Stock Code: 3528

Answer Technology Co., Ltd.

2024 Regular Shareholders' Meeting

Handbook

Meeting format: Face-to-face shareholders' meeting

May 31, 2024

Meeting location: No. 128, Section 1, Datong Road, Xizhi District, New Taipei City (Fuji Grand Hotel)

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Answer Technology Co., Ltd.
Agenda of 2024 Regular Shareholders' Meeting

I. Meeting format: Face-to-face shareholders' meeting

II. Time: 9:00 a.m., Friday, May 31, 2024

III. Location: No. 128, Section 1, Datong Road, Xizhi District, New Taipei City (Fuji Grand Hotel)

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Reports:

No. 1 (Proposed by the Board of Directors)

Subject: The Company's 2023 business report is hereby presented for your review.

Description: Please refer to Attachment 1 on page 6~8 of this Handbook for the Company's 2023 business report.

No. 2 (Proposed by the Board of Directors)

Subject: Audit Committee’s review report on the 2023 final accounting reports is hereby presented for your review.

Description: For Audit Committee’s review report, please refer to Attachment 2 on page 9 of this Handbook.

No. 3 (Proposed by the Board of Directors)

Subject: The distribution of profit-sharing remuneration for employees and profit-sharing remuneration for directors for 2023 is hereby presented for your review.

Description:
1. In accordance with the Company's Articles of Incorporation, the Company shall distribute profit-sharing remuneration for employees in the amount of $12,217,000 and profit-sharing remuneration for directors in the amount of $2,932,000 for 2023, both in cash.
2. The proposal was approved by the Remuneration Committee on March 12, 2024, and submitted to the Board of Directors for deliberation in accordance with the law.

No. 4 (Proposed by the Board of Directors)

Subject: The distribution of cash dividends for 2023 is hereby presented for your review.

Description:
1. In accordance with Article 24 of the Company's Articles of Incorporation, where dividends or bonuses are paid out in cash, the Board of Directors may be delegated to carry it out, with a resolution adopted by more than half of the directors present at a board meeting attended by more than two-thirds of all directors and reported to the shareholders’ meeting.
2. The Company intends to distribute NTD 99,938,949 from earnings in accordance with the Company's Articles of Incorporation for 2023. Cash dividends are proposed to be paid at NTD 1.5 per share.
3. The distribution of cash dividends is based on the distribution ratio and calculated up to NTD 1. Any cash dividends less than NTD 1 are rounded off and recognized as other income by the company.
4. The Board of Directors has approved the proposal and authorized the chairperson to determine the ex-dividend date, payment date and other related matters.
5. In the event of any subsequent changes in dividend payout ratio due to a change in the number of outstanding common shares of the Company, the chairperson is authorized to deal with such changes with full authority.

No. 5 (Proposed by the Board of Directors)

Subject: The amendments to the Company's "Rules of Procedure for Board of Directors' Meetings" are hereby presented for your review.

Description: In line with the amendments to the relevant regulations by the competent authorities, the Company amended certain provisions of the "Rules of Procedure for Board of Directors' Meetings." Please refer to Attachment 5 on pages 21~28 of this Handbook for the comparison of the current and amended provisions.

Adoption:

No. 1 (Proposed by the Board of Directors)

Subject: The Company’s 2023 financial statements and business report are hereby presented for your adoption.

Description:
1. The Company's 2023 financial statements and business report were submitted to the Audit Committee for review and the Audit Committee has issued a written review report on record.
2. Please refer to Attachment 1 on pages 6~8 and Attachment 3 on pages 10~19 of this Handbook for the foregoing business report and financial statements, and we hereby request for your adoption.

Resolution:

No. 2 (Proposed by the Board of Directors)

Subject: The Company's earnings distribution proposal for 2023 is hereby presented for your adoption.

Description:
1. The Company's earnings appropriation proposal for 2023 has been prepared and approved by the Audit Committee on March 12, 2024.
2. Please refer to Attachment 4 on page 20 of this Handbook for the earnings distribution proposal approved by the Board of Directors, and we hereby request for your adoption.

Resolution:

Discussions:

Subject: Amendment to the Articles of Incorporation. Please proceed to discuss. **(Proposed by the Board of Directors)**

Description: It is proposed to change the Company’s English name and add vice chairman. For the comparison of the current and amended provisions, as well as the Articles of Incorporation before amendments, please refer to Attachment 6 on page 29 and Appendix 2 on pages 39-44 of this Handbook. Please proceed with the discussion.

Resolution:

Extraordinary motions

Adjournment

Attachment

Attachment 1

Answer Technology Co., Ltd.
2023 business report

I. Business results

(I) Implementation results of business plan

The Company's business results for 2023 are shown in the following table:

Unit: Thousands of NTD/%

Year / Item	2023	2022	Change percentage
Operating revenue	6,296,358	6,407,178	(1.73)
Operating gross profit	695,572	1,014,567	(31.44)
Net operating profit	378,059	584,361	(35.30)
Net profit after tax	109,829	373,985	(70.63)
Earnings per share (NTD)	1.65	5.65	(70.80)

The Company's operating revenue reached NTD 6.29 billion in 2023, similar to the revenue level in 2022. This is mainly due to the optimization of the two major application solutions and product portfolios of semiconductor testing and automation of industrial control, resulting in an increase in shipments of high-end integrated solutions. However, gross profit and net operating income decreased by 31.44% and 35.3%, respectively, compared to 2022. This decline was due to the impact of inventory destocking by semiconductor downstream manufacturers.

