



2025 Annual Meeting of Shareholders  
Meeting Minutes  
(Translation)

The way of convening the shareholders' meeting : Physically shareholders' meeting

Date: 9:30 am June 19<sup>th</sup>, 2025

Location: New Taipei City Labor Activity Center Performing Arts Hall

(No. 9, Wugong 6th Rd., Wugu Dist., New Taipei City)

# INTERNATIONAL GAMES SYSTEM CO., LTD.

## 2025 Annual General Meeting Minutes

Time: 9:30 a.m. Thursday, June 19<sup>th</sup>, 2025

Location: New Taipei City Labor Activity Center Performing Arts Hall

(No. 9, Wugong 6th Rd., Wugu Dist., New Taipei City)

The way of convening the shareholders' meeting: Physically shareholders' meeting

Attendants: Shareholders in attendance and attendance by proxy represent 180,529,210 shares, accounting for 64.06% of the Company's 281,801,560 shares in total. Directors in attendance include Chairman Ko-Chu Lee, Director Paul Chiang, Director A. C. Chen, Director Ching-An Yang, Director Peter Hsu, Director Pei-Ju Chen, Independent Director Chun-Cheng Shi, Independent Director W. K. Tai, and Independent Director Chien-Jung Wang which is more than 1/3 of the 9 directors in total.

In attendance without voting rights: CPA Shih-Chieh Chou from Deloitte & Touche, and Attorney-at-law Joseph G. Z. Huang from Tsai Lee & Chen Patent Attorneys & Attorney-at-law

Chairman: Ko-Chu Lee

Minute's taker: Ssu-Yu Sung

**A. Call to order:** As of 9:30 AM, the number of shares represented by shareholders in attendance and attendance by proxy account for more than half of all shares, and the chairman called the meeting to order in accordance with the law.

**B. Chairman's address:** Omitted.

### **C. Reports Items**

1. 2024 business report

Explanatory Notes :

The president presents the 2024 Business Report. (Please refer to Attachment 2)

2. Audit Committee's review report of the 2024 financial report

Explanatory Notes :

The Company's 2024 financial statements and consolidated financial statements were audited by CPA Shih-Chieh Chou and CPA Tung-Feng-Lee of Deloitte Taiwan and reviewed by Audit Committee, who have prepared an independent auditor's report and Audit Committee's review report. The Chairman of Audit Committee are asked to read out the review report. (Please refer to Attachment 3)

3. 2024 distributable compensation for employees and directors

Explanatory Notes :

The Company's 2024 distributable compensation for employees and directors was discussed and passed by the Board of Directors. A total of NT\$138,425,225 will be distributed to directors in cash, and NT\$2,768,504,463 will be distributed to employees in cash.

4. Reporting on the distribution of 2024 earnings as cash dividends

Explanatory Notes :

- I. The Company will not distribute cash dividends from the 2024 earnings in the first half of the year, and will distributed cash dividends of NT\$8,172,245,240 in the second half of the year, NT\$29 per share according to the special resolution of the Board of Directors in accordance with the Company's Articles of Incorporation.
- II. Cash dividends will be distributed down to NT\$1 (any amount under NT\$1 will be rounded off), and the fractional amount will be listed as other income.

**D. Acknowledgments Items**

1. The Company's 2024 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanatory Notes :

- I. The Company's 2024 financial statements and consolidated financial statements were passed by the Board of Directors on March 6, 2025 and audited by CPA Shih-Chieh Chou and CPA Tung-Feng Lee from Deloitte Taiwan. The accountants issued an unqualified audit report (Please refer to Attachment 4) that was submitted to Audit Committee for review.
- II. Please refer to Attachment 2, 4, and 5 for the 2024 Business Report, Independent Auditor's Report, and the financial statements above.

Resolution : The percentage of votes in favor of the proposal accounted for 91.10% of all votes in attendance. The proposal was passed as proposed.

Item	Votes in attendance	Votes in favor	Votes against	Abstention
Number of votes	180,529,210	164,466,091	667,426	15,395,693
Ratio (%)	100	91.10	0.37	8.53
Votes cast electronically		127,885,287	667,426	14,846,074

2. The Company's 2024 earnings distribution (Proposed by the Board of Directors)

Explanatory Notes :

- I. Pursuant to Article 25 of the Articles of Incorporation, the 2024 dividend distribution proposal is shown in the table below.
- II. The proposed distribution of NT\$8,172,245,240 in distributable earnings was submitted for resolution in the shareholders' meeting, and the Board of Directors was authorized to set the Ex-dividend record date and handle related affairs.
- III. Cash dividends will be distributed down to NT\$1 (any amount under NT\$1 will be rounded off), and the fractional amount will be listed as other income.
- IV. If the number of outstanding shares is affected by share buybacks, transfer of treasury stock to employees, conversion of employee stock warrants into shares, or issuance or recover of restricted stock awards, and the dividend payout ratio needs to be revised, the shareholders' meeting will be requested to authorize the Board of Directors to handle the revision at its discretion.

INTERNATIONAL GAMES SYSTEM CO.,LTD.  
2024 Earnings Distribution Chart

Unit: NTD

Item	Amount		Note
	Subtotal	Total	
Beginning of Unappropriated Retained Earnings		1,837,446,068	
Plus: Net Income of the year	9,057,774,639		
Plus: Remeasurement of Defined Benefit Obligation	9,498,598		
Total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period		9,067,273,237	
Less: Legal Capital Reserve (10%)		(906,727,324)	
Earnings Available For Distribution (Cumulative)		9,997,991,981	
Distributable items:			
Dividends To Shareholders			
--Cash(NT\$29per share)	(8,172,245,240)	(8,172,245,240)	
End of Unappropriated Retained Earnings		1,825,746,741	

Chairman: Ko-Chu Lee

President: Paul Chiang

CFO: Pao-Yueh Chou

Resolution : The percentage of votes in favor of the proposal accounted for 91.92% of all votes in attendance. The proposal was passed as proposed.

Item	Votes in attendance	Votes in favor	Votes against	Abstention
Number of votes	180,529,210	165,941,689	157,476	14,430,045
Ratio (%)	100	91.92	0.09	7.99
Votes cast electronically		129,360,885	157,476	13,880,426

**E. Discussion Items**

1. Discussion on amendments to the Articles of Incorporation (Proposed by the Board of Directors)

Explanatory Notes :

- I. In accordance with the Presidential Decree No. 11300069631 dated August 7, 2024, and Article 14, Paragraph 6 of the Securities and Exchange Act, the Company's Articles of Incorporation are to be amended.
- II. It is proposed to amend Article 24 of the Company's Articles of Incorporation to add provisions for the distribution of remuneration to entry-level employees. Please refer to Attachment 6 for a comparison of articles before and after amendment and Appendix 1 for full text before amendment.

Resolution : The percentage of votes in favor of the proposal accounted for 91.95% of all votes in attendance. The proposal was passed as proposed.

Item	Votes in attendance	Votes in favor	Votes against	Abstention
Number of votes	180,529,210	166,007,398	69,614	14,452,198
Ratio (%)	100	91.95	0.04	8.01
Votes cast electronically		129,426,594	69,614	13,902,579

**F. Extemporaneous Motions: None.**

Shareholder No. 74606 made statements, 1. What will be the main regions contributing to performance and licensing income in the next three years? 2. In the next three years, will the dividend distribution policy, which previously distributed nearly 90% of earnings, increase the dividend distribution rate by 10% annually?

Reply from the Chairman of the Board: 1. Regarding the Company's future growth, it is expected to remain on a growth trajectory, with hopes of continued upward growth over the next three years. The Company's revenue focus is primarily on licensing games, as mentioned in the investor conferences. Due to the fact that regional details are considered business secrets and cannot be extensively disclosed to prevent competitors from following suit, the Company aims for a distributed approach with even distribution across various regions. Thus, regional progress is mainly a matter of development speed differences. The growth in pre-tax profit is smaller than the revenue growth, mainly due to exchange rates. In the future, with the expectation of stable exchange rates, it is hoped that pre-tax growth can return to a higher growth rate. 2. In the past, the Company distributed over 90% of its earnings. After deducting the 10% legal reserve, the Company will continue to allocate as much of its earnings as possible to shareholders. This is the Company's long-term dividend policy.

