and secondary school students, the "Border Action Association" supports the education of border children, and the "New Taipei City Gong Hao Charity Association" provides meals, medical care, housework services and other assistance to disadvantaged families and the elderly living alone. In addition to continuing to pay attention to issues of equal education and disadvantaged groups, 112 also participated in the client's ESG project "Working with Sustainability Vanguard" to help rural schools renovate school buildings and improve the learning environment, and targeted women's care by donating to the "Breast Cancer Academic Research Foundation" Foundation", dedicated to improving women's health and quality of life.</div>				

Promotion Item	Implementation Status		Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons						
	Y E S	N O		Abstract Explanation					
The following are social donation activities in the past two years :									
<table><tr><th>Year</th><th>Deeds</th></tr><tr><td>2022</td><td><ul style="list-style-type: none">Ministry of Education School Education Savings AccountGlobal Action FoundationHuashan Social Welfare Foundation _Cherity Angel Station</td></tr><tr><td>2023</td><td><ul style="list-style-type: none">Ministry of Education School Education Savings AccountGlobal Action FoundationNew Taipei City Gung Ho Cherity Association – Lu Zhou Branch</td></tr></table>				Year	Deeds	2022	<ul style="list-style-type: none">Ministry of Education School Education Savings AccountGlobal Action FoundationHuashan Social Welfare Foundation _Cherity Angel Station	2023	<ul style="list-style-type: none">Ministry of Education School Education Savings AccountGlobal Action FoundationNew Taipei City Gung Ho Cherity Association – Lu Zhou Branch
Year	Deeds								
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Independent Auditors' Report and 2023 Parent Company Only Financial Statements



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3

Independent Auditors' Report

To the Board of Directors of Groundhog Inc.:

Opinion

We have audited the financial statements of Groundhog Inc. ("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with 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 of 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

Please refer to Note 4(l) "Revenue" and Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" to the financial statements.

Description of key audit matter:

The Company engages in optimizing its intelligence platform system and provides big data analytics for its clients, which particularly involved the estimates made for percentage of completion ratio recognized as revenue. Therefore, considered revenue recognition as our key audit matter.

How the matter was addressed in our audit

Our principal audit procedures included understanding the revenue recognition's accounting policy and assessing whether they are consistent with the accounting standards; random sampling of each revenue transaction and compare it with the purchase orders, condition of sales contract, input of the project time report, acceptance documentation, and collection records. In addition, we also obtained the ongoing project list to examine the calculation of completion percentage used as a basis for the recognition of contract assets.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of 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 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 Company'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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the 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 financial statements of the current period 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 Huang, Yung-Hua and Yu, Sheng-Ho.



KPMG

Taipei, Taiwan (Republic of China)
March 14, 2024

Notes to Readers

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

GROUNDHOG INC.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022			December 31, 2023		December 31, 2022	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets									
Current assets:					Liabilities and Equity				
1100 Cash and cash equivalents (note 6(a))	\$ 414,481	63	246,285	36	2130 Current contract liabilities (note 6(i))	\$ 20,694	3	41,087	6
1137 Current financial assets at amortized cost (note 6(b))	6,142	1	107,102	16	2170 Accounts payable	501	-	488	-
1170 Accounts receivable, net (note 6(c))	34,307	5	68,736	10	2200 Other payables	59,085	10	57,323	8
1181 Accounts receivable due from related parties (notes 6(c) and 7)	39,609	6	-	-	2230 Current tax liabilities	27,543	4	25,497	4
1140 Current contract assets (note 6(i))	93,706	14	68,330	10	2280 Current lease liabilities (note 6(g))	10,341	2	9,455	1
1470 Other current assets (notes 6(d) and 7)	2,400	-	16,771	2	2300 Other current liabilities	674	-	683	-
	590,645	89	507,224	74		119,038	19	134,533	19
Non-current assets:					Non-Current liabilities:				
1536 Non-current financial assets at amortized cost (notes 6(b) and 8)	-	-	100,000	15	2580 Non-current lease liabilities (note 6(g))	8,937	1	19,478	3
1551 Investments accounted for using equity method (note 6(d))	37,381	6	30,999	5	2670 Other non-current liabilities (notes 6(h) and (i))	8,906	1	6,576	1
1600 Property, plant and equipment (note 6(e))	5,840	1	6,497	1		17,843	2	26,054	4
1755 Right-of-use assets (note 6(f))	17,758	3	27,413	4	Total liabilities	136,881	21	160,587	23
1995 Other non-current assets (note 6(i))	5,504	1	4,145	1	Equity attributable to owners of parent (note 6(j)):				
	66,463	11	169,054	26	Ordinary share	305,424	46	305,424	45
					Capital surplus	78,102	12	78,102	12
					Retained earnings:				
					Legal reserve	22,537	3	10,894	2
					Unappropriated retained earnings	111,796	18	118,878	18
						134,333	21	129,772	20
						2,368	-	2,393	-
					Other equity	520,227	79	515,691	77
					Total equity	657,108	100	676,278	100
Total assets	\$ 657,108	100	676,278	100	Total liabilities and equity	\$ 657,108	100	676,278	100

See accompanying notes to financial statements.

GROUNDHOG INC.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2023		2022	
		Amount	%	Amount	%
4100	Operating revenues (notes 6(l) and 7)	\$ 357,237	100	303,420	100
5000	Operating costs (notes 6(h), (m) and 12)	58,010	16	50,698	17
5900	Gross profit from operations	299,227	84	252,722	83
6000	Operating expenses (notes 6(c), (h), (m) and 12)				
6100	Selling expenses	41,555	12	37,570	12
6200	Administrative expenses	42,875	12	38,678	13
6300	Research and development expenses	94,596	26	89,034	29
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	959	-	1,768	1
		179,985	50	167,050	55
6900	Net operating income	119,242	34	85,672	28
	Non-operating income and expenses:				
7100	Interest income	5,967	2	4,224	1
7050	Finance costs (note 6(g))	(468)	-	(653)	-
7020	Other gains and losses, net (note 6(n))	4,731	1	50,157	17
7070	Share of profit (loss) of associates accounted for using equity method, net	6,413	2	(1,758)	(1)
	Total non-operating income and expenses	16,643	5	51,970	17
	Profit before income tax	135,885	39	137,642	45
7950	Less: Income tax expenses (note 6(i))	26,003	7	21,502	7
	Profit	109,882	32	116,140	38
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(h))	(1,477)	-	287	-
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	(31)	-	3,410	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6	-	(598)	-
8300	Other comprehensive income (after tax)	(1,502)	-	3,099	1
8500	Comprehensive income	\$ 108,380	32	119,239	39
	Profit, attributable to:				
	Owners of parent	\$ 109,882	32	116,140	38
	Comprehensive income attributable to:				
	Owners of parent	\$ 108,380	32	119,239	39
9750	Basic earnings per share (NT dollars) (note 6(k))	\$ 3.60		3.80	
9850	Diluted earnings per share (NT dollars) (note 6(k))	\$ 3.47		3.69	

