



Groundhog Inc.
2026 General Shareholders' Meeting
Agenda

Date: June 24, 2026 at 9:00 a.m.

Place: GIS Taipei Tech Convention Center 303 Room
(3 F., No. 1, Sec. 3, Zhongxiao E. Rd., Da'an Dist.,
Taipei City 106344, Taiwan (R.O.C.))

Method of Convening: Physical Shareholders' Meeting

Notice to Readers

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

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Groundhog Inc.
Meeting Procedure of
2026 General Shareholders' Meeting

1. Call the Meeting to Order
2. Chairman Remarks
3. Reported Matters
4. Ratification Matters
5. Discussion Matters
6. Extemporaneous Motions
7. Adjournment

Groundhog Inc.

Meeting Agenda of 2026 General Shareholders' Meeting

1. Call the Meeting to Order
2. Chairman Remarks
3. Reported Matters
 - (1) 2025 Business Report
 - (2) 2025 Audit Committee's Review Report
 - (3) 2025 Distributable Compensation for Employees and Directors
 - (4) Report on the Implementation of Sustainable Development
4. Ratification Matters
 - (1) 2025 Business Report and Financial Statements
 - (2) 2025 Earnings Distribution
5. Discussion Matters

Amendment to the provisions of "Procedures for Acquisition and Disposal of Assets"
6. Extemporaneous Motions
7. Adjournment

III. Reported Matters

Report No.1

Subject: 2025 Business Report

Explanation:

Please refer to the 2025 Business Report (Attachment 1, p.7).

Report No.2

Subject: 2025 Audit Committee's Review Report

Explanation:

Please refer to the Audit Committee's Review Report (Attachment 2, p.11).

Report No.3

Subject: 2025 Distributable Compensation for Employees and Directors

Explanation:

1. According to the Company's Articles of Incorporation, if there is a profit in the Company's annual financial statements, not less than 5% of the profit shall be allocated as employee compensation, and no less than 1% of said employee compensation shall be allocated to non-executive employees. Furthermore, not more than 1% as director compensation. However, if there are accumulated losses from previous years, such losses shall be offset prior to any allocation of profit pursuant to the aforementioned proportions.
2. The Corporation's profit for 2025 (i.e. pre-tax profit prior to deduction of distributable employee and director compensation) amounts to NT\$ 78,479,442. It is proposed to appropriate 10% as employee compensation in the amount of NT\$ 7,847,944 (including 1% as compensation for non-executive employees in the amount of NT\$ 784,794) and 1% as directors' compensation in the amount of NT\$ 784,794, all to be distributed in cash.

3. 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

Subject: Report on the Implementation of Sustainable Development

Explanation:

1. Please refer to Sustainable Development Implementation Report (Attachment 3, p.12).

IV. Ratification Matters

Ratification No.1 (Proposed by the Board of Directors)

Subject: 2025 Business Report and Financial Statements

Explanation:

1. The 2025 Business Report and Financial Statements (including Parent Company Only Financial Statements & Consolidated Financial Statements) have been approved by the 5th Meeting of the Board of Directors of the 3rd Term, and audited by the certified public accountants Huang, Yung-Hua and Yu, Sheng-Ho of KPMG with the proposed audit report.
2. Please refer to the 2025 Business Report (Attachment 1, p.10), Independent Auditors' Report and Financial Statements (Attachment 4 and 5, p.38 & 45).

Resolution:

Proposal No.2 (Proposed by the Board of Directors)

Subject: 2025 Earnings Distribution

Explanation:

1. The distributable earnings for year 2025 amounted to NT\$63,945,142. An amount of NT\$6,394,514 is to be appropriated as legal reserve, and it is proposed to distribute cash dividends of NT\$58,027,320 (NT\$1.8 per share).
2. The cash dividends would be rounded down to the nearest whole NT dollar, 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. Upon approval of the earnings distribution by the annual general shareholders' meeting for the current year, the Chairman is authorized to determine the record date and payment date for the dividend distribution.
5. Please refer to the 2025 Earnings Distribution Table (Attachment 6, p.52).

Resolution:

V. Discussion Matters

(Proposed by the Board of Directors)

Subject: Amendment to the provisions of "Procedures for Acquisition and Disposal of Assets"

Explanation:

1. In accordance with the amendments to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, the Company proposes to amend certain provisions of the Procedures for Acquisition and disposal of assets. Please refer to the Comparison Table of the Articles Before and After Amendment. (Attachment 7, p.53).

Resolution:

VI. Extemporaneous Motions

VII. Adjournment

Groundhog Inc.

2025 Business Report

Reviewing the fiscal year 2025, since Donald Trump's announcement of significant tariff hikes in April, Groundhog Technologies has simultaneously faced the dual pressures of New Taiwan Dollar exchange rate fluctuations and a weak global macroeconomic. Despite the challenging external environment, we have achieved remarkable results in new customer acquisition. First, we successfully secured **Vodafone Idea** under the Vodafone Group. Secondly, we reported a major victory in the North American market by successfully penetrating a key account, which serves as a landmark milestone for our future expansion into other North American telecommunications operators. Furthermore, we also successfully acquired a leading, high-profile telecommunications client in Thailand. The addition of these three major new clients has increased the revenue contribution from initial system deployments for new customers this year, demonstrating Groundhog Technologies' continuous momentum in breaking through the global market.

A. 2025 Business Report and Research & Development Status

I. Performance Result:

In the 2025 fiscal year, consolidated revenue totaled **NT\$348,178 thousand**, with a consolidated net income after tax of **NT\$61,237 thousand**.

II. Financial Performance and Profitability Analysis:

For an overview of the 2025 financial status, please refer to the attached financial statements.

- **Gross Profit Margin: 87% (compared to 84% in the previous year).**
- **Operating Margin: 17% (compared to 30% in the previous year).**
- **Net Profit Margin: 18% (compared to 30% in the previous year).**

III. Research and Development (R&D) Status

R&D expenses for 2025 amounted to **NT\$151,859 thousand**, accounting for **44%** of total operating revenue.

B. 2026 Business Plan

The overall mobile telecommunications industry adopted a relatively conservative stance toward bandwidth expansion in 2025. Constrained by the economic downturn and increased hardware tariffs, many major telecom operators lowered their expansion budgets. Some clients even split large-scale orders into multiple smaller ones to delay decision-making while monitoring changes in tariffs and macroeconomic trends. Consequently, Groundhog Technologies' revenue growth trend faced relative headwinds in 2025. Furthermore, the rapid

appreciation of the New Taiwan Dollar led to a slight quarterly book loss in the second quarter, despite the core business remaining profitable. We expect this atmosphere of "wait-and-see" to gradually improve throughout 2026.

Compared to the 2026 outlook of global telecommunications equipment leaders, the overall market tone remains "moderately conservative yet structurally optimistic." The mobile RAN (Radio Access Network) market is expected to exhibit moderate growth, with the potential for significant expansion within 2026 not ruled out. Core drivers for substantial growth continue to be emerging sectors such as 5G SA (Standalone), private enterprise networks, Open RAN, and AI MCP. In 2026, the growth of global 5G network traffic will be primarily fueled by 5G SA.

From an application perspective, telecommunications operators must accelerate 5G SA deployment to support emerging demands like edge AI, low-latency computing, and enhanced uplink capabilities. The explosive growth of AI has catalyzed the expansion of cloud computing, simultaneously fast-tracking the construction of 5G SA infrastructure.

These trends indicate that telecoms will need to continuously expand 5G network construction, ensuring that overall market demand remains on an upward trajectory. While inconsistent growth paces may lead to fluctuations in Groundhog Technologies' revenue performance, the long-term direction remains positive and conducive to sustained revenue growth.

In terms of business expansion for 2026, we will continue to deepen our presence in North America and markets with demographic dividends, patiently awaiting the fruits of our long-term cultivation. We have increased investment in intelligent Intent-Based Networking (IBN) technology. This allows RAN networks to automatically adapt and optimize via AI, reducing manual intervention and helping customer lower costs while boosting operational efficiency.

Following the recognition from the Ministry of Economic Affairs in 2024 through the "A+ Industrial Innovative R&D Program," the company will further deepen this initiative in 2026. We aim to strengthen the autonomous judgment and auto-tuning capabilities of our products, steadily advancing toward AI-driven, next-generation network management.

Below are the specific details of our planned operating projects for 2026:

I. Business Strategies

1. Upgrading Large Language Models (LLM) to an AI Agent Architecture

We aim to transform our products into several function-oriented **AI Agent** module groups, coordinated through an LLM. This represents a strategic transition from individual AI agents to a comprehensive **AIA (AI Architecture)** framework.

2. Smarter Customer Experience

To enhance the quality of existing customer service, we are targeting **Level 4 Autonomous Networks (AN Level 4)** as defined by the **TM Forum** standards. This initiative aims to significantly reduce manual labor costs for our clients.

3. Continuous Improvement in Positioning Speed and Resolution

We will accelerate the real-time response of positioning results and optimize our algorithms to reduce the hardware computing power required. This serves our commitment to "Green Energy" goals by achieving high efficiency with low energy consumption.

4. Sustained Implementation of Open RAN Standards

By continuing our collaboration with world-class hardware manufacturers, we will deepen the development of new **rApp** versions to further complete and strengthen the **Open RAN ecosystem**.

II. Operations Management

1. Foreign Exchange Risk Management

We continue to seek business opportunities amidst geopolitical maneuvering while further optimizing our geopolitical risk management. Regarding the exchange rate risks encountered in the second quarter of 2025, we have implemented dynamic hedging measures. These include shortening the holding periods of U.S. dollar assets and matching foreign currency asset positions with foreign currency liabilities to achieve a natural hedge. Exchange rate risk control remains a long-term objective, and we will continue to refine and implement more comprehensive management measures.

2. Operational Efficiency Improvement

We are committed to enhancing profitability and operational efficiency by flattening our organizational structure, streamlining operational and management processes, implementing effective cost controls, and boosting productivity.

3. ESG Policy Promotion

The Company remains dedicated to the principles of ESG, ensuring audit independence and upholding the spirit of internal control. Groundhog Technologies continues to leverage AI technology for big data analytics, expanding its influence to serve as an ESG benchmark for software enterprises in Taiwan.

III. Human Resources

1. Lean Organizational Management

At the end of each year, we precisely align our workforce planning with the company's revenue targets and strategic plans for the upcoming fiscal year.

2. Talent Quality Optimization

We utilize internal training programs to foster positive professional attitudes alongside core work competencies. Furthermore, we encourage employees to utilize company training subsidies to enhance their specialized technical skills.

3. Effective Performance Management

Through rigorous performance management, we ensure that employee work objectives are directly linked to the company's annual strategic goals. This process facilitates a healthy organizational cycle of meritocracy and professional growth.

4. Sustainable Development

To ensure the company's long-term continuity, we will begin establishing a "future talent pool" in 2026 to cultivate a high-potential management team for the company.

In the foreseeable future, as the global market enters the phase of widespread AI adoption, we will continue to occupy the technological high ground of artificial intelligence. By accelerating our operational growth and corporate scale while deepening our expertise in Mobile AI, we will remain a steady leader in the industry.

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 2025 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. 2026 General Shareholders' Meeting

Groundhog Inc.