Shareholder No. 77567 made statements, what is the current development status of the UK license and the subsequent revenue recognition?

Reply from the Director Ching-An Yang: After obtaining the UK license in May, we have officially started contacting agents to confirm the process of integrating games. This is an ongoing process, and revenue is expected to be recognized in the third quarter.

Reply from the Chairman: Every market requires a lot of time and effort before results can be seen. Obtaining a license is merely a basic starting point. The Company will strive to launch products successively and hope to see results quickly. Developing a market is not easy; sometimes it takes 4 to 5 years, while in other cases 1 to 2 years. Not every market is as easily as aligned with the Company's expectations, but the Company will continue to work hard.

Shareholder No. 136099 made statements, Is the Company considering issuing employee bonuses in the form of stock or in combination with cash?

Reply from the Chairman of the Board: The current stock price is relatively high, and issuing stock to employees involves expenses related to employee bonuses and stock price fluctuations. There are no plans for this in the near term, but the possibility of issuing stock to employees in the future is not excluded.

Shareholder No. 93019 made statements, is the new building open for shareholders to visit and for family activities?

Reply from the Chairman of the Board: The Company does not open for shareholders' visits, nor is it open exclusively to juridical persons or journalists. If you are interested in the Company, you are welcome to attend the Company's investor conferences and Shareholders Meeting. For the reason of information fairness, private visits are not accepted.

Shareholder No. 13736 made statements, what are the benefits of entering the US market with the TaDa brand?

Reply from the Director Ching-An Yang: The US market continues to show a growth trend, similar to the entry into the European market, as the Company gradually engages with agents to discuss the process of integrating games.

Reply from the Chairman of the Board: The current growth trend of TaDa in the U.S. is attributed to licensing revenue.

**G. Adjournment:** The chairman announced that the meeting was adjourned at 10:26 AM on June 19<sup>th</sup>, 2025 (Thursday).

## Letter to Shareholders

Thank you for taking the time to attend our 2025 annual general meeting.

Looking back at 2024, IGS's consolidated revenue was approximately NT\$18.5 billion, and consolidated net income after tax was approximately NT\$9.0 billion. With regard to the licensing of online games, the revenue increased NT\$4.2 billion or 69% compared with 2023 after continuously expanding overseas markets and optimizing the contents of games to enhance product competitiveness. In terms of online game apps, due to intense market competition, the revenue decreased NT\$0.05 billion or 1% compared with 2023. As for arcade games, the gradual recovery of demand and continued market favor for the Company's products led to an increase of NT\$0.17 billion or 17% of the revenue compared with 2023.

Licensed online games mainly include the fishing series, board games, and Knights of Valour IP. We develop games that players like based on the needs of agents and the market, continue to optimize contents of games, and enhance brand value, which has increased our income from licensing. Online game apps are primarily in the Asian region, with the competitive markets in Taiwan and China resulting in a slight decrease in revenue. We will continue to optimize platform content, strengthen brand image, combine well-known IPs for promotions, enhance community functions, and increase player engagement to improve the product's market competitiveness. Main arcade games include racing games (such as Asphalt 9: Legends Arcade DX, MOTO BLITZ, HYPERCROSS, Speed Rider, SPEEDRIVER, and VR racing series), children card games (such as Ultraman Transform Battle, Hero of Robots and Kamen Rider Go), and other games (such as Ocean King and MONSTER EYE). Due to the recovery of market demand and continued market favor for the Company's products, resulting in an increase in arcade game revenue.

The Company has focused on the development and promotion of games for years, and successfully developed a wide variety of product lines and outstanding products. Looking towards the future, we will continue to make appropriate adjustments to internal operating mechanisms, focus on operations in niche markets and the promotion of products on different platforms, and continue to expand our market share to achieve better performance, in order to respond to the expectations and concerns of shareholders.

Finally, I encourage management and employees to make persistent efforts and achieve even better performance.

I would like to express my deepest gratitude to all shareholders and wish everyone health and successful investment.

**Chairman Ko-Chu Lee**

## Business Report

## 1. 2024 Business Report

## 1.1 Results of the 2024 operational plan

The Company's consolidated operating revenue in 2024 was NT\$18,512,825 thousand, net income after tax was NT\$9,057,336 thousand, and after-tax EPS was NT\$32.14.

## 1.2 Budget execution in 2024

The Company did not issue financial forecasts in 2024, as a result information on budget execution is not available.

## 1.3 Financial income and expenditure and profitability analysis

## 1. Financial income and expenditure

Unit: NT\$ thousands

Item	2024	2023	Increase Amount	Percent Change (%)
	Amount	Amount		
NET REVENUE	18,512,825	14,175,795	4,337,030	30.59
OPERATING COSTS	647,732	559,780	87,952	15.71
GROSS PROFIT	17,865,093	13,616,015	4,249,078	31.21
OPERATING EXPENSES	7,537,788	6,081,947	1,455,841	23.94
PROFIT FROM OPERATIONS	10,327,305	7,534,068	2,793,237	37.07
NON-OPERATING INCOME AND EXPENSES	633,818	230,851	402,967	174.56
PROFIT BEFORE INCOME TAX	10,961,123	7,764,919	3,196,204	41.16
INCOME TAX EXPENSE	1,903,787	1,339,066	564,721	42.17
NET PROFIT FOR THE YEAR	9,057,336	6,425,853	2,631,483	40.95
EARNINGS PER SHARE	32.14	22.80	9.34	40.96

## 2. Profitability analysis

Item	2024	2023	
Return on total assets (%)	46.96	41.96	
Return on stockholders' equity (%)	63.38	56.22	
The ratios of paid-in capital (%)	Profit from operations	366.47	534.71
	Profit before income tax	388.97	551.09
Net margin (%)	48.92	45.33	
Earnings per share(NT\$)	32.14	22.80	

#### 1.4 Research and development

To formulate effective R&D strategies in coordination with market demand based on the spirit of being customer-oriented, and increase the added value of gaming products and services.

- I. Online games: At present, online games have become the most valuable field in the Internet industry. The Company will continue to develop new games and manage current games to achieve sustainability. Mobile games are the Company's main products in the current stage. Thanks to our stronger R&D and operational capabilities compared with our competitors, we are able to more quickly develop original, unique products with excellent graphics and sound effects, and this gives us the ability to expand the overall market scale.
- II. Arcade games and peripheral products: The Company upholds the spirit of being customer-oriented and independently developing products. In coordination with the system of agents around the world and under the premise of meeting market demand and regulatory compliance, our R&D, marketing, manufacturing, sales, and customer service departments work closely together to not only develop new gaming software and hardware, but also increase the added value of games through the integration of internal resources, promotion and marketing resources of agents. As technological advancements continue to be made, we will use innovation and creativity to incorporate new technologies into new elements of entertainment, so as to achieve sustainable development.

### 2. Summary of the 2025 operational plan

#### 2.1 Business strategy and important production and marketing strategies

Focus on international markets with development potential, improve marketing, operations, and services to maximize revenue and profits. The Company's online games are based in Taiwan as we continue to look into the scale, characteristics, and needs of other markets. Casual mobile games are currently our main products, and our goal is to maintain our market leadership as we use different product lines to continue increasing our market share. We will also actively expand into the next target market with potential. For arcade games, we are currently focusing on markets in Greater China (Taiwan, China) and the US. We are also looking into the scale, characteristics, and needs of other markets, in hopes of finding and entering the next target market with potential. As for production and marketing strategies, we will continue to use our system of regional agents around the world, and carefully select local agents that have the necessary expertise and a good track record. We will not only maintain close partnerships with our current agents, but also carefully evaluate entering new sales regions and finding new agents, in order to expand our business scale.

