



**ATEN International Co., LTD. (“The Company”)  
Minutes of 2023 Annual General Shareholders’ Meeting  
(Translation)**

**I. Time:** June 15, 2023 (Thursday) at 9 a.m.

**II. Place:** ATEN Headquarter (5F., No.125, Sec. 2, Datong Rd. Sijhih District., New Taipei City, Taiwan)

**III. Attendance:** 73,725,710 shares were represented by the shareholders and proxies present, which amounted to 61.71% of the Company’s 119,471,166 issued and outstanding shares.

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

**IV. Chairman:** Sun-Chung Chen, Chairman of the Board of Directors

**Recorder:** Wayne Tyan

**Board Members Present:** Sun-Chung Chen, Shang-Jen Chen, Chung-Jen Chen, Wei-Jen Chu, Yung-Da Lin, Chun-Chung Chen, Chen-Lin Kuo, Shiu-Ta Liao, Se-Se Chen

**V. Chairman Remarks** (Omitted)

**VI. Report Items**

1. 2022 Business Report (Please refer to the Attachment 1)
2. Audit Committee’s Review Report on the 2022 Financial Statements (Please refer to the Attachment 2)
  - (1). The Company’s Financial Statements have been audited and certified by CPA and reviewed by Audit Committee. An audit report and Audit Committee’s review report relating to the Financial Statements has been issued, respectively.

(2). About Audit Committee’s review report and audit report, please refer to the Attachment 2 and Attachment 3.

3. 2022 Employees’ Compensation and Directors’ Remuneration Report

(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). BOD resolved to approve 2022 employees’ compensation totaling NT\$ 149,727,207 and directors’ remuneration totaling NT\$ 11,978,177. The amount is both distributed in cash.

4. Distribution of Cash Dividends from Profits in 2022

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 2022 quarterly cash dividends approved by the Board of Directors are demonstrated in the table below:

2022	Approval Date (month/date/year)	Payment Date (month/date/year)	Cash Dividends Per Share(NT\$)	Total Amount (NT\$)
First Quarter	05/05/2022		0.0	0
Second Quarter	08/04/2022	12/14/2022	2.4	286,730,798
Third Quarter	11/03/2022		0.0	0
Fourth Quarter	03/14/2023		3.3	394,254,848
Total			5.7	680,985,646

## VII. Adoption Matters

### 1.

**Proposed by the Board**

#### **Proposal:**

Adoption of the Fiscal 2022 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 March 14, 2023.

- (2). The Fiscal 2022 Business Report and the Financial Statements are attached hereto as Attachments 1 and Attachment 3, respectively. Please acknowledge.

**Resolution:** The number of voting rights for approval is 65,006,810, the number of voting rights for rejection is 6,958, the number of voting rights for invalidity is 0, the number of voting rights for abstention is 8,236,486, and 88.74% of the total voting rights voted for approval when votes were cast. The above proposal was submitted as proposed.

2.

**Proposed by the Board**

**Proposal:**

Adoption of the Proposal for Distribution of 2022 Profits

**Explanation:**

- (1). The Board has adopted a Proposal for Distribution of 2022 Profits in accordance with the Articles of Incorporation. Beginning retained earnings is NT\$ 1,330,402,912. After adding net profit after tax of NT\$ 729,499,510, subtracting the legal reserve of NT\$ 72,949,951 and adding the special reserve of NT\$ 39,403,463 and other adjustment items of NT\$ 6,851,967, the retained earnings available for distribution is NT\$ 2,033,207,901 and the proposed cash dividend to shareholders is NT\$ 680,985,646.
- (2). The 2022 Profit Allocation Proposal is attached hereto as Attachment 4. Please acknowledge.

**Resolution:** The number of voting rights for approval is 65,039,810, the number of voting rights for rejection is 6,958, the number of voting rights for invalidity is 0, the number of voting rights for abstention is 8,203,486 and 88.79% of the total voting rights voted for approval when votes were cast. The above proposal was submitted as proposed.

**VIII. Election**

**Proposed by the Board**

**Proposal:**

Director election

**Explanation:**

- (1). The tenure of all ATEN directors expired on June 15, 2023. The company proposes to duly elect new Board members at this year's Annual General Shareholders' Meeting in accordance with Article 195 of the Company Act.
- (2). The Board of Directors resolved that 10 directors (including 4 independent directors) will be elected at this Annual General Shareholders' Meeting with a term of three years in accordance with Article 14 of the Articles of Incorporation. The tenure of newly elected directors shall commence on June 15, 2023 and expire on June 14, 2026.
- (3). The election of directors is conducted under the "candidate nomination system" in accordance with the regulations and the Articles of Incorporation. The roster of the nominated directors has been reviewed by the Board meeting on March 14, 2023. The directors shall be elected from the nominated candidates. The independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. The roster of the nominated directors (including independent directors) is attached as follows:

**ATEN International Co., LTD.**

**List of Director (Including Independent Director) Candidates**

Title	Name	Shareholdings (share)	Education & Experience	Whether or not he/she has served as an independent director for three consecutive terms.
Director	Sun-Chung Chen	4,049,087	<ul style="list-style-type: none"> <li>• EMBA, Business Administration, National Taiwan University</li> <li>• Electronic Engineer Department, Vanung University</li> <li>• Factory Director, ATEN International</li> <li>• R&amp;D Manager, ATEN International</li> </ul>	NA
Director	Shang-Jen Chen	6,789,342	<ul style="list-style-type: none"> <li>• Bachelor, Computer Science Department, National Chiao Tung University</li> <li>• Director and President, ATECH Peripherals INC.</li> </ul>	NA
Director	Yung-Da Lin	6,000	<ul style="list-style-type: none"> <li>• EMBA, International Business Management, National Taiwan University</li> <li>• Master, Electronic Engineering Department, National Taiwan University</li> <li>• Bachelor, Electronic Engineering Department, National Taiwan University</li> <li>• Product Director , Aver Media</li> </ul>	NA