Chairman of the Audit Committee: Tseng, Tsung-Lin

March 11, 2026

<Attachment 3>

Sustainable Development Implementation Report

I. Implementation Status of the Company’s Sustainable Development Initiatives and Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, Including Reasons for Such Differences

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	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. 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>	No significant discrepancy

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons						
	YES	NO	Abstract Explanation							
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		<p>After identifying the degree of impact on major topics, the scope of this risk assessment are company and the consolidated financial reporting subsidiaries. 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:</p> <table border="1"> <thead> <tr> <th>Risk assessment</th> <th>Risk management countermeasures and measures</th> </tr> </thead> <tbody> <tr> <td>Innovation and RD</td> <td>The technologies exclusively developed by our company have applied for and obtained patent certificates from the Republic of China, the United States, Japan, the European Union and other countries and regions. A management system has been established for the protection and utilization of patent and trademark rights.</td> </tr> <tr> <td>Economic Performance</td> <td>We continuously develop new customers in different countries and regions, maintain strong relationships with existing clients, and strive for contract renewals, version upgrades, or expansion projects to ensure steady revenue growth. A budgeting system is implemented, and expenditures and costs are reviewed periodically to ensure their reasonableness, maintaining a stable level of profitability.</td> </tr> </tbody> </table>	Risk assessment	Risk management countermeasures and measures	Innovation and RD	The technologies exclusively developed by our company have applied for and obtained patent certificates from the Republic of China, the United States, Japan, the European Union and other countries and regions. A management system has been established for the protection and utilization of patent and trademark rights.	Economic Performance	We continuously develop new customers in different countries and regions, maintain strong relationships with existing clients, and strive for contract renewals, version upgrades, or expansion projects to ensure steady revenue growth. A budgeting system is implemented, and expenditures and costs are reviewed periodically to ensure their reasonableness, maintaining a stable level of profitability.	None
Risk assessment	Risk management countermeasures and measures									
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Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
			<p>Economic Performance</p> <p>We continuously develop new customers in different countries and regions, maintain strong relationships with existing clients, and strive for contract renewals, version upgrades, or expansion projects to ensure steady revenue growth. A budgeting system is implemented, and expenditures and costs are reviewed periodically to ensure their reasonableness, maintaining a stable level of profitability.</p>	
			<p>Corporate Governance</p> <p>By establishing a corporate governance structure and implementing internal control mechanisms, the company ensures that all personnel and operational processes comply with relevant laws and regulations. Directors are covered by directors’ liability insurance, and they are encouraged to continue their education in corporate governance-related courses to enhance the effectiveness of the board.</p>	
			<p>Risk Management</p> <p>The company identifies potential risks that may arise in business operations and implements corresponding control mechanisms for identified risk items, such as risk monitoring systems and crisis management procedures to address negative impacts.</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
			<p>IT security and Privacy protection</p> <p>An information security management organization has been established, and information security policies have been formulated. Regular disaster recovery drills for information systems are conducted, along with cybersecurity training programs to protect customer privacy. Strict controls are enforced over the use of personal data, account management, and device security to enhance the protection of sensitive information.</p>	
			<p>Compliance</p> <p>Each department continuously monitors and analyzes newly enacted or revised regulations within its area of responsibility and formulates corresponding response strategies. Legal awareness is promoted among all employees through legal education and training to ensure that the company’s operations and actions comply with relevant laws and regulations.</p>	
			<p>Product safety and Security</p> <p>The company has obtained ISO 9001:2015 Quality Management System certification and ensures the quality of its products and services in accordance with government regulations and industry standards. The marketing and labeling of products and services comply with relevant laws and international guidelines. The company has established a</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
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			<p>“Code of Ethical Conduct” and “Procedures and Guidelines for Ethical Business Practices,” which clearly define measures to prevent products or services from harming stakeholders. Product designs incorporate features that protect customer privacy, and the company complies with the Personal Data Protection Act and the EU General Data Protection Regulation (GDPR). A “Personal Data Protection Management Policy” has been established to ensure proper regulation and implementation.</p>	
			<p>Talent Attraction</p> <p>The company offers a fair, reasonable, and competitive compensation system, providing channels for annual salary adjustments for high-performing employees. Performance bonuses are granted based on the company’s annual operating results and individual performance evaluations. In addition to a comprehensive and diverse benefits program, the company is committed to being a health-conscious and employee-friendly workplace. Various supportive measures are available, such as parental leave and unpaid childcare leave for employees with newborns, lactation rooms for nursing mothers, and prayer rooms for Muslim</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
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			employees, demonstrating the company’s dedication to employee care and well-being.	
			Talent Development The company has established training program plans and regularly conducts professional knowledge-sharing sessions internally. Employees who attend external training courses offered by training institutions are also encouraged to share what they have learned with colleagues. These initiatives aim to enhance employees’ career development and workplace competitiveness, while also contributing to the achievement of the company’s business objectives.	
			Customer Service Customer Complaint Handling Mechanism: All of the company’s clients are corporate customers, each assigned a dedicated account manager responsible for addressing complaints or issues related to product usage. Additionally, the company’s official website provides a platform for clients to leave their contact information along with any concerns or feedback. These messages are forwarded to the appropriate personnel for review and resolution. Through these measures, the company ensures the quality of its customer service.	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
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3. Environment Topic (1) Does the Company es- tablish proper environmental management systems based on the charac- teristics 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.	No significant discrepancy
(2) Does the Company en- deavor to im- prove energy more effi- ciently and use renewable materials which have low impact on the environ- ment?	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 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.	No significant discrepancy

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons																								
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(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>For the company's identification of risk opportunities and response measures related to climate change, please see (6) Climate-related information of listed companies.</p>	No significant discrepancy																								
(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,	V		<p>The company and its subsidiaries included in the consolidated financial statements fall within the scope of inventory for greenhouse gas emissions, as well as water and electricity consumption. The water and electricity usage for the years 2024 and 2025, along with the corresponding calculated greenhouse gas emissions, have been recorded. The relevant statistics are presented in the following table:</p> <p>Greenhouse gas emissions :</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> <tr> <th>Categories</th> <th>Emission(tCO2e)</th> <th>Emission(tCO2e)</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Scope 2</td> <td>129.99</td> <td>127.75</td> </tr> <tr> <td>Scope 3</td> <td>7,048.49</td> <td>7,156.44</td> </tr> <tr> <td>Total</td> <td>7,183.97</td> <td>7,284.19</td> </tr> <tr> <td>Consolidated Revenue (NT\$ million)</td> <td>393.78</td> <td>348.18</td> </tr> <tr> <td>Intensity (tCO2e/Revenue (NT\$ million))</td> <td>18.24</td> <td>20.92</td> </tr> </tbody> </table>	Year	2024	2025	Categories	Emission(tCO2e)	Emission(tCO2e)	Scope 1	0.00	0.00	Scope 2	129.99	127.75	Scope 3	7,048.49	7,156.44	Total	7,183.97	7,284.19	Consolidated Revenue (NT\$ million)	393.78	348.18	Intensity (tCO2e/Revenue (NT\$ million))	18.24	20.92	No significant discrepancy
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water consumption saving or waste management?			<p>Water and electricity consumption :</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Total water consumption</td> <td>1,207</td> <td>1,268</td> </tr> <tr> <td>Number of employees at the end of the year</td> <td>144</td> <td>150</td> </tr> <tr> <td>Water consumption per capita: Total water consumption/Number of employees at the end of the year</td> <td>8.3819</td> <td>8.4533</td> </tr> <tr> <td>Total electricity consumption</td> <td>274,246</td> <td>269,505</td> </tr> <tr> <td>Consolidated Revenue (NT\$ million)</td> <td>393.78</td> <td>348.18</td> </tr> <tr> <td>Electricity consumption per million NTD in revenue: Total electricity consumption/Revenue (NT\$ million)</td> <td>696.45</td> <td>774.04</td> </tr> </tbody> </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. Please refer to the Environmental, Social and Corporate Governance Risk Management Strategies related to the company's operations for details.</p>	Year	2024	2025	Total water consumption	1,207	1,268	Number of employees at the end of the year	144	150	Water consumption per capita: Total water consumption/Number of employees at the end of the year	8.3819	8.4533	Total electricity consumption	274,246	269,505	Consolidated Revenue (NT\$ million)	393.78	348.18	Electricity consumption per million NTD in revenue: Total electricity consumption/Revenue (NT\$ million)	696.45	774.04	
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4.Society Topic (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the	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</p>	No significant discrepancy																					

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
International Bill of Human Rights?			<p>working environment that protects human rights and eliminate any 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. 6. Provide employees with reasonable salaries and related welfare conditions in accordance with laws and regulations. 	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
			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.	
(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 10. Various community activities and community activity subsidies 11. Wedding and funeral subsidies 12. Educational training provision and further study subsidies 	No significant discrepancy

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
			<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. 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.</p> <p>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; 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.</p>	

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
(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		<p>In compliance with the “Occupational Safety and Health Act” and its Enforcement Rules, the Company has implemented a comprehensive range of measures to safeguard employee well-being. These include the “Workplace Sexual Harassment Prevention Measures”, “Ergonomic Hazard Prevention Plan”, “Unlawful Infringement Prevention Plan for On-Duty Personnel”, and the “Prevention Plan for Illnesses Induced by Abnormal Workloads”.</p> <p>To promote health and work-life balance, the Company provides group insurance, a dedicated lactation room for female employees, and regular health checkups for employees and their family members. Additionally, a contract has been established with designated medical institutions to deliver on-site health promotion services. Under this program, licensed nurses visit the office twice monthly to provide health consultations, and physicians conduct bi-annual visits to offer medical evaluations, health report reviews, and one-on-one consultations. Flexible working hours and remote work arrangements are also implemented to support employee well-being and work flexibility.</p> <p>Providing a safe and healthy work environment remains a core value of the Company. In accordance with fire safety regulations, the Company conducts annual fire safety inspections and organizes biannual fire safety training and emergency drills for all employees. In compliance with building management regulations, and in coordination with the building management center, public building safety inspections are conducted every two years to ensure workplace safety and disaster preparedness. The General Affairs Department head concurrently serves as the manager of Occupational Safety and Health affairs, responsible for</p>	No significant discrepancy

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
			<p>formulating, planning, supervising, and implementing occupational safety and health initiatives, as well as overseeing employee training programs. Given that the Company operates in an office environment free from hazardous machinery or high-risk areas, no occupational accidents were reported in 2024.</p> <p>Furthermore, to encourage employees to take adequate rest, an automated electronic platform sends monthly reminders to employees approaching their work anniversary if they have unused leave balances.</p> <p>In alignment with the ISO 45001:2018 standard (certified for the Company’s full operational scope) and the “Occupational Safety and Health Act”, the Company has established a “Health and Safety Work Rules” to guide the planning, implementation, evaluation, and continuous improvement of its occupational health and safety management system.</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. 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								
	YES	NO	Abstract Explanation									
			<p>In 2025, the company’s education and training statistics are as follows:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Statistics</th> </tr> </thead> <tbody> <tr> <td>Total number of classes throughout the year</td> <td>53</td> </tr> <tr> <td>Total number of students taking classes throughout the year frequency</td> <td>374</td> </tr> <tr> <td>Total number of class hours throughout the year (hours)</td> <td>419.5</td> </tr> </tbody> </table>	Item	Statistics	Total number of classes throughout the year	53	Total number of students taking classes throughout the year frequency	374	Total number of class hours throughout the year (hours)	419.5	
Item	Statistics											
Total number of classes throughout the year	53											
Total number of students taking classes throughout the year frequency	374											
Total number of class hours throughout the year (hours)	419.5											
(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 protection policies and complaint procedures?	V		<p>Customer complaint handling mechanism:</p> <p>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.</p> <p>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;</p> <p>The company has currently obtained the ISO9001:2015 quality management system certification and complies with relevant government regulations and industry standards to ensure the 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</p>	No significant discrepancy								

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
			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, privacy protection and sustainable development, and requires new suppliers to sign a “Supplier ESG commitment letter” and “Supplier Code of Conduct”. In 2025, 85.71% of new suppliers had signed the “Supplier ESG commitment letter” and the “Supplier Code of Conduct”. For existing suppliers, the company annually selects key suppliers and sends them the “Supplier ESG Self-Assessment Questionnaire,” requesting them to conduct a self-evaluation of their sustainability practices and return the completed questionnaire for assessment.” A total of 3 completed questionnaires were collected in 2025. 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 feedback, as well as comply with relevant laws and regulations.	No significant discrepancy

Promotion Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons
	YES	NO	Abstract Explanation	
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	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. The sustainability report prepared by our company has not obtained any assurance or guarantee from a third-party verification agency.	No significant discrepancy
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 : The company adopted 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.				
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 : (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.