#### 2.2 Expected sales volume and its basis

The Company's sources of operating revenue include sales of arcade games, gaming software, and license fees. Since the Company did not issue any financial forecasts, there are no statistics of sales volume.

### 3. Future Development Strategy

#### 3.1 Short-term Business Strategy

- I. Continue to develop technologies and increase investment in R&D.
- II. Proposing the corporate sustainable development, and improving corporate image to attract top talents.
- III. Obtain R&D, sales, marketing, and business management talent.

### 3.2 Long-term Business Strategy

- I. Increase market share.
- II. Power up the R&D team.
- III. Improve customer satisfaction.
- IV. Improve decision making quality.
- V. Develop markets across countries.

## 4. Impact of external competition, regulatory environment, and the macro environment

In response to changes in external competition, the regulatory and the macro environment, besides increasing new product development of R&D and establishing platforms, the Company has dedicated legal personnel and operations management departments to provide professional legal advice and business strategy planning for managers. We also considered the overall situation of competition in the industry, in hopes of effectively planning and managing risks.

Chairperson: Ko-Chu Lee

President: Paul Chiang

CFO: Pao-Yueh Chou

## **INTERNATIONAL GAMES SYSTEM CO., LTD.**

### **Audit Committee's Review Report**

The Board of Directors has prepared and submitted the Company's 2024 Business Report, proposal for earnings distribution, and Financial Statements. The Financial Statements have been audited by CPA Shih-Chieh Chou and CPA Tung-Feng Lee from Deloitte Taiwan, and have issued an audit report accordingly. We, as the Audit Committee of the Company, have reviewed the Business Report, earnings distribution proposal, and Financial Statements and do not find any discrepancies. According to the Securities and Exchange Act, the Company Act and related laws and regulations, We hereby submit this report.

To the Company's 2025 Annual General Shareholders' Meeting

Chairman of the Audit Committee: Chun-Cheng Shi

March 6th, 2025

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
International Games System Co., Ltd.

### **Opinion**

We have audited the accompanying consolidated financial statements of International Games System Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

#### Occurrence of Licensing Revenue

The Group licenses its games to agents and receives licensing revenue. Since the amount of licensing revenue is material and the Group requires internal system information and various external reports for revenue recognition, we regards the occurrence of licensing revenue for the year ended December 31, 2024 as a key audit matter. Refer to Notes 4 and 23 to the consolidated financial statements.

The main audit procedures we performed with respect to the above-mentioned key audit matter are as follows:

1. We obtained an understanding of and tested the design and effectiveness of the controls over the occurrence of licensing revenue.
2. We selected samples from the details of licensing revenue and inspected the relevant documents such as the original data and contracts and we checked these against the amounts received in the subsequent year and confirmed the validity of the occurrence of licensing revenue.

#### **Other Matter**

We have also audited the parent company only financial statements of International Games System Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024, 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 audits resulting in this independent auditors' report are Shih-Chieh Chou and Tung-Feng Lee.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 6, 2025

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices 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 applied in the Republic of China.*

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

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
International Games System Co., Ltd.

### **Opinion**

We have audited the accompanying parent company only financial statements of International Games System Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

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

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Company's financial statements for the year ended December 31, 2024 is stated as follows:

#### Occurrence of Licensing Revenue

The Company licenses its games to agents and receives licensing revenue. Since the amount of licensing revenue is material and the Company requires internal system information and various external reports for revenue recognition, we regards the occurrence of licensing revenue for the year ended December 31, 2024 as a key audit matter. Refer to Notes 4 and 23 to the financial statements.

The main audit procedures we performed with respect to the above-mentioned key audit matter are as follows:

1. We obtained an understanding of and tested the design and effectiveness of the controls over the occurrence of licensing revenue.
2. We selected samples from the details of licensing revenue and inspected the relevant documents, such as the original data and contracts, and we checked these against the amounts received in the subsequent year and confirmed the validity of the occurrence of licensing revenue.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024, 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 audits resulting in this independent auditors' report are Shih-Chieh Chou and Tung-Feng Lee.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 6, 2025

Notice to Readers

*The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with 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 parent company only financial statements are those generally applied in the Republic of China.*

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

## Attachment 5

## INTERNATIONAL GAMES SYSTEM CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**  
**(In Thousands of New Taiwan Dollars)**

ASSETS	2024		2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,842,817	13	\$ 942,922	6
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	113,362	-	109,992	1
Financial assets at amortized cost - current (Notes 4 and 9)	10,468,131	47	9,503,120	58
Notes receivable	13,779	-	1,771	-
Accounts receivable, net (Notes 4, 10 and 23)	2,411,915	11	2,062,772	12
Inventories, net (Notes 4 and 11)	147,007	1	124,240	1
Prepayments (Note 12)	147,483	1	96,266	1
Other current assets (Note 18)	135,317	1	88,660	-
Total current assets	<u>16,279,811</u>	<u>74</u>	<u>12,929,743</u>	<u>79</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	523,699	3	477,746	3
Property, plant and equipment (Notes 4, 14 and 30)	3,368,537	15	1,078,151	7
Right-of-use assets (Notes 4 and 15)	7,223	-	1,664	-
Investment properties (Notes 4 and 16)	1,806,194	8	1,824,765	11
Other intangible assets (Notes 4 and 17)	73,089	-	54,747	-
Deferred tax assets (Notes 4 and 25)	52,139	-	73,974	-
Other non-current assets (Note 18)	13,211	-	9,768	-
Total non-current assets	<u>5,844,092</u>	<u>26</u>	<u>3,520,815</u>	<u>21</u>
<b>TOTAL</b>	<u>\$ 22,123,903</u>	<u>100</u>	<u>\$ 16,450,558</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Contract liabilities - current (Notes 4 and 23)	\$ 281,097	1	\$ 274,722	2
Notes payable (Note 19)	17,894	-	16,532	-
Accounts payable (Note 19)	36,298	-	75,144	-
Other payables (Note 20)	4,278,263	20	3,170,911	19
Current tax liabilities (Notes 4 and 25)	923,400	5	551,196	3
Lease liabilities - current (Notes 4 and 15)	3,678	-	1,268	-
Other current liabilities	101,349	-	83,328	1
Total current liabilities	<u>5,641,979</u>	<u>26</u>	<u>4,173,101</u>	<u>25</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Notes 4 and 25)	31,778	-	-	-
Lease liabilities - non-current (Notes 4 and 15)	3,437	-	382	-
Net defined benefit liabilities (Notes 4 and 21)	57,536	-	77,199	1
Guarantee deposits	4,158	-	4,158	-
Total non-current liabilities	<u>96,909</u>	<u>-</u>	<u>81,739</u>	<u>1</u>
Total liabilities	<u>5,738,888</u>	<u>26</u>	<u>4,254,840</u>	<u>26</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 22)</b>				
Ordinary shares	2,818,016	13	1,409,008	8
Capital surplus	317,283	1	317,283	2
Retained earnings				
Legal reserve	1,978,287	9	1,335,337	8
Unappropriated earnings	10,904,720	49	8,820,932	54
Total retained earnings	<u>12,883,007</u>	<u>58</u>	<u>10,156,269</u>	<u>62</u>
Other equity	363,624	2	309,749	2
Total equity attributable to owners of the Company	16,381,930	74	12,192,309	74
<b>NON-CONTROLLING INTERESTS</b>	3,085	-	3,409	-
Total equity	<u>16,385,015</u>	<u>74</u>	<u>12,195,718</u>	<u>74</u>
<b>TOTAL</b>	<u>\$ 22,123,903</u>	<u>100</u>	<u>\$ 16,450,558</u>	<u>100</u>