GROUNDHOG INC.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Capital surplus	Retained earnings		Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Total equity
Balance at January 1, 2022	\$ 282,800	78,102	6,617		46,320	(419)	413,420
Profit for the year ended December 31, 2022	-	-	-		116,140	-	116,140
Other comprehensive income for the year ended December 31, 2022	-	-	-		287	2,812	3,099
Comprehensive income for the year ended December 31, 2022	-	-	-		116,427	2,812	119,239
Legal reserve appropriated	-	-	4,277		(4,277)	-	-
Cash dividends on ordinary share	-	-	-		(16,968)	-	(16,968)
Stock dividends on ordinary share	22,624	-	-		(22,624)	-	-
Balance at December 31, 2022	305,424	78,102	10,894		118,878	2,393	515,691
Profit for the year ended December 31, 2023	-	-	-		109,882	-	109,882
Other comprehensive income for the year ended December 31, 2023	-	-	-		(1,477)	(25)	(1,502)
Comprehensive income for the year ended December 31, 2023	-	-	-		108,405	(25)	108,380
Legal reserve appropriated	-	-	11,643		(11,643)	-	-
Cash dividends on ordinary share	-	-	-		(103,844)	-	(103,844)
Balance at December 31, 2023	\$ 305,424	78,102	22,537		111,796	2,368	520,227

See accompanying notes to financial statements.

GROUNDHOG INC.
Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit before tax	\$ 135,885	137,642
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	12,422	12,561
Amortization expense	335	331
Impairment loss determined in accordance with IFRS 9	959	1,768
Interest expense	468	653
Interest income	(5,967)	(4,224)
Share of loss (profit) of subsidiaries, associates accounted for using equity method	(6,413)	1,758
Total adjustments to reconcile profit	<u>1,804</u>	<u>12,847</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	(26,811)	(22,964)
Accounts receivable (including related parties)	(6,198)	1,452
Other receivable	(275)	-
Other current assets	<u>1,801</u>	<u>(1,528)</u>
	<u>(31,483)</u>	<u>(23,040)</u>
Changes in operating liabilities:		
Accounts payable (including related parties)	13	(439)
Other payable	1,896	13,837
Contract liabilities	(18,899)	(25,450)
Other current liabilities	9,132	89
Net defined benefit liabilities	<u>342</u>	<u>428</u>
	<u>(38,999)</u>	<u>(34,575)</u>
Total adjustments	<u>(37,195)</u>	<u>(21,728)</u>
Cash inflow generated from operations	98,690	115,914
Interest received	5,987	4,296
Dividends received	-	20,000
Income taxes paid	<u>(21,263)</u>	<u>(8,178)</u>
Net cash flows from operating activities	<u>83,414</u>	<u>132,032</u>
Cash flows from (used in) investing activities:		
Proceeds from (acquisition of) financial assets at amortized cost	200,960	(188,159)
Acquisition of investments accounted for using equity method	-	16,835
Acquisition of property, plant and equipment	(2,090)	(170)
Other investing activities	<u>(210)</u>	<u>53</u>
Net cash flows from (used in) investing activities	<u>198,660</u>	<u>(171,441)</u>
Cash flows from (used in) financing activities:		
Payments of lease liabilities	(9,900)	(10,800)
Cash dividends paid	<u>(103,978)</u>	<u>(16,945)</u>
Net cash used in financing activities	<u>(113,878)</u>	<u>(27,745)</u>
Net increase (decrease) in cash and cash equivalents	168,196	(67,154)
Cash and cash equivalents at beginning of period	<u>246,285</u>	<u>313,439</u>
Cash and cash equivalents at end of period	<u>\$ 414,481</u>	<u>246,285</u>

Independent Auditors' Report and 2023 Consolidated Financial Statements



安侯建業聯合會計師事務所

KPMG

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4

Independent Auditors' Report

To the Board of Directors of Groundhog Inc.:

Opinion

We have audited the consolidated financial statements of Groundhog Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended, and notes to the consolidated financial statements, including a summary of material 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, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

Please refer to Note 4(I) "Revenue" and Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" to the consolidated financial statements.

Description of key audit matter:

The Group engages in optimizing its intelligence platform system and provides big data analytics for its clients, which particularly involved the estimates made for percentage of completion ratio recognized as revenue. Therefore, considered revenue recognition as our key audit matter.

How the matter was addressed in our audit

Our principal audit procedures included understanding the revenue recognition's accounting policy and assessing whether they are consistent with the accounting standards; random sampling of each revenue transaction and compare it with the purchase orders, condition of sales contract, input of the project time report, acceptance documentation, and collection records. In addition, we also obtained the ongoing project list to examine the calculation of completion percentage used as a basis for the recognition of contract assets.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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 Huang, Yung-Hua and Yu, Sheng-Ho.



KPMG

Taipei, Taiwan (Republic of China)

March 14, 2024

Notes to Readers

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

GROUNDHOG INC. AND ITS SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022			December 31, 2023		December 31, 2022	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and Equity				
Current assets:					Current liabilities:				
1100 Cash and cash equivalents (note 6(a))	\$ 494,126	73	297,426	42	2130 Current contract liabilities (note 6(k))	\$ 37,559	6	71,277	10
1137 Current financial assets at amortized cost (notes 6(b) and 8)	6,142	1	107,102	15	2170 Accounts payable	990	-	954	-
1140 Current contract assets (note 6(k))	93,706	14	68,330	10	2200 Other payables	60,594	9	58,942	8
1170 Accounts receivable, net (notes 6(c) and (k))	48,486	7	79,439	11	2230 Current tax liabilities	27,559	4	25,511	4
1470 Other current assets	4,575	1	18,347	2	2280 Current lease liabilities (note 6(f))	10,541	2	9,455	1
	647,035	96	570,644	80	2300 Other current liabilities	850	-	861	-
						138,093	21	167,000	23
Non-current assets:					Non-Current liabilities:				
1536 Non-current financial assets at amortized cost (notes 6(b) and 8)	-	-	100,000	14	2580 Non-current lease liabilities (note 6(f))	8,937	1	19,478	3
1600 Property, plant and equipment (note 6(d))	5,840	1	6,497	1	2670 Other non-current liabilities (notes 6(g), (h) and 8)	8,906	1	6,576	1
1755 Right-of-use assets (note 6(e))	17,738	2	27,413	4		17,843	2	26,054	4
1995 Other non-current assets (note 6(h))	5,550	1	4,191	1		155,936	23	193,054	27
	29,128	4	138,101	20	Total liabilities				
					Equity attributable to owners of parent (note 6(i)):				
					3110 Ordinary share	305,424	45	305,424	43
					3200 Capital surplus	78,102	12	78,102	11
					Retained earnings:				
					3310 Legal reserve	22,537	3	10,894	2
					3351 Unappropriated retained earnings	111,796	17	118,878	17
						134,333	20	129,772	19
						2,368	-	2,393	-
					3400 Other equity	520,227	77	515,691	73
					Total equity				
Total assets	\$ 676,163	100	708,745	100	Total liabilities and equity	\$ 676,163	100	708,745	100

