



Stock Code: 6277

ATEN International Co., LTD.

**Handbook for the 2024 Annual Meeting of
Shareholders**

【Translation】

Meeting Date: May 30, 2024

Venue: 4F., No.125, Sec. 2, Datong Rd. Sijhih District., New
Taipei City, Taiwan

Meeting Type: Physical Shareholders' Meeting

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



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ATEN International Co., LTD.

Procedure for the 2024 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairman Remarks
3. Report Items
4. Adoption Matters
5. Questions and Motions
6. Adjournment



ATEN International Co., LTD.
Year 2024
Agenda of Annual Meeting of Shareholders

Time: May 30, 2024 (Thursday) at 9 a.m.

Place: ATEN Headquarter (4F., No.125, Sec. 2, Datong Rd. Sijhih District., New Taipei City, Taiwan)

1. Report Items

- (1).2023 Business Report
- (2).2023 Audit Committee's Review Report
- (3).2023 Employees' Compensation and Directors' Remuneration Report
- (4).2023 Distribution of Cash Dividends from Profits Report
- (5).2023 Related Party Transactions Report

2. Adoption Matters

- (1).Adoption of the Fiscal 2023 Business Report and Financial Statements
- (2).Adoption of the Proposal for Distribution of 2023 Profits

3. Questions and Motions

4. Adjournment

Report Items

Item No. 1

2023 Business Reports

Explanation:

The 2023 Business Report is attached as page 5-6

ATEN International Co., LTD.

2023 Business Report

In 2023, due to the impact of inflation, interest rate hike and other cyclical factors on the global economy which limited demand in terminal markets, the rate of inventory destocking was not as expected. ATEN's consolidated net sales revenue in FY2023 amounted to NT\$5,156 million, down 5% from the same period in the previous year. Meanwhile, the consolidated gross profit margin amounted to 59.9%. The net operating profit for the year amounted to NT\$788 million; the net profit after tax amounted to NT\$572 million; and the earnings per share amount to NT\$4.73. Looking forward, in 2024, despite uncertainties, domestic consumption is expected to return to normal level. Benefiting from a recovering global economy and increased trade, investment, capital expenditure, and export are expected to improve. As such, the promotion of production capacity optimization, diverse channels and sales marketing strategy of product diversity are expected to boost revenue and profitability performance, re-creating corporate value.

For products and research and development, the Company continues to promote key development directions including digital, information security, intelligence and sound processing. Of which, artificial intelligence (AI) is taking the whole world by storm. Nowadays, AI models can conduct unprecedented in-depth analysis on large amounts of data. ATEN's solutions are gradually becoming smarter. Whether in smart manufacturing, control rooms, meeting rooms or speech synthesis solutions, in addition to emphasizing automation, they will continue to gravitate towards becoming smart solutions. For digital, ATEN's Remote Control & Monitoring (RCM) solutions can perfectly cater to the spatial translation of high-tech production lines. Our solution supports AI and machine learning technology, and can automatically adjust and optimize the production process. Regardless of real-time production monitoring or handling of anomalies, ATEN's solutions can easily undertake the tasks in hand remotely, greatly reducing the need of personnel to be present at the production line or clean room. This will help customers reduce costs and improve production efficiency. The all-channel-IP KVM managers launched by ATEN in 2023 are a major cornerstone for digital transformation, supporting facilities such as server rooms and data centers. Through a single secure entrance, multiple people can be remotely monitored at the same time, providing centralized management and real-time remote access to the server. Regardless of the type of data signal connected to the KVM digital computer module, all transmissions are digitized and protected, which will ensure fast and clear image monitoring with excellent visual accuracy. For information security, ATEN develops a range of secure KVM switches. Catering in particular, to the government, national defense departments, healthcare organizations and financial institutions, that is organizations that have strict information security requirements, ATEN specifically designs switches for multiple computers which conform to the Protection Profile for Peripheral Sharing Device (PSD PP) Version 4.0, the latest international standard for KVM devices. The primary mechanisms include data isolation and one-way data transmission, filtering and restriction of peripheral equipment that is authorized to be connected, data protection performed by users, adjustable filtering mechanism for peripheral equipment, strict audio filter design, and uninterrupted anti-tampering design. The above mechanisms will ensure the security of confidential data in a multi-computer environment, providing strict security protection and humanistic designs, thus quickly meeting the goal of establishing a pro-cyber security environment. For intelligence, ATEN provides comprehensive meeting room solutions. Via intelligence and customization functions, the coordination process is significantly simplified, thus enhancing meeting experience and productivity. ATEN smart meeting space solutions are able to integrate the environmental control system and booking system, facilitating central management and easy monitoring of meeting room equipment and working space. As for sound processing, ATEN rolls out "AI Voice," integrating AI deep learning and acoustic technologies to provide customized speech service. It can contribute to corporates in establishing

exclusive speech service that meets brand recognition requirements, as well as providing brand-new applications for news for the hearing impaired and audiobooks. As part of the global industrial supply chain, ATEN is committed to sustainable development and has launched a three-phase green energy power source distributor with a people-centered and eco-friendly design to achieve sustainable optimization of data centers through high-efficiency and energy-saving features.

2023 is a fruitful year for ATEN in terms of product research and development. It successively won three major international awards - the iF Design Award and the Red Dot Design Award of Germany, and the Good Design Award of Japan. ATEN also won the recognition of the Taiwan Excellence Award. The unremitting effort in product development reflects ATEN's foresight in innovative technology and our highly-recognized R&D capabilities. In terms of ESG sustainable development, in the face of climate change challenges, ATEN actively takes on corporate social responsibilities, and fully invests in carbon reduction actions. We undertake to hit the net-zero carbon emission target in 2050. Currently, we have built a system capacity of 334.8 kWp in our Thailand factory. The photovoltaic power generation system is gradually gravitating towards the commitment of net-zero carbon emissions in 2050, demonstrating our firm commitment to sustainability and environmental responsibility. In addition, ATEN has completed the greenhouse gas inventory for all the group's subsidiaries and formulated specific action plans to reduce carbon emissions of the Taiwan headquarters office and Xizhi factory by 50% by 2030. For the governance aspect, ATEN continues to strengthen implementation, and has won the excellent results by emerging as one of the top 5% of all listed companies in the small and medium-sized market capitalization group of the ninth Corporate Governance Evaluation. Whereas, for the society aspect, through the ATEN Volunteer Club, we continue to exert our corporate strength in supporting the elderly and the disadvantaged, and maintaining the community environment. In 2023, ATEN won the recognition of the "HR Asia Best Companies to Work for in Asia" for the fourth time, as well as winning the "Most Caring Company Awards 2023." The success in awards demonstrates ATEN's unremitting efforts to create a happy and friendly workplace. It further reflects how ATEN internalizes its core corporate values, that is "Integrity, Caring, Ambition, and Novelty (ICAN)" and upholds them in the working environment for the benefit of the employees. This will strengthen employees' sense of belonging. In the future, we will continue to uphold our corporate sustainability vision and continue to implement the core values of ATEN, with the goal of giving back to the environment and society and moving toward a better life.

ATEN International Co., LTD.

Chairman : Sun-Chung Chen

President : Sun-Chung Chen

Chief Accountant : Wayne Tyan

Item No. 2

Audit Committee's Review Report on the 2023 Financial Statements

Explanation:

- (1). The 2023 Financial Statements were audited by CPA and approved by the Audit Committee.
- (2). The 2023 Audit Committee's Review Report is attached as page 8.
- (3). CPA Audit Report is attached as page 9-16.

ATEN International Co., LTD.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and Earnings Distribution Proposal. ATEN International Financial Statements have been audited and certified by Po-Shu Huang, CPA, and Chung-Shun Wu, CPA, of KPMG and an audit report relating to the Financial Statements has been issued. The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of ATEN International. According to Article 14-4 of Securities and Exchange Act and Article 219 of the Company act, we hereby submit this report.

The 2024 General Shareholders Meeting of ATEN International Co., LTD.

ATEN International Co., LTD.