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

# INTERNATIONAL GAMES SYSTEM CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 23)	\$ 18,512,825	100	\$ 14,175,795	100
OPERATING COSTS (Notes 4, 11, 21 and 24)	<u>647,732</u>	<u>3</u>	<u>559,780</u>	<u>4</u>
GROSS PROFIT	<u>17,865,093</u>	<u>97</u>	<u>13,616,015</u>	<u>96</u>
OPERATING EXPENSES (Notes 10, 21 and 24)				
Selling and marketing expenses	2,876,484	16	2,475,437	18
General and administrative expenses	597,569	3	457,548	3
Research and development expenses	4,055,799	22	3,146,958	22
Expected credit loss	<u>7,936</u>	<u>-</u>	<u>2,004</u>	<u>-</u>
Total operating expenses	<u>7,537,788</u>	<u>41</u>	<u>6,081,947</u>	<u>43</u>
PROFIT FROM OPERATIONS	<u>10,327,305</u>	<u>56</u>	<u>7,534,068</u>	<u>53</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 21 and 24)				
Interest income	301,356	2	259,574	2
Other income	47,973	-	17,046	-
Other gains and losses	2,018	-	2,206	-
Net gain (loss) on foreign currency exchange	282,666	1	(47,890)	-
Finance costs	<u>(195)</u>	<u>-</u>	<u>(85)</u>	<u>-</u>
Total non-operating income and expenses	<u>633,818</u>	<u>3</u>	<u>230,851</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	10,961,123	59	7,764,919	55
INCOME TAX EXPENSE (Notes 4 and 25)	<u>1,903,787</u>	<u>10</u>	<u>1,339,066</u>	<u>9</u>
NET PROFIT FOR THE YEAR	<u>9,057,336</u>	<u>49</u>	<u>6,425,853</u>	<u>46</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	11,873	-	4,621	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	45,953	-	27,082	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 25)	<u>(2,375)</u>	<u>-</u>	<u>(924)</u>	<u>-</u>
	<u>55,451</u>	<u>-</u>	<u>30,779</u>	<u>-</u>

(Continued)

# INTERNATIONAL GAMES SYSTEM CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 8,037	-	\$ 7,281	-
Other comprehensive income for the year, net of income tax	63,488	-	38,060	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>\$ 9,120,824</b>	<b>49</b>	<b>\$ 6,463,913</b>	<b>46</b>
<b>NET PROFIT ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 9,057,775	49	\$ 6,425,804	46
Non-controlling interests	(439)	-	49	-
	<b>\$ 9,057,336</b>	<b>49</b>	<b>\$ 6,425,853</b>	<b>46</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 9,121,148	49	\$ 6,463,930	46
Non-controlling interests	(324)	-	(17)	-
	<b>\$ 9,120,824</b>	<b>49</b>	<b>\$ 6,463,913</b>	<b>46</b>
<b>EARNINGS PER SHARE (Note 26)</b>				
Basic	\$ 32.14		\$ 22.80	
Diluted	\$ 31.78		\$ 22.54	

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

(Concluded)

INTERNATIONAL GAMES SYSTEM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							Total	Owners of the Company	Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Retained Earnings		Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
				Unappropriated Earnings	Total						
BALANCE AT JANUARY 1, 2023	\$ 1,409,008	\$ 317,283	\$ 786,255	\$ 7,872,040	\$ 8,658,295	\$ 1,144	\$ 264,176	\$ 10,659,906	\$ 3,426	\$ 10,663,332	
Appropriation of 2022 earnings	-	-	549,082	(549,082)	-	-	-	-	-	-	
Legal reserve	-	-	-	(4,931,527)	(4,931,527)	-	-	(4,931,527)	-	(4,931,527)	
Cash dividends distributed by the Company	-	-	549,082	(5,480,609)	(4,931,527)	-	-	(4,931,527)	-	(4,931,527)	
Net profit for the year ended December 31, 2023	-	-	-	6,425,804	6,425,804	-	-	6,425,804	49	6,425,853	
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	3,697	3,697	7,347	27,082	38,126	(66)	38,060	
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	6,429,501	6,429,501	7,347	27,082	6,463,930	(17)	6,463,913	
BALANCE AT DECEMBER 31, 2023	1,409,008	317,283	1,335,337	8,820,932	10,156,269	18,491	291,258	12,192,309	3,409	12,195,718	
Appropriation of 2023 earnings	-	-	642,950	(642,950)	-	-	-	-	-	-	
Legal reserve	-	-	-	(4,931,527)	(4,931,527)	-	-	(4,931,527)	-	(4,931,527)	
Cash dividends distributed by the Company	-	-	-	(1,409,008)	(1,409,008)	-	-	-	-	-	
Share dividends distributed by the Company	1,409,008	-	-	(6,983,485)	(6,340,535)	-	-	(4,931,527)	-	(4,931,527)	
Net profit for the year ended December 31, 2024	-	-	-	9,057,775	9,057,775	-	-	9,057,775	(439)	9,057,336	
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	9,498	9,498	7,922	45,953	63,373	115	63,488	
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	9,067,273	9,067,273	7,922	45,953	9,121,148	(324)	9,120,824	
BALANCE AT DECEMBER 31, 2024	\$ 2,818,016	\$ 317,283	\$ 1,978,287	\$ 10,904,720	\$ 12,883,007	\$ 26,413	\$ 337,211	\$ 16,381,930	\$ 3,085	\$ 16,385,015	

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

# INTERNATIONAL GAMES SYSTEM CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 10,961,123	\$ 7,764,919
Adjustments for:		
Depreciation expense	114,393	79,428
Amortization expense	58,233	36,271
Expected credit loss	7,936	2,004
Net gain on financial assets at fair value through profit or loss	(2,018)	(2,206)
Finance costs	195	85
Interest income	(301,356)	(259,574)
Dividend income	(4,036)	-
(Reversal of) write-downs of inventories	(1,867)	1,192
Loss on inventory scrap	7,101	6,939
Net loss (gain) on foreign currency exchange	(25,965)	40,763
Changes in operating assets and liabilities		
Notes receivable	(12,008)	6,350
Accounts receivable	(340,866)	(471,699)
Inventories	(54,172)	(61,203)
Prepayments	(48,081)	(1,301)
Other current assets	(15,378)	(14,271)
Contract liabilities	6,375	39,446
Notes payable	1,362	2,808
Accounts payable	(38,846)	35,488
Other payables	1,107,576	454,309
Other current liabilities	18,021	(2,927)
Net defined benefit liabilities	(7,790)	(8,435)
Cash generated from operations	11,429,932	7,648,386
Interest paid	(195)	(85)
Income tax paid	(1,483,481)	(1,126,681)
Net cash generated from operating activities	<u>9,946,256</u>	<u>6,521,620</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	-	(2,473)
Purchase of financial assets at amortized cost	(965,011)	(7,514,283)
Payments for property, plant and equipment	(2,356,835)	(19,765)
Increase in refundable deposits	(3,561)	(353)
Payments for intangible assets	(76,575)	(34,290)
Payments for investment properties	-	(1,838,694)
Interest received	269,994	225,436
Dividends received	4,036	-
Net cash used in investing activities	<u>(3,127,952)</u>	<u>(9,184,422)</u>

(Continued)

# INTERNATIONAL GAMES SYSTEM CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

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	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in guarantee deposits received	\$ -	\$ 2,500
Repayment of the principal portion of lease liabilities	(3,094)	(2,751)
Cash dividends paid	<u>(4,931,527)</u>	<u>(4,931,527)</u>
Net cash used in financing activities	<u>(4,934,621)</u>	<u>(4,931,778)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>16,212</u>	<u>12,214</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,899,895	(7,582,366)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>942,922</u>	<u>8,525,288</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,842,817</u>	<u>\$ 942,922</u>

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

(Concluded)