GROUNDHOG INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2023		2022	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (note 6(k))	\$ 371,188	100	312,877	100
5000	Operating costs (notes 6(g), (l) and 12)	<u>66,129</u>	<u>18</u>	<u>57,852</u>	<u>18</u>
5900	Gross profit from operations	<u>305,059</u>	<u>82</u>	<u>255,025</u>	<u>82</u>
6000	Operating expenses (notes 6(c), (g), (k), (l) and 12)				
6100	Selling expenses	43,859	12	39,561	13
6200	Administrative expenses	43,728	12	39,831	13
6300	Research and development expenses	94,597	25	89,064	28
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	<u>(2,053)</u>	<u>(1)</u>	<u>4,044</u>	<u>1</u>
		<u>180,131</u>	<u>48</u>	<u>172,500</u>	<u>55</u>
6900	Net operating income	<u>124,928</u>	<u>34</u>	<u>82,525</u>	<u>27</u>
	Non-operating income and expenses:				
7100	Interest income	6,323	2	4,301	1
7050	Finance costs (note 6(f))	(468)	-	(653)	-
7020	Other gains and losses, net (note 6(m))	<u>5,118</u>	<u>1</u>	<u>50,939</u>	<u>16</u>
	Total non-operating income and expenses	<u>10,973</u>	<u>3</u>	<u>54,587</u>	<u>17</u>
	Profit before income tax	<u>135,901</u>	<u>37</u>	<u>137,112</u>	<u>44</u>
7950	Less: Income tax expenses (note 6(h))	<u>26,019</u>	<u>7</u>	<u>20,972</u>	<u>7</u>
	Profit	<u>109,882</u>	<u>30</u>	<u>116,140</u>	<u>37</u>
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(g))	(1,477)	(1)	287	-
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	(31)	-	3,410	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(h))	<u>6</u>	<u>-</u>	<u>(598)</u>	<u>-</u>
8300	Other comprehensive income (after tax)	<u>(1,502)</u>	<u>(1)</u>	<u>3,099</u>	<u>1</u>
8500	Comprehensive income	<u>\$ 108,380</u>	<u>29</u>	<u>119,239</u>	<u>38</u>
	Profit, attributable to:				
	Owners of parent	<u>\$ 109,882</u>	<u>30</u>	<u>116,140</u>	<u>37</u>
	Comprehensive income attributable to:				
	Owners of parent	<u>\$ 108,380</u>	<u>29</u>	<u>119,239</u>	<u>38</u>
9750	Basic earnings per share (NT dollars) (note 6(j))	<u>\$ 3.60</u>		<u>3.80</u>	
9850	Diluted earnings per share (NT dollars) (note 6(j))	<u>\$ 3.47</u>		<u>3.69</u>	

GROUNDHOG INC. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Capital surplus	Retained earnings		Exchange differences on translation of foreign financial statements	Total equity
			Legal reserve	Unappropriated retained earnings		
Balance at January 1, 2022	\$ 282,800	78,102	6,617	46,320	(419)	413,420
Profit for the year ended December 31, 2022	-	-	-	116,140	-	116,140
Other comprehensive income for the year ended December 31, 2022	-	-	-	287	2,812	3,099
Comprehensive income for the year ended December 31, 2022	-	-	-	116,427	2,812	119,239
Legal reserve appropriated	-	-	4,277	(4,277)	-	-
Cash dividends on ordinary share	-	-	-	(16,968)	-	(16,968)
Stock dividends on ordinary share	22,624	-	-	(22,624)	-	-
Balance at December 31, 2022	305,424	78,102	10,894	118,878	2,393	515,691
Profit for the year ended December 31, 2023	-	-	-	109,882	-	109,882
Other comprehensive income for the year ended December 31, 2023	-	-	-	(1,477)	(25)	(1,502)
Comprehensive income for the year ended December 31, 2023	-	-	-	108,405	(25)	108,380
Legal reserve appropriated	-	-	11,643	(11,643)	-	-
Cash dividends on ordinary share	-	-	-	(103,844)	-	(103,844)
Balance at December 31, 2023	\$ 305,424	78,102	22,537	111,796	2,368	520,227

GROUNDHOG INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
Profit before tax	\$ 135,901	137,112
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	12,422	12,561
Amortization expense	335	331
Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	(2,053)	4,044
Interest expense	468	653
Interest income	(6,323)	(4,301)
Total adjustments to reconcile profit	4,849	13,288
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	(26,811)	(22,624)
Accounts receivable	22,954	(12,660)
Other current assets	1,115	(1,506)
	(2,742)	(36,790)
Changes in operating liabilities:		
Contract liabilities	(22,273)	(1,371)
Accounts payable	36	735
Other payable	1,787	13,956
Other current liabilities	9,131	260
Net defined benefit liabilities	342	428
	(13,719)	(22,782)
Total adjustments	(8,870)	(9,494)
Cash inflow generated from operations	127,031	127,618
Interest received	6,343	4,442
Income taxes paid	(21,267)	(6,399)
Net cash flows from operating activities	112,107	125,661
Cash flows from (used in) investing activities:		
Proceeds from (acquisition of) financial assets at amortized cost	200,960	(157,711)
Acquisition of property, plant and equipment	(2,090)	(170)
Other investing activities	(211)	48
Net cash flows from (used in) investing activities	198,659	(157,833)
Cash flows from (used in) financing activities:		
Payments of lease liabilities	(9,900)	(10,800)
Cash dividends paid	(103,978)	(16,945)
Net cash used in financing activities	(113,878)	(27,745)
Effect of exchange rate changes on cash and cash equivalents	(188)	3,268
Net increase (decrease) in cash and cash equivalents	196,700	(56,649)
Cash and cash equivalents at beginning of period	297,426	354,075
Cash and cash equivalents at end of period	\$ 494,126	297,426

<Attachment 6>

Groundhog Inc.
Statement of Profit Distribution
2023

Unit: NT\$

Item	Amount
Net Profit of 2023	109,881,745
Minus: Remeasurement of Defined Benefit Plans Counted in Retained Earnings	1,477,199
The amount of current period net profit after tax, plus other items besides the current period net profit after tax, included in the undistributed earnings for the current year	108,404,546
Minus: Legal Reserve Appropriated	10,840,455
Distributable earnings for the current period	97,564,091
Plus: Beginning Balance of Unappropriated Earnings	3,391,066
Retained Earnings Available for Distribution	100,955,157
Distribution of Shareholder Dividends - Cash (NT\$ 3 per share)	100,612,200
Ending Balance of Unappropriated Earnings	342,957

Chairman:

Chiou, Ta-Gang

President:

Chiou, Ta-Gang

Accounting Officer:

Syu, Fu-Ciang

**Articles of Incorporation
of
Groundhog Inc.
(the “Company”)**

Comparison Table for Content of Articles Before and After Revisions

After Revision	Before Revision	Explanation
<p>Article 12</p> <p>A shareholder unable to attend the shareholders’ meeting in person may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy, which shall be signed and chopped by the shareholder.</p> <p>The method of proxy attendance by shareholders of the Company, except as provided by the Company Act, shall be conducted in accordance with the "Rules for the Use of Proxy Forms at Shareholders' Meetings of Public Issuing Companies" issued by the competent authority.</p> <p>After being listed on TWSE (or TPEX), the Company shall include electronic means as one of the channels for exercising voting rights, and the method of exercising such rights shall be specified in</p>	<p>Article 12</p> <p>A shareholder unable to attend the shareholders’ meeting in person may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy, which shall be signed and chopped by the shareholder.</p> <p>The method of proxy attendance by shareholders of the Company, except as provided by the Company Act, shall be conducted in accordance with the "Rules for the Use of Proxy Forms at Shareholders' Meetings of Public Issuing Companies" issued by the competent authority.</p> <p>After being listed on TWSE (or TPEX), the Company shall include electronic means as one of the channels for exercising voting rights, and the method of exercising such rights shall be specified in the notice of the general</p>	<p>This amendment is made pursuant to the situation that Company already listed on TWSE.</p>