			<ul style="list-style-type: none"> <li>• R&amp;D Director, Aver media</li> </ul>	
Director	Shiu-Ta Liao	1,807,897	<ul style="list-style-type: none"> <li>• Bachelor, Business Administration Department, Feng Chia University</li> <li>• Consultant of Tatungchinaware Co., Ltd.</li> </ul>	NA
Director	Se-Se Chen	1,261,416	<ul style="list-style-type: none"> <li>• Kai Ping Senior High School</li> </ul>	NA
Director	Chen-Lin Kuo	0	<ul style="list-style-type: none"> <li>• Bachelor, Business Department, National Taiwan University</li> <li>• Master, Business Management Department, New Mexico Highlands University</li> <li>• Specialist, Tax Reform Committee, Executive Yuan</li> <li>• Deputy Director, Fiscal Information Agency, Ministry of Finance</li> <li>• Associate Professor, Management Sciences Department, Tamkang University</li> </ul>	NA
Independent Director	Ching-Jen Chang	0	<ul style="list-style-type: none"> <li>• EMBA, Accounting and Management Decision-Making, National Taiwan University</li> <li>• Bachelor, Accounting Department, National Chengchi University</li> <li>• T N Soong &amp; Co</li> <li>• Deloitte &amp; Touche</li> </ul>	No
Independent Director	Chung-Jen Chen	0	<ul style="list-style-type: none"> <li>• PhD, Rensselaer Polytechnic Institute</li> <li>• Associate Dean, Office of Research and Development, National Taiwan University</li> <li>• Associate Professor, Business Administration Department, National Taiwan University</li> <li>• Associate Professor, Business Administration Department, National Cheng Kung University</li> <li>• Assistant Professor, Business Administration Department, National Cheng Kung University</li> <li>• Vice Engineer, CTCI</li> </ul>	Yes/ Taking into consideration of the nominee's rich academic and industrial experience and appropriate advice and guidance on company operations and business analysis, the Company believes the nominee can continue to supervise the operation of the company and has obvious benefits to it.
Independent Director	Chun-Chung Chen	0	<ul style="list-style-type: none"> <li>• PhD, International Business Administration, University of Texas at Dallas</li> <li>• Associate Professor, International Business Department, National Taiwan University</li> <li>• Associate Professor, International</li> </ul>	No

			Business Department, Yuan Ze University <ul style="list-style-type: none"> <li>Assistant Professor, International Business Department, National Chi Nan University</li> </ul>	
Independent Director	Wei-Jen Chu	0	<ul style="list-style-type: none"> <li>Master, Accounting Department, National Chengchi University</li> <li>PhD, Management of Jinan University in Guangzhou</li> <li>Commissioner, CPA Professional Liability of Auditing Examination Committee, National Federation of CPA Associations of the R.O.C.</li> <li>Executive Director, National Federation of CPA Association of the R.O.C.</li> <li>Senior Partner of Candor Taiwan CPAs</li> <li>Executive Director, Taipei CPA Association</li> <li>Executive Supervisor, Taipei CPA Association</li> <li>Commissioner, Discipline Committee, Taiwan Provincial CPA Association</li> <li>Adjunct Instructor, Fu Jen Catholic University</li> <li>Adjunct Instructor, Chinese Culture University</li> </ul>	Yes/Taking into consideration of the nominee's financial and accounting profession and corporate governance expertise and appropriate advice and guidance on company operations and business analysis, the Company believes the nominee can continue to supervise the operation of the company and has obvious benefits to it.

(4). About Rules for the Election of Directors, please refer to the Attachment 5.

(5). Please proceed to elect.

**The results of the election of directors:**

Title	Name	Votes Received
Director	Sun-Chung Chen	78,592,822
Director	Shang-Jen Chen	68,000,000
Director	Shiu-Ta Liao	66,000,000
Director	Se-Se Chen	65,000,000
Director	Yung-Da Lin	64,000,000
Director	Chen-Lin Kuo	63,000,000
Independent Director	Wei-Jen Chu	60,618,767
Independent Director	Chung-Jen Chen	58,278,183
Independent Director	Chun-Chung Chen	57,297,995
Independent Director	Ching-Jen Chang	56,638,653

## IX. Discussion

1.

Proposed by the Board

### Proposal:

Amendments to Rules of Procedure for Shareholders' Meetings. Please proceed to discuss.

### Explanation:

- (1). In accordance with the rule No. 11100042501 issued by the Taiwan Stock Exchange Corporation on March 8, 2022 and in response to that shareholders' meetings may be convened in means of visual communication or other methods to meet the needs of practical operations and changes in laws and regulations, the company hereby proposes to amend Rules of Procedure for Shareholders' Meetings.
- (2). The Comparison Table for the Amendments to the "Rules of Procedure for Shareholders' Meetings" is attached below. Please proceed to discuss.

## ATEN INTERNATIONAL CO., LTD.

### The Comparison Table for the Amendments to the "Rules of Procedure for Shareholders' Meetings"

	Original Articles	Amended Articles	Notes
1	<p>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 plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>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.</p> <p>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</p>	<p>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, <u>and the shares checked in on the virtual meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>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.</p> <p>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</p>	<p>Amend the article according to the regulation. Relevant regulations on the virtual shareholders meetings had been added.</p>

	Original Articles	Amended Articles	Notes
	<p>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.</p> <p>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.</p> <p>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.</p>	<p>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. <u>In the event of a virtual shareholders meeting, the Company shall also declare the meeting failed to be convened at the virtual meeting platform.</u></p> <p>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. <u>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.</u></p> <p>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.</p>	
2	<p>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.</p> <p>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.</p>	<p>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.</p> <p>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.</p>	Amend the article according to the regulation. Relevant regulations on the virtual shareholders meetings had been added.

	Original Articles	Amended Articles	Notes
	<p>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.</p> <p>If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>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.</p> <p>Where an institutional shareholder has appointed two or more representatives to attend the General Shareholders' Meeting, only one representative may speak per proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>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.</p> <p>If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>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.</p> <p>Where an institutional shareholder has appointed two or more representatives to attend the General Shareholders' Meeting, only one representative may speak per proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>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.</u></p>	
3	<p>Article 13 <u>Matters not specified in these Rules shall be handled in accordance with the Company Act.</u></p>	<p>Article 13 <u>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.</u></p>	<p>1. Delete duplicate regulation. 2. Amend the article according to the regulation. Relevant regulations on the virtual shareholders meetings had been added.</p>

	Original Articles	Amended Articles	Notes
4	<p>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.</p>	<p>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.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>	<p>Amend the article according to the regulation. Relevant regulations on the virtual shareholders meetings had been added.</p>

**Resolution:** The number of voting rights for approval is 64,727,329, the number of voting rights for rejection is 15,060, the number of voting rights for invalidity is 0, the number of voting rights for abstention is 8,507,865, and 88.36% of the total voting rights voted for approval when votes were cast. The above proposal was submitted as proposed.

## 2. **Proposed by the Board**

### **Proposal:**

Proposal to release the Prohibition on Directors from Participation in Competitive Business. Please proceed to discuss.

### **Explanation:**

- (1). According to the Company Act article 209, a director who acts for himself or on behalf of another person that is within the scope of the company's business, shall clarify the essential content of his act to the meeting of shareholders and secure annual shareholders' meeting's approval.
- (2). For the newly elected board of directors, it is proposed to request to release the prohibition on directors from participation in competitive business. Please proceed to discuss.
- (3). The details of director (including independent director) candidates holding other company positions are attached below.