# INTERNATIONAL GAMES SYSTEM CO., LTD.

## PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,400,817	11	\$ 651,663	4
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	113,362	1	109,992	1
Financial assets at amortized cost - current (Notes 4 and 9)	10,357,316	47	9,373,441	57
Notes receivable	13,779	-	1,771	-
Accounts receivable, net (Notes 4, 10 and 23)	1,705,909	8	1,607,054	10
Accounts receivable - related parties (Notes 4, 10, 23 and 29)	782,421	3	479,184	3
Other receivable - related parties (Notes 4 and 29)	168,851	1	174,474	1
Inventories, net (Notes 4 and 11)	147,007	1	124,240	1
Prepayments (Note 12)	141,625	1	92,107	-
Other current assets (Note 18)	93,892	-	67,862	-
Total current assets	<u>15,924,979</u>	<u>73</u>	<u>12,681,788</u>	<u>77</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	523,699	3	477,746	3
Investments accounted for using the equity method (Notes 4 and 13)	287,242	1	196,833	1
Property, plant and equipment (Notes 4, 14 and 30)	3,368,420	15	1,078,104	7
Right-of-use assets (Notes 4 and 15)	7,223	-	1,664	-
Investment properties (Notes 4 and 16)	1,806,194	8	1,824,765	11
Other intangible assets (Notes 4 and 17)	73,089	-	54,747	-
Deferred tax assets (Notes 4 and 25)	52,139	-	73,974	1
Other non-current assets (Note 18)	12,556	-	9,538	-
Total non-current assets	<u>6,130,562</u>	<u>27</u>	<u>3,717,371</u>	<u>23</u>
<b>TOTAL</b>	<u>\$ 22,055,541</u>	<u>100</u>	<u>\$ 16,399,159</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Contract liabilities - current (Notes 4 and 23)	\$ 281,097	1	\$ 274,722	2
Notes payable (Note 19)	17,894	-	16,532	-
Accounts payable (Notes 19 and 29)	36,330	-	75,262	1
Other payables (Note 20)	4,275,721	20	3,169,213	19
Current tax liabilities (Notes 4 and 25)	907,308	5	550,360	3
Lease liabilities - current (Notes 4 and 15)	3,678	-	1,268	-
Other current liabilities	54,674	-	37,754	-
Total current liabilities	<u>5,576,702</u>	<u>26</u>	<u>4,125,111</u>	<u>25</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Notes 4 and 25)	31,778	-	-	-
Lease liabilities - non-current (Notes 4 and 15)	3,437	-	382	-
Net defined benefit liabilities (Notes 4 and 21)	57,536	-	77,199	1
Guarantee deposits	4,158	-	4,158	-
Total non-current liabilities	<u>96,909</u>	<u>-</u>	<u>81,739</u>	<u>1</u>
Total liabilities	<u>5,673,611</u>	<u>26</u>	<u>4,206,850</u>	<u>26</u>
<b>EQUITY (Notes 4 and 22)</b>				
Ordinary shares	2,818,016	13	1,409,008	8
Capital surplus	317,283	1	317,283	2
Retained earnings				
Legal reserve	1,978,287	9	1,335,337	8
Unappropriated earnings	10,904,720	49	8,820,932	54
Total retained earnings	<u>12,883,007</u>	<u>58</u>	<u>10,156,269</u>	<u>62</u>
Other equity	363,624	2	309,749	2
Total equity	<u>16,381,930</u>	<u>74</u>	<u>12,192,309</u>	<u>74</u>
<b>TOTAL</b>	<u>\$ 22,055,541</u>	<u>100</u>	<u>\$ 16,399,159</u>	<u>100</u>

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

## INTERNATIONAL GAMES SYSTEM CO., LTD.

### PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 29)	\$ 18,460,849	100	\$ 14,133,588	100
OPERATING COSTS (Notes 4, 11, 21 and 24)	<u>642,627</u>	<u>3</u>	<u>553,550</u>	<u>4</u>
GROSS PROFIT	<u>17,818,222</u>	<u>97</u>	<u>13,580,038</u>	<u>96</u>
OPERATING EXPENSES (Notes 10, 21, 24 and 29)				
Selling and marketing expenses	2,876,441	16	2,475,308	18
General and administrative expenses	592,503	3	453,863	3
Research and development expenses	4,045,014	22	3,146,958	22
Expected credit loss	<u>7,669</u>	<u>-</u>	<u>2,004</u>	<u>-</u>
Total operating expenses	<u>7,521,627</u>	<u>41</u>	<u>6,078,133</u>	<u>43</u>
PROFIT FROM OPERATIONS	<u>10,296,595</u>	<u>56</u>	<u>7,501,905</u>	<u>53</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 13, 21, 24 and 29)				
Interest income	282,357	2	242,698	2
Other income	48,071	-	14,593	-
Other gains and losses	2,018	-	2,206	-
Net gain (loss) on foreign currency exchange	278,728	1	(17,492)	-
Finance costs	(195)	-	(85)	-
Share of profit of subsidiaries accounted for using the equity method	<u>36,653</u>	<u>-</u>	<u>13,321</u>	<u>-</u>
Total non-operating income and expenses	<u>647,632</u>	<u>3</u>	<u>255,241</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	10,944,227	59	7,757,146	55
INCOME TAX EXPENSE (Notes 4 and 25)	<u>1,886,452</u>	<u>10</u>	<u>1,331,342</u>	<u>9</u>
NET PROFIT FOR THE YEAR	<u>9,057,775</u>	<u>49</u>	<u>6,425,804</u>	<u>46</u>

(Continued)

# INTERNATIONAL GAMES SYSTEM CO., LTD.

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	\$ 11,873	-	\$ 4,621	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	45,953	-	27,082	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 25)	<u>(2,375)</u>	<u>-</u>	<u>(924)</u>	<u>-</u>
	55,451	-	30,779	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>7,922</u>	<u>-</u>	<u>7,347</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	<u>63,373</u>	<u>-</u>	<u>38,126</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
	<u>\$ 9,121,148</u>	<u>49</u>	<u>\$ 6,463,930</u>	<u>46</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 32.14</u>		<u>\$ 22.80</u>	
Diluted	<u>\$ 31.78</u>		<u>\$ 22.54</u>	

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

**INTERNATIONAL GAMES SYSTEM CO., LTD.**

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)**

	Retained Earnings			Other Equity					
	Share Capital	Capital Surplus	Legal Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Total Equity
BALANCE AT JANUARY 1, 2023	\$ 1,409,008	\$ 317,283	\$ 786,255	\$ 7,872,040	\$ 8,658,295	\$ 11,144	\$ 264,176	\$ 275,320	\$ 10,659,906
Appropriation of 2022 earnings	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	549,082	(549,082)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	(4,931,527)	(4,931,527)	-	-	-	(4,931,527)
Net profit for the year ended December 31, 2023	-	-	-	(5,480,609)	(4,931,527)	-	-	-	(4,931,527)
Other comprehensive income for the year ended December 31, 2023, net of income tax	-	-	-	6,425,804	6,425,804	-	-	-	6,425,804
Total comprehensive income for the year ended December 31, 2023	-	-	-	3,697	3,697	7,347	27,082	34,429	38,126
BALANCE AT DECEMBER 31, 2023	1,409,008	317,283	1,335,337	8,820,932	10,156,269	18,491	291,258	309,749	12,192,309
Appropriation of 2023 earnings	-	-	642,950	(642,950)	-	-	-	-	-
Legal reserve	-	-	-	(4,931,527)	(4,931,527)	-	-	-	(4,931,527)
Cash dividends distributed by the Company	-	-	-	(1,409,008)	(1,409,008)	-	-	-	-
Share dividends distributed by the Company	-	-	-	(6,983,485)	(6,340,535)	-	-	-	(4,931,527)
Net profit for the year ended December 31, 2024	-	-	-	9,057,775	9,057,775	-	-	-	9,057,775
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	9,498	9,498	7,922	45,953	53,875	63,373
Total comprehensive income for the year ended December 31, 2024	-	-	-	9,067,273	9,067,273	7,922	45,953	53,875	9,121,148
BALANCE AT DECEMBER 31, 2024	\$ 2,818,016	\$ 317,283	\$ 1,978,287	\$ 10,904,720	\$ 12,883,007	\$ 26,413	\$ 337,211	\$ 363,624	\$ 16,381,930