After Revision	Before Revision	Explanation
the notice of the general meetings of shareholders.	meetings of shareholders.	
<p>Article 16</p> <p>The Company shall have five to nine directors to be elected from persons having legal capacity at a shareholders' meeting. Each director shall hold office for a term of three years and is eligible for re-election.</p> <p>The number of independent directors, among the aforementioned number of directors, shall be no less than three, and shall be no less than one-fifth <u>third</u> of the total number of directors.</p> <p>Election of <u>directors and independent directors</u> shall adopt the candidate nomination measure, and independent directors shall be elected from among the list of candidates for <u>directors and</u> independent directors by the shareholders' meeting.</p> <p>Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held and other matters for compliance with respect to independent directors shall be subject to</p>	<p>Article 16</p> <p>The Company shall have five to nine directors to be elected from persons having legal capacity at a shareholders' meeting. Each director shall hold office for a term of three years and is eligible for re-election.</p> <p>The number of independent directors, among the aforementioned number of directors, shall be no less than three, and shall be no less than one fifth of the total number of directors.</p> <p>Election shall adopt the candidate nomination measure, and independent directors shall be elected from among the list of candidates for independent directors by the shareholders' meeting.</p> <p>Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.</p>	<p>This amendment is made pursuant to cooperate with legal revision.</p>

After Revision	Before Revision	Explanation
<p>the rules prescribed by the securities governing authorities.</p> <p>In accordance with the regulations stipulated in Article 14-4 of the Securities and Exchange Act, the Company establishes an Audit Committee, which shall be composed of all independent directors. The Audit Committee or its members are responsible for overseeing compliance with the Company Act, Securities and Exchange Act, and other statutory requirements.</p> <p>Matters related to the number, term, powers, and rules of procedure of the Audit Committee shall be determined in accordance with the regulations of the "Exercise of Powers by Audit Committees of Public Issuing Companies," and may be separately stipulated in the Audit Committee's organizational regulations.</p> <p>Following the listing of the Company's shares on TWSE (or TPEx), director elections shall be conducted through a candidate nomination</p>	<p>In accordance with the regulations stipulated in Article 14-4 of the Securities and Exchange Act, the Company establishes an Audit Committee, which shall be composed of all independent directors. The Audit Committee or its members are responsible for overseeing compliance with the Company Act, Securities and Exchange Act, and other statutory requirements.</p> <p>Matters related to the number, term, powers, and rules of procedure of the Audit Committee shall be determined in accordance with the regulations of the "Exercise of Powers by Audit Committees of Public Issuing Companies," and may be separately stipulated in the Audit Committee's organizational regulations.</p> <p>Following the listing of the Company's shares on TWSE (or TPEx), director elections shall be conducted through a candidate nomination system.</p>	

After Revision	Before Revision	Explanation
system.		
<p>Article 29 These Articles of Incorporation are agreed to and signed on January 1, 2019. The first amendment was approved on May 22, 2020. The second amendment was approved on June 30, 2020. The third amendment was approved on August 31, 2021. The fourth amendment was approved on August 4, 2022. The fifth amendment was approved on June 24, 2024.</p>	<p>Article 29 These Articles of Incorporation are agreed to and signed on January 1, 2019. The first amendment was approved on May 22, 2020. The second amendment was approved on June 30, 2020. The third amendment was approved on August 31, 2021. The fourth amendment was approved on August 4, 2022.</p>	<p>The date of this amendment is added.</p>

**Rules and Procedures for Election of Directors
of
Groundhog Inc.
(the “Company”)**

Comparison Table for Content of Articles Before and After Revisions

After Revision	Before Revision	Explanation
Article 4-1 Elections of <u>Directors and</u> Independent directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. (Omitted)	Article 4-1 Elections of Independent directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. (Omitted)	This amendment is made pursuant to cooperate with legal revision.
Article 9 (Removed)	Article 9 If the elector is a shareholder, the elector must fill in the name and shareholder account number of the candidate in the candidate column of the election ballot. If the elector is not a shareholder, the elector should fill in the name and identity document number of the candidate. However, if the shareholder is a government entity or a corporation, the candidate column on the election ballot should list the name of the government entity or	This amendment is made pursuant to cooperate with legal revision.

After Revision	Before Revision	Explanation
	corporation, and may also include the name of the representative of the government entity or corporation. If there are multiple representatives, their names should be separately added.	
<p>Article 10</p> <p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by a person with the right to convene. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. If the candidate is identified as a shareholder, but the name or shareholder account number provided does not match the shareholder registry; or if the candidate is not a shareholder, but the name or identity document number provided does not match upon verification. 5. Other words or marks are entered in addition to the candidate's name, shareholder account number (or identity document number, and the 	<p>Article 10</p> <p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by a person with the right to convene. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. If the candidate is identified as a shareholder, but the name or shareholder account number provided does not match the shareholder registry; or if the candidate is not a shareholder, but the name or identity document number provided does not match upon verification. 5. Other words or marks are entered in addition to the candidate's name, shareholder account number (or identity document number, and the 	<p>This amendment is made pursuant to cooperate with legal revision.</p>

After Revision	Before Revision	Explanation
<p>number of voting rights allotted.</p> <p>6. (Removed)</p>	<p>number of voting rights allotted.</p> <p>6. The name of the candidate filled in matches that of other shareholders, and it can be identified without the shareholder account number or identity document number.</p>	
<p>Article 12 These Rules and Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.</p> <p>The first amendment was approved on August 4, 2022.</p> <p>The second amendment was approved on June 24, 2024.</p>	<p>Article 12 These Rules and Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.</p> <p>The first amendment was approved on August 4, 2022.</p>	<p>The date of this amendment is added.</p>

Appendices

<Appendix 1>

Title: Groundhog Inc. Articles of Incorporation

Date: 2022/08/04

Section I General Provisions

Article 1

The Company is organized in accordance with the Company Act and named Groundhog Inc. (hereinafter referred to as “the Company”).

Article 2

The scope of business of the Company is as follows:

- (1) I301010 Software Design Services
- (2) I301020 Data Processing Services
- (3) I301030 Digital Information Supply Services
- (4) F118010 Wholesale of Computer Software
- (5) F218010 Retail Sale of Computer Software
- (6) F119010 Wholesale of Electronic Materials
- (7) F219010 Retail Sale of Electronic Materials
- (8) F113070 Wholesale of Telecom Instruments
- (9) F213060 Retail Sale of Telecom Instruments
- (10) F401010 International Trade
- (11) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company is headquartered in Taipei City and may establish branches at proper locations at home and abroad as resolved by the Board of Directors and approved by the competent authority when necessary.

Article 4

The Company's announcement methods shall be conducted in accordance with the provisions of Article 28 of the Company Act.

Article 5

The Company, for business requirements, may provide endorsements and guarantees to external parties, and the procedures for such operations shall be carried out in accordance with the Company's endorsement and guarantee operation procedures.