In addition, the U.S. Federal Reserve (Fed) has gradually raised interest rates since 2022 to curb inflation and mitigate the overly active market. As a result, the borrowing interest rates have been climbing, with the USD borrowing interest rate reaching 6% and higher. This increase has significantly raised the Company's financial costs in 2023. Coupled with the impact of the depreciation of the NTD, the profit decreased by 70.63% compared to 2022.

(II) Budget implementation status

The Company did not disclose its financial forecast for 2023 while the actual business conditions did not differ materially from the Company's internal planning.

(III) Financial receipts and expenditures and profitability analysis.

1. Financial income

The increase in the Company's net cash inflow from operating activities in 2023 was mainly due to the active destocking of inventory which accelerated inventory turnover. The increase in net cash outflow from investing activities was mainly due to the purchase of equipment. Net cash flow used in financing activities increased due to the increase in 2023 cash dividends compared with the previous year and the repayment of short-term loans.

Unit: Thousands of NTD

Year / Item	2023	2022
Net Profit before tax for the period	147,756	468,200
Net cash generated from (used in) operating activities	418,706	(754,520)
Net cash (used in) generated from investing activities	(16,082)	192,635
Net cash (used in) generated from financing activities	(333,852)	523,957
Net increase (decrease) in cash and cash equivalents	68,772	(37,928)
Balance of cash and cash equivalents at the beginning of the period	553,649	591,577
Ending cash and cash equivalents	622,421	553,649

2. Profitability analysis

The Company's shipments of integrated solutions in 2023 remained at the same level as in 2022. However, due to the gradual increase in interest rates by the U.S. Federal Reserve (Fed) to curb inflation, the USD borrowing interest rate reached 6% and higher. Consequently, the Company's financial costs increased significantly. Coupled with the depreciation of the NTD, various indicators of profitability declined significantly compared to the same period last year.

Unit: %

Year / Item	2023	2022
Return on assets	3.36	7.02
Return on shareholders' equity	5.82	19.64
Operating profit to paid-in capital ratio	56.74	88.05
Net profit before tax to paid-in capital ratio	22.18	70.55
Net profit margin	1.74	5.84
After-tax earnings per share (NTD)	1.65	5.65

3. Status of research and development

The Company's research and development work is mainly to provide customers with technical support services to resolve various problems arising from product applications, including drawing circuit diagrams, suggesting materials, providing design suggestions, providing test boards or solutions, etc. In addition, we continue to develop new product lines to provide customers with more comprehensive and competitive product options to meet their diverse needs.

II. Outline of 2024 Business Plan

(I) Business policies

The Company's 2024 business policies are as follows:

1. Continue to develop new product lines, as well as a diversified, comprehensive, and competitive product supply chain.

2. Expand product application market and enlarge the application field.
3. Strengthen the development of talents and lay the foundation for growth.
4. Consolidate the Group's resources to cultivate customers and expand the customer base.

(II) Estimated sales volume and its basis

The Company has not made public its financial forecast. The sales volume is estimated by referencing to the forecast of the market situation for 2024 by each supplier and the Company's assessment of customer demand, and based on the Company's expected achievement of the target, taking into account the overall industry and economic conditions, and adjusted according to the achievement status.

(III) Sales policy

The Company's sales policy focuses on industrial control customers and is divided into five main fields: analog logic, digital, audio and video transmission, defense and aerospace, and computer peripherals. In addition to optimizing existing product lines, the Company is actively developing new product lines with the goal of providing one-stop shopping services to customers and increasing its market share and profitability.

III. Impact of the external competitive environment, regulatory environment and overall business environment

The Company is mainly engaged in the distribution business. In recent years, the original manufacturers have been changing the distribution ecosystem through mergers and acquisitions, making it necessary for distributors to provide value-added services in order to occupy a place in the distribution industry. The Company has been providing technical support to customers, developing markets, and creating demand for a long time. Additionally, it has formed an alliance with the Japanese Macnica Group. The external competition and the overall business environment have not had a significant impact on the Company, nor have any regulations had a significant impact on the Company.

IV. Future development strategy of the Company

In addition to continuing to develop and actively strive for the distributorship of the product lines after the consolidation of the original manufacturers, the Company will also consolidate group resources to cultivate its customers, expand its customer base, provide complete and competitive solutions to cover a wider range of application markets to continue to increase its market share, and enhance its visibility, shareholder, and corporate value.

Answer Technology Co., Ltd.

Person in Charge: Lee, Jui-Si

Company Officer: Lee, Jui-Si

Chief Accounting Officer: Li, Ching-Yi

Answer Technology Co., Ltd.