## ATEN INTERNATIONAL CO., LTD.

The details of director candidates holding other company positions

Serial number	Account numbers	Name	Concurrent Positions Held at Other Companies
1	7	Sun-Chung Chen	Chairman, Xiufeng Elementary School Education Foundation Chairman and President, Aten Technology Inc. Chairman and President, Aten New Jersey Inc. Chairman, Aten Korea Co., Ltd. Chairman, Aten Computer Products Co., Ltd. Director, Vision Factory Co., LTD
2	6	Shang-Jen Chen	Chairman and President, Vision Factory Co., LTD Chairman, The Ching-Tang Education Foundation
3	46822	Yung-Da Lin	Director, Aten Technology Inc. Director, Aten New Jersey Inc. Director, Aten Korea Co., Ltd.
4	*	Chung-Jen Chen	Independent Director, USUN Technology Co., LTD Independent Director, Solteam Incorporation
5	*	Wei-Jen Chu	Independent Director, International Games System Co., Ltd.

**Resolution:** The number of voting rights for approval is 64,694,084, the number of voting rights for rejection is 53,306, the number of voting rights for invalidity is 0, the number of voting rights for abstention is 8,502,864, and 88.31% of the total voting rights voted for approval when votes were cast. The above proposal was submitted as proposed.

## X. Questions and Motions:

Summary of Shareholders' Statements:

Shareholder Account Number: 47183. Question:

With regard to the question raised by the Bank during the shareholders' meeting of your company, we will focus on your company's carbon reduction goal implementation status, commitment on SBT, and future participation in SBTi. With regard to the participation in this plan, we also determine whether there has been any specific schedule planning.

Chairman's response:

Environmental protection and sustainable development are everyone's responsibility. With regard to the challenge of global climate change, ATEN has decided to take

actions actively in order to respond to the government's policy and to meet the expectation of all stakeholders. We will fully support all relevant actions taken in response to climate change and has also set the goal of achieving net zero emissions by 2050.

To achieve the goal of NetZero, ATEN needs to adopt prompt and decisive actions in order to reduce greenhouse gas emissions. Accordingly, we expect to participate in the Science Based Targets initiative (SBTi) in 2023. Accordingly, we are able to establish a measurable and verifiable carbon reduction path, in order to ensure the feasibility of our carbon reduction goal and to report our progress periodically. We believe that this will be able to increase ATEN's carbon reduction transparency and to allow all shareholders and stakeholders to understand our effort.

## **XI. Adjournment**

Please note that the above is an English translation version. If there is any discrepancy between the original Chinese version and this English translation, the Chinese version shall prevail.

### ATEN International Co., LTD.

#### 2022 Business Report

Companies across the globe were affected by several factors such as the shortage of materials, delays in transportation, and the Russo-Ukrainian conflict in 2022. These factors have increased the difficulties of corporate operations in the first half of the year but ATEN demonstrated corporate resilience and overcame these difficulties in the second half of the year to deliver impressive results. The Company benefited from the strong growth of high-end remote management products, racks, and power distribution unit products and attained an annual consolidated revenue of NT\$5.403 billion, which was a record high and a 5% increase from the same period in the previous year. The consolidated gross margin was 58.5%; net operating profit for the period was NT\$851 million; net income after tax for the period was NT\$733 million; and earnings per share after tax was NT\$6.11.

In terms of products and R&D, the manufacturing industry's shift to automated factories, sensor technologies, and artificial intelligence has powered cloud edge-computing solutions and increased opportunities for remote and off-site operations. ATEN will focus on the development of high-performance KVM-as-RCM (remote control & monitoring) management solutions and use secure KVM over IP deployment, flexible user settings, information security management, and priority restriction mechanisms to attain centralized control, maintain safe operations, and increase production capacity and production line efficiency. ATEN has integrated its product line resources in response to shifts in market trends toward low-contact hybrid settings. They include KVM switches, professional audio/video products, USB peripheral products, and the launch of comprehensive hybrid smart office solutions with high-definition screen resolution, intuitive boundless switching, USB peripheral sharing, dual-display output, and Video DynaSync™ features which help customers operate their devices smoothly and enhance the efficiency of multi-tasking between computers and different devices. ATEN's hybrid conference room solution includes the conference room booking system, integrated BYOD and all-in-one professional audio/video presentation switches, and ATEN Control System Gen. It is also equipped with the professional audio system (amplifier and ceiling loudspeaker) which satisfy the needs for collaboration and cooperation in the conference room and make office life easier. In terms of green energy and rack products, ATEN has launched the brand-new three-phase power distribution unit (PDU), which supports IT equipment with high power and high energy consumption. It enhances energy conservation and capacity and satisfies the demand for high-density racks in data centers. ATEN focuses on customized quiet racks with functional and aesthetic designs to target small-setting markets such as offices and auditoriums. In response to the rapid growth of business opportunities in the audio market, ATEN has launched a brand-new AI Chinese speech synthesis service called ATEN AI Voice. It provides AI-based text to speech (TTS) services and uses independently developed AI algorithms and acoustic technologies to create clear, natural, and smooth AI speech synthesis and effectively mitigate rigid robotic accents. ATEN AI Voice can also help companies and brands save immense recording costs. With instantaneous speech synthesis, companies no longer need to spend a fortune on finding voice actors and renting a recording studio. They only need to type text to produce the optimal AI-generated human voices. In addition, to ensure information security of cloud services, ATEN AI Voice offers competitive advantages in the form of instantaneous speech synthesis on hardware, instead of focusing on cloud services like mainstream competitors. This feature prevents possible leaks of companies' speech synthesis data and protects customers' information security.

In terms of the sales strategy, when COMPUTEX reverted to in-person exhibitions last year,

ATEN also actively participated in the exhibition and showcased a series of hybrid smart office solutions of the future. The main applications include Podcast AI digital sound mixing studio, hybrid online and offline conference room, smart manufacturing and future control room, office applications, flexible work hours, and AI speech synthesis, which can quickly satisfy customer demand and respond to market changes. The Company attended the SEMICON Taiwan 2022 international semiconductor exhibition in September and showcased the latest smart manufacturing solutions for machinery, including the information security management mechanisms, priority access controls, and tri-color signal communication. In addition to showcasing ATEN's signal control and transmission of related technologies, we also focused on user demand as the basis of development. We completed the digital transformation in the existing plant environment of high-tech plant users and created real benefits for the management and onsite OP personnel. The product awards received by ATEN in the past year included Computex 2022 Best Choice Award, Good Design Award 2022, 2022 Innovative Product Awards, 2022 Best of Show InfoComm, and Taiwan Excellence Award. ATEN was also placed in the "Innovative R&D Category" of the first "New Taipei City Enterprise Classic Award" in 2022, and it fully demonstrated the Company's outstanding capacity for product R&D and innovation.