- (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.
- (3). To promote equal education, cultural development, and support for disadvantaged groups, Groundhog Technologies allocates resources annually to public welfare initiatives. These include donations to the Ministry of Education’s school savings accounts to provide financial support for low-income students, contributions to the Border Action Association to support the education of children in remote areas, and donations to the New Taipei City Gong-Hao Charity Association, which provides food, healthcare, and household services to under-privileged families and elderly individuals living alone. In 2025, in addition to continuing its support for education and vulnerable communities, the company also participated in a client-led ESG initiative, the “Sustainability Vanguard Project,” establishing microgrid facilities to serve as a disaster resilience backup for rural communities. Groundhog also made donations to the Taiwan Breast Cancer Foundation to improve women's health and quality of life, to the Buddhist Electronic Buddhist Scripture Foundation to support digital preservation of cultural texts, and to the NTU Alumni Association to provide scholarships to academically outstanding but financially disadvantaged students

The following are social donation activities in the past two years :

Year	Deeds
2024	• Ministry of Education School Education Savings Account
	• Global Action Foundation
	• New Taipei City Gonghao Charity Association, Luzhou Care Center
	• Join hands with the Sustainability Vanguard Project
	• Breast Cancer Academic Research Foundation
	• Buddhist Electronic Buddhist Scripture Foundation
	• NTU Alumni Association Scholarship
2025	• Ministry of Education School Education Savings Account
	• Global Action Foundation
	• New Taipei City Gonghao Charity Association, Luzhou Care Center
	• Join hands with the Sustainability Vanguard Project
	• Breast Cancer Academic Research Foundation
	• Buddhist Electronic Buddhist Scripture Foundation
	• NTU Alumni Association Scholarship

II. Climate-related Information for Listed Companies.

Items	Execution situation																							
1. Clarify the board and management's oversight and governance of climate-related risks and opportunities.	The board of directors plays a supervisory and guidance role in sustainable development management strategies. After the management department completes the identification and response of major ESG issues every year, it reports the implementation results and review of the previous year to the board of directors in the first quarter of each year. 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.																							
2. Describe how the identified climate risks and opportunities impact the company's business, strategy and finances (short-term, medium-term, long-term).	<p>The Company is actively researching countermeasures in the hope of reducing the negative operational and financial impacts of climate change. We define the short term as 1 to 3 years, the medium term as 3 to 5 years, and the long term as more than 5 years. We evaluate relevant climate risks and the operational and financial impacts on the company to plan various measures to respond to climate-related risks and opportunities.</p> <table border="1" data-bbox="571 981 1426 1872"> <thead> <tr> <th data-bbox="571 981 632 1037"></th> <th data-bbox="632 981 831 1037">Risk Categories and Opportunities</th> <th data-bbox="831 981 1031 1037">Short term (1 to 3 years)</th> <th data-bbox="1031 981 1230 1037">Mid term (3 to 5 years)</th> <th data-bbox="1230 981 1426 1037">Long term (More than 5 years)</th> </tr> </thead> <tbody> <tr> <td data-bbox="571 1037 632 1317" rowspan="2">Risks</td> <td data-bbox="632 1037 831 1317"> Transition risk Risks arising from the transition to a low-carbon economy. Including policy, law, technology, market, reputation risk </td> <td data-bbox="831 1037 1031 1317"></td> <td data-bbox="1031 1037 1230 1317"> Shifting customer needs and preferences Insufficient response to climate change leads to loss of brand reputation </td> <td data-bbox="1230 1037 1426 1317"></td> </tr> <tr> <td data-bbox="632 1317 831 1648"> Physical risk Immediate physical risks: short-term severe events caused by weather Long-term physical risks: caused by long-term changes in climate patterns </td> <td data-bbox="831 1317 1031 1648"> Frequent occurrence of extreme weather patterns, increasing number of short-term heavy rainfalls, and increasing number of large-scale floods </td> <td data-bbox="1031 1317 1230 1648"></td> <td data-bbox="1230 1317 1426 1648"> Average temperature rise </td> </tr> <tr> <td data-bbox="571 1648 632 1872">Opportunities</td> <td data-bbox="632 1648 831 1872"> Opportunities Efforts to adapt to climate change can create climate change-related opportunities for the Company </td> <td data-bbox="831 1648 1031 1872"> Improve resource utilization efficiency </td> <td data-bbox="1031 1648 1230 1872"> R&D and innovation of new low-carbon products and services </td> <td data-bbox="1230 1648 1426 1872"> Improve company reputation </td> </tr> </tbody> </table> <p>The Company assesses the above risks and proposes climate-related risks and opportunities that may have significant financial impact, as well as the response strategies as follows:</p>						Risk Categories and Opportunities	Short term (1 to 3 years)	Mid term (3 to 5 years)	Long term (More than 5 years)	Risks	Transition risk Risks arising from the transition to a low-carbon economy. Including policy, law, technology, market, reputation risk		Shifting customer needs and preferences Insufficient response to climate change leads to loss of brand reputation		Physical risk Immediate physical risks: short-term severe events caused by weather Long-term physical risks: caused by long-term changes in climate patterns	Frequent occurrence of extreme weather patterns, increasing number of short-term heavy rainfalls, and increasing number of large-scale floods		Average temperature rise	Opportunities	Opportunities Efforts to adapt to climate change can create climate change-related opportunities for the Company	Improve resource utilization efficiency	R&D and innovation of new low-carbon products and services	Improve company reputation
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Opportunities	Opportunities Efforts to adapt to climate change can create climate change-related opportunities for the Company	Improve resource utilization efficiency	R&D and innovation of new low-carbon products and services	Improve company reputation																				

Items	Execution situation		
	Transition risks/Climate chances		
	R Risks/O: Opportunities	Financial Impact-/+	Countermeasures
	R: Shifting customer needs and preferences O: R&D and innovation of new low-carbon products and services	- Market share drops (R) + Increase sales proportion of low-carbon products to increase revenue (O)	Continue to invest in the research and development of new-generation low-carbon products and emphasize upgrading energy-saving and carbon-reducing capabilities compared with older-generation products.
	R: Insufficient response to climate change leads to loss of brand reputation	- Stakeholders are dissatisfied with the company's response to climate change, causing the company's reputation to suffer and sales to decline.	Actively pay attention to and respond to climate-related events or climate-related topics that are rapidly increasing in online volume, strengthen the company's public welfare image, and gain customer recognition
	O: Improve company reputation	+ Improve fundraising success rate and reduce capital costs	Enhance corporate green and sustainable business image through transparent disclosure Establish a culture where the company takes climate-related events and issues seriously and takes action Strive to improve the performance of corporate governance assessment and establish a good image
3. Describe the financial impact of extreme climate events and transition actions.	<p>The financial impact of extreme weather events</p> <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</p> <p>The company's products are developed to help customers save energy and reduce carbon emissions. There is a low chance that the products will be listed as objects of carbon tax at home and abroad. 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>		

Items	Execution situation
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	The company's "Corporate Sustainability Promotion Team" convenes relevant departments to identify climate risk opportunities, analyze short, medium and long-term risk projects, assess the financial impact of risk opportunities, and discuss response strategies. Planned and consolidated by management and reported to the Board of Directors.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be described.	This topic is under planning.
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transition risks.	This topic is not applicable to the company
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	This topic is not applicable to the company
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning schedule, annual achievement progress and other	<p>The company's main business is the development and sales of software platforms. It has no production emissions and no direct emission sources in scope 1. As for scope 2, the company generates indirect emissions from electricity consumption, and the building management center allocates the electricity consumption to the company. In addition, there are no other indirect emissions from energy use.</p> <p>The inventory border for 15 categories of Scope 3 are as follows:</p>

Items	Execution situation				
<p>information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the information should be explained. The source and quantity of offset carbon reduction credits or the quantity of renewable energy certificates (RECs).</p>	Scope 3 Categories	Name	Activities Included in the Calculation	Reason for Not Including in the Inventory / Not Calculated:	Note
	Category 1	Purchased goods and services	Carbon emissions from the purchase of goods and services provided by suppliers, as well as the purchase of tap water.	This category is included in the calculation	
	Category 2	Capital goods	Carbon emissions from the purchase of fixed assets and equipment included in the property inventory.	This category is included in the calculation	
	Category 3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Indirect carbon emissions from purchased electricity.	This category is included in the calculation	<p>1. The calculation of Scope 2 carbon emissions from purchased electricity involves calculating the greenhouse gas emissions from fuel combustion during electricity production, using the electricity carbon emission factor for the calculation.</p> <p>2. The calculation of Scope 3 carbon emissions from purchased electricity involves calculating the total lifecycle greenhouse gas emissions from electricity, subtracting the greenhouse gas emissions from fuel combustion during electricity production. This is done using the indirect carbon footprint factor for electricity.</p>
	Category 4	Upstream transportation and distribution	Carbon emissions from the transportation of purchased goods to the company or from personnel commuting to the company to provide goods or services.	This category is included in the calculation	

Items	Execution situation				
	Scope 3 Categories	Name	Activities Included in the Calculation	Reason for Not Including in the Inventory / Not Calculated:	Note
	Category 5	Waste generated in operations	None	General waste generated from the company's operations is collected and disposed of by a certified waste management contractor engaged by the building management center. However, the contractor is unable to provide Scope 1 and Scope 2 greenhouse gas emission data related to the waste treatment process. In addition, the general waste is not sorted or measured by weight or volume, making it impossible to inventory or calculate emissions for this category.	
	Category 6	Business travel	Carbon emissions from business travel	This category is included in the calculation	
	Category 7	Employee commuting	Carbon emissions from employee commuting to office	This category is included in the calculation	
	Category 8	Upstream leased assets	None	The company's leased office space in the building accounts for water-related carbon emissions under Scope 3, Category 1, and electricity-related carbon emissions under Scope 2 and Scope 3, Category 3. However, carbon emissions from building staff commuting to the site and from goods or services provided by the building's suppliers cannot be obtained, as the landlord is unable to provide the necessary data. Therefore, this category cannot be inventoried or calculated.	

Items	Execution situation				
	Scope 3 Categories	Name	Activities Included in the Calculation	Reason for Not Including in the Inventory / Not Calculated:	Note
	Category 9	Downstream transportation and distribution	None	The company's products are delivered to customers via electronic transmission, requiring no transportation equipment or purchased delivery services. Therefore, there are no greenhouse gas emissions associated with this activity, and this category is not applicable and not included in the calculation. Employee business travel is already accounted for under Category 6.	
	Category 10	Processing of sold products	None	The company's products do not require further processing or treatment by other companies. Therefore, this category is not applicable and is not included in the calculation.	
	Category 11	Use of sold products	Carbon emissions from the electricity consumption of servers specifically installed by customers to run the company's software.	This category is included in the calculation	
	Category 12	End-of-life treatment of sold products	None	The company's products are software and platforms, which do not require end-of-life treatment once they are no longer in use. Therefore, this category is not applicable and is not included in the calculation.	

Items	Execution situation				
	Scope 3 Categories	Name	Activities Included in the Calculation	Reason for Not Including in the Inventory / Not Calculated:	Note
	Category 13	Downstream leased assets	None	The company does not lease any assets to third parties. Therefore, this category is not applicable and is not included in the calculation.	
	Category 14	Franchises	None	The company does not operate any franchise arrangements with third parties. Therefore, this category is not applicable and is not included in the calculation.	
	Category 15	Investments	None	The company does not hold any equity or debt investments in other companies. Therefore, this category is not applicable and is not included in the calculation. As for the Scope 3 carbon emissions of subsidiaries included in the consolidated financial statements, relevant activities have already been accounted for under Category 1 and Category 6.	
<p>The greenhouse gas inventory covers the head office and subsidiaries included in the consolidated financial statements. As the relevant data has not yet been assured by a third-party organization, only the greenhouse gas inventory information is disclosed, while assurance information is not disclosed. The reduction target is to reduce greenhouse gas emission intensity by 1% each year compared with the previous year. In 2025, greenhouse gas emission intensity was 20.92 metric tons CO₂e per NT\$1 million revenue, increased by 14.69% compared to 2024 (18.24 metric tons CO₂e per NT\$1 million revenue).</p> <p>The use of carbon offsets or renewable energy certificates is currently under evaluation.</p>					

Items	Execution situation
<p>9. Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans.</p>	<p>Our greenhouse gas inventory covers the parent company and its consolidated financial statements' subsidiaries; the data has not yet been confirmed by a third-party institution.</p> <p>The reduction target is a 1% reduction in greenhouse gas emission intensity each year compared to the previous year.</p> <p>We conduct propaganda to employees to improve their awareness of energy conservation. We recommend that col-leagues use public transportation or take taxis together when traveling on business domestically. When choosing to stay in a hotel on a business trip abroad, try not to rent a car and look for walking or shared transportation vehicles. Energy saving and carbon-reducing transportation mode of public transportation to reach the accommodation point where the customer is located. Renewable energy, the purchase of carbon rights, related trading methods and offset mechanisms are also available tools in our research to reduce greenhouse gas emissions.</p>

<Attachment 4>

Independent Auditors' Report and 2025 Parent Company Only Financial
Statements

1

Stock Code:6906

GROUNDHOG INC.