Chairman of the Audit Committee : Wei-Jen Chu

February 29, 2024

Independent Auditors’ Report

To the Board of Directors of ATEN INTERNATIONAL CO., LTD.:

Opinion

We have audited the parent company only financial statements financial statements of ATEN INTERNATIONAL CO., LTD.(“the Company”), which comprise the balance sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. 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.

1. Revenue recognition

Please refer to notes 4(m) and 6(q) for disclosure related to revenue recognition.

Description of key audit matter:

Revenue is the key indicator used by investors and management while evaluating the Company's financial or operating performance. The accuracy of the timing and amount of revenue recognized has significant impact on the financial statements, for which assumptions and judgment of revenue recognition relying on subjective judgment of management. Hence, we consider it as a key audit matter.

How the matter was addressed in our audit:

The key audit procedures performed included testing the effectiveness of the design and implementing the internal control (both manual and system control) of sales and collecting cycle; reviewing significant sales contracts to determine whether the key judgments and assumptions of revenue recognition are reasonable; analyzing the changes in top 10 customers from the most recent period and last year, and the changes in the price and quantity of each category of product line to determine whether if there are any significant misstatements; selecting sales transactions from a period of time before and after the balance sheet date, and verifying them with the vouchers to determine the accuracy of the timing and amounts of revenue recognized; understanding whether if there is a significant subsequent sales return or discount; and reviewing whether the disclosure of revenue made by the management is appropriate.

2. Inventory measurement

Please refer to notes 4(g), 5, and 6(f) for disclosure related to inventory measurement.

Description of key audit matter:

The inventory is measured at the lower of cost and net realizable value. Due to the update of technology, the inventory might be out of date or no longer meets the requirement of the market, which may result in a decline on the price of the product resulting in the cost of the inventory to be higher than the net realizable value. The measurement of inventory depends on the evaluation of the management based on several evidences. Therefore, we consider it as a key audit matter.

How the matter was addressed in our audit:

The key audit procedures performed is to understand the management's accounting policy of inventory measurement and determine whether it is reasonable and is being implement. The procedures include inspecting the method of inventory valuation assumption is consistently and evaluating whether the assumption is needed to be adjusted due to the operating and economic condition change. Obtaining the inventory valuation table, understanding the net realizable values by management and the variation of the prices, in the period after the reporting date, to ensure the appropriateness of the valuation price. Reviewing the reason and verifying the accuracy on past three years and current year's allowance of inventory. Assessing whether the disclosure of provision for inventory valuation is appropriate.

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

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

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

1. Identify and assess the risks of material misstatement of the 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 appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Huang, Po-Shu and Wu, Chung-Shun.

KPMG

Taipei, Taiwan (Republic of China)
February 29, 2024

Notes to Readers

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

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

Independent Auditors' Report

To the Board of Directors of ATEN INTERNATIONAL CO., LTD.:

Opinion

We have audited the consolidated financial statements of ATEN INTERNATIONAL CO., LTD. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of ATEN INTERNATIONAL CO., LTD. and its subsidiaries as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

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 end December 31, 2023. 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.

1. Revenue recognition

Please refer to notes 4(n) and 6(r) for disclosure related to revenue recognition.

Description of key audit matter:

Revenue is the key indicator used by investors and management while evaluating ATEN INTERNATIONAL CO., LTD. and its subsidiaries' financial or operating performance. The accuracy of the timing and amount of revenue recognized have significant impact on the financial statements, for which the assumptions and judgments of revenue recognition rely on subjective judgment of the management. Hence, we consider it as the key audit matter.

How the matter was addressed in our audit:

The key audit procedures performed included testing the effectiveness of the design and implementing the internal control (both manual and system control) of sales and collecting cycle; reviewing significant sales contract to determine whether the key judgments and assumptions of revenue recognition are reasonable; analyzing the changes in top 10 customers from the most recent period and last year, and the changes in the price and quantity of each category of product line to determine whether if there are any significant misstatements; selecting sales transactions from a period of time before and after the balance sheet date, and verifying them with the vouchers to determine the accuracy of the timing and amounts of revenue recognized; understanding whether if there is a significant subsequent sales return or discount; and reviewing whether the disclosure of revenue made by the management is appropriate.

2. Inventory measurement

Please refer to notes 4(h), 5, and 6(g) for disclosure related to inventory measurement.

Description of key audit matter:

The inventory is measured at the lower of cost and net realizable value. Due to the update of technology, the inventory might be out of date or no longer meets the requirement of the market, which may result in a decline on the price of the product resulting in the cost of the inventory to be higher than the net realizable value. The measurement of inventory depends on the evaluation of the management based on several evidences. Therefore, we consider it as a key audit matter.

How the matter was addressed in our audit:

The key audit procedures performed is to understand the management's accounting policy of inventory measurement and determine whether it is reasonable and is being implement. The procedures include inspecting the method of inventory valuation assumption is consistently and evaluating whether the assumption is needed to be adjusted due to the operating and economic condition change. Obtaining the inventory valuation table, understanding the net realizable values by management and the variation of the prices, in the period after the reporting date, to ensure the appropriateness of the valuation price. Reviewing the reason and verifying the accuracy on past three years and current year's allowance of inventory. Assessing whether the disclosure of provision for inventory valuation is appropriate.

Other Matter

ATEN INTERNATIONAL CO., LTD. has prepared its parent company only financial statements as of and for the years ended December 31, 2023 and 2022, 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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRIC, 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 ATEN INTERNATIONAL CO., LTD. and its subsidiaries' 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 ATEN INTERNATIONAL CO., LTD. and its subsidiaries 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 ATEN INTERNATIONAL CO., LTD. and its subsidiaries' 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 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 ATEN INTERNATIONAL CO., LTD. and its subsidiaries' 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 ATEN INTERNATIONAL CO., LTD. and its subsidiaries' 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 ATEN INTERNATIONAL CO., LTD. and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Huang, Po-Shu and Wu, Chung-Shun.

KPMG

Taipei, Taiwan (Republic of China)
February 29, 2024

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

Item No. 3

2023 Employees' Compensation and Directors' Remuneration Report

Explanation:

- (1). According to Article 24 of the Article of Incorporation, the Company's net income before tax before deducting remuneration to employees and directors and after making up for aggregated losses should be applied to pay remuneration to employees for an amount of 10-16% of the balance, and to directors for an amount not more than 2% of the balance.
- (2). Board of directors resolved to approve 2023 employees' compensation totaling NT\$ 123,865,585 and directors' remuneration totaling NT\$ 9,909,247. The amount is both distributed in cash.

Item No. 4

Distribution of Cash Dividends from Profits in 2023

Explanation:

According to Article 23 of the Article of Incorporation, the Board of Directors is authorized to approve quarterly cash dividends after the close of each quarter. The amounts and payment dates of 2023 quarterly cash dividends approved by the Board of Directors are demonstrated in the table below:

2023	Approval Date (year/month/date)	Payment Date (year/month/date)	Cash Dividends Per Share (NT\$)	Total Amount (NT\$)
First Quarter	2023/05/05		0.0	0
Second Quarter	2023/08/08	2024/01/05	2.1	250,889,449
Third Quarter	2023/11/07		0.0	0
Fourth Quarter	2024/02/29		2.2	262,836,565
Total			4.3	513,726,014

Item No. 5

Related Party Transactions in 2023

Explanation:

In accordance with the “Procedures for Affiliated Company and Related Party Transactions” of the Company, material related party transactions should be reported to the shareholders at the most recent shareholders’ meeting. The following is a summary of the Company’s related party transactions in 2023:

Transaction Matter	Transaction Price	Terms Payment
The disposal of the right-of-use assets to the subsidiary RCM FULLY AUTOMATION CO., LTD.	Total monthly rent (including tax):NT\$18,909 Total transaction price (including tax):NT\$2,269,080	Monthly payment; Payment period: 2023/08/01~2033/07/31
The acquisition of the right-of-use assets from the subsidiary VISIONTOP CO., LTD.	Total monthly rent (including tax):NT\$42,000 Total transaction price (including tax):NT\$1,512,000	Monthly payment; Payment period: 2024/01/01~2026/12/31

Adoption Matters

1.