ATEN received the "National No.1 Award" in the 19th National Brand Yushan Award Outstanding Enterprise Category last year and was the only company in the computer and peripheral device category to win the award. It was a testament to the Company's sustainable brand vision, outstanding product quality, global brand development, and excellent innovation and R&D technologies, and recognition of ATEN's success in the global market and creation of an international brand. In terms of sustainable development, ATEN placed fifth in the Medium-sized Enterprises section of CommonWealth magazine's Corporate Citizenship Award, marking the 14th time that ATEN has won this award, which represents valued external recognition of ATEN's ESG efforts. In terms of social participation, ATEN has for many years now emphasized social participation and charitable activities. We established the ATEN Volunteer Club to encourage ATEN employees to get involved in activities that embody concern for society, and ATEN was honored in the 15th National Cultural Benefactor Awards organized by Taiwan's Ministry of Culture. In terms of its corporate commitment, ATEN is committed to providing a high level of care and creating a friendly workplace environment for employees. The Company received the award for Best Companies to Work for in Asia 2022 and WeCare Most Caring Companies Award 2022, and was rated as an excellent company for "family friendliness and work balance" by New Taipei City Government. In the future, ATEN will maintain its commitment to the principles of sustainable corporate development and of realizing a mutually beneficial relationship with stakeholders. While developing its core business areas to achieve outstanding operational performance, ATEN will also continue to implement CSR measures. In response to the challenges of climate change, ATEN sets its target for attaining net zero emissions by 2050 and plans to reduce carbon emissions at the Taiwan headquarters and Xizhi production site by 50% by 2030, so as to bring about the ongoing extension of this "virtuous cycle," and to help build a better future.

ATEN International Co., LTD.

Chairman : Sun-Chung Chen

President : Sun-Chung Chen

Chief Accountant : Wayne Tyan

## **Attachment 2**

ATEN International Co., LTD.

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

The Board of Directors has prepared the Company's 2022 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 2023 General Shareholders Meeting of ATEN International Co., LTD.

ATEN International Co., LTD.

Chairman of the Audit Committee : Wei-Jen Chu

March 14, 2023

### Independent Auditors' Report

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

#### Opinion

We have audited the parent company only financial statements of ATEN INTERNATIONAL CO., LTD. ("the Company"), which comprise the balance sheet as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant 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, 2022 and 2021, 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 Auditing and Attestation of Financial Statements by 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 Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. 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, 2022. 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(p) 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(e) 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 auditor's 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 auditor's 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 auditor's 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 Po-Shu Huang and Chung-Shun Wu.

KPMG

Taipei, Taiwan (Republic of China)  
March 14, 2023

#### **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, which comprise the consolidated balance sheet as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of ATEN INTERNATIONAL CO., LTD. and its subsidiaries as of December 31, 2022 and 2021, 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 Auditing and Attestation of Financial Statements by 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 Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. 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, 2022. 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(q) 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(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.

## **Other Matter**

ATEN INTERNATIONAL CO., LTD. has prepared its parent company only financial statements as of and for the years ended December 31, 2022 and 2021, 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 auditor's 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 Po-Shu Huang and Chung-shun Wu.

KPMG

Taipei, Taiwan (Republic of China)

March 14, 2023

#### **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.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)  
**ATEN INTERNATIONAL CO., LTD.**  
**Balance Sheets**  
**December 31, 2022 and 2021**  
(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	<b>Current assets:</b>					21xx	<b>Current liabilities:</b>				
1100	Cash and cash equivalents (note 6(a))	\$ 516,127	8	936,655	15	2100	Short-term borrowings (note 6(i))	\$ 65,808	1	91,543	2
1110	Financial assets at fair value through profit or loss – current (note 6(b))	608,690	10	483,863	8	2120	Financial liabilities at fair value through profit or loss – current (note 6(b))	9,197	-	398	-
1120	Financial assets at fair value through other comprehensive income – current (note 6(c))	6,371	-	6,941	-	2150	Notes payable	92	-	67	-
1170	Accounts receivable, net (note 6(d))	96,162	1	175,990	3	2170	Accounts payable	278,468	5	197,548	3
1180	Accounts receivable – related parties, net (notes 6(d) and 7)	677,924	11	503,602	8	2180	Accounts payable – related parties (note 7)	75,879	1	129,775	2
130x	Inventories (note 6(e))	743,178	12	500,601	8	2200	Other payables (notes 6(l) and (q))	382,691	6	372,927	6
1410	Prepayments	12,050	-	22,304	-	2220	Other payables – related parties (note 7)	195,691	3	198,216	3
1470	Other current assets	24,259	-	20,771	-	2230	Current tax liabilities	148,211	2	230,444	4
	<b>Total current assets</b>	<u>2,684,761</u>	<u>42</u>	<u>2,650,727</u>	<u>42</u>	2250	Provisions – current (note 6(j))	27,052	1	25,680	-
15xx	<b>Non-current assets:</b>					2280	Current lease liabilities (note 6(k))	2,480	-	2,677	-
1517	Financial assets at fair value through other comprehensive income – non-current (note 6(c))	27,617	-	21,617	-	2399	Other current liabilities	18,360	-	11,626	-
1550	Investments accounted for under equity method (note 6(f))	1,381,633	22	1,365,140	22		<b>Total current liabilities</b>	<u>1,203,929</u>	<u>19</u>	<u>1,260,901</u>	<u>20</u>
1600	Property, plant and equipment (notes 6(g) and 7)	1,970,294	31	1,992,647	32	25xx	<b>Non-Current liabilities:</b>				
1755	Right-of-use assets (note 6(h))	4,873	-	5,624	-	2560	Non-current tax liabilities	26,580	-	89,550	2
1840	Deferred income tax assets (note 6(m))	143,732	3	118,896	2	2570	Deferred income tax liabilities (note 6(m))	127,302	2	126,024	2
1920	Refundable deposits	934	-	917	-	2580	Non-current lease liabilities (note 6(k))	2,228	-	2,709	-
1980	Other financial assets – non-current (notes 8 and 9)	105,587	2	105,546	2	2640	Net defined benefit liabilities – non-current (note 6(l))	78,092	2	87,918	1
	<b>Total non-current assets</b>	<u>3,634,670</u>	<u>58</u>	<u>3,610,387</u>	<u>58</u>	2645	Deposits received	905	-	730	-
						2650	Credit in investments accounted for under equity method (note 6(f))	42,078	1	-	-
						2670	Other non-current liabilities	13,489	-	11,012	-
							<b>Total non-current liabilities</b>	<u>290,674</u>	<u>5</u>	<u>317,943</u>	<u>5</u>
						2xxx	<b>Total liabilities</b>	<u>1,494,603</u>	<u>24</u>	<u>1,578,844</u>	<u>25</u>
							<b>Equity (note 6(n)):</b>				
						3110	Common stock	1,194,711	19	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	1,493,727	24	1,493,727	24
						3320	Special reserve	228,910	3	189,465	3
						3350	Unappropriated retained earnings	1,780,024	28	1,716,314	27
								<u>3,502,661</u>	<u>55</u>	<u>3,399,506</u>	<u>54</u>
						3400	Other equity interest:				
						3410	Financial statements translation differences for foreign operations	(171,173)	(3)	(211,146)	(3)
						3420	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(18,334)	-	(17,764)	-
								<u>(189,507)</u>	<u>(3)</u>	<u>(228,910)</u>	<u>(3)</u>
						3xxx	<b>Total equity</b>	<u>4,824,828</u>	<u>76</u>	<u>4,682,270</u>	<u>75</u>
						2-3xxx	<b>Total liabilities and equity</b>	<u>\$ 6,319,431</u>	<u>100</u>	<u>\$ 6,261,114</u>	<u>100</u>
	<b>Total assets</b>	<u>\$ 6,319,431</u>	<u>100</u>	<u>6,261,114</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, 2022 and 2021