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

# INTERNATIONAL GAMES SYSTEM CO., LTD.

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 10,944,227	\$ 7,757,146
Adjustments for:		
Depreciation expense	114,365	79,428
Amortization expense	58,233	36,271
Expected credit loss	7,669	2,004
Net gain on financial assets at fair value through profit or loss	(2,018)	(2,206)
Finance costs	195	85
Interest income	(282,357)	(242,698)
Dividend income	(4,036)	-
Share of profit of subsidiaries accounted for using the equity method	(36,653)	(13,321)
(Reversal of) write-downs of inventories	(1,867)	1,192
Loss on inventory scrap	7,101	6,939
Net loss (gain) on foreign currency exchange	(24,800)	43,847
Changes in operating assets and liabilities		
Notes receivable	(12,008)	6,350
Accounts receivable	(87,177)	(225,525)
Accounts receivable - related parties	(298,912)	(146,863)
Other receivable - related parties	5,623	13,488
Inventories	(54,172)	(61,203)
Prepayments	(44,349)	(534)
Other current assets	6,488	(4,385)
Contract liabilities	6,375	51,645
Notes payable	1,362	2,808
Accounts payable	(38,932)	35,454
Other payables	1,106,284	453,466
Other current liabilities	16,920	2,394
Net defined benefit liabilities	(7,790)	(8,435)
Cash generated from operations	11,379,771	7,787,347
Interest paid	(195)	(85)
Income tax paid	(1,483,435)	(1,102,480)
Net cash generated from operating activities	<u>9,896,141</u>	<u>6,684,782</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	-	(2,473)
Purchase of financial assets at amortized cost	(983,875)	(7,528,670)
Acquisition of investments accounted for using the equity method	(52,834)	(16,820)
Disposal of investments accounted for using the equity method	573	-
Payments for property, plant and equipment	(2,356,737)	(19,765)
Increase in refundable deposits	(3,137)	(353)
Payments for intangible assets	(76,575)	(34,290)
		(Continued)

# INTERNATIONAL GAMES SYSTEM CO., LTD.

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Payments for investment properties	\$ -	\$ (1,838,694)
Interest received	250,631	209,478
Dividends received	<u>9,588</u>	<u>4,183</u>
Net cash used in investing activities	<u>(3,212,366)</u>	<u>(9,227,404)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in guarantee deposits received	-	2,500
Repayment of the principal portion of lease liabilities	(3,094)	(2,751)
Cash dividends paid	<u>(4,931,527)</u>	<u>(4,931,527)</u>
Net cash used in financing activities	<u>(4,934,621)</u>	<u>(4,931,778)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,749,154	(7,474,400)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>651,663</u>	<u>8,126,063</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,400,817</u>	<u>\$ 651,663</u>

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

INTERNATIONAL GAMES SYSTEM CO.LTD.  
Comparison Table of Amendments to the Company's Articles of Incorporation

		Content		Note
No	Before the Revision	No	After the Revision	
24	<p>If the Company makes a profit for the year (profit means profit before tax and before distribution of compensation to employees and directors), it shall allocate 3%-20% as employee compensation and no more than 3% as compensation of directors. However, an amount shall be set aside in advance to offset cumulative losses (including adjustment to amount of undistributed earnings), if any.</p> <p>Employee compensation may be distributed in stocks or cash, which compensation of directors may only be distributed in cash.</p> <p>The preceding two paragraphs require the approval of the Board of Directors and shall be reported to the shareholders' meeting.</p> <p>Employees of the parent company or subsidiaries who meet certain criteria may be eligible for employee compensation, treasure stocks redeemed for issuance to employees, employee subscription to new shares, and restricted stock awards.</p>	24	<p>If the Company makes a profit for the year (profit means profit before tax and before distribution of compensation to employees and directors), it shall allocate 3%-20% as employee compensation <u>(The amount of employee compensation allocated to entry-level employees is not less than 20%)</u> and no more than 3% as compensation of directors. However, an amount shall be set aside in advance to offset cumulative losses (including adjustment to amount of undistributed earnings), if any.</p> <p>Employee compensation may be distributed in stocks or cash, which compensation of directors may only be distributed in cash.</p> <p>The preceding two paragraphs require the approval of the Board of Directors and shall be reported to the shareholders' meeting.</p> <p>Employees of the parent company or subsidiaries who meet certain criteria may be eligible for employee compensation, treasure stocks redeemed for issuance to employees, employee subscription to new shares, and restricted stock awards.</p>	Add provisions for the distribution of remuneration to entry-level employees in accordance with the Securities and Exchange Act.
27	<p>These Articles of Incorporation were adopted on November 4, 1989; ...</p> <p>The 35th amendment was made on June 24, 2024.</p>	27	<p>These Articles of Incorporation were adopted on November 4, 1989; ...</p> <p>The 35th amendment was made on June 24, 2024.</p> <p><u>The 36th amendment was made on June 19, 2025.</u></p>	Added date of revision of Articles of Incorporation

(Translation)

**Articles of Incorporation**  
**of**  
**International Games System Co., Ltd. (Before the Revision)**

Section I - General Provisions

**Article 1**

The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 鈇象電子股份有限公司 in the Chinese language, and INTERNATIONAL GAMES SYSTEM CO., LTD. in the English language.

**Article 2**

The scope of business of the Corporation shall be as follows

1. CH01040 Toys Manufacturing
2. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
3. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
4. CC01110 Computers and Computing Peripheral Equipments Manufacturing
5. F113050 Wholesale of Computing and Business Machinery Equipment
6. F213030 Retail sale of Computing and Business Machinery Equipment
7. I301010 Software Design Services
8. F118010 Wholesale of Computer Software
9. F218010 Retail Sale of Computer Software
10. I301030 Digital Information Supply Services
11. CC01080 Electronic Parts and Components Manufacturing
12. F119010 Wholesale of Electronic Materials
13. F219010 Retail Sale of Electronic Materials
14. F601010 Intellectual Property
15. I301020 Data Processing Services
16. J305010 Audio Tape and Record Publishers
17. I401010 General Advertising Services
18. J399010 Software Publication
19. F401010 International Trade
20. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

**Article 3**

The Corporation shall have its head office in New Taipei City, Taiwan, Republic of China, and shall be free, upon the resolutions of Board of Directors to set up branch offices in Republic of China and abroad wherever and whenever the Corporation deems it necessary or advisable to carry out any or all of its activities.

**Article 4**

The Company may provide guarantees that are necessary for business in accordance with the Endorsement and Guarantee Regulations.

## **Article 5**

The Company may invest in domestic and foreign companies to become limited liability corporate shareholders after gaining approval from the Board of Directors. The limit on the investment amount shall be in accordance with the Company's "Procedures for the Acquisition or Disposal of Assets." Unless otherwise stipulated by the law, the limit of 40% of paid-in capital set forth in Article 13 of the Company Act does not apply to the Company.

## **Section II - Capital Stock**

### **Article 6**

The total capital stock of the Corporation shall be in the amount of 5,000,000,000 New Taiwan Dollars, divided into 500,000,000 shares, all common stock, at ten New Taiwan Dollars each. The Board of directors is authorized to issue the unissued shares in installments as required.

Three million shares are retained for the issuance of employee stock options, which may be issued in installments (including to employees of parent or subsidiary companies that meet certain conditions, which are to be prescribed by the Board of Directors).

### **Article 7**

The Corporation may issue shares without printing share certificate(s), but shares issued shall be registered with a securities depository enterprise.

### **Article 8**

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

### **Article 9**

All stock transaction conducted by shareholders of the Corporation shall follow the "Guidelines for Stock Operations for Public Companies".