The Company's total amount of investment in other businesses is not subject to the limitation of 40% of the Company's paid-in capital.

Section II Shares

Article 6

The total capital stock of the Company shall be in the amount of 500,000,000 New Taiwan Dollars, divided into 50,000,000 shares, at ten New Taiwan Dollars each, and such shares can be issued in separate installments.

The Company may issue employee stock options from time to time with authorization from Board of Directors. A total of 5,000,000 shares among the above total capital stock should be reserved for issuing employee stock options.

Article 7

The shares issued by this company shall be registered shares, issued upon the signature or seal of a director representing the Company and certified by a bank legally authorized to act as a stock issuance certifier.

The Company may issue shares in a non-printed form, provided that they are registered with securities central depository institution, and the issuance of other valuable securities shall follow the same procedure.

Article 8

All entries in the shareholders register due to share transfers shall be suspended for 60 days prior to an annual general meeting of shareholders, or for 30 days prior to an extraordinary general meeting of shareholders, or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Article 8-1

The shareholders of the Company shall process the shareholder services in accordance with the “Regulations Governing the Administration of Stock Affairs of Public Companies” announced by the competent authority in addition to the relevant securities laws and regulations.

Article 9

The Company may repurchase treasury stocks in accordance with the Company Act. The transferees shall include employees of subsidiary companies who meet certain conditions. Stock option certificates shall be issued to certain employees, including those who meet certain conditions in subsidiary companies.

Employees eligible to subscribe to shares when the Company issues new shares shall include those who meet certain conditions in subsidiary companies.

The recipients of restricted stock options for employees shall include those who meet certain conditions in subsidiary companies.

Section III Shareholders’ Meeting

Article 10

Shareholders’ meetings of the Company are of two kinds: general meetings and extraordinary general meetings. The general meeting is convened annually within six months from the close of the fiscal year. Extraordinary meetings may be convened in accordance with applicable laws and regulations whenever necessary.

Unless otherwise provided by the Company Act, the general meetings of shareholders shall be convened by the board of directors. The procedures for convening the general meetings of shareholders shall be in accordance with Article 172 of the Company Act.

Article 10-1

When the shareholders of the Company hold a meeting, the video conference or other methods approved by Ministry of Economic Affairs shall be a detailed video conference.

Article 11

(Removed)

Article 12

A shareholder unable to attend the shareholders' meeting in person may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy, which shall be signed and chopped by the shareholder.

The method of proxy attendance by shareholders of the Company, except as provided by the Company Act, shall be conducted in accordance with the "Rules for the Use of Proxy Forms at Shareholders' Meetings of Public Issuing Companies" issued by the competent authority. After being listed on TWSE (or TPEX), the Company shall include electronic means as one of the channels for exercising voting rights, and the method of exercising such rights shall be specified in the notice of the general meetings of shareholders.

Article 13

Unless otherwise regulated by the laws, each shareholder of the Company is entitled to one vote per share.

Article 14

Except as otherwise provided by the Company Act, resolutions of a shareholders' meeting shall be adopted at a meeting attended by shareholders representing a majority of the total number of issued shares and at which meeting a majority of the shareholders vote in favor of such resolutions.

Article 14-1

Resolutions of the Company's shareholder meetings shall be recorded in meeting minutes. The preparation, distribution, and retention of the aforementioned meeting minutes shall be carried out in accordance with the relevant provisions of Article 183 of the Company Act.

Article 15

(Removed)

Section IV Directors

Article 16

The Company shall have five to nine directors to be elected from persons having legal

capacity at a shareholders' meeting. Each director shall hold office for a term of three years and is eligible for re-election.

The number of independent directors, among the aforementioned number of directors, shall be no less than three, and shall be no less than one fifth of the total number of directors.

Election of independent directors shall adopt the candidate nomination measure, and independent directors shall be elected from among the list of candidates for independent directors by the shareholders' meeting.

Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.

In accordance with the regulations stipulated in Article 14-4 of the Securities and Exchange Act, the Company establishes an Audit Committee, which shall be composed of all independent directors. The Audit Committee or its members are responsible for overseeing compliance with the Company Act, Securities and Exchange Act, and other statutory requirements.

Matters related to the number, term, powers, and rules of procedure of the Audit Committee shall be determined in accordance with the regulations of the "Exercise of Powers by Audit Committees of Public Issuing Companies," and may be separately stipulated in the Audit Committee's organizational regulations.

Following the listing of the Company's shares on TWSE (or TPEx), director elections shall be conducted through a candidate nomination system.

Article 17

The Board of Directors shall be composed of directors, and with the attendance of two-thirds or more of the directors and the consent of the majority of attending directors, a Chairman of the Board shall be elected, who shall represent the Company externally.

Article 18

The convening of the Board of Directors shall specify the reasons and notify all directors at least seven days in advance. In cases of emergency, the meeting may be called at any time. The Board of Directors of the Company may be convened in writing or electronically.

Article 19

(Removed)

Article 20

Resolutions of the Board of Directors, unless otherwise stipulated by the Company Act,

shall require the presence of more than half of the directors and the consent of the majority of attending directors.

When a director is on leave or unable to attend a Board of Directors meeting for some reason, they may provide a written authorization specifying the scope of authorization and the reason for convening, and appoint another director to attend on their behalf, but such authorization is limited to one person.

When the Board of Directors holds a meeting through video conferencing, directors who participate via video are considered to be personally present.

Article 21

When the Chairman of the Board is on leave or unable to perform their duties for some reason, their substitute shall act in accordance with the regulations stipulated in Article 208 of the Company Act.

Article 22

The compensation of all directors shall be determined by the Board of Directors, taking into account their level of involvement in the Company's operations and their contribution, as well as industry standards.

During their term, directors may be required by law to assume liability within their scope of duties. The Company may resolve to purchase liability insurance for them through the Board of Directors.

Section V Managerial Officers

Article 23

The Company may appoint managerial officers, and their appointment, dismissal, and compensation shall be handled in accordance with Article 29 of the Company Act.

Section VI Accounting

Article 24

The Company's fiscal year runs from January 1st to December 31st each year. After the end of each fiscal year, the Board of Directors shall follow procedures governed by relevant regulations to submit the following reports and statements to the shareholders at annual general meeting of shareholders for their recognition:

- (1) Report of operations;
- (2) Financial Statements; and
- (3) Proposal for distributing earnings or covering losses.

Article 25

In the event of a profit for the fiscal year, the Company shall allocate no less than 5% for employee remuneration and no more than 1% for director remuneration. However, if the Company has accumulated losses, an amount shall be reserved in advance for compensation. Employee remuneration as mentioned in the preceding paragraph may be in the form of stocks or cash, and the recipients include employees of subsidiary companies who meet certain conditions.

Article 26

If there is a surplus in the Company's annual consolidated financial statements, taxes shall be paid first, followed by compensation for accumulated losses, and then 10% shall be set aside as legal retained earnings. However, when the legal retained earnings have reached the Company's paid-in capital, there is no need to set aside further. Additionally, any remaining surplus, along with undistributed profits at the beginning of the period, shall be proposed by the Board of Directors to the Shareholders' Meeting for the distribution of dividends to shareholders.