Financial Statements

**With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

Address: 2F., No. 42, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City, Taiwan
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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, 2025 and 2024, 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, 2025 and 2024, 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 11, 2026

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.
Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2025		2024	
		Amount	%	Amount	%
4100	Operating revenues (notes 6(m) and 7)	\$ 343,235	100	375,137	100
5000	Operating costs (notes 6(h), (n) and 12)	<u>42,044</u>	<u>12</u>	<u>49,150</u>	<u>13</u>
5900	Gross profit from operations	<u>301,191</u>	<u>88</u>	<u>325,987</u>	<u>87</u>
6000	Operating expenses (notes 6(c), (h), (k), (n) and 12)				
6100	Selling expenses	48,786	14	41,768	11
6200	Administrative expenses	40,181	12	40,937	11
6300	Research and development expenses	151,858	44	125,293	33
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	<u>1,892</u>	<u>1</u>	<u>(1,361)</u>	<u>-</u>
		<u>242,717</u>	<u>71</u>	<u>206,637</u>	<u>55</u>
6900	Net operating income	<u>58,474</u>	<u>17</u>	<u>119,350</u>	<u>32</u>
	Non-operating income and expenses:				
7100	Interest income	9,015	3	9,831	3
7050	Finance costs (note 6(g))	(219)	-	(283)	-
7020	Other gains and losses, net (notes 6(d) and (o))	2,354	-	19,457	5
7070	Share of profit (loss) of associates accounted for using equity method, net	<u>223</u>	<u>-</u>	<u>863</u>	<u>-</u>
	Total non-operating income and expenses	<u>11,373</u>	<u>3</u>	<u>29,868</u>	<u>8</u>
	Profit before income tax	69,847	20	149,218	40
7950	Less: Income tax expenses (note 6(i))	<u>8,610</u>	<u>3</u>	<u>30,065</u>	<u>8</u>
	Profit	<u>61,237</u>	<u>17</u>	<u>119,153</u>	<u>32</u>
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8321	Gains (losses) on remeasurements of defined benefit plans (note 6(h))	<u>2,708</u>	<u>1</u>	<u>309</u>	<u>-</u>
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	(1,442)	-	2,422	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>(288)</u>	<u>-</u>	<u>484</u>	<u>-</u>
		<u>(1,154)</u>	<u>-</u>	<u>1,938</u>	<u>1</u>
8300	Other comprehensive income (after tax)	<u>1,554</u>	<u>1</u>	<u>2,247</u>	<u>1</u>
8500	Comprehensive income	<u>\$ 62,791</u>	<u>18</u>	<u>121,400</u>	<u>33</u>
	Profit, attributable to:				
8610	Owners of parent	<u>\$ 61,237</u>	<u>17</u>	<u>119,153</u>	<u>32</u>
	Comprehensive income attributable to:				
8710	Owners of parent	<u>\$ 62,791</u>	<u>18</u>	<u>121,400</u>	<u>33</u>
9750	Basic earnings per share (NT dollars) (note 6(l))	<u>\$ 1.87</u>		<u>3.56</u>	
9850	Diluted earnings per share (NT dollars) (note 6(l))	<u>\$ 1.87</u>		<u>3.55</u>	

See accompanying notes to financial statements.

GROUNDHOG INC.

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Retained earnings		Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
		Capital surplus	Legal reserve				
Balance at January 1, 2024	\$ 305,424	78,102	22,537	111,796	2,368	-	520,227
Profit for the year ended December 31, 2024	-	-	-	119,153	-	-	119,153
Other comprehensive income for the year ended December 31, 2024	-	-	-	309	1,938	-	2,247
Comprehensive income for the year ended December 31, 2024	-	-	-	119,462	1,938	-	121,400
Legal reserve appropriated	-	-	10,840	(10,840)	-	-	-
Cash dividends on ordinary share	-	-	-	(100,612)	-	-	(100,612)
Proceeds from issuing shares	29,950	380,881	-	-	-	-	410,831
Share-based payment transaction	-	2,242	-	-	-	-	2,242
Balance at December 31, 2024	\$ 335,374	461,225	33,377	119,806	4,306	-	954,088
Profit for the year ended December 31, 2025	-	-	-	61,237	-	-	61,237
Other comprehensive income for the year ended December 31, 2025	-	-	-	2,708	(1,154)	-	1,554
Comprehensive income for the year ended December 31, 2025	-	-	-	63,945	(1,154)	-	62,791
Legal reserve appropriated	-	-	11,946	(11,946)	-	-	-
Cash dividends on ordinary share	-	-	-	(107,320)	-	-	(107,320)
Purchase of treasury share	-	-	-	-	-	(181,485)	(181,485)
Balance at December 31, 2025	\$ 335,374	461,225	45,323	64,485	3,152	(181,485)	728,074

See accompanying notes to financial statements.

GROUNDHOG INC.
Statements of Cash Flows
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	\$ 69,847	149,218
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	12,106	12,508
Amortization expense	101	336
Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	1,892	(1,361)
Interest expense	219	283
Interest income	(9,015)	(9,831)
Compensation cost for share-based payments	-	2,242
Share of profit of subsidiaries, associates accounted for using equity method	(223)	(863)
Loss on disposal of investments	-	440
Total adjustments to reconcile profit	5,080	3,754
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	1,776	(67,155)
Accounts receivable (including related parties)	19,591	12,710
Other receivable	(1,588)	275
Other current assets	(425)	(1,832)
Total changes in operating assets	19,354	(56,002)
Changes in operating liabilities:		
Accounts payable (including related parties)	8,967	34
Other payable	(3,805)	5,830
Contract liabilities	(9,182)	18,053
Other current liabilities	(7,400)	17,570
Net defined benefit liabilities	605	699
Total changes in operating liabilities	(10,815)	42,186
Total changes in operating assets and liabilities	8,539	(13,816)
Total adjustments	13,619	(10,062)
Cash inflow generated from operations	83,466	139,156
Interest received	9,014	9,736
Income taxes paid	(27,682)	(19,581)
Net cash flows from operating activities	64,798	129,311
Cash flows from (used in) investing activities:		
Proceeds from (acquisition of) financial assets at amortized cost	6,559	(41,937)
Acquisition of property, plant and equipment	(752)	(327)
Other investing activities	(165)	(111)
Net cash flows from (used in) investing activities	5,642	(42,375)
Cash flows from (used in) financing activities:		
Payments of lease liabilities	(10,876)	(10,800)
Cash dividends paid	(107,320)	(100,612)
Proceeds from issuing shares	-	410,831
Payments to acquire treasury shares	(181,485)	-
Net cash flows from (used in) financing activities	(299,681)	299,419
Net increase (decrease) in cash and cash equivalents	(229,241)	386,355
Cash and cash equivalents at beginning of period	800,836	414,481
Cash and cash equivalents at end of period	\$ 571,595	800,836

See accompanying notes to financial statements.

<Attachment 5>

Independent Auditors' Report and 2025 Consolidated Financial Statements

1

Stock Code:6906

GROUNDHOG INC. AND SUBSIDIARIES

Consolidated Financial Statements

**With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

Address: 2F., No. 42, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City, Taiwan
Telephone: (02)8369-1018

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安侯建業聯合會計師事務所
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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, 2025 and 2024, 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, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 of our opinion.

Other Matter

Groundhog Inc. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified 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(l) “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 11, 2026

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 SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (note 6(l))	\$ 348,178	100	393,778	100
5000	Operating costs (notes 6(g), (m) and 12)	<u>45,948</u>	13	<u>61,484</u>	16
5900	Gross profit from operations	<u>302,230</u>	87	<u>332,294</u>	84
6000	Operating expenses (notes 6(c), (g), (m) and 12)				
6100	Selling expenses	50,245	14	44,932	11
6200	Administrative expenses	40,782	12	41,807	11
6300	Research and development expenses	151,859	44	125,293	32
6450	Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	<u>1,892</u>	-	<u>(1,467)</u>	-
		<u>244,778</u>	70	<u>210,565</u>	54
6900	Net operating income	<u>57,452</u>	17	<u>121,729</u>	30
	Non-operating income and expenses:				
7100	Interest income	9,139	3	9,984	3
7050	Finance costs (note 6(f))	(219)	-	(282)	-
7020	Other gains and losses, net (note 6(n))	<u>3,495</u>	1	<u>17,823</u>	5
	Total non-operating income and expenses	<u>12,415</u>	4	<u>27,525</u>	8
	Profit before income tax	69,867	21	149,254	38
7950	Less: Income tax expenses (note 6(h))	<u>8,630</u>	3	<u>30,101</u>	8
	Profit	<u>61,237</u>	18	<u>119,153</u>	30
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))	2,708	-	309	-
8360	Item that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	(1,442)	-	2,422	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(h))	<u>288</u>	-	<u>(484)</u>	-
8300	Other comprehensive income (after tax)	<u>1,554</u>	-	<u>2,247</u>	1
8500	Comprehensive income	<u>\$ 62,791</u>	<u>18</u>	<u>121,400</u>	<u>31</u>
	Profit, attributable to:				
	Owners of parent	<u>\$ 61,237</u>	<u>18</u>	<u>119,153</u>	<u>30</u>
	Comprehensive income attributable to:				
	Owners of parent	<u>\$ 62,791</u>	<u>18</u>	<u>121,400</u>	<u>31</u>
9750	Basic earnings per share (NT dollars) (note 6(k))	<u>\$ 1.87</u>		<u>3.56</u>	
9850	Diluted earnings per share (NT dollars) (note 6(k))	<u>\$ 1.87</u>		<u>3.55</u>	

See accompanying notes to consolidated financial statements.

GROUNDHOG INC. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Retained earnings			Exchange differences on translation of foreign financial statements	Treasury shares	Total equity
		Capital surplus	Legal reserve	Unappropriated retained earnings			
Balance at January 1, 2024	\$ 305,424	78,102	22,537	111,796	2,368	-	520,227
Profit for the year ended December 31, 2024	-	-	-	119,153	-	-	119,153
Other comprehensive income for the year ended December 31, 2024	-	-	-	309	1,938	-	2,247
Comprehensive income for the year ended December 31, 2024	-	-	-	119,462	1,938	-	121,400
Legal reserve appropriated	-	-	10,840	(10,840)	-	-	-
Cash dividends on ordinary share	-	-	-	(100,612)	-	-	(100,612)
Proceeds from issuing shares	29,950	380,881	-	-	-	-	410,831
Share-based payment transaction	-	2,242	-	-	-	-	2,242
Balance at December 31, 2024	335,374	461,225	33,377	119,806	4,306	-	954,088
Profit for the year ended December 31, 2025	-	-	-	61,237	-	-	61,237
Other comprehensive income for the year ended December 31, 2025	-	-	-	2,708	(1,154)	-	1,554
Comprehensive income for the year ended December 31, 2025	-	-	-	63,945	(1,154)	-	62,791
Legal reserve appropriated	-	-	11,946	(11,946)	-	-	-
Cash dividends on ordinary share	-	-	-	(107,320)	-	-	(107,320)
Purchase of treasury share	-	-	-	-	-	(181,485)	(181,485)
Balance at December 31, 2025	\$ 335,374	461,225	45,323	64,485	3,152	(181,485)	728,074

See accompanying notes to consolidated financial statements.