## **Section III - Shareholders' meetings**

### **Article 10**

Shareholders' meetings of the Corporation are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened at least once a year, and within 6 months after the close of each fiscal year. Special meetings shall be convened in accordance with applicable laws and regulations whenever necessary.

The Company shareholders' meeting may be held by video conference or by other means promulgated by the central competent authority. With regard to related prerequisites, operating procedures, and other matters to be complied with, the Company will follow the provisions otherwise stipulated by the competent authority.

### **Article 11**

If a shareholder is unable to attend a meeting, he/she may appoint a proxy to attend it by using the proxy form issued by the Company and specifying the scope of proxy. Shareholder attendance by proxy shall be subject to the Company Law and also to the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies issued by the competent authority.

### **Article 12**

Each share of stock shall be entitled to one vote, but there is no voting power for situations stipulated under Article 179, Item 2 of Company Act.

### **Article 13**

Except as provided in the Company Law of the Republic of China, shareholders' meetings may be held if attended by shareholders more than one half of the total issued and outstanding capital stock of the Corporation and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

The resolutions of the shareholders' meeting shall be recorded in the minutes, such minutes shall be signed by or sealed with the chop of the chairman and minutes taker of the meeting, and its distribution may be via an announcement.

## **Section IV-Directors and Audit Committee**

### **Article 14**

The Company sets up 7-11 directors for a term of three years. The shareholders' meeting will elect and appoint competent persons to act on the positions, and all directors shall be eligible for re-election.

The total shareholding ratio of all directors of the company is in accordance with the regulations of the securities authority

The Company shall obtain liability insurance for the scope of duties of directors during their term of office, provided that they do not violate government laws and corporate governance principles.

#### **Article 14-1**

When electing directors during the Company's shareholders' meeting, each share shall be empowered with voting rights equal to the number of directors to be elected. These voting rights may be concentrated on one candidate or spread across a number of candidates (limited to the number of individuals to be elected). Candidates with the highest number of votes shall be elected as a director.

#### **Article 14-2**

The Company adopts the candidate nomination system for the election of directors, and the nomination method shall be in accordance with Articles 192-1.

#### **Article 14-3**

Among the number of director seats specified in Article 14, the number of independent directors shall not be fewer than 3 and shall not be less than one fifth of all director seats.

The election of independent directors and the election of non-independent directors shall be conducted at the same time, and the number of winners calculated separately.

With respect to professional qualifications, shareholdings, restrictions on taking part-time jobs, nomination, election/appointment and other compliance-related requirements for independent directors, the Company shall follow the relevant regulations announced by the competent authority of the securities industry.

#### **Article 14-4**

The Company establishes an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act, the Audit Committee shall be formed by all independent directors, who shall exercise their authority and responsibilities in accordance with related laws and regulations.

### **Article 15**

The Board of Directors shall convene an extraordinary shareholders' meeting within 60 days to hold a by-election once one third of all director seats is vacant, and the term of the newly elected directors shall be limited to the remaining of the original directors' term.

## **Article 16**

The board of directors shall consist of the directors of the company, and the chairman of the board of directors shall be elected from among the directors by a majority of directors in attendance at a meeting attended by at least two-thirds of the directors. The chairman of the board of directors shall represent the Company in external matters.

## **Article 17**

Board meetings shall be convened at least quarterly. The first meeting of a newly-elected Board of Directors shall be convened by the director who received the highest number of votes during the shareholders' meeting. All other Board meetings shall be convened by the chairperson.

In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors.

In calling a meeting of the board of directors, a notice shall set forth therein the subject(s) to be discussed at the meeting, a notice shall be given to each director within the period specified by the company law and the securities authority, but in the case of emergency, a meeting of the board of directors may be convened at any time.

The directors meeting notice shall be made in writing, by facsimile, or by e-mail.

## **Article 18**

Directors shall attend meetings of the board of directors in person. If a director is unavailable to attend a meeting in person, the director may appoint a proxy for the given meeting specifying the scope of the authorized powers to authorize another director to attend the meeting on the director's behalf, provided that a director may represent only one other director at a meeting.

## **Article 19**

Resolutions of the Board of Directors shall be compiled into detailed minutes, and signed or sealed by the chairperson then distributed to each director no later than 20 days after the meeting.

## **Article 20**

The Board of Directors is formed by directors, unless otherwise stipulated in the Company Act, the Board's authority and responsibilities are as follows:

1. Formulate the Articles of Incorporation.
2. Decide on management guidelines.
3. Review budgets and final reports.
4. Appoint and dismiss important employees.
5. Propose concerning appropriation of net profits or covering of losses.
6. Formulate and approve the purchase and disposal of important assets and real estate.
7. Review and approve the establishment, withdrawal, restructuring, or dissolution of subsidiaries or branches.
8. Other duties in accordance with Company Act or given by the resolution of shareholders' meeting.

## **Article 21**

Transportation allowance for all directors shall be determined by the Board of Directors. Transportation allowance shall be paid according to industry standards regardless of whether the Company is profitable or not.

## **Article 21-1**

The Board of Directors is authorized to determine the remuneration of the chairperson and directors based on the participation in the Company's operations, value of contributions, and industry standards. Remuneration shall be paid regardless of whether the Company is profitable or not.

### Section V - Managerial Officers

## **Article 22**

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

### Section VI - Accounting

## **Article 23**

At the end of each fiscal year, the Board of Directors shall compile the following reports and statements, which shall be submitted to the Audit Committee for review at least 30 days before the annual general meeting, and further submitted to the annual general meeting for acknowledgment.

1. Business Report
2. Financial Statements
3. Proposal Concerning the Distribution of Earnings or Covering of Losses.

## **Article 24**

If the Company makes a profit for the year (profit means profit before tax and before distribution of compensation to employees and directors), it shall allocate 3%-20% as employee compensation and no more than 3% as compensation of directors. However, an amount shall be set aside in advance to offset cumulative losses (including adjustment to amount of undistributed earnings), if any.

Employee compensation may be distributed in stocks or cash, which compensation of directors may only be distributed in cash.

The preceding two paragraphs require the approval of the Board of Directors and shall be reported to the shareholders' meeting.

Employees of the parent company or subsidiaries who meet certain criteria may be eligible for employee compensation, treasure stocks redeemed for issuance to employees, employee subscription to new shares, and restricted stock awards.

## **Article 25**

The surplus earning distribution or loss off-setting proposal may be proposed at the close of each half fiscal year. A company distributing surplus earning in accordance with the provision of the preceding paragraph shall estimate and reserve the compensation for employees and directors, taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.

The Board of Directors shall set aside or reverse the special reserve as required by law or the authority. The Board of Directors shall prepare a proposal for the appropriation of the remaining

earnings, including any unappropriated earnings at the beginning of the period.

The company distributing surplus earning in the form of new shares to be issued by the company shall be submitted to the shareholders' meeting for resolution; if such surplus earning is distributed in the form of cash, it shall be approved by a meeting of the board of directors.

If the Company's final report shows a net profit after tax (includes adjustment to the amount of undistributed earnings), the Company shall first offset cumulative losses, and then allocate 10% of the remaining amount as legal reserve. However, this is not required if the amount of legal reserve has reached the Company's paid-in capital. A special reserve shall then be allocated or reversed in accordance with the law or regulations of the competent authority. The Board of Directors shall propose a dividend distribution for any remaining amount along with undistributed earnings at the beginning of the period, and submit the proposal to the shareholders' meeting for resolution on distribution of shareholders dividends.

Authorize the surplus earning, legal reserve, and capital reserve in the preceding Paragraph may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company's dividend policy is formulated in coordination with current and future development plans, takes into consideration the investment environment, funding requirements, domestic and international competition, as well as shareholders' interests. No less than 10% of distributable earnings each year shall be allocated as shareholders dividends. However, dividends do not need to be distributed if distributable earnings are lower than 90% of paid-in capital. Dividends may be distributed to shareholders in cash or stock, in which cash dividends may not be lower than 20% of all dividends. However, the type and percentage of earnings distribution may be adjusted by resolution of the shareholders' meeting based on actual profits and funds that year.