Proposed by the Board

Proposal:

Adoption of the 2023 Business Report and Financial Statements

Explanation:

- (1). The Company's Financial Statements, including the balance sheet, statement of comprehensive income, statement of changes in equity, and statement of cash flows, were audited by independent auditors, Po-Shu Huang and Chung-Shun Wu of KPMG Firm. Also Business Report and Financial Statements have been approved by the Board on February 29, 2024.
- (2). The 2023 Business Report, independent auditors' audit report, and Financial Statements are attached as page 5-6, page 9-16 and page 21-28, respectively.

Resolution:

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

ATEN INTERNATIONAL CO., LTD.

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2023		December 31, 2022		Liabilities and Equity		December 31, 2023		December 31, 2022	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	Current assets:					21xx	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 521,506	9	501,881	8	2100	Short-term borrowings (note 6(j))	\$ 45,481	1	65,808	1
1136	Current financial assets at amortised cost, net (note 6(b))	14,246	-	14,246	-	2120	Financial liabilities at fair value through profit or loss—current (note 6(c))	950	-	9,197	-
1110	Financial assets at fair value through profit or loss—current (note 6(c))	314,608	5	608,690	10	2150	Notes payable	51	-	92	-
1120	Financial assets at fair value through other comprehensive income—current (note 6(d))	-	-	6,371	-	2170	Accounts payable	151,550	2	278,468	5
1170	Accounts receivable, net (note 6(e))	146,435	2	96,162	1	2180	Accounts payable—related parties (note 7)	104,617	2	75,879	1
1180	Accounts receivable—related parties, net (notes 6(e) and 7)	491,216	8	677,924	11	2216	Dividends Payable (note 6(o))	250,889	4	-	-
130x	Inventories (note 6(f))	715,901	12	743,178	12	2200	Other payables (notes 6(h), (m), (r) and 8)	385,680	6	382,691	6
1410	Prepayments	11,423	-	12,050	-	2220	Other payables—related parties (note 7)	195,665	3	195,691	3
1470	Other current assets	13,545	-	24,259	-	2230	Current tax liabilities	39,814	2	148,211	3
	Total current assets	<u>2,228,880</u>	<u>36</u>	<u>2,684,761</u>	<u>42</u>	2250	Provisions—current (note 6(k))	22,810	-	27,052	-
15xx	Non-current assets:					2280	Current lease liabilities (note 6(l))	1,566	-	2,481	-
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(d))	27,246	-	27,617	-	2399	Other current liabilities	15,093	-	18,359	-
1550	Investments accounted for under equity method (note 6(g))	1,591,236	26	1,381,633	22		Total current liabilities	<u>1,214,166</u>	<u>20</u>	<u>1,203,929</u>	<u>19</u>
1600	Property, plant and equipment (notes 6(h), 7 and 8)	2,108,301	34	1,970,294	31	25xx	Non-Current liabilities:				
1755	Right-of-use assets (note 6(i))	2,521	-	4,873	-	2560	Non-current tax liabilities	-	-	26,580	-
1840	Deferred income tax assets (note 6(n))	105,746	2	143,732	3	2570	Deferred income tax liabilities (note 6(n))	128,692	2	127,302	2
1920	Refundable deposits	568	-	934	-	2580	Non-current lease liabilities (note 6(l))	1,116	-	2,228	-
1980	Other financial assets—non-current (notes 8 and 9)	105,607	2	105,587	2	2640	Net defined benefit liabilities—non-current (note 6(m))	69,165	1	78,092	2
	Total non-current assets	<u>3,941,225</u>	<u>64</u>	<u>3,634,670</u>	<u>58</u>	2645	Deposits received	764	-	905	-
						2650	Credit in investments accounted for under equity method (note 6(g))	-	-	42,078	1
						2670	Other non-current liabilities	16,191	-	13,489	-
							Total non-current liabilities	<u>215,928</u>	<u>3</u>	<u>290,674</u>	<u>5</u>
						2xxx	Total liabilities	<u>1,430,094</u>	<u>23</u>	<u>1,494,603</u>	<u>24</u>
							Equity (notes 6(d) and (o)):				
						3110	Common stock	1,194,711	20	1,194,711	19
						3200	Capital surplus:				
						3210	Additional paid-in capital	316,913	5	316,913	5
						3250	Donated assets received	50	-	50	-
								<u>316,963</u>	<u>5</u>	<u>316,963</u>	<u>5</u>
						3300	Retained earnings:				
						3310	Legal reserve	1,566,677	25	1,493,727	24
						3320	Special reserve	203,711	3	228,910	3
						3350	Unappropriated retained earnings	1,655,497	27	1,780,024	28
								<u>3,425,885</u>	<u>55</u>	<u>3,502,661</u>	<u>55</u>
						3400	Other equity interest:				
						3410	Financial statements translation differences for foreign operations	(175,518)	(3)	(171,173)	(3)
						3420	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(22,030)	-	(18,334)	-
								<u>(197,548)</u>	<u>(3)</u>	<u>(189,507)</u>	<u>(3)</u>
						3xxx	Total equity	<u>4,740,011</u>	<u>77</u>	<u>4,824,828</u>	<u>76</u>
						2-3xxx	Total liabilities and equity	<u>\$ 6,170,105</u>	<u>100</u>	<u>\$ 6,319,431</u>	<u>100</u>
	Total assets	<u>\$ 6,170,105</u>	<u>100</u>	<u>6,319,431</u>	<u>100</u>						

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

ATEN INTERNATIONAL CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	2023		2022	
	Amount	%	Amount	%
4000 Operating revenue (notes 6(q) and 7)	\$ 3,362,745	100	3,764,197	100
5000 Operating costs (notes 6(f), (h), (i), (k), (l), (m), (r) and 7)	1,564,223	47	1,764,703	47
5900 Gross profit from operations	1,798,522	53	1,999,494	53
5920 Add: Changes in unrealized profit	114,086	3	(100,897)	(3)
5900 Gross profit	1,912,608	56	1,898,597	50
6000 Operating expenses (notes 6(h), (i), (l), (m), (r) and 7):				
6100 Selling expenses	417,087	12	397,914	10
6200 Administrative expenses	310,316	9	315,303	8
6300 Research and development expenses	533,569	16	517,614	14
Total operating expenses	1,260,972	37	1,230,831	32
6900 Operating profit	651,636	19	667,766	18
7000 Non-operating income and expenses (notes (l), (s) and 7):				
7100 Interest income	3,484	-	4,548	-
7010 Other income	49,884	1	57,025	2
7020 Other gains and losses	(31,405)	(1)	17,591	-
7050 Finance costs	(1,385)	-	(1,370)	-
7375 Share of profit of subsidiaries and associates accounted for under equity method	19,781	1	90,916	2
Total non-operating income and expenses	40,359	1	168,710	4
7900 Profit from continuing operations before tax	691,995	20	836,476	22
7950 Less: Income tax expenses (note 6(n))	126,454	3	106,976	3
Net income	565,541	17	729,500	19
8300 Other comprehensive income (notes 6(n) and (o)):				
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	3,125	-	8,191	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(70)	-	(570)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	3,346	-	1,704	-
Components of other comprehensive income that will not be reclassified to profit or loss	(291)	-	5,917	-
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(4,345)	-	39,973	1
8380 Share of other comprehensive income of subsidiaries and associates accounted for using equity method	57	-	365	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss	(4,288)	-	40,338	1
8300 Other comprehensive income	(4,579)	-	46,255	1
8500 Total comprehensive income	\$ 560,962	17	775,755	20
9750 Basic earnings per share (in New Taiwan dollars) (note 6(p))	\$ 4.73		6.11	
9850 Diluted earnings per share (in New Taiwan dollars) (note 6(p))	\$ 4.66		5.99	

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
ATEN INTERNATIONAL CO., LTD.