GROUNDHOG INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 69,867	149,254
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	12,106	12,508
Amortization expense	101	336
Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	1,892	(1,467)
Interest expense	219	282
Interest income	(9,139)	(9,984)
Compensation cost for share-based payments	-	2,242
Other	-	440
Total adjustments to reconcile profit	<u>5,179</u>	<u>4,357</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	1,776	(67,155)
Accounts receivables	17,677	(10,750)
Other current assets	(495)	(1,351)
	<u>18,958</u>	<u>(79,256)</u>
Changes in operating liabilities:		
Contract liabilities	(3,996)	13,208
Accounts payable	(43)	67
Other payable	(4,151)	6,280
Other current liabilities	(7,407)	17,562
Net defined benefit liability	605	699
	<u>3,966</u>	<u>(41,440)</u>
Total adjustments	<u>9,145</u>	<u>(37,083)</u>
Cash inflow generated from operations	79,012	112,171
Interest received	9,138	9,889
Income taxes paid	(27,691)	(19,617)
Net cash flows from operating activities	<u>60,459</u>	<u>102,443</u>
Cash flows from (used in) investing activities:		
Proceeds from (acquisition of) financial assets at amortized cost	6,559	(41,937)
Acquisition of property, plant and equipment	(752)	(327)
Other investing activities	(165)	(138)
Net cash flows from (used in) investing activities	<u>5,642</u>	<u>(42,402)</u>
Cash flows from (used in) financing activities:		
Payments of lease liabilities	(10,876)	(10,800)
Cash dividends paid	(107,320)	(100,612)
Proceeds from issuing shares	-	410,831
Payments to acquire treasury shares	(181,485)	-
Net cash flows from (used in) financing activities	<u>(299,681)</u>	<u>299,419</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(2,564)</u>	<u>2,660</u>
Net increase (decrease) in cash and cash equivalents	<u>(236,144)</u>	<u>362,120</u>
Cash and cash equivalents at beginning of period	<u>856,246</u>	<u>494,126</u>
Cash and cash equivalents at end of period	<u>\$ 620,102</u>	<u>856,246</u>

See accompanying notes to consolidated financial statements.

<Attachment 6>

Groundhog Inc.
2025 Earnings Distribution Table

Unit: NT\$

Item	Amount
Net Income of 2025	61,236,754
Plus: Re-measurements of defined benefit plans	2,708,388
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	63,945,142
Less: Legal Reserve (10%)	6,394,514
Distributable earnings for the current period	57,550,628
Plus: Unappropriated Retained Earnings at the beginning of the period	539,454
Retained Earnings Available for Distribution	58,090,082
Distributable items:	
Cash dividends (NT\$ 1.8 per share)	58,027,320
Unappropriated Retained Earnings	62,762

Note: The above cash dividends are calculated based on 32,237,400 outstanding common shares as of March 3, 2026 (excluding 1,300,000 treasury shares).

Chairman:

Chiou, Ta-Gang

President:

Chiou, Ta-Gang

Accounting Officer:

Syu, Fu-Ciang

Groundhog Inc.
(the “Company”)

Procedures for Acquisition and Disposal of Assets

Comparison Table for Content of Procedures Before and After Revisions

After Revision	Before Revision	Explanation
<p><u>5.1.4</u> Acquisition or disposal of equipment or right-of-use assets thereof for operational use, where the trading counterparty is not a related party, and the transaction amount reaches one of the following thresholds:</p> <p>(1) For a public company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) For a public company with paid-in capital of NT\$10 billion or more <u>but less than NT\$50 billion, where</u> the transaction amount reaches NT\$1 billion or more.</p> <p>(3) <u>For a public company with paid-in capital of NT\$50 billion or more, where the transaction amount reaches 5% or more of the company’s paid-in capital.</u></p>	<p><u>5.1.4</u> Acquisition or disposal of equipment or right-of-use assets thereof for operational use, where the trading counterparty is not a related party, and the transaction amount reaches one of the following thresholds:</p> <p>(1) For a public company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) For a public company with paid-in capital of NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p>	<p>In compliance with amendments to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

After Revision	Before Revision	Explanation
<p><u>5.1.7</u> <u>For a public company with paid-in capital of NT\$50 billion or more, where the transaction amount reaches 5% or more of the company's paid-in capital in connection with the trading of government bonds, ordinary corporate bonds, or general financial bonds not involving equity interests (excluding subordinated bonds) on a securities exchange or at a securities firm's business premises, provided that such transaction does not fall under any of the exceptions set forth in the proviso to Subparagraph 8 and the transaction counterparty is not a related party.</u></p> <p><u>5.1.8</u> Asset transactions other than those referred to in the preceding <u>seven</u> subparagraphs, disposal of claims by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more.</p>	<p><u>5.1.7</u> Asset transactions other than those referred to in the preceding six subparagraphs, disposal of claims by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more.</p>	<p>In compliance with amendments to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

After Revision	Before Revision	Explanation
<p>5.4 Where the Company's shares have no par value or a par value other than NT\$10 per share, the transaction amount calculated as 20% of paid-in capital shall instead be calculated based on 10% of equity attributable to owners of the parent; <u>For the transaction amount threshold calculated as 5% of paid-in capital, it shall instead be calculated as 2.5% of equity attributable to owners of the parent</u>; For the transaction amount standard applicable to companies with paid-in capital of NT\$10 billion or more, the threshold shall instead be calculated based on equity attributable to owners of the parent of NT\$20 billion; <u>For the transaction amount threshold applicable to companies with paid-in capital of NT\$50 billion or more, it shall instead be calculated based on equity attributable to owners of the parent of NT\$100 billion.</u></p>	<p>5.4 Where the Company's shares have no par value or a par value other than NT\$10 per share, the transaction amount calculated as 20% of paid-in capital shall instead be calculated based on 10% of equity attributable to owners of the parent. For the transaction amount standard applicable to companies with paid-in capital of NT\$10 billion or more, the threshold shall instead be calculated based on equity attributable to owners of the parent of NT\$20 billion.</p>	<p>In compliance with amendments to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

<Appendix 1>

Title: Groundhog Inc. Articles of Incorporation

Date: 2025/06/23

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.

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 third of the total number of directors.

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

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, of which no less than 1% shall be for entry-level employees, 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.

The fifth amendment was approved on June 24, 2024.

The sixth amendment was approved on June 23, 2025.

<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.

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

<Appendix 3>

Title: Groundhog Inc. Procedures for Acquisition and Disposal of Assets

Date: 2022/08/04

Chapter 1 General Provisions

Article 1: Purpose and Legal Basis

These Procedures are established in accordance with Article 36-1 of the Securities and Exchange Act and the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” promulgated by the Financial Supervisory Commission (hereinafter referred to as the “FSC”), for the purposes of strengthening the Company’s asset management, protecting investments, and ensuring information disclosure.

Article 2: Scope of Assets

1. Marketable securities: including investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interests in funds, depositary receipts, call (put) warrants, beneficial securities, and asset-backed securities.
2. Real property (including land, buildings and structures, investment property, and inventory of construction businesses) and equipment.
3. Membership certificates.
4. Intangible assets (including patents, copyrights, trademarks, and franchise rights, etc.).
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other significant assets.

Article 3: Evaluation Procedures

1. When the Company acquires or disposes of marketable securities investments or engages in derivatives trading, the responsible department shall conduct an analysis of the relevant benefits and evaluate potential risks. When acquiring or disposing of real property or equipment, the responsible unit shall prepare a capital expenditure plan in advance and conduct a feasibility assessment regarding the purpose of the acquisition or disposal and the expected benefits. Where real property is acquired from a related party, the reasonableness of the transaction conditions shall also be evaluated in accordance with the provisions of Chapter 2 of these Procedures.
2. In acquiring or disposing of marketable securities, the Company shall, prior to the date of occurrence of the event, obtain the most recent financial statements of the target

company that have been audited, certified, or reviewed by a certified public accountant as a reference for evaluating the transaction price. Where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to issue an opinion regarding the reasonableness of the transaction price. This requirement shall not apply where the marketable securities have publicly quoted prices in an active market or where otherwise provided by the Financial Supervisory Commission.

3. Where the Company acquires or disposes of real property, equipment, or right-of-use assets thereof, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser prior to the date of occurrence of the event and shall comply with the asset appraisal procedures set forth in Article 6 of these Procedures, except for transactions with domestic government agencies, construction on self-owned land, construction on leased land, or acquisition or disposal of equipment or other right-of-use assets for business use.
4. Where the Company acquires or disposes of membership certificates, intangible assets, or right-of-use assets thereof, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for transactions with domestic government agencies, the Company shall engage a certified public accountant prior to the date of occurrence of the event to issue an opinion regarding the reasonableness of the transaction price.
5. The calculation of transaction amounts referred to in Subparagraphs 2 through 4 of Paragraph 1 of this Article shall be conducted in accordance with Paragraph 2 of Article 5. The term "within one year" shall be calculated retrospectively for one year from the date of occurrence of the current transaction. Any portion for which an appraisal report issued by a professional appraiser or a CPA opinion has already been obtained in accordance with these Procedures shall be excluded from the calculation.
6. In determining the price of acquired or disposed assets and the basis for reference, the Company shall, in addition to referring to appraisal opinions from professional appraisers, certified public accountants, and other experts in accordance with the foregoing provisions, also comply with the following:
 - (1) For acquisition or disposal of marketable securities traded on a centralized securities exchange market or over-the-counter market, the price shall be determined based on the prevailing equity or bond prices.
 - (2) For acquisition or disposal of marketable securities not traded on a centralized securities exchange market or over-the-counter market, the price shall be determined with consideration given to factors such as net worth per share, technological capability and profitability, future development potential, market interest rates, bond

- coupon rates, and the debtor's creditworthiness, and by reference to the most recent transaction price at the time.
- (3) For acquisition or disposal of membership certificates, the price shall be determined with consideration given to the benefits that may be generated and by reference to the most recent transaction price at the time. For acquisition or disposal of intangible assets such as patents, copyrights, trademarks, and franchise rights, the price shall be determined with reference to international or market practices, the useful life, and the impact on the Company's technology and business operations.
 - (4) For acquisition or disposal of real property or equipment, the price shall be determined with reference to the publicly announced current value, assessed current value, actual transaction prices of neighboring real property, book value, supplier quotations, and other relevant factors. Where real property is acquired from a related party, the transaction price shall first be calculated in accordance with the methods set forth in Chapter 2 of these Procedures to evaluate the reasonableness of the transaction price.
 - (5) In engaging in derivatives trading, reference shall be made to conditions in the futures market and trends in exchange rates and interest rates.
 - (6) In conducting mergers, demergers, acquisitions, or transfers of shares, consideration shall be given to factors such as the nature of the business, net worth per share, asset value, technological capability and profitability, production capacity, and future growth potential.

Article 4: Operating Procedures

1. Authorization Limits and Levels

- (1) **Marketable Securities:** The Chairman is authorized to conduct transactions within the limits prescribed in Article 7 of these Procedures. Where the transaction meets the announcement and reporting standards set forth in Article 5, it shall be submitted to the most recent Board of Directors meeting for ratification. However, acquisition or disposal of stocks, corporate bonds, or privately placed securities not traded on a centralized securities exchange market or over-the-counter market, where the transaction amount reaches the announcement and reporting standards, shall require prior approval by the Board of Directors before execution. In addition, investments in Mainland China may only proceed after approval has been obtained from the Investment Commission of the Ministry of Economic Affairs.
- (2) **Derivatives Trading:** Both hedging and non-hedging transactions shall require approval by the Board of Directors prior to execution.
- (3) **Acquisition of Real Property from Related Parties:** Relevant information shall be prepared in accordance with Chapter 2 of these Procedures and submitted to the Board of Directors for approval prior to execution.