The Company's dividend policy is based on factors such as the Company's profitability, capital structure, and future operational needs. Annually, no less than 10% of distributable profits shall be allocated to distribute dividends to shareholders. Dividends to shareholders may be distributed in cash or stock, with the principle that the proportion of cash dividends to shareholders shall not be less than 10% of the total shareholder dividends.

Section VII Supplemental Provisions

Article 27

The Company's organizational regulations and operational procedures shall be determined separately by the Board of Directors.

Article 28

In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 29

These Articles of Incorporation are agreed to and signed on January 1, 2019.

The first amendment was approved on May 22, 2020.

The second amendment was approved on June 30, 2020.

The third amendment was approved on August 31, 2021.

The fourth amendment was approved on August 4, 2022.

<Appendix 2>

Title: Groundhog Inc. Rules and Procedures of Shareholders Meeting

Date: 2023/06/26

Article 1

In order to establish a good shareholder meeting governance system, strengthen the supervisory function, and enhance management functions within the company, these rules are hereby established to be followed.

Article 2

The rules for the company's shareholder meetings shall be governed by these rules unless otherwise provided by laws or the articles of incorporation.

Article 3

The company's shareholder meetings shall be convened by the board of directors, except as otherwise provided by laws. When the company convenes a video conference for a shareholder meeting, it should be specified in the articles of incorporation, resolved by the board of directors, and the resolutions of the video shareholder meeting should be carried out with the presence of two-thirds or more of the directors and the approval of more than half of the attending directors unless otherwise provided in the guidelines for stock affairs of publicly traded companies. Any changes in the method of convening shareholder meetings should be resolved by the board of directors and made before the dispatch of the shareholder meeting notice at the latest. The notice and announcements should specify the purpose of the meeting, and with the consent of the relevant parties, may be made electronically.

Shareholders holding more than one percent of the total issued shares may propose one shareholder meeting agenda item, and if there are more than one, all of them shall not be included in the agenda. However, if the shareholder proposal is intended to urge the company to enhance public interest or fulfill social responsibility, the board of directors may still include it in the agenda.

In addition, if the shareholder's proposal falls under any of the circumstances specified in Article 172-1, paragraph 4 of 1 the Company Act, it may not be included in the agenda. The company should notify the proposing shareholders of the handling results before the shareholder meeting notice is sent, and the proposals that comply with the provisions of this article should be included in the meeting notice. For shareholder proposals that are not included in the agenda, the board of directors should explain the reasons at the shareholder meeting.

Article 4

Shareholders may attend each shareholder meeting by presenting a proxy issued by the company, specifying the authorized scope, authorized agent, and attending the shareholder meeting in person. Each shareholder may issue only one proxy and authorize only one person, and should be sent to the company at least five days before the shareholder meeting. In the case of duplicate proxies, the one submitted first shall prevail. However, those who withdraw their previous proxies are not subject to this limit. After submitting the proxy to the company, shareholders who wish to attend the shareholder meeting in person or exercise their voting rights in writing or electronically should provide written notice to the company to revoke the proxy at least two days before the shareholder meeting. If revoked after the deadline, the voting rights exercised by the proxy agent shall prevail.

Article 5

The location of the shareholder meeting shall be at the company's location or at a location convenient for shareholders to attend and suitable for the convening of the shareholder meeting. The meeting start time shall not be earlier than 9:00 AM or later than 3:00 PM. The timing and location of the meeting notice shall fully take into account the opinions of independent directors. When the company convenes a video conference for a shareholder meeting, it is not subject to location restrictions.

Article 6

The company should specify the shareholder reporting time, reporting location, and other matters to be noted in the meeting notice. The shareholder reporting time in the preceding paragraph should be at least 30 minutes before the meeting starts. The reporting location should be clearly marked, and suitable personnel should be assigned to handle it.

Shareholders who complete the reporting in a video shareholder meeting platform 30 minutes before the meeting is considered as attending the shareholder meeting in person. Shareholders in person or shareholders who are delegated with authority (hereinafter referred to as "shareholders") should attend the shareholder meeting with their attendance certificate, attendance card, or other attendance documents. The company should set up a sign-in book for shareholders attending the meeting, or shareholders should submit an attendance card for proxy signing. When the government or legal entities are shareholders, there is no limit to the number of representatives attending the shareholder meeting. When legal entities attend the shareholder meeting on behalf of others, only one person can be assigned to represent them. For shareholder meetings conducted by video conference, shareholders who wish to attend by video should register with the company at least two days before the shareholder meeting.

Article 6-1

When the company convenes a video conference for a shareholder meeting, the meeting notice shall specify the following matters:

1. How shareholders can participate in the video conference and exercise their rights.
2. Procedures for handling obstacles in the video conference platform or participation by video due to natural disasters, emergencies, or other force majeure circumstances, including at least the following: (1) If obstacles persist and cannot be eliminated, causing a delay or continuation of the meeting, the time and date for the delay or continuation of the meeting.

(2) Shareholders who have not registered to participate by video in the original shareholder meeting may not participate in the delayed or continued meeting.

(3) In the case of convening a video-assisted shareholder meeting, if the video conference cannot be continued, the meeting should continue after deducting the number of shareholders attending by video from the total number of shareholders attending. The shareholder meeting shall proceed, and the number of shares held by shareholders attending by video shall be included in the total number of shares held by attending shareholders, and

for all agenda items of that shareholder meeting, they shall be deemed to have abstained.

(4) When all agenda items have been announced and no ad hoc motions have been made, the handling method for such cases. For video conference shareholder meetings, the company should provide appropriate alternative measures for shareholders who have difficulty participating by video. Except as provided in Article 44-9, paragraph 6 of the Corporate Share Transfer Guidelines for Public Companies, at least video conference equipment and necessary assistance should be provided, and the period for shareholders to apply to the company and other related matters should be specified.

Article 7

When the shareholder meeting is convened by the board of directors, the chairman shall be the chairman of the board, and when the chairman of the board is absent or unable to perform his duties for any reason, one director shall be designated by the chairman of the board to act on his behalf, and if no proxy is designated, one director shall be chosen by mutual agreement. If the shareholder meeting is convened by someone other than the board of directors, the chairman shall be the person who convenes the meeting, and when there are two or more conveners, one person shall be chosen by mutual agreement. The company may designate the attorney, accountant, or relevant personnel it appoints to attend the shareholder meeting.

Article 8

The company should record the entire proceedings of the shareholder meeting in audio and video. The audiovisual data in the preceding paragraph should be kept for at least one year. However, if a shareholder brings a lawsuit under Article 189 of the Company Act, it should be kept until the end of the lawsuit. When the shareholder meeting is held by video conference, the company should also record and retain data on shareholder registration, registration, reporting, questioning, voting, and company vote counting results. The data and audio and video recordings in the preceding two paragraphs should be properly kept during their duration.

Article 9

Shareholders' meeting attendance shall be based on the number of shares. The number of attending shares shall be calculated based on the signed attendance sheet or the submitted check-in card, in addition to the shares exercised through written or electronic means. At the appointed meeting time, the chairperson shall immediately announce the commencement of the meeting. However, if there are not enough shareholders present,

representing more than half of the total issued shares, the chairperson may announce a postponement of the meeting. This postponement may occur up to two times, and the total delay time shall not exceed one hour. If, after two postponements, there are still not enough shareholders present, representing more than one-third of the total issued shares, the chairperson shall declare an adjournment. In case of a shareholders' meeting conducted via video conference, the company shall also announce the adjournment on the shareholders' meeting video conference platform.