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

	2022		2021	
	Amount	%	Amount	%
4000 <b>Operating revenue (notes 6(p) and 7)</b>	\$ 3,764,197	100	3,366,103	100
5000 <b>Operating costs (notes 6(e), (g), (h), (j), (k), (l), (q) and 7)</b>	1,764,703	47	1,575,830	47
5900 <b>Gross profit from operations</b>	1,999,494	53	1,790,273	53
5920 Add: Changes in unrealized profit	(100,897)	(3)	50,929	2
5900 <b>Gross profit</b>	1,898,597	50	1,841,202	55
6000 <b>Operating expenses (notes 6(g), (h), (k), (l), (q) and 7):</b>				
6100 Selling expenses	397,914	10	366,775	11
6200 Administrative expenses	315,303	8	293,852	9
6300 Research and development expenses	517,614	14	498,696	15
<b>Total operating expenses</b>	1,230,831	32	1,159,323	35
6900 <b>Operating profit</b>	667,766	18	681,879	20
7000 <b>Non-operating income and expenses (notes 6(f), (k), (r) and 7):</b>				
7100 Interest income	4,548	-	896	-
7010 Other income	57,025	2	49,490	1
7020 Other gains and losses	17,591	-	(10,330)	-
7050 Finance costs	(1,370)	-	(2,433)	-
7375 Share of profit of subsidiaries and associates accounted for under equity method	90,916	2	101,112	3
<b>Total non-operating income and expenses</b>	168,710	4	138,735	4
7900 <b>Profit from continuing operations before tax</b>	836,476	22	820,614	24
7950 <b>Less: Income tax expenses (note 6(m))</b>	106,976	3	183,301	5
<b>Net income</b>	729,500	19	637,313	19
8300 <b>Other comprehensive income (notes 6(m) and (n)):</b>				
8310 <b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8311 Gains (losses) on remeasurements of defined benefit plans	8,191	-	(5,298)	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(570)	-	(1,338)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	1,704	-	(1,699)	-
Components of other comprehensive income that will not be reclassified to profit or loss	5,917	-	(4,937)	-
8360 <b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361 Exchange differences on translation of foreign financial statements	39,973	1	(103,988)	(3)
8380 Share of other comprehensive income of subsidiaries and associates accounted for using equity method	365	-	(155)	-
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	40,338	1	(104,143)	(3)
8300 <b>Other comprehensive income</b>	46,255	1	(109,080)	(3)
8500 <b>Total comprehensive income</b>	\$ 775,755	20	528,233	16
9750 <b>Basic earnings per share (in New Taiwan dollars) (note 6(o))</b>	\$ 6.11		5.33	
9850 <b>Diluted earnings per share (in New Taiwan dollars) (note 6(o))</b>	\$ 5.99		5.25	

(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, 2022 and 2021**  
(Expressed in Thousands of New Taiwan Dollars)

		Share capital		Retained earnings			Total other equity interest		Total	Total equity	
		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
<b>Balance at January 1, 2021</b>	A1	\$ 1,194,711	316,963	1,465,181	145,188	1,789,407	3,399,776	(107,158)	(17,058)	(124,216)	4,787,234
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	B1	-	-	28,546	-	(28,546)	-	-	-	-	-
Special reserve appropriated	B3	-	-	-	44,277	(44,277)	-	-	-	-	-
Cash dividends of ordinary share	B5	-	-	-	-	(633,197)	(633,197)	-	-	-	(633,197)
Net income	D1	-	-	-	-	637,313	637,313	-	-	-	637,313
Other comprehensive income	D3	-	-	-	-	(4,386)	(4,386)	(103,988)	(706)	(104,694)	(109,080)
Total comprehensive income	D5	-	-	-	-	632,927	632,927	(103,988)	(706)	(104,694)	528,233
<b>Balance at December 31, 2021</b>	Z1	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
<b>Balance at December 31, 2022</b>	Z1	<u>\$ 1,194,711</u>	<u>316,963</u>	<u>1,493,727</u>	<u>228,910</u>	<u>1,780,024</u>	<u>3,502,661</u>	<u>(171,173)</u>	<u>(18,334)</u>	<u>(189,507)</u>	<u>4,824,828</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, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