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

	Share capital		Retained earnings				Total other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Financial statements translation differences for foreign operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total	Total equity	
Balance at January 1, 2022	A1	\$ 1,194,711	316,963	1,493,727	189,465	1,716,314	3,399,506	(211,146)	(17,764)	(228,910)	4,682,270
Appropriation and distribution of retained earnings:											
Special reserve appropriated	B3	-	-	-	39,445	(39,445)	-	-	-	-	-
Cash dividends of ordinary share	B5	-	-	-	-	(633,197)	(633,197)	-	-	-	(633,197)
Net income	D1	-	-	-	-	729,500	729,500	-	-	-	729,500
Other comprehensive income	D3	-	-	-	-	6,852	6,852	39,973	(570)	39,403	46,255
Total comprehensive income	D5	-	-	-	-	736,352	736,352	39,973	(570)	39,403	775,755
Balance at December 31, 2022	Z1	1,194,711	316,963	1,493,727	228,910	1,780,024	3,502,661	(171,173)	(18,334)	(189,507)	4,824,828
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	B1	-	-	72,950	-	(72,950)	-	-	-	-	-
Special reserve reversed	B3	-	-	-	(25,199)	25,199	-	-	-	-	-
Cash dividends of ordinary share	B5	-	-	-	-	(645,144)	(645,144)	-	-	-	(645,144)
Net income	D1	-	-	-	-	565,541	565,541	-	-	-	565,541
Other comprehensive income	D3	-	-	-	-	2,464	2,464	(4,345)	(2,698)	(7,043)	(4,579)
Total comprehensive income	D5	-	-	-	-	568,005	568,005	(4,345)	(2,698)	(7,043)	560,962
Difference between consideration and carrying amount of subsidiaries acquired	M5	-	-	-	-	(635)	(635)	-	-	-	(635)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	Q1	-	-	-	-	998	998	-	(998)	(998)	-
Balance at December 31, 2023	Z1	<u>\$ 1,194,711</u>	<u>316,963</u>	<u>1,566,677</u>	<u>203,711</u>	<u>1,655,497</u>	<u>3,425,885</u>	<u>(175,518)</u>	<u>(22,030)</u>	<u>(197,548)</u>	<u>4,740,011</u>

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
ATEN INTERNATIONAL CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
AAAA Cash flows from operating activities:		
A10000 Net income before tax	\$ 691,995	836,476
A20000 Adjustments:		
A20010 Adjustments to reconcile profit and loss		
A20100 Depreciation expense	58,325	57,993
A20900 Interest expense	1,385	1,370
A21200 Interest income	(3,484)	(4,548)
A21300 Dividend income	(375)	(592)
A22400 Share of profit of associates accounted for under equity method	(19,781)	(90,916)
A22500 Gains on disposal of property, plant and equipment	(331)	(118)
A22600 Property, plant and equipment transferred to expenses	100	69
A23900 Unrealized gains (losses) from sales	(114,086)	100,897
A2990-1 Gains on lease modification	-	(49)
A2990-2 Others	(207)	(210)
A20010 Total adjustments to reconcile profit and loss	(78,454)	63,896
A30000 Changes in assets / liabilities relating to operating activities:		
A31000 Net changes in operating assets:		
A31115 Financial assets at fair value through profit or loss	294,082	(124,827)
A31150 Accounts receivable	(50,273)	79,828
A31160 Accounts receivable – related parties	186,708	(174,322)
A31200 Inventories	26,802	(242,638)
A31230 Prepayments	627	10,254
A31240 Other current assets	10,719	(3,024)
A31000 Total changes in operating assets, net	468,665	(454,729)
A32000 Net changes in operating liabilities:		
A32110 Financial liabilities held for trading	(8,247)	8,799
A32130 Notes payable	(41)	25
A32150 Accounts payable	(126,918)	80,920
A32160 Accounts payable – related parties	28,738	(53,896)
A32180 Other payable	2,989	9,764
A32190 Other payable – related parties	(26)	(2,525)
A32200 Provisions	(4,242)	1,372
A32230 Other current liabilities	(3,268)	6,734
A32240 Net defined benefit liabilities	(5,802)	(1,635)
A32990 Other non-current liabilities	2,702	2,477
A32000 Total changes in operating liabilities, net	(114,115)	52,035
A30000 Total changes in operating assets / liabilities, net	354,550	(402,694)
A20000 Total adjustments	276,096	(338,798)
A33000 Cash provided by operating activities	968,091	497,678
A33200 Dividends received	59,937	70,683
A33500 Payment of income tax	(225,401)	(277,441)
AAAA Net cash provided by operating activities	802,627	290,920
BBBB Cash flows from investing activities:		
B00010 Acquisition of financial assets at fair value through other comprehensive income	-	(6,000)
B00020 Proceeds from disposal of financial assets at fair value through other comprehensive income	6,672	-
B01800 Acquisition of investments accounted for using equity method	(182,097)	(14,026)
B02700 Acquisition of property, plant and equipment	(193,966)	(33,584)
B02800 Proceeds from disposal of property, plant and equipment	692	611
B03700 Decrease (increase) in refundable deposits	366	(17)
B06500 Increase in other financial assets – non-current	(20)	(41)
B07500 Interest received	3,484	4,548
BBBB Net cash used in investing activities	(364,869)	(48,509)
CCCC Cash flows from financing activities:		
C00100 Decrease in short-term borrowings	(19,022)	(26,570)
C03000 Increase (decrease) in deposits received	(141)	175
C04020 Payment of lease liabilities	(2,025)	(2,812)
C04500 Cash dividends paid	(394,255)	(633,197)
C05600 Interest paid	(1,385)	(1,370)
CCCC Net cash used in financing activities	(416,828)	(663,774)
DDDD Effect of exchange rate changes on cash and cash equivalents	(1,305)	835
EEEE Net increase (decrease) in cash and cash equivalents	19,625	(420,528)
E00100 Cash and cash equivalents at beginning of period	501,881	922,409
E00200 Cash and cash equivalents at end of period	\$ 521,506	501,881

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2023		December 31, 2022		Liabilities and Equity	December 31, 2023		December 31, 2022	
	Amount	%	Amount	%		Amount	%	Amount	%
11xx Current assets:					21xx Current liabilities:				
1100 Cash and cash equivalents (note 6(a))	\$ 1,193,987	17	1,122,298	15	2100 Short-term borrowings (notes 6(k) and 8)	\$ 404,297	6	622,189	9
1136 Current financial assets at amortised cost, net (note 6(b))	90,449	1	103,361	2	2322 Current portion of long-term borrowings (notes 6(k) and 8)	-	-	5,236	-
1110 Financial assets at fair value through profit or loss – current (note 6(c))	397,240	6	700,969	10	2120 Financial liabilities at fair value through profit or loss – current (note 6(c))	1,258	-	10,869	-
1120 Financial assets at fair value through other comprehensive income – current (note 6(d))	-	-	6,371	-	2150 Notes payable	1,681	-	1,366	-
1140 Contract assets – current (note 6(r))	7,884	-	5,990	-	2170 Accounts payable	287,156	4	466,549	6
1150 Notes receivable, net (notes 6(e) and (q))	6,722	-	7,136	-	2216 Dividends Payable (note 6(p))	250,889	4	-	-
1170 Accounts receivable, net (notes 6(e) and (q))	714,916	10	733,627	10	2219 Other payable (notes 6(h), (n), (s) and 8)	550,638	8	586,893	8
1200 Other receivables (note 6(f))	14,354	-	20,842	-	2230 Current tax liabilities	84,696	1	189,492	3
130x Inventories (note 6(g))	1,266,264	18	1,497,000	21	2250 Provisions – current (note 6(l))	22,810	-	27,052	-
1410 Prepayments	61,102	1	86,797	1	2280 Current lease liabilities (note 6(m))	101,486	1	65,809	1
1470 Other current assets	10,254	-	14,112	-	2399 Other current liabilities	74,582	1	101,687	1
Total current assets	3,763,172	53	4,298,503	59	Total current liabilities	1,779,493	25	2,077,142	28
15xx Non-current assets:					25xx Non-current liabilities:				
1517 Financial assets at fair value through other comprehensive income – non-current (note 6(d))	27,246	-	27,617	-	2560 Non-current tax liabilities	-	-	26,580	-
1600 Property, plant and equipment (notes 6(h), 7, 8 and 9)	2,703,716	38	2,583,668	35	2570 Deferred income tax liabilities (note 6(o))	181,700	2	179,995	3
1755 Right-of-use assets (note 6(i))	289,963	4	109,301	1	2580 Non-current lease liabilities (note 6(m))	194,750	3	47,483	1
1780 Intangible assets (note 6(j))	4,336	-	6,949	-	2640 Net defined benefit liabilities – non-current (note 6(n))	70,857	1	79,880	1
1840 Deferred income tax assets (note 6(o))	143,557	2	179,858	3	2645 Deposits received	764	-	905	-
1915 Prepayments for equipment	5,266	-	5,805	-	2670 Other non-current liabilities	57,648	1	53,287	1
1920 Refundable deposits	35,049	1	31,005	-	Total non-current liabilities	505,719	7	388,130	6
1980 Other financial assets – non-current (notes 8 and 9)	116,133	2	105,587	2	Total liabilities	2,285,212	32	2,465,272	34
1990 Other non-current assets	1,535	-	2,161	-	Equity attributable to shareholders of the company (notes 6(d) and (p)):				
Total non-current assets	3,326,801	47	3,051,951	41	3110 Common stock	1,194,711	17	1,194,711	16
					3200 Capital surplus:				
					3210 Additional paid-in capital	316,913	4	316,913	4
					3250 Donated assets received	50	-	50	-
						316,963	4	316,963	4
					3300 Retained earnings:				
					3310 Legal reserve	1,566,677	22	1,493,727	20
					3320 Special reserve	203,711	3	228,910	3
					3350 Unappropriated retained earnings	1,655,497	23	1,780,024	24
						3,425,885	48	3,502,661	47
					3400 Other equity interest:				
					3410 Financial statements translation differences for foreign operations	(175,518)	(2)	(171,173)	(2)
					3420 Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(22,030)	-	(18,334)	-
						(197,548)	(2)	(189,507)	(2)
					Total equity attributable to shareholders of the company	4,740,011	67	4,824,828	65
					36xx Non-controlling interests	64,750	1	60,354	1
					3xxx Total equity	4,804,761	68	4,885,182	66
1xxx Total assets	\$ 7,089,973	100	7,350,454	100	2-3xxx Total liabilities and equity	\$ 7,089,973	100	7,350,454	100