- (4) Mergers, Demergers, Acquisitions, or Transfer of Shares: Relevant procedures shall be carried out and supporting documentation prepared in accordance with Chapter 4 of these Procedures. Mergers, demergers, and acquisitions shall require approval by a shareholders' meeting prior to execution, except where exempted from such requirement under other applicable laws. Transfers of shares shall require approval by the Board of Directors prior to execution.
 - (5) Others: Transactions shall be handled in accordance with the operating procedures set forth in the internal control system and authorization regulations. Where the transaction amount reaches the announcement and reporting standards under Article 5, except for acquisition or disposal of machinery and equipment for operational use, which may be submitted to the Board of Directors for ratification after the fact, all other transactions shall require prior approval by the Board of Directors before execution. Where circumstances under Article 185 of the Company Act apply, prior approval by a shareholders' meeting shall also be obtained before execution.
2. Responsible Units and Transaction Procedures

The responsible unit for the Company's investments in marketable securities and derivatives trading shall be the finance and accounting department. The responsible units for acquisition or disposal of real property or equipment shall be the user department and relevant authorized units. Mergers, demergers, acquisitions, or transfers of shares shall be handled by the unit designated by the Chairman.

After the acquisition and disposal of assets has been evaluated and approved in accordance with the applicable procedures, the responsible unit shall proceed with transaction processes including contract execution, payment and receipt, delivery, and acceptance inspection, and shall handle such matters in accordance with the relevant operating procedures under the internal control system based on the nature of the assets involved. In addition, acquisition of real property from related parties, derivatives trading, and mergers, demergers, acquisitions, or transfers of shares shall also be handled in accordance with the provisions set forth in Chapters 2 through 4 of these Procedures.

Article 5: Public Announcement and Reporting Procedures

- I. After the Company's shares become publicly issued, where the Company acquires or disposes of assets under any of the following circumstances, it shall publicly announce and report the relevant information on the website designated by the competent authority in the prescribed format and content within two days commencing immediately from the date of occurrence of the event:
 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition and disposal of assets other than real property or right-of-use assets thereof with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or

more. However, this shall not apply to trading of government bonds, bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds. The aforementioned 10% of total assets shall be calculated based on the total assets stated in the most recent parent company only financial report prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and such standard shall apply throughout these Procedures.

2. Conducting mergers, demergers, acquisitions, or transfer of shares.
3. Losses from derivatives trading reaching the maximum total or individual contract loss limits prescribed in Paragraph 4 of Article 14 of Chapter 3 of these Procedures.
4. Acquisition or disposal of equipment or right-of-use assets thereof for operational use, where the trading counterparty is not a related party, and the transaction amount reaches one of the following thresholds:
 - (1) For a public company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - (2) For a public company with paid-in capital of NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
5. Acquisition or disposal by a public company engaged in construction business of real property or right-of-use assets thereof for construction use, where the trading counterparty is not a related party and the transaction amount reaches NT\$500 million or more; provided that for a company with paid-in capital of NT\$10 billion or more, disposal of self-constructed completed construction projects to a non-related party shall require a transaction amount of NT\$1 billion or more.
6. Acquisition of real property by means of self-commissioned construction on owned land, self-commissioned construction on leased land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, where the trading counterparty is not a related party and the amount the Company expects to invest reaches NT\$500 million or more.
7. Asset transactions other than those referred to in the preceding six subparagraphs, disposal of claims by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more. However, the following circumstances are excluded:
 - (1) Trading of domestic government bonds or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan.
 - (2) Securities trading conducted by professional investors on securities exchanges or at places of business of securities firms, subscription in the primary market of foreign government bonds, ordinary corporate bonds publicly offered and issued, and general bank debentures not involving equity

interests (excluding subordinated debt), subscription or redemption of securities investment trust funds or futures trust funds, subscription or redemption of exchange-traded notes, or subscription by securities firms of securities as necessitated by underwriting business or as recommended securities firms for emerging stock companies in accordance with the regulations of the Taipei Exchange.

(3) Trading of bonds under repurchase or resale agreements, or subscription or redemption of domestic money market funds.

II. The transaction amounts referred to in the preceding paragraph shall be calculated as follows:

1. The amount of each individual transaction.
2. The cumulative amount of acquisitions and disposals of the same type of underlying asset with the same counterparty within one year.
3. The cumulative amount of acquisitions and disposals (calculated separately for acquisitions and disposals) of real property or right-of-use assets thereof under the same development project within one year.
4. The cumulative amount of acquisitions and disposals (calculated separately for acquisitions and disposals) of the same marketable security within one year.

III. The term “within one year” in the preceding paragraph shall be calculated retrospectively for one year from the date of occurrence of the current transaction. Any portion already publicly announced in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” shall be excluded from the calculation.

IV. Where the Company’s shares have no par value or a par value other than NT\$10 per share, the transaction amount calculated as 20% of paid-in capital shall instead be calculated based on 10% of equity attributable to owners of the parent. For the transaction amount standard applicable to companies with paid-in capital of NT\$10 billion or more, the threshold shall instead be calculated based on equity attributable to owners of the parent of NT\$20 billion.

V. After the Company’s shares become publicly issued, the Company shall, in the prescribed format and by the 10th day of each month, enter into the information reporting website designated by the competent authority the status of derivatives trading engaged in by the Company and any subsidiaries that are not domestic public companies as of the end of the preceding month.

VI. After the Company’s shares become publicly issued, if any item required to be publicly announced and reported pursuant to these Procedures contains an error or omission requiring correction at the time of announcement, the Company shall re-enter and publicly announce and report all items within two days commencing immediately from the date it becomes aware of such error or omission. After the Company’s shares

become publicly issued, where any of the following circumstances occurs with respect to a transaction already publicly announced and reported pursuant to the preceding provisions, the Company shall publicly announce and report the relevant information on the website designated by the competent authority within two days commencing immediately from the date of occurrence of the event:

1. Any amendment, termination, or rescission of the relevant contract originally executed for the transaction.
2. Failure to complete a merger, demerger, acquisition, or transfer of shares according to the schedule specified in the contract.
3. Any change to the information originally publicly announced and reported.

Article 6: Asset Appraisal Procedures

Where the Company acquires or disposes of real property, equipment, or right-of-use assets thereof, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser prior to the date of occurrence of the event and shall comply with the following provisions, except for transactions with government agencies, self-commissioned construction on owned land, self-commissioned construction on leased land, or acquisition or disposal of equipment for operational use. However, where the Company acquires or disposes of assets through court auction procedures, documents issued by the court may substitute for the appraisal report or CPA opinion.

1. Where, due to special circumstances, a limited price, specified price, or special price must be used as the reference basis for determining the transaction price, the transaction shall first be submitted to and approved by the Board of Directors. The same shall apply to any subsequent changes in the transaction conditions.
2. Where the transaction amount reaches NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
3. Where any of the following circumstances applies to the appraisal results of professional appraisers, unless all appraisal results for acquired assets are higher than the transaction amount, or all appraisal results for disposed assets are lower than the transaction amount, the Company shall engage a certified public accountant to issue a specific opinion regarding the reasons for the discrepancy and the appropriateness of the transaction price:
 - (1) The discrepancy between the appraisal result and the transaction amount reaches 20% or more of the transaction amount.
 - (2) The discrepancy between the appraisal results of two or more professional appraisers reaches 10% or more of the transaction amount.
4. The date of the appraisal report issued by the professional appraiser shall not exceed three months prior to the contract execution date. However, where the same publicly

announced current value is applied and the period does not exceed six months, the original professional appraiser may issue an opinion letter in lieu thereof.

Article 7: Scope and Limits of Investments

In addition to acquiring assets for operational use, the Company and its subsidiaries may also invest in non-operational real property, right-of-use assets thereof, or marketable securities. The limits on such investments are as follows. In calculating the limits under Subparagraphs 2 through 4 below, investments in entities in which the Company participates in establishment or serves as a director or supervisor and intends to hold on a long-term basis may be excluded from the calculation.

1. The total amount of non-operational real property and right-of-use assets thereof shall not exceed 20% of the paid-in capital stated in the Company's most recent financial statements; the same limit for subsidiaries shall not exceed 20% of the paid-in capital stated in their most recent financial statements.
2. The total amount of marketable securities investments shall not exceed 40% of the paid-in capital stated in the Company's most recent financial statements; the same limit for subsidiaries shall not exceed 80% of the paid-in capital stated in their most recent financial statements.
3. The investment limit for any individual marketable security shall not exceed 20% of the paid-in capital stated in the Company's most recent financial statements; the same limit for subsidiaries shall not exceed 40% of the paid-in capital stated in their most recent financial statements.
4. The net investment amount by the Company and each subsidiary in any single listed or OTC-listed company shall not exceed 20% of the paid-in capital stated in their respective most recent financial statements.
5. For acquisition or disposal among the Company and its subsidiaries, or among subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, of equipment or right-of-use assets thereof for operational use, or right-of-use assets of real property for operational use, the Board of Directors authorizes the Chairman or his/her authorized personnel to approve transactions within an amount of NT\$300 million, subject to subsequent submission to the most recent Board meeting for ratification. For acquisition or disposal of equipment or right-of-use assets thereof other than those described in the preceding paragraph, where the transaction amount reaches NT\$300 million or more, prior approval by the Board of Directors shall be obtained before execution. Transactions not exceeding NT\$300 million may be executed upon approval by the Chairman or his/her authorized personnel.

Article 8: Control over Subsidiaries' Acquisition and disposal of assets

1. The Company's subsidiaries shall also establish and implement their own "Procedures for Acquisition and disposal of assets" in accordance with the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies." Where a subsidiary of the Company is not a domestic public company and intends to acquire or dispose of assets, the Company's Board of Directors and relevant units shall review, approve, and execute such matters in accordance with these Procedures, and the subsidiary shall cooperate in handling the related matters.
2. The Company's subsidiaries shall handle acquisition and disposal of assets in accordance with their established "Internal Control System" and "Procedures for Acquisition and disposal of assets," and shall submit to the Company, in written summary form, by the 8th day of each month, the status of acquisitions or disposals of assets during the preceding month and the status of derivatives trading engaged in as of the end of the preceding month. The Company's internal audit unit shall include the subsidiaries' asset acquisition and disposal operations as one of its audit items.
3. Where a subsidiary of the Company is not a public company and its acquisition and disposal of assets reaches the standards for public announcement and reporting, the subsidiary shall notify the Company on the date of occurrence of the event. After the Company's shares become publicly issued, the Company shall make the required public announcement and report on the designated website in accordance with applicable regulations. For subsidiaries, the standards under Paragraph 1 of Article 5 regarding transaction amounts reaching 20% of paid-in capital or 10% of total assets shall be based on the Company's paid-in capital or total assets.

Article 9: Penalties

Where managers or responsible personnel of the Company violate these Procedures, such violations shall be submitted for evaluation in accordance with the Company's personnel management rules and internal control disciplinary regulations, and penalties shall be imposed depending on the severity of the circumstances.

Chapter 2 Related Party Transactions

Article: 10 Basis for Determination

When the Company acquires or disposes of assets with a related party, in addition to complying with the relevant resolution procedures and assessing the reasonableness of transaction terms in accordance with Chapter 1 and this Chapter, where the transaction amount reaches 10% or more of the Company's total assets, a professional appraisal report or CPA opinion shall be obtained in accordance with the provisions of the preceding Chapter. The determination of related parties shall be made in accordance with International

Accounting Standards (IAS) Bulletins. In making such determination, not only the legal form shall be considered, but also the substance of the relationship shall be taken into account.