If, after two postponements, there are still not enough shareholders present, representing more than one-third of the total issued shares, the chairperson may proceed with a provisional resolution as per Article 175, Paragraph 1 of the Company Act and notify the shareholders within one month to convene another shareholders' meeting. In the case of a shareholders' meeting conducted via video conference, shareholders who wish to attend via video must re-register with the company as per Article 6.

Before the conclusion of the current meeting, if the shares represented by the attending shareholders reach more than half of the total issued shares, the chairperson may submit the provisional resolution made to a vote as per Article 174 of the Company Act.

Article 10

When a shareholders' meeting is convened by the board of directors, the agenda shall be determined by the board of directors, and the meeting shall proceed according to the established agenda, which shall not be altered without the resolution of the shareholders' meeting. When a shareholders' meeting is convened by persons other than the board of directors, the provisions of the preceding paragraph shall apply *mutatis mutandis*. Unless resolved by the shareholders' meeting, the agenda set forth in the preceding two paragraphs, including ad hoc motions, shall not be concluded by the chairperson. In case the chairperson violates the rules of the meeting and adjourns the meeting, other members of the board of directors shall promptly assist the attending shareholders in accordance with the legal procedures to elect a new chairperson with the consent of the majority of the attending shareholders and continue the meeting. The chairperson should provide adequate explanation and discussion opportunities for proposals and amendments or ad hoc motions raised by the shareholders and may declare a halt to discussions when it is deemed ready for voting.

Article 11

Before speaking at the shareholders' meeting, shareholders must complete a speaking form indicating the purpose of their speech, shareholder account number (or attendance certificate number), and the name of the shareholder. The chairperson shall determine the order of

speeches. Shareholders who only submit a speaking form without speaking shall be considered as not having spoken. If the content of the speech does not match what is stated in the speaking form, the content of the speech shall prevail.

The same shareholder may speak on the same agenda item no more than two times, with each speech limited to five minutes. However, the chairperson may stop a shareholder's speech if it violates the rules or goes off-topic. While a shareholder is speaking, other shareholders may not speak without the consent of the chairperson and the speaking shareholder, and the chairperson should intervene if this rule is violated. When a legal entity shareholder designates more than two representatives to attend the shareholders' meeting, only one representative may speak on the same agenda item. After a shareholder has spoken, the chairperson may personally or designate relevant personnel to respond. For shareholders attending via video conference, they may submit questions in writing on the shareholders' meeting video conference platform from the beginning of the meeting until the adjournment. Each agenda item may be questioned up to two times, with a limit of 200 words for each question, except as provided in the first through fifth paragraphs.

Article 12

The vote at the shareholders' meeting shall be based on the number of shares. The shares of shareholders without voting rights shall not be included in the total issued shares.

Shareholders with a conflict of interest in the matters discussed at the meeting, which may harm the company's interests, shall not participate in the voting and may not act as proxies for other shareholders. The shares for which voting rights cannot be exercised shall not be included in the number of votes present.

Article 13

Each shareholder has one voting right per share; however, those restricted or without voting rights as listed in Article 179, Paragraph 2 of the Company Act are not subject to this limit. When this company convenes a shareholders' meeting, it may exercise its voting rights in writing or electronically; the method of exercising the rights should be specified in the notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are considered to be personally present at the shareholders' meeting.

However, they are considered to have abstained on ad-hoc motions and amendments to the original proposal at that shareholders' meeting.

Shareholders exercising their voting rights in writing or electronically shall deliver their intentions to the company two days before the shareholders' meeting. In the case of duplicate intentions, the one delivered first shall prevail. However, shareholders declaring the withdrawal of previous intentions are not subject to this limit. Shareholders who have

exercised their voting rights in writing or electronically and wish to attend the shareholders' meeting in person or via video must withdraw their previous voting intentions in the same manner two days before the shareholders' meeting. Late withdrawals will be based on the voting rights exercised in writing or electronically. If shareholders exercise their voting rights in writing or electronically and attend the shareholders' meeting through a proxy with a power of attorney, the voting rights exercised by the proxy shall prevail.

The voting on resolutions, except where otherwise provided by the Company Act and the company's articles of association, shall be deemed passed with the approval of more than half of the voting rights present. When voting, if there is no objection upon consultation by the chairperson, approval shall be indicated by applause, and it shall have the same effect as a vote. Shareholders who have objections shall vote by ballot.

When there are amendments or substitute resolutions for the same proposal, the order of voting shall be determined by the chairperson. If one of them has already been approved, the others shall be deemed rejected, and there is no need for further voting.

The scrutineers and vote counters for the vote or election of resolutions at the shareholders' meeting shall be designated by the chairperson, but the scrutineers must have shareholder status. The vote counting and election procedures for the shareholders' meeting shall be conducted openly within the shareholders' meeting venue, and the voting results, including the number of votes, shall be announced on the spot after the counting, and a record shall be made.

When this company convenes a video conference shareholders' meeting, shareholders participating via video shall conduct voting on various resolutions and elections through the video conference platform after the chairperson announces the start of the meeting, and this must be completed before the chairperson announces the end of voting. Late submissions will be considered abstentions.

For shareholders' meetings held as video-assisted shareholders' meetings, shareholders who have registered to attend the shareholders' meeting via video in accordance with Article 6 and wish to attend the physical shareholders' meeting in person should withdraw their registration in the same manner two days before the shareholders' meeting. Late withdrawals shall only allow attendance via video.

Shareholders who exercise their voting rights in writing or electronically and participate in the shareholders' meeting via video, except for ad-hoc motions, may not exercise their voting rights again on the original proposal or make amendments to the original proposal or amendments to the original proposal.

Article 14

When the shareholders' meeting elects directors, it shall be handled in accordance with the relevant selection regulations established by the Company. The election results, including

the list of elected directors and their voting rights, shall be announced on the spot. The election ballots for the election items mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, properly kept, and retained for at least one year. However, in the event of a lawsuit filed by a shareholder pursuant to Article 189 of the Company Act, they shall be retained until the end of the lawsuit.

Article 15

The decisions of the shareholders' meeting shall be recorded in the minutes, signed or sealed by the chairperson, and distributed to all shareholders within twenty days after the meeting. The preparation and distribution of the minutes shall be handled in accordance with the provisions of Article 183 of the Company Act.

The minutes shall accurately record the year, month, day, venue, name of the chairperson, method of resolution, main points of the proceedings, and their results. When directors are elected, the number of votes obtained by each elected person shall be disclosed. During the existence of this company, they shall be permanently preserved.

For shareholders' meetings held as video conferences, in addition to the matters required to be recorded according to the preceding paragraph, the minutes shall also include the start and end times of the shareholders' meeting, the method of convening the meeting, the names of the chairperson and the recorder, and the handling method and results in case of obstacles to the video conference platform or participation via video due to natural disasters, incidents, or other force majeure events. For video-assisted shareholders' meetings held by this company, it shall also be recorded in the minutes the alternative measures provided for shareholders who have difficulties participating via video.