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

	2023		2022	
	Amount	%	Amount	%
4000 Operating revenue (note 6(r))	\$ 5,156,242	100	5,403,167	100
5000 Operating costs (notes 6(g), (h), (i), (l), (m), (n) and (s))	2,065,366	40	2,239,803	41
5900 Gross profit	3,090,876	60	3,163,364	59
6000 Operating expenses (notes 6(e), (h), (i), (j), (m), (n), (s) and 7):				
6100 Selling expenses	1,263,680	25	1,273,916	24
6200 Administrative expenses	511,930	10	527,265	10
6300 Research and development expenses	527,431	10	512,511	9
6450 Reversal of impairment loss determined in accordance with IFRS 9	(185)	-	(1,030)	-
Total operating expenses	2,302,856	45	2,312,662	43
6900 Operating profit	788,020	15	850,702	16
7000 Non-operating income and expenses (notes 6(m) and (t)):				
7100 Interest income	10,975	-	6,077	-
7010 Other income	26,848	1	30,781	1
7020 Other gains and losses	(31,437)	-	25,219	-
7050 Finance costs	(41,287)	(1)	(21,532)	-
Total non-operating income and expenses	(34,901)	-	40,545	1
7900 Profit from continuing operations before tax	753,119	15	891,247	17
7950 Less: Income tax expenses (note 6(o))	180,698	4	158,356	3
Net income	572,421	11	732,891	14
8300 Other comprehensive income (notes 6(o) and (p)):				
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	3,221	-	8,804	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(70)	-	(570)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	3,346	-	1,704	-
Components of other comprehensive income that will not be reclassified to profit or loss	(195)	-	6,530	-
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(4,791)	-	41,081	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss	(4,791)	-	41,081	-
8300 Other comprehensive income	(4,986)	-	47,611	-
8500 Total comprehensive income	\$ 567,435	11	780,502	14
8600 Net income attributable to:				
8610 Shareholders of the parent	\$ 565,541	11	729,500	14
8620 Non-controlling interests	6,880	-	3,391	-
	\$ 572,421	11	732,891	14
8700 Total comprehensive income attributable to:				
8710 Shareholders of the parent	\$ 560,962	11	775,755	14
8720 Non-controlling interests	6,473	-	4,747	-
	\$ 567,435	11	780,502	14
Basic earnings per share(in New Taiwan dollars) (note 6(q))				
9750 Basic earnings per share	\$ 4.73		6.11	
9850 Diluted earnings per share	\$ 4.66		5.99	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest			Total equity attributable to owners of parent	Non-controlling interests	Total equity	
	Share capital		Retained earnings				Financial statements translation differences for foreign operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total							
Balance at January 1, 2022	A1 \$	1,194,711	316,963	1,493,727	189,465	1,716,314	3,399,506	(211,146)	(17,764)	(228,910)	4,682,270	61,527	4,743,797
Appropriation and distribution of retained earnings:													
Special reserve appropriated	B3	-	-	-	39,445	(39,445)	-	-	-	-	-	-	-
Cash dividends of ordinary share	B5	-	-	-	-	(633,197)	(633,197)	-	-	-	(633,197)	(5,920)	(639,117)
Net income	D1	-	-	-	-	729,500	729,500	-	-	-	729,500	3,391	732,891
Other comprehensive income	D3	-	-	-	-	6,852	6,852	39,973	(570)	39,403	46,255	1,356	47,611
Total comprehensive income	D5	-	-	-	-	736,352	736,352	39,973	(570)	39,403	775,755	4,747	780,502
Balance at December 31, 2022	Z1	1,194,711	316,963	1,493,727	228,910	1,780,024	3,502,661	(171,173)	(18,334)	(189,507)	4,824,828	60,354	4,885,182
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	B1	-	-	72,950	-	(72,950)	-	-	-	-	-	-	-
Special reserve reversed	B3	-	-	-	(25,199)	25,199	-	-	-	-	-	-	-
Cash dividends of ordinary share	B5	-	-	-	-	(645,144)	(645,144)	-	-	-	(645,144)	(2,712)	(647,856)
Net income	D1	-	-	-	-	565,541	565,541	-	-	-	565,541	6,880	572,421
Other comprehensive income	D3	-	-	-	-	2,464	2,464	(4,345)	(2,698)	(7,043)	(4,579)	(407)	(4,986)
Total comprehensive income	D5	-	-	-	-	568,005	568,005	(4,345)	(2,698)	(7,043)	560,962	6,473	567,435
Difference between consideration and carrying amount of subsidiaries acquired	M5	-	-	-	-	(635)	(635)	-	-	-	(635)	635	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	Q1	-	-	-	-	998	998	-	(998)	(998)	-	-	-
Balance at December 31, 2023	Z1 \$	1,194,711	316,963	1,566,677	203,711	1,655,497	3,425,885	(175,518)	(22,030)	(197,548)	4,740,011	64,750	4,804,761