Article 11 Approval Procedures

- I. Where the Company acquires or disposes of real property or right-of-use assets thereof with a related party, or acquires or disposes of assets other than real property or right-of-use assets thereof with a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more, except for trading of government bonds, bonds under repurchase or resale agreements, or subscription or redemption of domestic money market funds, the responsible unit shall submit the following information to the Board of Directors for approval before entering into the transaction agreement and making any payment:
 1. Purpose, necessity, and expected benefits of the asset acquisition or disposal.
 2. Reasons for selecting the related party as the transaction counterparty.
 3. Where real property or right-of-use assets thereof are acquired from a related party, relevant materials assessing the reasonableness of the proposed transaction terms in accordance with Articles 12 and 13.
 4. Information on the original acquisition date and price of the related party, transaction counterparties, and their relationship with the Company and the related party.
 5. A cash flow forecast by month for the next year starting from the month of the expected contract signing, together with an assessment of the necessity of the transaction and the reasonableness of capital utilization.
 6. The appraisal report issued by a professional appraiser or the CPA opinion obtained in accordance with the preceding Article.
 7. Any restrictions and other significant contractual terms of the transaction.
- II. The calculation of transaction amounts under the preceding paragraph shall be conducted in accordance with Paragraph 2 of Article 5. The term "within one year" shall be calculated retrospectively for one year from the date of occurrence of the current transaction, and any portion already submitted to and approved by the Board of Directors in accordance with these Procedures shall be excluded from the calculation.
- III. For transactions between the Company and its parent company or subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, the Board of Directors may authorize the Chairman, in accordance with the limits set forth in Article 7, to approve such transactions within a specified amount, subject to subsequent ratification by the most recent Board meeting, for the following types of transactions:

1. Acquisition or disposal of equipment or right-of-use assets thereof for operational use.
 2. Acquisition or disposal of right-of-use assets of real property for operational use.
- IV. Where independent directors have been appointed in accordance with applicable laws and regulations, when a matter is submitted to the Board of Directors under Paragraph 1, the opinions of all independent directors shall be fully considered. Any dissenting or reserved opinions expressed by independent directors shall be recorded in the minutes of the Board meeting.
- V. Where an audit committee has been established in accordance with applicable laws and regulations, the transaction shall first be approved by more than half of all audit committee members before being submitted to the Board of Directors for resolution, and the provisions of Article 28 shall apply *mutatis mutandis*.
- VI. Where the Company or any subsidiary that is not a domestic public company engages in a transaction under Paragraph 1 and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit all information listed in Paragraph 1 to the shareholders' meeting for approval before entering into the transaction agreement and making any payment. However, this requirement shall not apply to transactions between the Company and its parent company or subsidiaries, or among subsidiaries.
- VII. The calculation of transaction amounts under Paragraph 1 and the preceding paragraph shall be conducted in accordance with Paragraph 2 of Article 5. The term "within one year" shall be calculated retrospectively for one year from the date of occurrence of the current transaction, and any portion already approved by the shareholders' meeting or Board of Directors in accordance with these Regulations shall be excluded from the calculation.

Article 12: Assessment of Reasonableness of Transaction Terms

When the Company acquires real property or right-of-use assets thereof from a related party, the reasonableness of the transaction cost shall be evaluated using the following methods:

1. The transaction price with the related party plus necessary interest on funds and costs to be borne by the buyer under applicable law. The aforementioned necessary interest cost shall be calculated based on the weighted average interest rate of the loans obtained by the Company in the year of asset acquisition; however, such rate shall not exceed the maximum borrowing rate for non-financial industries announced by the Ministry of Finance.
2. If the related party has previously pledged the subject property to a financial institution for a loan, the valuation amount assessed by the financial institution for lending purposes may be used. However, this shall only apply if the actual cumulative loan amount granted by the financial institution reaches at least 70% of the assessed lending value and the loan period has exceeded one year. This provision shall not apply where the financial

institution and either party to the transaction are related parties.

Where land and buildings are purchased or leased together for the same property, the land and building portions may be separately evaluated using any of the methods set forth in the preceding paragraph.

When the Company acquires real property or right-of-use assets thereof from a related party, the cost shall be evaluated in accordance with the preceding two paragraphs, and the evaluation shall be reviewed by a certified public accountant, who shall issue a specific opinion.

Where the Company acquires real property or right-of-use assets thereof from a related party and any of the following circumstances applies, the provisions of the preceding Article shall apply instead, and the foregoing paragraphs shall not apply:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or gift.
2. More than five years have elapsed between the date the related party signed the contract to acquire the property and the date of this transaction contract.
3. The Company enters into a joint construction contract with a related party, or commissions a related party to construct real property through self-owned land development or leased land development arrangements.
4. Transactions between the Company and its parent company, subsidiaries, or subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, involving acquisition of right-of-use assets of real property for operational use.

Article 13: Required Actions When Estimated Transaction Cost Is Lower Than Transaction Price

- I. Where, in accordance with the preceding Article, all assessed transaction costs are lower than the transaction price, unless the situation falls under the following circumstances and objective evidence can be provided together with reasonable opinions issued by both a professional real property appraiser and a certified public accountant, the Company shall proceed in accordance with Paragraph 3 of this Article:
 1. Where the related party acquired undeveloped land or leased land and then constructed buildings thereon, and it can be demonstrated that one of the following conditions is met:
 - (1) The undeveloped land is assessed in accordance with the methods set forth in the preceding Article, and the building portion is based on the related party's construction cost plus a reasonable construction profit. If the total exceeds the actual transaction price, it shall be deemed justified. The "reasonable construction profit" shall be determined as the lower of the average gross profit margin of the related party's construction division over the most recent three years or the most recent gross profit margin for the construction

industry published by the Ministry of Finance.

- (2) Other non-related party transaction cases of the same property (e.g., other floors of the same building or nearby properties within one year), with similar floor area, where after adjusting for reasonable differences in floor level or location in accordance with real estate market practices, the transaction terms are comparable.
 2. Where the Company can prove that the terms of acquisition or lease of real property or right-of-use assets from a related party are comparable to other non-related party transactions in nearby areas within one year and involve similar floor area.
- II. For purposes of the preceding paragraph: “Nearby area” refers, in principle, to the same or adjacent block, or within a radius of 500 meters from the subject property, or properties with similar publicly announced land values. “Similar floor area” means that the area of comparable non-related party transactions shall be no less than 50% of the subject property’s area. “Within one year” shall be calculated retrospectively for one year from the date of occurrence of the acquisition of the real property or right-of-use assets thereof.
- III.
1. The Company shall recognize the difference between the transaction price and the assessed cost as special retained earnings in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act, and such amount shall not be distributed as dividends or capitalized for share issuance. Where the investor in the Company is a publicly issued company applying equity method accounting, such investor shall also recognize special retained earnings proportionately based on its shareholding.
 2. Independent directors shall perform their duties in accordance with Article 218 of the Company Act. Where an audit committee has been established in accordance with applicable law, the provisions relating to independent directors shall apply *mutatis mutandis* to audit committee members.
 3. The above matters and the detailed transaction information shall be reported to the shareholders’ meeting and disclosed in the annual report and public prospectus.
- IV. Where the Company has recognized special retained earnings in accordance with the preceding paragraph, such amount may not be utilized until the acquired or leased asset has recognized impairment losses, been disposed of, the lease has been terminated, appropriate compensation or restoration has been made, or there is other evidence confirming that no unreasonable pricing exists, and approval has been obtained from the Financial Supervisory Commission.
- V. Where the Company acquires real property or right-of-use assets thereof from a related party and there is other evidence indicating that the transaction is not conducted on arm’s length terms, the provisions of the preceding two paragraphs shall also apply.

Chapter 3 Control of Derivatives Trading

Article 14: Principles and Policies of Transactions

1. Types of Transactions: The Company may engage in derivatives including forward contracts, options, interest rate and foreign exchange swaps, futures, and composite contracts consisting of combinations of the aforementioned products. If the Company intends to engage in other types of derivatives transactions, such transactions shall first be approved by a resolution of the Board of Directors.
2. Operational or Hedging Strategy: The Company's derivatives transactions are classified into hedging transactions and non-hedging (i.e., trading or speculative) transactions. The primary objective of such transactions shall be risk hedging for business operations. The selection of financial instruments shall mainly aim to hedge risks arising from the Company's foreign currency revenues, expenses, assets, or liabilities. Non-hedging transactions shall clearly state their purpose, evaluate associated risks, and establish risk control mechanisms in advance to ensure controllability of risks and the maximum possible loss. In addition, counterparties shall, where possible, be financial institutions with existing business relationships with the Company to avoid credit risk. Before execution, the nature of each transaction must be clearly defined as either hedging or financial trading for investment purposes, which shall serve as the basis for accounting treatment.
3. Transaction Limits:
 - (1) Hedging Transactions: The hedging limit shall be the Company's net foreign exchange exposure (including expected future exposures) after netting assets and liabilities.
 - (2) Non-hedging Transactions: The maximum exposure shall not exceed 5% of the Company's net worth. Execution by trading personnel shall only be carried out after proper authorization and approval.
4. Loss Limits for Overall and Individual Contracts
 - (1) Hedging Transactions: After establishing a position, stop-loss points shall be set to prevent excessive losses. The stop-loss limit shall not exceed 50% of the contract value.
5. Non-hedging Transactions: After establishing a position, stop-loss points shall be set to prevent excessive losses. The stop-loss limit shall not exceed 50% of the contract value.
6. Duties and Responsibilities:
 - (1) Trading Personnel**: Responsible for executing derivatives transactions. Personnel shall be designated by the head of the responsible department. They are responsible for formulating trading strategies within authorized limits, executing trading instructions, disclosing future trading risks, and providing real-time information to relevant departments for reference.

- (2) Accounting Personnel: Responsible for trade confirmation, recording transactions in accordance with relevant regulations, and maintaining transaction records. They shall perform monthly fair value assessments of outstanding positions, provide results to trading personnel, and disclose derivatives-related information in financial statements.
 - (3) Finance Personnel: Responsible for settlement of derivatives transactions.
7. Performance Evaluation Guidelines:
- (1) Hedging Transactions: Performance shall be evaluated based on the gains or losses between the Company's accounting exposure (foreign exchange or interest rate costs) and the results of derivatives transactions. Evaluation shall be conducted at least twice per month, and results shall be submitted to management for reference.
 - (2) Speculative (Non-hedging) Transactions: Performance shall be evaluated based on actual realized gains or losses. Evaluation shall be conducted at least once per week, and results shall be submitted to management for reference.

Article 15: Risk Management Measures

When engaging in derivatives transactions, the Company shall implement the following scope of risk management and risk control measures:

- 1. Credit Risk Considerations: Counterparties shall, in principle, be financial institutions and futures brokers with good reputation and the ability to provide professional information, with which the Company has established business relationships.
- 2. Market Price Risk Considerations: Due to the uncertainty of potential losses arising from future market price fluctuations of derivatives, stop-loss limits shall be strictly enforced after positions are established.
- 3. Liquidity Risk Considerations: To ensure the liquidity of traded instruments, counterparties must possess sufficient facilities, information systems, and trading capabilities, and be able to conduct transactions in any market conditions.
- 4. Operational Risk Considerations: Authorization limits and operating procedures shall be strictly followed to avoid operational risks.
- 5. Legal Risk Considerations: Any contractual documents signed with financial institutions shall, where possible, use internationally standardized documentation to avoid legal risks.
- 6. Product Risk Considerations: Internal trading personnel shall possess complete and accurate professional knowledge of derivatives products to avoid losses caused by misuse of such instruments.
- 7. Cash Flow Risk Considerations: Authorized traders shall strictly comply with authorized limits and shall also monitor the Company's cash flow to ensure sufficient funds are available for settlement.
- 8. Trading personnel and personnel responsible for confirmation and settlement shall not

- concurrently hold overlapping positions.
9. Confirmation personnel shall regularly reconcile accounts with correspondent banks or issue confirmations, and shall at all times verify whether total transaction amounts exceed the limits set forth in these Procedures.
 10. Personnel responsible for risk measurement, monitoring, and control shall be independent from the personnel referred to in Paragraph 8 and shall report to the Board of Directors or senior executives who are not involved in trading or position decision-making.
 11. Open positions shall be evaluated at least once per week. However, for hedging transactions conducted for business needs, evaluation shall be performed at least twice per month. Evaluation reports shall be submitted to senior executives authorized by the Board of Directors.

Article 16 Internal Audit System

- I. The Company's internal audit personnel shall periodically assess the adequacy of internal controls for derivatives trading and shall conduct monthly audits on the trading department's compliance with procedures governing derivatives transactions. Audit reports shall be prepared accordingly. If any material irregularities are identified, they shall be immediately reported to the Chairman and senior executives designated by the Board of Directors, and shall also be notified in writing to the independent directors.
- II. (Deleted)
- III. (Deleted)
- IV. The Company's audit personnel shall include derivatives transactions in the annual audit plan. The execution status of the previous year's annual audit plan shall be reported to the competent authority by the end of February of the following year, and corrective actions for any irregularities shall be reported to the competent authority for reference no later than the end of May of the following year.