		2022	2021
AAAA	<b>Cash flows from operating activities:</b>		
A10000	Net income before tax	\$ 836,476	820,614
A20000	<b>Adjustments:</b>		
A20010	Adjustments to reconcile profit and loss		
A20100	Depreciation expense	57,993	57,767
A20900	Interest expenses	1,370	2,433
A21200	Interest income	(4,548)	(896)
A21300	Dividend income	(592)	(532)
A22400	Share of profit of associates accounted for under equity method	(90,916)	(101,112)
A22500	Gains on disposal of property, plant and equipment	(118)	(251)
A22600	Property, plant and equipment transferred to expenses	69	11
A23900	Unrealized gains (losses) from sales	100,897	(50,929)
A2990-1	Gains on lease modification	(49)	874
A2990-2	Others	(210)	-
A20010	Total adjustments to reconcile profit and loss	63,896	(92,635)
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	(124,827)	1,316,272
A31150	Accounts receivable	79,828	(16,644)
A31160	Accounts receivable—related parties	(174,322)	5,288
A31200	Inventories	(242,638)	(66,551)
A31230	Prepayments	10,254	(13,776)
A31240	Other current assets	(3,024)	652
A31000	Total changes in operating assets, net	(454,729)	1,225,241
A32000	Net changes in operating liabilities:		
A32110	Financial liabilities held for trading	8,799	(6,636)
A32130	Notes payable	25	(166)
A32150	Accounts payable	80,920	36,549
A32160	Accounts payable—related parties	(53,896)	53,356
A32180	Other payable	9,764	(54,591)
A32190	Other payable—related parties	(2,525)	(2,931)
A32200	Provisions	1,372	403
A32230	Other current liabilities	6,734	2,371
A32240	Net defined benefit liabilities	(1,635)	(8,969)
A32990	Other non-current liabilities	2,477	5,769
A32000	Total changes in operating liabilities, net	52,035	25,155
A30000	Total changes in operating assets / liabilities, net	(402,694)	1,250,396
A20000	Total adjustments	(338,798)	1,157,761
A33000	Cash provided by operating activities	497,678	1,978,375
A33200	Dividends received	70,683	66,705
A33500	Payment of income tax	(277,441)	(64,108)
AAAA	<b>Net cash provided by operating activities</b>	290,920	1,980,972
BBBB	<b>Cash flows from investing activities:</b>		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(6,000)	-
B01800	Acquisition of investments accounted for using equity method	(14,026)	(177,724)
B02700	Acquisition of property, plant and equipment	(33,584)	(359,779)
B02800	Proceeds from disposal of property, plant and equipment	611	568
B03700	Increase in refundable deposits	(17)	(469)
B06500	Decrease (increase) in other financial assets—non-current	(41)	965
B07500	Interest received	4,548	896
BBBB	<b>Net cash used in investing activities</b>	(48,509)	(535,543)
CCCC	<b>Cash flows from financing activities:</b>		
C00100	Decrease in short-term borrowings	(26,570)	(138,431)
C03000	Increase (decrease) in deposits received	175	(385)
C04020	Payment of lease liabilities	(2,812)	(2,899)
C04500	Cash dividends paid	(633,197)	(633,197)
C05600	Interest paid	(1,370)	(2,433)
CCCC	<b>Net cash used in financing activities</b>	(663,774)	(777,345)
DDDD	<b>Effect of exchange rate changes on cash and cash equivalents</b>	835	(3,273)
EEEE	<b>Net increase (decrease) in cash and cash equivalents</b>	(420,528)	664,811
E00100	<b>Cash and cash equivalents at beginning of period</b>	936,655	271,844
E00200	<b>Cash and cash equivalents at end of period</b>	\$ 516,127	936,655

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**ATEN INTERNATIONAL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**December 31, 2022 and 2021**  
(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	<b>Current assets:</b>					21xx	<b>Current liabilities:</b>				
1100	Cash and cash equivalents (note 6(a))	\$ 1,225,659	17	1,565,739	22	2100	Short-term borrowings (notes 6(j) and 8)	\$ 622,189	9	541,731	7
1110	Financial assets at fair value through profit or loss – current (note 6(b))	700,969	10	606,829	9	2322	Current portion of long-term borrowings (notes 6(j) and 8)	5,236	-	5,012	-
1120	Financial assets at fair value through other comprehensive income – current (note 6(c))	6,371	-	6,941	-	2120	Financial liabilities at fair value through profit or loss – current (note 6(b))	10,869	-	696	-
1140	Contract assets – current (note 6(q))	5,990	-	8,678	-	2150	Notes payable	1,366	-	2,146	-
1150	Notes receivable, net (notes 6(d) and (q))	7,136	-	8,282	-	2170	Accounts payable	466,549	6	432,706	6
1170	Accounts receivable, net (notes 6(d) and (q))	733,627	10	862,120	12	2219	Other payable (notes 6(m) and (r))	586,893	8	571,739	8
1200	Other receivables (note 6(e))	20,842	-	17,150	-	2230	Current tax liabilities	189,492	3	257,803	4
130x	Inventories (note 6(f))	1,497,000	21	1,021,449	14	2250	Provisions – current (note 6(k))	27,052	-	25,680	-
1410	Prepayments	86,797	1	92,720	1	2280	Current lease liabilities (note 6(l))	65,809	1	101,947	1
1470	Other current assets	14,112	-	14,394	-	2399	Other current liabilities	101,687	1	112,399	2
	<b>Total current assets</b>	<b>4,298,503</b>	<b>59</b>	<b>4,204,302</b>	<b>58</b>		<b>Total current liabilities</b>	<b>2,077,142</b>	<b>28</b>	<b>2,051,859</b>	<b>28</b>
15xx	<b>Non-current assets:</b>					25xx	<b>Non-Current liabilities:</b>				
1517	Financial assets at fair value through other comprehensive income – non-current (note 6(c))	27,617	-	21,617	-	2540	Long-term borrowings (notes 6(j) and 8)	-	-	5,014	-
1600	Property, plant and equipment (notes 6(g), 7, 8 and 9)	2,583,668	35	2,586,485	35	2560	Non-current tax liabilities	26,580	-	89,550	1
1755	Right-of-use assets (note 6(h))	109,301	1	180,389	3	2570	Deferred income tax liabilities (note 6(n))	179,995	3	177,909	3
1780	Intangible assets (note 6(i))	6,949	-	10,314	-	2580	Non-current lease liabilities (note 6(l))	47,483	1	84,894	1
1840	Deferred income tax assets (note 6(n))	179,858	3	152,944	2	2640	Net defined benefit liabilities – non current (note 6(m))	79,880	1	90,318	1
1915	Prepayments for equipment	5,805	-	2,145	-	2645	Deposits received	905	-	730	-
1920	Refundable deposits	31,005	-	26,816	-	2670	Other non-current liabilities	53,287	1	48,758	1
1980	Other financial assets – non-current (notes 8 and 9)	105,587	2	105,546	2		<b>Total non-current liabilities</b>	<b>388,130</b>	<b>6</b>	<b>497,173</b>	<b>7</b>
1990	Other non-current assets	2,161	-	2,271	-	2xxx	<b>Total liabilities</b>	<b>2,465,272</b>	<b>34</b>	<b>2,549,032</b>	<b>35</b>
	<b>Total non-current assets</b>	<b>3,051,951</b>	<b>41</b>	<b>3,088,527</b>	<b>42</b>		<b>Equity attributable to shareholders of the company (note 6(o)):</b>				
						3110	Common stock	1,194,711	16	1,194,711	16
						3200	Capital surplus:				
						3210	Additional paid-in capital	316,913	4	316,913	4
						3250	Donated assets received	50	-	50	-
								<b>316,963</b>	<b>4</b>	<b>316,963</b>	<b>4</b>
						3300	Retained earnings:				
						3310	Legal reserve	1,493,727	20	1,493,727	20
						3320	Special reserve	228,910	3	189,465	3
						3350	Unappropriated retained earnings	1,780,024	24	1,716,314	24
								<b>3,502,661</b>	<b>47</b>	<b>3,399,506</b>	<b>47</b>
						3400	Other equity interest:				
						3410	Financial statements translation differences for foreign operations	(171,173)	(2)	(211,146)	(3)
						3420	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(18,334)	-	(17,764)	-
								<b>(189,507)</b>	<b>(2)</b>	<b>(228,910)</b>	<b>(3)</b>
							<b>Total equity attributable to shareholders of the company</b>	<b>4,824,828</b>	<b>65</b>	<b>4,682,270</b>	<b>64</b>
						36xx	<b>Non-controlling interests</b>	<b>60,354</b>	<b>1</b>	<b>61,527</b>	<b>1</b>
						3xxx	<b>Total equity</b>	<b>4,885,182</b>	<b>66</b>	<b>4,743,797</b>	<b>65</b>
	<b>Total assets</b>	<b>\$ 7,350,454</b>	<b>100</b>	<b>7,292,829</b>	<b>100</b>	2-3xxx	<b>Total liabilities and equity</b>	<b>\$ 7,350,454</b>	<b>100</b>	<b>7,292,829</b>	<b>100</b>