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
AAAA		
Cash flows from operating activities:		
A10000	\$ 753,119	891,247
A20000		
Net income before tax		
Adjustments:		
A20010		
Adjustments to reconcile profit and loss		
A20100		
Depreciation expense	225,663	214,544
A20200		
Amortization expense	2,052	3,365
A20300		
Reversal of impairment loss determined in accordance with IFRS9	(185)	(1,030)
A20900		
Interest expense	41,287	21,532
A21200		
Interest income	(10,975)	(6,077)
A21300		
Dividend income	(375)	(592)
A22500		
Net loss (gain) on disposal of property, plant and equipment	(1,112)	357
A22600		
Property, plant and equipment transferred to expenses	511	69
A22800		
Loss on disposal of intangible assets	561	-
A2990-2		
Prepayments for equipment transferred to expenses	138	3,058
A2990-3		
Losses on lease modification	(39)	(89)
A20010		
Total adjustments to reconcile profit and loss	257,526	235,137
A30000		
Changes in assets / liabilities relating to operating activities:		
A31000		
Net changes in operating assets:		
A31115		
Financial assets at fair value through profit or loss	303,729	(94,140)
A31125		
Contract assets	(1,894)	2,688
A31130		
Notes receivable	414	1,146
A31150		
Accounts receivable	18,896	129,440
A31180		
Other receivable	6,488	(3,692)
A31200		
Inventories	230,083	(479,918)
A31230		
Prepayments	25,695	5,923
A31240		
Other current assets	3,850	658
A31000		
Total changes in operating assets, net	587,261	(437,895)
A32000		
Net changes in operating liabilities:		
A32110		
Financial liabilities held for trading	(9,611)	10,173
A32130		
Notes payable	315	(780)
A32150		
Accounts payable	(179,393)	33,843
A32180		
Other payable	(36,255)	15,154
A32200		
Provisions	(4,242)	1,372
A32230		
Other current liabilities	(27,105)	(10,712)
A32240		
Net defined benefit liabilities	(5,802)	(1,634)
A32990		
Other non-current liabilities	4,361	4,529
A32000		
Total changes in operating liabilities, net	(257,732)	51,945
A30000		
Total changes in operating assets / liabilities, net	329,529	(385,950)
A20000		
Total adjustments	587,055	(150,813)
A33000		
Cash provided by operating activities	1,340,174	740,434
A33200		
Dividends received	375	592
A33500		
Payment of income tax	(277,491)	(316,169)
AAAA		
Net cash provided by operating activities	1,063,058	424,857
BBBB		
Cash flows from investing activities:		
B00010		
Acquisition of financial assets at fair value through other comprehensive income	-	(6,000)
B00020		
Proceeds from disposal of financial assets at fair value through other comprehensive income	6,672	-
B00040		
Acquisition of financial assets at amortised cost	12,912	-
B02700		
Acquisition of property, plant and equipment	(224,653)	(83,299)
B02800		
Proceeds from disposal of property, plant and equipment	1,951	1,162
B03700		
Increase in refundable deposits	(4,044)	(4,189)
B06500		
Increase in other financial assets – non-current	(10,546)	(41)
B06700		
Decrease in other non-current assets	626	110
B07100		
Increase in prepayments for equipment	(6,107)	(7,289)
B07500		
Interest received	10,975	6,077
BBBB		
Net cash used in investing activities	(212,214)	(93,469)
CCCC		
Cash flows from financing activities:		
C00100		
Increase (decrease) in short-term borrowings	(216,587)	79,623
C01700		
Repayment of long-term borrowings	(5,397)	(5,016)
C03000		
Increase (decrease) in deposits received	(141)	175
C04020		
Payment of lease liabilities	(115,072)	(109,282)
C04500		
Cash dividends paid	(396,967)	(639,117)
C05600		
Interest paid	(41,287)	(21,532)
CCCC		
Net cash used in financing activities	(775,451)	(695,149)
DDDD		
Effect of exchange rate changes on cash and cash equivalents	(3,704)	23,681
EEEE		
Net increase (decrease) in cash and cash equivalents for the period	71,689	(340,080)
E00100		
Cash and cash equivalents at beginning of period	1,122,298	1,462,378
E00200		
Cash and cash equivalents at end of period	\$ 1,193,987	1,122,298

2.

Proposed by the Board

Proposal:

Adoption of the Proposal for Distribution of 2023 Profits

Explanation:

- (1). The Board has adopted a Proposal for Distribution of 2023 Profits in accordance with the Articles of Incorporation. Beginning retained earnings is NT\$ 1,352,222,255. After adding net profit after tax of NT\$ 565,541,408, subtracting the legal reserve of NT\$ 56,554,141 and the special reserve of NT\$ 8,041,809, and adding other adjustment items of NT\$ 2,826,938, the retained earnings available for distribution is NT\$ 1,855,994,651 and the proposed cash dividend to shareholders is NT\$ 513,726,014.
- (2). Profit Distribution Table is attached as page 30.

Resolution:

ATEN International Co., LTD.
PROFIT DISTRIBUTION TABLE

Year 2023

(Unit: NTD \$)

Items	Amount
Beginning retained earnings	1,352,222,255
Add : 2023 net profit after tax	565,541,408
Less : 10% legal reserve	56,554,141
Less : Special earnings reserves on reductions to shareholders' equity (Note1)	8,041,809
Add : Current change in remeasurements of defined benefit liability	2,407,581
Add : Disposal of Equity instruments measured at fair value through other comprehensive income	998,045
Add : Share of other equity interest accounted for under equity method	56,711
Less : Difference between consideration and carrying amount of subsidiaries acquired	635,399
Distributable net profit	1,855,994,651
Distributable items :	
Resolved distribution of interim earnings in 2023 (Note1) -Distributable earnings in 2022: 203,586,976; Distributable earnings in 2023: 47,302,473	250,889,449
Cash Dividend (NT 2.2 per share) -Distributable earnings in 2023	262,836,565
Unappropriated retained earnings	1,342,268,637

Note1 : In the second quarter of 2023, due to the interim earnings distribution : the special reserve totaling NT 14,204,613 and the resolved cash dividend totaling NT 250,889,449 (NT 2.1 per share).

Questions and Motions

Adjournment

Appendix 1 : Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is incorporated according to the Company Act and is named ATEN International Co., LTD.
- Article 2 The business scope of the Company is as follows:
- I. Computers and Peripheral Equipment Manufacturing, Processing, and Sale
 - II. CC01060 Wired Communication Mechanical Equipment Manufacturing
 - III. CC01070 Wireless Communication Mechanical Equipment Manufacturing
 - IV. CC01080 Electronics Components Manufacturing
 - V. CB01020 Affairs Machine Manufacturing
 - VI. F113070 Wholesale of Telecommunication Apparatus
 - VII. F113050 Wholesale of Clerical Machinery Equipment
 - VIII. F118010 Wholesale of Computer Software
 - IX. F119010 Wholesale of Electronic Materials
 - X. F213060 Retail Sale of Telecommunication Apparatus
 - XI. F218010 Retail Sale of Computer Software
 - XII. F219010 Retail Sale of Electronic Materials
 - XIII. F213030 Retail Sale of Clerical Machinery Equipment
 - XIV. F401021 Import of Controlled Telecommunications Radio-Frequency Devices and Materials
 - XV. F601010 Intellectual Property Rights
 - XVI. I301010 Information Software Services
 - XVII. I301020 Data Processing Services
 - XVIII. I301030 Electronic Information Supply Services
 - XIX. I501010 Product Designing
 - XX. C01050 Data Storage Media Units Manufacturing
 - XXI. CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
 - XXII. All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company's investment amount is not subject to the restrictions specified in Article 13 of the Company Act.
- Article 4 The Company's Head Office is in New Taipei City, Taiwan, and may establish domestic or foreign branches subject to the Board of Directors' approval.
- Article 4-1 The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.

Chapter 2 Shares

- Article 5 The Company's total authorized capital shall be in the amount of one billion and five hundred million New Taiwan Dollars (NT\$1,500,000,000), divided

into one hundred and fifty million (150,000,000) common shares with a par value of ten New Taiwan Dollars (NT\$10), and may be paid-up in installments if approved by the Board of Directors.

The Company has reserved seventy-five million New Taiwan Dollars (NT\$75,000,000), representing seven million and five hundred thousand (7,500,000) common shares with a par value of NT\$10, from the authorized capital mentioned in the previous paragraph to issue employee stock option certificates. Such certificates, if approved by the Board of Directors, may be issued in installments.