When the Company allocates special reserve as required by law, if the allocation for “cumulative amount of net increase in fair value of investment properties in a preceding period(s)” and “cumulative amount of net decrease in other equity in a preceding period(s)” is insufficient, the Company shall allocate an equal amount of special reserve from undistributed earnings for the preceding period before distributing earnings. If there remains any insufficiency, the Company shall allocate it from the amount of current period's after-tax net income, plus profit items other than current period's after-tax net income, that are included in the current period's undistributed earnings.

#### **Article 26**

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

#### **Article 27**

These Articles of Incorporation were adopted on November 4, 1989.

The first amendment was made on June 2, 1990.

The second amendment was made on February 26, 1991.

The third amendment was made on March 19, 1991.

The fourth amendment was made on March 28, 1991.

The fifth amendment was made on October 24, 1991.

The sixth amendment was made on November 20, 1991.

The seventh amendment was made on April 8, 1993.

The eighth amendment was made on July 12, 1993.

The ninth amendment was made on October 14, 1994.

The 10th amendment was made on November 2, 1995.

The 11th amendment was made on November 15, 1996.  
The 12th amendment was made on June 28, 1997.  
The 13th amendment was made on November 4, 1999.  
The 14th amendment was made on November 6, 2000.  
The 15th amendment was made on May 10, 2002.  
The 16th amendment was made on June 24, 2002.  
The 17th amendment was made on May 29, 2003.  
The 18th amendment was made on October 16, 2003.  
The 19th amendment was made on May 31, 2004.  
The 20th amendment was made on June 17, 2005.  
The 21st amendment was made on April 26, 2006.  
The 22th amendment was made on May 26, 2006.  
The 23th amendment was made on May 30, 2007.  
The 24th amendment was made on June 13, 2008.  
The 25th amendment was made on June 12, 2009.  
The 26th amendment was made on June 9, 2010.  
The 27th amendment was made on June 8, 2012.  
The 28th amendment was made on June 28, 2016.  
The 29th amendment was made on June 27, 2017.  
The 30th amendment was made on June 26, 2018.  
The 31th amendment was made on June 26, 2019.  
The 32th amendment was made on July 28, 2021.  
The 33th amendment was made on June 27, 2022.  
The 34th amendment was made on June 28, 2023.  
The 35th amendment was made on June 24, 2024.

## **INTERNATIONAL GAMES SYSTEM CO., LTD.**

### **Rules and Procedures of Shareholders' Meeting**

#### **Article 1**

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

#### **Article 2**

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

#### **Article 3**

Unless otherwise provided by law or regulation, the company's shareholders meetings shall be convened by the board of directors.

Changes to how the company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The "shareholders" referred to in these rules refer to the shareholders themselves and their agents.

The company shall prepare electronic versions of the shareholders meeting notice and the origins of and explanatory materials relating to all proposals, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting.

Before 15 days before the date of the shareholders meeting, the company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the company and the professional shareholder services agent designated thereby.

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

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

#### **Article 4**

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice

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

If, after a proxy form is delivered to the company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### **Article 5**

The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

The restrictions on the place of the meeting shall not apply when the company convenes a virtual-only shareholders meeting.

#### **Article 6**

The company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

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

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

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

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

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

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

#### **Article 6-1**

To convene a virtual shareholders meeting, the company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

- A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
  - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

#### **Article 7**

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

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person. °

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting.

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

#### **Article 8**

The company, shall make an uninterrupted audio and video recording of the shareholders meeting, and shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, the company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

## **Article 9**

Attendance at shareholders meetings shall be calculated based on numbers of shares.

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

Chairman shall call the Meeting to order at the time scheduled for the Meeting, the number of shares without voting rights and number of shares in attendance shall also be announced. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the company shall also declare the meeting adjourned at the virtual meeting platform.

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

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

## **Article 10**

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Voting by poll shall be adopted for all agenda items (including extraordinary motions and amendments to original agenda items). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting; if the chairperson dismisses the meeting in violation of the Rules of Procedure, other Board members shall immediately assist the attending shareholders to elect another chairperson with more than half of voting rights represented by the attending shareholders, and continue the meeting.

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

The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned.

## **Article 11**

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

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

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

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

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

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

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

## **Article 12**

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

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

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

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

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

## **Article 13**

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

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

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration

of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except otherwise specified in the Company Law or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. After the chairperson or designated person announces the total number of votes in attendance, the shareholders shall separately vote on each agenda item, and the number of votes in approval, against, and abstentions must be entered in the MOPS on the same day after the shareholders' meeting ends. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman.

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

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

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

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

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

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

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

#### **Article 14**

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

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

## **Article 15**

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

The company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The minutes must detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various meeting agenda items (including number of votes). Where an election of directors was held, the number of votes received by each candidate shall be disclosed. These minutes must be retained for as long as the company is in existence.

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

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

## **Article 16**

On the day of a shareholders meeting, the company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During the company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the company shall upload the content of such resolution to the MOPS within the prescribed time period.

## **Article 17**

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

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

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

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

**Article 18**

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

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

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

**Article 19**

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

**Article 20**

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

**Article 21**

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

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

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

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

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

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

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares

represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

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

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

#### **Article 22**

When convening a virtual-only shareholders meeting, the company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

#### **Article 23**

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

These Rules and Procedures were adopted on May 29, 2003.

The second amendment was made on June 8, 2012.

The third amendment was made on June 27, 2017.

The fourth amendment was made on July 28, 2021.

The fifth amendment was made on June 28, 2023.

Appendix 3

**Shareholdings of All Directors**

1. The minimum shareholding ratio of individual and all directors according to the shareholder register as of April 21, 2025 is as follows:

- I. The minimum combined shareholding of all directors required by law: 12,000,000 shares [Minimum 15,000,000 shares × 80%]
- II. The Company had a total of 281,801,560 shares as of April 21, 2025.

Note: According to regulations, where the paid-in capital of the company is more than NT\$2 billion but NT\$4 billion or less, the total registered shares owned by all directors shall not be less than 5 percent of the total issued shares. The shareholdings of independent directors elected by a public company shall not be counted in the total referred to in the preceding paragraph; if a public company has elected two or more independent directors, the share ownership figures calculated at the rates set forth in the preceding paragraph for all directors other than the independent directors and shall be decreased by 20 percent.

2. Number of shares held by directors as of the record date: April 21, 2025 (Book Closure Date)

Position	Name	Date elected	Term in office	Shareholding while elected		Current shareholding as of book closure date	
				Shares	%	Shares	%
Chairman	Ko-Chu Lee	2024.06.24	3	6,569,842 (include 2,500,000 shares into trust)	4.66%	10,639,684 (include 4,500,000 shares into trust)	3.78%
Director	Paul Chiang	2024.06.24	3	8,580,548 (include 2,000,000 shares into trust)	6.09%	15,161,096 (include 4,000,000 shares into trust)	5.38%
Director	A. C. Chen	2024.06.24	3	3,401,364 (include 800,000 shares into trust)	2.41%	6,002,728 (include 800,000 shares into trust)	2.13%
Director	Ching-An Yang	2024.06.24	3	160,654	0.11%	321,308	0.11%
Director	Peter Hsu	2024.06.24	3	18,338	0.01%	36,676	0.01%
Director	Pei-Ju Chen	2024.06.24	3	6,000	0.00%	15,000	0.01%
Independent Director	Chun-Cheng Shi	2024.06.24	3	0	0	0	0
Independent Director	W. K. Tai	2024.06.24	3	0	0	0	0
Independent Director	Chien-Jung Wang	2024.06.24	3	18,000	0.01%	36,000	0.01%
Total				18,754,746	13.29%	32,212,492	11.43%

3. Based on the analysis in the table above, the shareholding by the Company's directors meets the minimum shareholding required by law.