(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, 2022 and 2021**  
(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

	2022		2021	
	Amount	%	Amount	%
4000 <b>Operating revenue (note 6(q))</b>	\$ 5,403,167	100	5,163,691	100
5000 <b>Operating costs (notes 6(f), (g), (h), (k), (l), (m) and (r))</b>	<u>2,239,803</u>	<u>41</u>	<u>2,155,200</u>	<u>42</u>
5900 <b>Gross profit</b>	<u>3,163,364</u>	<u>59</u>	<u>3,008,491</u>	<u>58</u>
6000 <b>Operating expenses (notes 6(d), (g), (h), (i), (l), (m), (r) and 7):</b>				
6100 Selling expenses	1,273,916	24	1,221,588	24
6200 Administrative expenses	527,265	10	487,707	9
6300 Research and development expenses	512,511	9	493,622	10
6450 Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	<u>(1,030)</u>	<u>-</u>	<u>201</u>	<u>-</u>
<b>Total operating expenses</b>	<u>2,312,662</u>	<u>43</u>	<u>2,203,118</u>	<u>43</u>
6900 <b>Operating profit</b>	<u>850,702</u>	<u>16</u>	<u>805,373</u>	<u>15</u>
7000 <b>Non-operating income and expenses (notes 6(j), (l) and (s)):</b>				
7100 Interest income	6,077	-	1,675	-
7010 Other income	30,781	1	98,368	2
7020 Other gains and losses	25,219	-	(19,481)	-
7050 Finance costs	<u>(21,532)</u>	<u>-</u>	<u>(17,744)</u>	<u>-</u>
<b>Total non-operating income and expenses</b>	<u>40,545</u>	<u>1</u>	<u>62,818</u>	<u>2</u>
7900 <b>Profit from continuing operations before tax</b>	891,247	17	868,191	17
7950 <b>Less: Income tax expenses (note 6(n))</b>	<u>158,356</u>	<u>3</u>	<u>223,893</u>	<u>5</u>
<b>Net income</b>	<u>732,891</u>	<u>14</u>	<u>644,298</u>	<u>12</u>
8300 <b>Other comprehensive income (note 6(o)):</b>				
8310 <b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>				
8311 Gains (losses) on remeasurements of defined benefit plans	8,804	-	(5,557)	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	<u>(570)</u>	<u>-</u>	<u>(1,338)</u>	<u>-</u>
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>1,704</u>	<u>-</u>	<u>(1,699)</u>	<u>-</u>
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	<u>6,530</u>	<u>-</u>	<u>(5,196)</u>	<u>-</u>
8360 <b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>				
8361 Exchange differences on translation of foreign financial statements	41,081	-	(106,713)	(2)
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	<u>41,081</u>	<u>-</u>	<u>(106,713)</u>	<u>(2)</u>
8300 <b>Other comprehensive income</b>	<u>47,611</u>	<u>-</u>	<u>(111,909)</u>	<u>(2)</u>
8500 <b>Total comprehensive income</b>	<u>\$ 780,502</u>	<u>14</u>	<u>532,389</u>	<u>10</u>
8600 <b>Net income attributable to:</b>				
8610 Shareholders of the parent	\$ 729,500	14	637,313	12
8620 Non-controlling interests	<u>3,391</u>	<u>-</u>	<u>6,985</u>	<u>-</u>
<b>Total comprehensive income attributable to:</b>	<u>\$ 732,891</u>	<u>14</u>	<u>644,298</u>	<u>12</u>
8700 <b>Total comprehensive income attributable to:</b>				
8710 Shareholders of the parent	\$ 775,755	14	528,233	10
8720 Non-controlling interests	<u>4,747</u>	<u>-</u>	<u>4,156</u>	<u>-</u>
<b>Total comprehensive income attributable to:</b>	<u>\$ 780,502</u>	<u>14</u>	<u>532,389</u>	<u>10</u>
<b>Basic earnings per share(in New Taiwan dollars) (note 6(p))</b>				
9750 Basic earnings per share	<u>\$ 6.11</u>		<u>5.33</u>	
9850 Diluted earnings per share	<u>\$ 5.99</u>		<u>5.25</u>	

(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, 2022 and 2021**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent						Total other equity interest			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				Total equity attributable to	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total				owners of parent	Non-controlling interests	Total equity		
<b>Balance at January 1, 2021</b>	A1	\$	1,194,711	316,963	1,465,181	145,188	1,789,407	3,399,776	(107,158)	(17,058)	(124,216)	4,787,234	63,707	4,850,941
Appropriation and distribution of retained earnings:														
Legal reserve appropriated	B1		-	-	28,546	-	(28,546)	-	-	-	-	-	-	-
Special reserve appropriated	B3		-	-	-	44,277	(44,277)	-	-	-	-	-	-	-
Cash dividends of ordinary share	B5		-	-	-	-	(633,197)	(633,197)	-	-	-	(633,197)	(6,336)	(639,533)
Net income	D1		-	-	-	-	637,313	637,313	-	-	-	637,313	6,985	644,298
Other comprehensive income	D3		-	-	-	-	(4,386)	(4,386)	(103,988)	(706)	(104,694)	(109,080)	(2,829)	(111,909)
Total comprehensive income	D5		-	-	-	-	632,927	632,927	(103,988)	(706)	(104,694)	528,233	4,156	532,389
<b>Balance at December 31, 2021</b>	Z1		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
<b>Balance at December 31, 2022</b>	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

(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, 2022 and 2021**  
(Expressed in Thousands of New Taiwan Dollars)