- Article 5-1 Where the Company wishes to issue employee stock option certificates with an exercise price lower than the closing price of the Company's common shares on the issuance date, such an issuance shall be approved by two-thirds of the voting rights present at the General Shareholders' Meeting attended by shareholders representing one-half or more of the total number of shares issued. Where the Company wishes to transfer shares to employees at a price lower than the repurchase price, such a transfer shall be approved in advance by two-thirds of the voting rights present at the nearest General Shareholders' Meeting attended by shareholders representing one-half or more of the total number of shares issued.
- Article 6 The Company's share certificates shall be registered ones, which shall be signed or have the seal affixed by directors representing the Company and may be issued only after they have been certified in the manner specified by law. The Company may elect not to print any certificates for the shares issued, provided that such shares shall be delivered to a centralized security depository institution for registration purposes.
- Article 7 Except when the requirements of other laws or securities rules apply, the Company's stock affairs including the transfer, inheritance, endowment, creation of pledge, and reporting of loss of shares, loss or change of specimen chop, and change of address shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Chapter 3 General Shareholders' Meetings

- Article 8 The Company holds two types of shareholders' meetings: General Shareholders' Meetings and Extraordinary Shareholders' Meetings. General Shareholders' Meetings are convened by the Board of Directors once a year within six months after the end of each fiscal year. Extraordinary Shareholders' Meetings may be convened in accordance with relevant regulations whenever necessary.
- When the Company holds a shareholders' meeting, the meeting may be held by means of visual communication network, or other methods announced by the central competent authorities.
- Article 9 Where a shareholder cannot attend the General Shareholders' Meeting for any reason, such a shareholder may appoint a proxy to attend the meeting on their behalf by executing a proxy form printed by the Company stating therein the

scope of power authorized to the proxy. Representation by proxy shall be governed by Article 177 of the Company Act, as well as by the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

- Article 10 Except in the circumstances set forth in the provisions of Article 179 under the Company Act, a shareholder shall have the right to one vote for each share in their possession.
- Article 11 Unless otherwise stipulated in the relevant regulations, any resolutions in a General Shareholders' Meeting shall be approved by a majority vote at a meeting attended by shareholders representing at least one half of the total number of shares issued.
- Article 12 General Shareholders' Meetings convened by the Chairman shall be chaired by the Chairman. If the Chairman is unable to perform such duties due to a leave of absence or any other reason, the Vice Chairman shall act in this capacity on the Chairman's behalf. If the Vice Chairman is also unable to perform such duties, the Chairman may appoint one of the directors to act on the Chairman's behalf. If the Chairman does not appoint a delegate, one shall be elected among the directors to act on the Chairman's behalf. If the General Shareholders' Meeting is convened by an entity that has the right to convene other than the Board of Directors, that convener shall be the chair. If there are two or more conveners, the chair shall be elected among them.
- Article 13 Resolutions of a General Shareholders' Meeting shall be compiled into minutes, which shall be signed or sealed by the meeting's chair and distributed to all shareholders within 20 days after the meeting. Distribution of the meeting minutes mentioned in the preceding paragraph shall be conducted in accordance with the Company Act.

Chapter 4 Directors and the Audit Committee

- Article 14 The Company shall have seven to ten directors. Among them, at least three shall be independent directors. The election of directors shall adopt the candidate nomination system as specified in Article 192-1 of the Company Act, i.e. directors shall be elected from among a list of candidates at the General Shareholders' Meeting for a tenure of three years, and may be reelected. When electing a director, each share is entitled to the right to a number of votes equal to the number of directors to be elected. Such a number of voting rights may be cast as a whole in favor of the same candidate, or be cast separately in favor of different candidates. Those who win more voting rights shall be the directors. The elections for directors and for independent directors shall be conducted simultaneously, and the number of winners calculated separately. The regulations set forth by the competent authority shall apply to the independent directors with respect to their professional qualifications, shareholdings, restrictions on concurrent posts, nomination, election, and other matters they are required to comply with. The Company shall adhere to the Securities and Exchange Act to establish an audit committee, which shall comprise all independent directors. The audit committee shall exercise its powers and duties in accordance with relevant

laws and regulations as well as the Audit Committee Charter.

- Article 15 The elected directors shall form the Board of Directors, with the Chairman to be appointed from among the directors by approval of more than one-half of directors present at a meeting where more than two-thirds of the directors are present. The Chairman shall represent the Company in all its dealings with outsiders. A Vice Chairman may be appointed from among the directors in the same manner.
- Article 16 If the Chairperson is absent or unable to perform his/her duties, a person shall be selected in accordance with Article 208 of the Company Act to act on his/her behalf.
- Article 17 If a director is unable to attend a meeting of the Board of Directors in person, another director can be appointed to act on behalf of the absent director by producing a proxy form detailing the scope of delegated authority for each item on the agenda. One director can represent the presence of only one other director.
- Article 18 When the number of vacancies in the Board of Directors reaches one third of the total number of directors, or when all independent directors are discharged, the Board of Directors shall call, within sixty days, an Extraordinary Shareholders' Meeting to elect succeeding directors to fill the vacancies; each successor so elected shall hold office for the remaining term of the original director only.
- Article 19 Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be passed by a majority vote of the directors present at a board meeting attended by more than one-half of the total number of directors.
- Article 20 When performing duties, the directors shall adhere to laws and regulations, the Articles of Incorporation, and resolutions of the General Shareholders' Meeting. The convention of a Board of Directors meeting shall be notified to the directors at least 7 days before the meeting date. A meeting of the Board of Directors may be called at any time in the event of an emergency. In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given in writing, by email, or by fax.
- Article 21 The Board of Directors is authorized to determine the level of directors' remuneration based on their extent of participation in and contribution to the Company's operations, and by reference to industry peers. The amount of transportation allowance for directors shall be determined through a resolution by the Board of Directors. The compensation shall be granted to directors for their performing their duties, regardless of the Company's profits or losses.

Chapter 5 Managers

- Article 22 The Company may set up a post of president. The appointment, dismissal, and remuneration of the president shall be made in compliance with Article 29 of the Company Act. The president shall be awarded reasonable remuneration in proportion to his/her extent of participation in the Company's operation and his/her contribution to the Company as a result of individual performance.

Chapter 6 Accounting

Article 23 At the end of each fiscal year, the Board of Directors of the Company shall compile the following statements and reports, which shall be submitted to the Audit Committee for examination at least thirty days before the date of the General Shareholders' Meeting. Subsequently, the statements and reports shall be submitted by the Board of Directors, in the manner specified by law, to the General Shareholders' Meeting for acknowledgment.

- I. Business report
- II. Financial statements
- III. Proposals for the distribution of surplus earnings or offsetting of losses

The Company shall propose the surplus earning distribution or loss off-setting proposal at the close of each quarter. The company shall allocate earnings in the following order of priority: 1) estimate and reserve the amount to be paid for employee compensation, taxes and duties; 2) offset previous deficits; 3) set aside 10% of the remainder as a legal reserve until it equals the Company's paid-in capital; 4) provide or reverse special reserves according to law or the competent authority's regulations; and, 5) add the remainder, if any, to the accumulated undistributed earnings for the previous quarter to form the distributable earnings, with which the Board of Directors shall draft an earnings distribution proposal. Where the earnings are to be distributed in the form of new shares, they shall be distributed after being approved by the General Shareholders' Meeting. Where the earnings are to be distributed in the form of cash, they shall be distributed after being approved by the Board of Directors.

Article 24 For each year, the Company's net income before tax before deducting remuneration to employees and directors and after making up for aggregated losses should be applied to pay remuneration to employees for an amount of 10-16% of the balance, and to directors for an amount not more than 2% of the balance.

The ratio of earnings to be distributed as remuneration to employees and directors as well as the manner in which earnings will be distributed, either in cash or in stocks, shall be determined through a resolution 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 General Shareholders' Meeting. Those receiving employee remuneration in stocks or cash include employees of subordinate companies meeting certain criteria.

The Company's annual earnings at the end of the fiscal year shall be first subject to taxation, reimbursement of previous losses, followed by a 10% provision of legal reserve, and a provision or reversal of special reserve as required by law. The Board of Directors shall draft distribution proposals for any remainder and submit such proposals for approval at the General Shareholders' Meeting.

Where the Company is obliged to distribute dividends and bonuses and

required by law to appropriate its legal reserve and part or all of its capital surplus, and the Company intends to distribute them in cash, such distribution may be made only after approval has been obtained by a resolution adopted by a majority vote at a meeting of 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 General Shareholders' Meeting.

Article 25 The Company will consider the business environment and stage of growth for the Company, respond to future financing needs and long-term financial planning and satisfy shareholders' needs for cash flow and distribution. The Company will distribute 30% of the distributable surplus as dividends for shareholders, among which, the Company shall distribute no less than 10% of its current dividends in cash. These ratios may be raised in the future where earnings and available capital are higher.