Article 17: Periodic Review Methods and Handling of Abnormal Conditions

- I.
 1. Derivatives transactions shall be evaluated on a monthly or weekly basis. The monthly or weekly profit and loss, as well as open positions in non-hedging transactions, shall be compiled and submitted to senior executives authorized by the Board of Directors and the Chairman as a basis for performance evaluation and risk assessment.
 2. Frequency of Hedge Accounting Effectiveness Testing: In addition to the above, hedge effectiveness shall be evaluated periodically. As a general principle, hedge effectiveness shall be assessed every three months, with a comprehensive evaluation conducted at the end of each quarter. The evaluation report shall be

- submitted to senior executives authorized by the Board of Directors for approval.
3. Senior executives designated by the Board of Directors shall continuously monitor and control the risks of derivatives transactions. The Board of Directors shall also periodically assess whether the performance of derivatives transactions aligns with established business strategies and whether the associated risks remain within the Company's acceptable risk tolerance.
 4. Senior executives authorized by the Board of Directors shall manage derivatives transactions in accordance with the following principles:
 - (1) Periodically assess whether the current risk management measures are appropriate and ensure compliance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and relevant provisions of these Procedures.
 - (2) Supervise transaction activities and profit/loss conditions. If any abnormalities are identified, necessary corrective actions shall be taken immediately, and the matter shall be reported to the Board of Directors without delay. Where independent directors have been appointed, they shall attend the Board meeting and express their opinions.
 5. The Company shall establish a "Derivatives Financial Instruments Register" to record in detail the types and amounts of derivatives transactions, the dates of Board approval, and matters subject to careful evaluation under Article 15, Paragraph 11, and Paragraphs 3 and 4 of this Article, for record-keeping purposes.

II. Where the Company engages in derivatives transactions and authorizes relevant personnel in accordance with the established procedures, such transactions shall be reported to the most recent Board of Directors meeting for ratification after execution.

Chapter 4 Mergers, Demergers, Acquisitions, or Share Transfers

Article 18: Reasonableness Opinion

When the Company conducts a merger, demerger, acquisition, or share transfer, it shall, prior to the Board of Directors meeting at which the resolution is to be adopted, engage a certified public accountant, attorney, or securities underwriter to issue an opinion regarding the reasonableness of the share exchange ratio, acquisition price, or cash or other assets distributed to shareholders. Such opinion shall be submitted to the Board of Directors for deliberation and approval.

However, where the Company merges with a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or where mergers occur between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, the requirement to obtain the foregoing expert reasonableness opinion may be exempted.

Article 19: Shareholders' Meeting Resolution

- I. When the Company conducts a merger, demerger, or acquisition, it shall prepare a public document for shareholders containing the key contractual terms and relevant matters prior to the shareholders' meeting. Such document, together with the expert opinion referred to in the preceding Article and the notice of the shareholders' meeting, shall be delivered to shareholders as a basis for deciding whether to approve the merger, demerger, or acquisition. However, this requirement shall not apply where other laws provide that a shareholders' meeting resolution is not required for such matters.
- II. Where any party to a merger, demerger, or acquisition is unable to convene or pass a shareholders' meeting resolution due to insufficient attendance, voting rights, or other legal restrictions, or where the proposal is rejected by the shareholders' meeting, the Company shall immediately disclose to the public the reasons for such occurrence, subsequent handling measures, and the expected date of the next shareholders' meeting.

Article 20: Meeting to Be Convened on the Same Day

- I. Unless otherwise provided by law or where special circumstances have been approved in advance by the Financial Supervisory Commission, companies participating in a merger, demerger, or acquisition shall hold their respective Board of Directors meetings and shareholders' meetings on the same day to resolve matters related to the merger, demerger, or acquisition.
- II. Unless otherwise provided by law or where special circumstances have been approved in advance by the Financial Supervisory Commission, companies participating in a share transfer shall hold their Board of Directors meetings on the same day.

Article 21: Exchange Ratio and Acquisition Price

When the Company participates in a merger, demerger, acquisition, or share transfer, the share exchange ratio or acquisition price shall not be arbitrarily changed, except under the following circumstances, and the conditions under which changes are permitted shall be stipulated in the relevant merger, demerger, acquisition, or share transfer agreement:

1. Conducting a cash capital increase, issuing convertible corporate bonds, bonus shares, corporate bonds with warrants, preferred shares with warrants, warrant certificates, or other securities with equity characteristics.
2. Disposal of major assets or other acts that materially affect the Company's financial position or operations.
3. Occurrence of major disasters, significant technological changes, or other events that materially affect shareholders' equity or securities prices.
4. Adjustments resulting from the repurchase of treasury shares by any party participating in the merger, demerger, acquisition, or share transfer in accordance with law.
5. Changes in the number of participating entities or parties involved in the merger,

- demerger, acquisition, or share transfer.
6. Other conditions for change that have been stipulated in the agreement and publicly disclosed.

Article 22: Required Provisions in the Contract

When the Company participates in a merger, demerger, acquisition, or share transfer, the contract shall set out the rights and obligations of all participating companies and shall include the following provisions:

1. Handling of breach of contract.
2. Principles for handling securities with equity characteristics previously issued by, or treasury shares repurchased by, the company that is dissolved due to merger or subject to demerger.
3. The number of treasury shares that may be repurchased by participating companies after the record date for calculating the share exchange ratio, and the principles for handling such shares.
4. Methods for handling changes in the number of participating entities or parties involved.
5. Expected implementation schedule and projected completion date of the plan.
6. Procedures to be followed under applicable laws in the event the plan is not completed on schedule, including the scheduled date for convening a shareholders' meeting as required by law.

Article 23: Matters for Attention

When the Company participates in a merger, demerger, acquisition, or share transfer, the following matters shall be observed:

1. Persons participating in or becoming aware of the merger, demerger, acquisition, or share transfer plan shall be required to sign a written confidentiality undertaking. Prior to public disclosure, they shall not disclose the content of the plan to any third party, nor shall they trade, in their own name or through others, the shares or other securities with equity characteristics of any of the companies involved.
2. After information regarding the merger, demerger, acquisition, or share transfer has been publicly disclosed, if the Company intends to pursue another merger, demerger, acquisition, or share transfer, then unless the number of participating parties is reduced and the shareholders' meeting has resolved and authorized the Board of Directors to amend the authority accordingly, thereby exempting a new shareholders' meeting resolution, any completed procedures or legal acts under the original plan shall be re-executed.
3. Where any company participating in the merger, demerger, acquisition, or share transfer is not a publicly listed company, the Company shall enter into an agreement with such company and shall comply with Articles 20 and 24 of these Procedures, as well as the preceding two subparagraphs of this Article.

Article 24: Document Management

- I. Companies participating in a merger, demerger, acquisition, or share transfer that are listed companies or companies whose shares are traded on a securities firm's business premises shall prepare complete written records of the following information and retain such records for five years for audit purposes:
 1. Personnel information: including all persons involved in the merger, demerger, acquisition, or share transfer plan or its execution prior to public disclosure, specifying their job title, name, and national identification number (or passport number in the case of foreign nationals).
 2. Key dates: including the dates of signing letters of intent or memoranda of understanding, appointment of financial or legal advisors, execution of contracts, and Board of Directors meetings.
 3. Important documents and minutes: including the merger, demerger, acquisition, or share transfer plan, letters of intent or memoranda, key contracts, and Board meeting minutes.
- II. Companies participating in a merger, demerger, acquisition, or share transfer that are listed companies or companies whose shares are traded on a securities firm's business premises shall, within two days from the date of Board approval, submit the information specified in Subparagraphs 1 and 2 of the preceding paragraph to the Financial Supervisory Commission for recordation via the designated internet reporting system in accordance with prescribed formats.
- III. Where any company participating in the merger, demerger, acquisition, or share transfer is not a listed company or a company whose shares are traded on a securities firm's business premises, the listed company or OTC-traded company shall enter into an agreement with such company and comply with the provisions of the preceding two paragraphs.

Chapter 5 Other Important Matters

Article 25: Retention Period for Documents

When the Company acquires or disposes of assets, relevant contracts, meeting minutes, registers, appraisal reports, and opinions issued by certified public accountants, attorneys, or securities underwriters shall be maintained at the Company. Unless otherwise provided by law, such documents shall be retained for at least five years.

Article 26: Expert Opinions

- I. Any appraisal report or opinion issued by a certified public accountant, attorney, securities underwriter, or professional appraiser obtained by the Company shall comply with the following requirements:

1. The professional appraiser and its appraising personnel, as well as the certified public accountant, attorney, or securities underwriter, shall not have been convicted of violations of the Securities and Exchange Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Commercial Accounting Act, nor of fraud, breach of trust, embezzlement, forgery, or other business-related crimes resulting in imprisonment of one year or more. However, this restriction shall not apply if three years have elapsed since completion of sentence execution, expiration of probation, or pardon.
 2. They shall not be a related party to the transaction counterparties or have any substantial relationship with such counterparties.
 3. Where the Company is required to obtain appraisal reports from two or more professional appraisers, such appraisers or their personnel shall not be related parties or have any substantial relationship with one another.
- II. When issuing appraisal reports or opinions, the aforementioned personnel shall comply with the self-regulatory rules of their respective professional associations and observe the following:
1. Prior to accepting a case, they shall carefully assess their professional competence, practical experience, and independence.
 2. During execution of the assignment, they shall properly plan and implement appropriate procedures to form conclusions and issue reports or opinions, and shall document all procedures performed, data collected, and conclusions in working papers in detail.
 3. They shall evaluate the appropriateness and reasonableness of all data sources, parameters, and information used as the basis for the appraisal report or opinion.
 4. Their statements shall include confirmation of professional competence and independence, the appropriateness and reasonableness of information used, and compliance with relevant laws and regulations.
- III. Where the Company acquires or disposes of assets through court auction procedures, court-issued certification documents may be used in place of appraisal reports or CPA opinions.

Article 27: Date of Occurrence of the Transaction

The “date of occurrence of the transaction” referred to in these Procedures means the earliest of the following dates: the contract signing date, payment date, trade execution date, transfer (registration) date, Board of Directors resolution date, or any other date sufficient to determine the transaction counterparty and transaction amount. However, for investments requiring approval by the competent authority, the date of occurrence shall be the earlier of the above dates or the date on which approval is received from the competent authority.

Article 28: Amendment Procedures

- I. These Procedures for the Acquisition and disposal of assets shall, after approval by the Board of Directors, be submitted to the shareholders' meeting for approval, and the same shall apply to any amendments. During deliberation, the opinions of independent directors shall be fully considered. If any director or independent director expresses dissenting or reserved opinions, such opinions shall be recorded in the minutes of the Board meeting.
- II. (Deleted)
- III. Where the Company has established an Audit Committee, the establishment or amendment of these Procedures shall be approved by more than one-half of all Audit Committee members and then submitted to the Board of Directors for resolution.
- IV. If the approval threshold in the preceding paragraph is not met, the matter may instead be approved by at least two-thirds of all directors, provided that the resolution of the Audit Committee shall be recorded in the Board meeting minutes. The term "all Audit Committee members" and "all directors" shall refer to those currently serving in office.

This procedure was established on June 30, 2020.

The first amendment was approved on August 4, 2022.

Groundhog Inc.
Shareholdings of All Directors

Record Date: Apr. 26, 2026

1. As of the record date, the total number of shares issued by the Company 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. As recorded in the shareholders' register on the record date for this shareholders' meeting, the shareholding status of individual directors and all directors is as follows:

Title	Name	As recorded in the shareholders' register on the record date	
		Shares Held	%
Chairman	Fanrui Investment Co., Ltd. Representative: Chiou, Ta-Gang	5,292,000	15.78%
Director	Horng, Jyh-Feng	206,000	0.61%
Director	Liu, Chiann	915,894	2.73%
Independent Director	Ho-Chen, Tan	6,000	0.02%
Independent Director	Tseng, Chin-Lung	0	0.0%
Independent Director	Tseng, Tsung-Lin	0	0.0%
Independent Director	Lin, Yi-Bing	0	0.0%
Total		6,419,894	19.14%