		2022	2021
AAAA	<b>Cash flows from operating activities:</b>		
A10000	Net income before tax	\$ 891,247	868,191
A20000	<b>Adjustments:</b>		
A20010	Adjustments to reconcile profit and loss		
A20100	Depreciation expense	214,544	210,521
A20200	Amortization expense	3,365	3,366
A20300	Impairment loss (reversal of impairment loss) determined in accordance with IFRS9	(1,030)	201
A20900	Interest expenses	21,532	17,744
A21200	Interest income	(6,077)	(1,675)
A21300	Dividend income	(592)	(532)
A22500	Losses on disposal of property, plant and equipment	357	1,249
A22600	Property, plant and equipment transferred to expenses	69	31
A2990-1	Long-term borrowings transferred to other income	-	(62,861)
A2990-2	Prepayments for equipment transferred to expenses	3,058	433
A2990-3	Losses (gains) on lease modification	(89)	2
A20010	Total adjustments to reconcile profit and loss	235,137	168,479
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	(94,140)	1,326,334
A31125	Contract assets	2,688	(7,146)
A31130	Notes receivable	1,146	1,292
A31150	Accounts receivable	129,440	(104,069)
A31180	Other receivable	(3,692)	(15,244)
A31200	Inventories	(479,918)	(6,838)
A31230	Prepayments	5,923	(25,076)
A31240	Other current assets	658	18,253
A31000	Total changes in operating assets, net	(437,895)	1,187,506
A32000	Net changes in operating liabilities:		
A32110	Financial liabilities held for trading	10,173	(7,162)
A32130	Notes payable	(780)	273
A32150	Accounts payable	33,843	81,839
A32180	Other payable	15,154	(39,195)
A32200	Provisions	1,372	403
A32230	Other current liabilities	(10,712)	42,631
A32240	Net defined benefit liabilities	(1,634)	(8,969)
A32990	Other non-current liabilities	4,529	(643)
A32000	Total changes in operating liabilities, net	51,945	69,177
A30000	Total changes in operating assets / liabilities, net	(385,950)	1,256,683
A20000	Total adjustments	(150,813)	1,425,162
A33000	Cash provided by operating activities	740,434	2,293,353
A33200	Dividends received	592	532
A33500	Payment of income tax	(316,169)	(97,510)
AAAA	<b>Net cash provided by operating activities</b>	424,857	2,196,375
BBBB	<b>Cash flows from investing activities:</b>		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(6,000)	-
B02700	Acquisition of property, plant and equipment	(83,299)	(528,685)
B02800	Proceeds from disposal of property, plant and equipment	1,162	1,483
B03700	Decrease (increase) in refundable deposits	(4,189)	968
B06500	Decrease (increase) in other financial assets — non-current	(41)	965
B06700	Decrease (increase) in other non-current assets	110	(1,953)
B07100	Increase in prepayments for equipment	(7,289)	(4,552)
B07500	Interest received	6,077	1,675
BBBB	<b>Net cash used in investing activities</b>	(93,469)	(530,099)
CCCC	<b>Cash flows from financing activities:</b>		
C00100	Increase (decrease) in short-term borrowings	79,623	(236,775)
C01600	Proceeds from long-term debt	-	31,178
C01700	Repayment of long-term borrowings	(5,016)	(15,165)
C03000	Increase (decrease) in deposits received	175	(385)
C04020	Payment of lease liabilities	(109,282)	(101,847)
C04500	Cash dividends paid	(639,117)	(639,533)
C05600	Interest paid	(21,532)	(17,744)
CCCC	<b>Net cash used in financing activities</b>	(695,149)	(980,271)
DDDD	<b>Effect of exchange rate changes on cash and cash equivalents</b>	23,681	(62,168)
EEEE	<b>Increase in cash and cash equivalents for the period</b>	(340,080)	623,837
E00100	<b>Cash and cash equivalents at beginning of period</b>	1,565,739	941,902
E00200	<b>Cash and cash equivalents at end of period</b>	\$ 1,225,659	1,565,739

**ATEN International Co., LTD.**  
**PROFIT DISTRIBUTION TABLE**  
**Year 2022**

(Unit: NTD \$ )

Items	Amount
Beginning retained earnings	1,330,402,912
Add : 2022 net profit after tax	729,499,510
Less : 10% legal reserve	72,949,951
Add : Reverse Special earnings reserves on reductions to shareholders' equity (Note1)	39,403,463
Add : Current change in remeasurements of defined benefit liability	6,486,858
Add : Share of other equity interest accounted for under equity method	365,109
<b>Distributable net profit</b>	<b>2,033,207,901</b>
Distributable items :	
Resolved distribution of interim earnings in 2022 (Note1)	286,730,798
Annual earnings as held for distribution (NT 3.3 per share)	394,254,848
<b>Unappropriated retained earnings</b>	<b>1,352,222,255</b>

Note1 : In the second quarter of 2022, due to the interim earnings distribution : the special reserve totaling NT 817,054 and the resolved cash dividend totaling NT 286,730,798 (NT 2.4 per share).

### Rules for the Election of Directors

- Article 1 Except as otherwise provided by laws and regulations or by the Company's articles of incorporation, elections of directors of the Company shall be conducted in accordance with these Rules.
- Article 2 The cumulative voting method shall be used for the election of directors at the Company. Each share will have voting rights in number equal to the directors to be elected and may be cast for a single candidate or split among multiple candidates.
- Article 3 Directors of the Company are elected by the shareholders from the director candidate roster. In addition, the number of directors shall be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest number of voting rights will be elected sequentially according to their respective number of votes. Where two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 4 If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "Candidate column" of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity certificate number. However, where the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. Where there are multiple representatives, the names of each respective representative shall be entered.
- Article 5 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 6 A ballot shall be deemed invalid under any of the following circumstances:
- I. The ballot provided by the board of directors is not used.
  - II. A blank ballot is placed in the ballot box.
  - III. The writing is unclear and indecipherable or has been altered.
  - IV. The candidate whose name is entered in the ballot is a shareholder and his/her account name and shareholder account number does not conform with the shareholder registry, or the candidate whose name is entered in the ballot is not a shareholder and does not conform with the name and identity certificate number provided.
  - V. Other words or marks are entered in addition to the candidate's account name (name) or shareholder account number (or identity certificate number) and the number of voting rights allotted.
  - VI. Where the account name of the candidate entered on the ballot is identical to that of another shareholder, but no shareholder account number or identity certificate number is provided on the ballot to identify such individual.
- Article 7 The qualification and election of independent directors of the Company shall comply with the provisions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". Elections of directors shall be conducted in accordance with the candidate nomination system and procedures

prescribed in Article 192-1 of the Company Act, and review of their qualifications, educational background, working experience, and the existence of any matters prescribed in Article 30 of the Company Act shall be conducted. Supporting documents for other additional qualifications shall not be listed arbitrarily.

Article 8 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. Each board member shall have the necessary knowledge, skill and quality to perform their duties; the overall abilities that must be present in the board as a whole shall comply with the Corporate Governance Best Practice Principles for the selection of board members.

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

The board of directors of the Company shall consider adjusting the composition of the board members based on the performance evaluation results.

Article 9 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 10 The voting rights shall be calculated on-site immediately after the end of the poll, and the result of the list of persons elected as directors and their respective number of voting rights won shall be announced by the chair on-site. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 11 Any matters not specified in these Rules shall be handled in accordance with the Company Act and relevant laws and regulations.

Article 12 These Rules shall take effect after the approval of the shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.