Chapter 7 Supplemental Provisions

Article 26 Matters not specified in these Articles of Incorporation shall be governed by the Company Act.

Article 27 These Articles of Incorporation were established on June 25, 1979.
The first amendment thereto was made on May 6, 1982.
The second amendment thereto was made on January 29, 1983.
The third amendment thereto was made on November 24, 1983.
The fourth amendment thereto was made on June 29, 1984.
The fifth amendment thereto was made on March 18, 1985.
The sixth amendment thereto was made on April 6, 1985.
The seventh amendment thereto was made on July 14, 1987.
The eighth amendment thereto was made on September 12, 1987.
The ninth amendment thereto was made on September 20, 1988.
The tenth amendment thereto was made on May 1, 1990.
The eleventh amendment thereto was made on August 5, 1900.
The twelfth amendment thereto was made on October 15, 1900.
The thirteenth amendment thereto was made on May 15, 1998.
The fourteenth amendment thereto was made on May 7, 1999.
The fifteenth amendment thereto was made on May 15, 2000.
The sixteenth amendment thereto was made on September 2, 2000.
The seventeenth amendment thereto was made on May 17, 2002.
The eighteenth amendment thereto was made on April 29, 2003.
The nineteenth amendment thereto was made on April 29, 2004.
The twentieth amendment thereto was made on June 14, 2006.
The twenty-first amendment thereto was made on June 15, 2007.
The twenty-second amendment thereto was made on June 13, 2008.
The twenty-third amendment thereto was made on June 22, 2012.
The twenty-fourth amendment thereto was made on June 17, 2014.
The twenty-fifth amendment thereto was made on June 15, 2016.
The twenty-sixth amendment thereto was made on June 15, 2017.
The twenty-seventh amendment thereto was made on June 14, 2019.
The twenty-eighth amendment thereto was made on June 16, 2020.
The twenty-ninth amendment thereto was made on June 17, 2022.

Appendix 2 : Rules of Procedure for General Shareholders' Meetings

Article 1 Unless otherwise provided by laws and regulations or the Company's Articles of Incorporation, a General Shareholders' Meeting of the Company shall be conducted in accordance with these Rules.

Article 2 Attendance of the General Shareholders' Meeting shall be calculated by the number of shares represented at the meeting. 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.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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 period 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 that the meeting has failed to be convened due to the lack of a quorum. In the event of a virtual shareholders meeting, the Company shall also declare the meeting failed to be convened 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; a notice shall be given to all shareholders to inform them of such a tentative resolution as well as of another General Shareholders' Meeting that 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 two business days before the the date of the General Shareholders' Meeting.

When, prior to the closing 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 General Shareholders' Meeting pursuant to Article 174 of the Company Act.

Article 3 The agenda of General Shareholders' Meetings convened by the Board of Directors shall be set by the Board of Directors. All relevant proposals (including extraordinary motions and amendments to the contents of the original proposals) shall be voted on case-by-case. The meeting shall be conducted in accordance with its agenda, which may not be changed unless resolved during the General Shareholders' Meeting.

The above rule also applies *mutatis mutandis* if the General Shareholders' Meeting is convened by an entity that has the right to do so other than the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on items on the meeting agenda as mentioned in the paragraph preceding the preceding paragraph (including extraordinary motions), except by a resolution of the General Shareholders' Meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

After the meeting adjourns, shareholders may not elect a chair to resume the meeting at the original location or at any other premises.

Article 4 Shareholders who wish to speak during the meeting must produce statement slips detailing the topics and the shareholders' account numbers (or the attendance pass numbers). The order of shareholders' comments shall be determined by the chair.

Shareholders who submit statement slips without actually making statements are considered to have remained silent. If a shareholder's actual statement differs from that recorded on the statement slip, only the actual comments expressed shall be recorded.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and may not speak for more than 5 minutes each time.

If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

While a shareholder is speaking, other shareholders may not speak or interfere in any way, unless agreed to by the chair and the speaking shareholder. Violators shall be stopped by the chair.

Where an institutional shareholder has appointed two or more representatives to attend the General Shareholders' Meeting, only one representative may speak per 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 6 do not apply.

Article 5 The Company shall furnish the attending shareholders or proxies (collectively referred to as “shareholders” hereinafter) with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with a meeting agenda book, an annual report, an attendance card, statement slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

Shareholders shall present their attendance cards, sign-in cards, or other certificates of attendance to attend the General Shareholders' Meeting. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or an institution is a shareholder, it may be represented by more than one representative at a General Shareholders' Meeting. When an institutional shareholder is appointed to attend the General Shareholders' Meeting as a proxy, it may designate only one person to represent it in the meeting.

Article 6 For each General Shareholders' Meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company, which proxy form shall specify the scope of authority delegated to the proxy.

A shareholder may issue only one proxy form and appoint only one proxy for any given General Shareholders' Meeting, and shall deliver the proxy form to the Company five days before the date of the General Shareholders' Meeting. In case two or more proxy forms are received from the same shareholder, the one received earliest by the Company shall prevail. Exception applies for rescinded proxy forms.

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 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 7 Voting at a General Shareholders' Meeting shall be calculated based on the number of shares represented at the meeting.

With respect to resolutions of the General Shareholders' Meeting, the number of

shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

Except for trust enterprises or stock agencies approved by the competent authority in charge of the securities business, when a person concurrently acts as the proxy for two or more shareholders, the number of voting rights represented by him/her shall not exceed 3% of the total number of voting rights represented by the total number of issued shares, otherwise the portion in excess of 3% shall not be counted.

Article 8 A shareholder shall be entitled to one voting right for each share held; exception applies when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.

Article 9 When discussing a proposal, the chair may announce the end of discussion at an appropriate time, and may also announce suspension of the discussion when necessary. After announcing the end or suspension of discussion on a proposal, the chair shall promptly put such a proposal to vote and arrange sufficient time for voting.

Article 10 The monitors and counters for voting on proposals shall be designated by the chair; however, a monitor must be a shareholder of the Company. Vote counting for General Shareholders' Meeting proposals or elections shall be conducted in public at the place of the General Shareholders' Meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 11 Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. If at the time of voting the chair consults all shareholders present about a proposed resolution and no objection is voiced, such a proposed resolution shall be deemed adopted and equally binding as if it had been adopted through voting. 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. If one of the proposals has been passed, the other proposals are deemed to be rejected and no further voting is required.

Article 12 While the General Shareholders' Meeting is in session, the chair may at his/her discretion allocate and announce time for breaks. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time, as appropriate, when 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 General Shareholders' Meeting may adopt a resolution to resume the meeting at another venue.

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

Article 13 In the event of a virtual shareholders meeting, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events 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.

Article 14 The meeting personnel handling the General Shareholders' Meeting shall bear identification cards or armbands.

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 General 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 15 The recorded materials 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.

Article 16 The venue for a General Shareholders' Meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a General Shareholders' Meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

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

Article 17 These Rules shall take effect after having been submitted to and approved by the General Shareholders' Meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 3 : Current Shareholding of Directors

ATEN International Co., LTD.

The (minimum required) combined Shareholding of Directors

1. The minimum required combined shareholding of all directors by law is as follows :
Total issued shares: 119,471,166 shares.
The minimum required combined shareholding of all directors by law: 8,000,000 shares.
2. As of the record date April 1, 2024, the shareholding of directors is below:

Record date: April 1, 2024

Title	Name	Current Shareholding	Percentage
Chairman	Sun-Chung Chen	4,049,087	3.39%
Vice Chairman	Shang-Jen Chen	6,789,342	5.68%
Director	Yung-Da Lin	6,000	0.01%
Director	Se-Se Chen	1,261,416	1.06%
Director	Shiu-Ta Liao	1,812,897	1.52%
Director	Chen-Lin Kuo	0	0.00%
Independent Director	Wei-Jen Chu	0	0.00%
Independent Director	Chung-Jen Chen	0	0.00%
Independent Director	Chun-Chung Chen	0	0.00%
Independent Director	Ching-Jen Chang	0	0.00%
The combined shareholding of all directors on the book closure date		13,918,742	11.65%