Article 16

The personnel in charge of the shareholders' meeting shall wear identification cards or armbands.

The chairperson may direct security personnel to assist in maintaining order at the venue. When security personnel are present to assist in maintaining order, they shall wear armbands or identification cards with the words "security personnel."

If there is a public address system in the venue and a shareholder does not speak using the equipment provided by the company, the chairperson may prohibit it.

If shareholders violate the rules of the meeting and do not obey the chairperson's correction, obstructing the progress of the meeting, and refusing to leave the venue after being stopped by the chairperson, the chairperson may instruct the security personnel to ask them to leave.

Article 17

During the meeting, the chairman may, at their discretion, announce breaks. In the event of unforeseen circumstances, the chairman may temporarily suspend the meeting and determine a suitable time to resume the meeting. If the venue for the shareholders' meeting scheduled agenda is no longer available before the meeting's conclusion (including any extraordinary motions), the shareholders' meeting may resolve to find an alternative location to continue the meeting. In accordance with Article 182 of the Company Act, the shareholders' meeting may decide to postpone or continue the gathering within five days.

Article 18

For shareholders' meetings convened via video conferencing, the company shall promptly disclose the voting results and election results of each agenda item on the shareholders' meeting video conference platform after the voting has concluded.

Article 19

When the company convenes a virtual shareholders' meeting, the chairman and recording personnel must be located at the same domestic location. The chairman should announce the address of that location at the beginning of the meeting.

Article 20

For shareholders' meetings convened via video conferencing, the company may offer a simple connection test before the meeting and provide relevant services before and during the meeting to assist with technical communication issues. In the case of a shareholders' meeting held through video conferencing, the chairman should, upon announcing the meeting, also declare that, except as stipulated in Article 44-2, Paragraph 4 of the Regulations Governing the Handling of Stock Affairs by Public Companies, there is no need for postponement or continuation of the meeting; in the event of a natural disaster, an incident, or other irresistible force that obstructs the video conferencing platform or participation via video for a continuous period of more than thirty minutes before the chairman announces the adjournment, the company should postpone or continue the meeting within five days. The provisions of Article 182 of the Company Act do not apply to this situation. Shareholders who were not registered to participate in the original shareholders' meeting via video may not participate in the postponed or continued meeting. Shareholders who were registered to participate in the original shareholders' meeting via video and

completed the registration but did not participate in the postponed or continued meeting will have their shares, voting rights, and election rights counted in the total shares, voting rights, and election rights of the shareholders who attended the postponed or continued meeting. When a shareholders' meeting is postponed or continued in accordance with the provisions of the preceding paragraph, resolutions that have been voted on, tallied, and announced, as well as resolutions for the election of directors or supervisors, do not need to be discussed or resolved again. When the company convenes an assisted virtual shareholders' meeting, in the event of a situation as described in the second paragraph, where the meeting via video conferencing cannot continue, if the total shares represented at the shareholders' meeting still meet the statutory quorum after deducting the shares represented via video conferencing, the shareholders' meeting should proceed without postponement or continuation in accordance with the provisions of Article 44-20, Paragraph 7 of the Regulations Governing the Handling of Stock Affairs by Public Companies. In the event of the 12 situation described in the preceding paragraph, shareholders who participate via video conferencing will have their shares counted in the total shares represented at the shareholders' meeting. However, for all matters on the agenda of that shareholders' meeting, they are deemed to have abstained. When the company postpones or continues the meeting in accordance with the provisions of the second paragraph, the company should carry out the relevant preparatory work in accordance with the original shareholders' meeting date and the provisions listed in Article 44-20, Paragraph 7 of the Regulations Governing the Handling of Stock Affairs by Public Companies. During the periods specified in the latter part of Article 12 and Paragraph 3 of Article 13 of the Rules for the Use of Powers of Attorney for Attendance at Shareholders' Meetings by Public Companies and Article 44-5, Article 44-15, and Article 44-17 of the Regulations Governing the Handling of Stock Affairs by Public Companies, the company should conduct the postponed or continued shareholders' meeting in accordance with the dates specified in the second paragraph.

Article 20-1

When the company convenes a virtual shareholders' meeting, it should provide suitable alternative measures to shareholders who have difficulty attending the meeting via video, except in cases specified in Article 44-9, Paragraph 6 of the Regulations Governing the Handling of Stock Affairs by Public Companies. At a minimum, the company should provide shareholders with the necessary connection equipment and assistance, as well as specify the period during which shareholders may apply to the company and other relevant points to note.

Article 21

These meeting rules shall take effect after being approved by the shareholders' meeting and shall also apply to amendments.

The first amendment was approved at shareholders' extraordinary general meeting on August 4, 2022. 14

The second amendment was approved at shareholders' annual general meeting on June 26, 2023.

<Appendix 3>

Title: Groundhog Inc. Rules and Procedures for Election of Directors

Date: 2022/08/04

Article 1

To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

Except as otherwise provided by The Company Act or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3

The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
 2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
1. The ability to make judgments about operations.
 2. Accounting and financial analysis ability.
 3. Business management ability.
 4. Crisis management ability.
 5. Knowledge of the industry.
 6. An international market perspective.
 7. Leadership ability.

8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 4

The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 4-1

Elections of Independent directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 5

The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 6

The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 7

The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 8

Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9

If the elector is a shareholder, the elector must fill in the name and shareholder account number of the candidate in the candidate column of the election ballot. If the elector is not a shareholder, the elector should fill in the name and identity document number of the candidate. However, if the shareholder is a government entity or a corporation, the candidate column on the election ballot should list the name of the government entity or corporation, and may also include the name of the representative of the government entity or corporation. If there are multiple representatives, their names should be separately added.

Article 10

A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. If the candidate is identified as a shareholder, but the name or shareholder account number provided does not match the shareholder registry; or if the candidate is not a shareholder, but the name or identity document number provided does not match upon verification.
5. Other words or marks are entered in addition to the candidate's name, shareholder account number (or identity document number), and the number of voting rights allotted.
6. The name of the candidate filled in matches that of other shareholders, and it can be identified without the shareholder account number or identity document number.

Article 11

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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 one 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 12

These Rules and Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

The first amendment was approved on August 4, 2022.

<Appendix 4>

Shareholdings of All Directors

1. The number of total issued shares is 33,537,400.
2. As our company's independent directors exceed half of the total directorships, and an audit committee has been established, the statutory requirement for holding shares by all directors and supervisors does not apply.
3. Up to the date on which share transfer registration is suspended before the convention of this shareholders' meeting, the status of shareholdings of individual and all Directors registered on the shareholders roster is set forth below:

Record Date: April 26, 2024

Title	Name	Holding Shares	Shareholding Ratio
Chairman	Fan-Rei Investment Corp. Representative: Chiou, Ta- Gang	5,292,000	15.78%
Director	Horng, Jyh-Feng	162,000	0.48%
Independent Director	Ho Chen, Tan	2,000	0.0059%
Independent Director	Tseng, Ching-Lung	0	0.0%
Independent Director	Tseng, Tsung-Lin	0	0.0%
Independent Director	Lin, Yi-Bing	0	0.0%
Total		5,456,000	16.27%