Audit Committee’s review report

The Board of Directors has prepared and submitted the Company's 2023 business report, financial statements, and earnings distribution proposal. The financial statements have been audited by Deloitte Taiwan, which has issued an audit report with unqualified opinions.

The above-mentioned business report, financial statements, and earnings distribution proposal have been reviewed by the Audit Committee, with no nonconformities found. Therefore, a report has been prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law for your review.

Sincerely,

2024 Regular Shareholders’ Meeting of Answer Technology Co., Ltd.

Convener of the Audit Committee: Lin, Keng-Chou

March 12, 2024

Auditors' Review Report

The Board of Directors and Shareholders, Answer Technology Co., Ltd.

Audit Opinion

We have audited the accompanying balance sheets of Answer Technology Co., Ltd. (hereinafter referred to as the "Company") as of December 31, 2023 and 2022, and the relevant statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes to the financial report, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

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

Critical Audit Matters

Critical audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Critical audit matters for the financial statements for the year ended December 31, 2023 are stated as follows:

Key audit matters: Authenticity of sales revenue shipments to specific sales customers

Description

For the accounting policy of revenue recognition, please refer to Note 4(10) of the financial report.

The sales revenue of Answer Technology for 2023 amounted to NTD 6,296,358 thousand. Among this, net sales revenue from specific customers amounted to NTD 1,101,633 thousand, accounting for approximately 17.5% of the total net sales revenue. Based on the materiality of revenue recognition and the presumption of significant risk in the Statements on Auditing Standards, the effect on the financial statements of whether revenue is earned or not is material. Therefore, we consider the authenticity of sales revenue from specific sales customers to be a critical audit matter.

Audit procedures in response

In addition to testing the related internal controls, we performed the following audit procedures:

1. We performed sampling for the revenue transactions of specific customers and verified the corresponding billing certificates, delivery notes and receipt certificates.
2. We performed gross profit analysis of sales of specific customers for the past 2 years to review whether or not there were significant changes and analyzed the causes for the change.

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

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

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to a 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether or not the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. The misstatements might be due to fraud or error. If an individual or a total amount misstated was reasonably expected to have an impact on the economic decision-making of users of the financial statements, the misstatement was deemed as material.

As part of an audit in accordance with the auditing standards, we exercised professional judgement and maintained professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal controls 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 the management.
4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, and whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 financial statements, including the disclosure, and whether or not the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate to 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 determined those matters that were of most significance in the audit of financial statements for the year ended December 31, 2023 and are therefore the critical audit matters. We describe these matters in our auditors' report unless laws or regulations preclude 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.

Deloitte & Touche

CPA Li Li-Huang	CPA Chou Yi-Lung
Approval No. from the Securities and Futures Commission Tai-Cai-Zheng-Liu-Zi No.0930128050	Approval No. from the Securities and Futures Commission Tai-Cai-Zheng-Liu-Zi No.0930128050

March 12, 2024

Answer Technology Co., Ltd.

Balance Sheet

December 31, 2023 and 2022

Unit: NTD thousand

Code	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	$ 622,421	10	$ 553,649	8
1150	Notes receivable, net (Note 9)	14,416	-	32,094	-
1170	Accounts receivable - non-related parties, net (Note 9)	1,266,379	20	1,279,880	19
1180	Accounts receivable - related parties, net (Notes 9 and 28)	221,923	4	248,773	4
1200	Other receivables (Note 9)	508	-	984	-
1220	Current tax assets (Note 22)	8,831	-	-	-
130X	Inventories (Note 10)	3,562,768	56	3,957,202	59
1410	Prepayments (Note 14)	450,673	7	485,371	7
11XX	Total current assets	6,147,919	97	6,557,953	97
	Current assets				
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 7 and 27)	101,556	2	90,688	2
1535	Financial assets at amortized cost - non-current (Notes 8 and 29)	13,324	-	13,275	-
1600	Property, plant and equipment (Note 11)	30,800	-	20,222	-
1755	Right-of-use assets (Note 12)	14,236	-	25,971	1
1780	Other intangible assets (Note 13)	4,609	-	5,303	-
1840	Deferred tax assets (Note 22)	49,756	1	22,458	-
1990	Other non-current assets (Note 14)	5,213	-	2,786	-
15XX	Total non-current assets	219,494	3	180,703	3
1XXX	Total assets	$ 6,367,413	100	$ 6,738,656	100
Code	**Liabilities and equity**				
	Current liabilities				
2100	Short-term borrowings (Note 15)	$ 2,030,643	32	$ 2,088,280	31
2130	Contract liabilities - current (Note 20)	28,011	-	46,226	-
2170	Trade payables to unrelated parties (Notes 16 and 28)	2,403,123	38	2,294,898	34
2200	Other payables (Note 17)	51,000	1	183,466	3
2230	Current tax liabilities (Note 22)	-	-	116,339	2
2280	Lease liabilities - current (Note 12)	9,138	-	10,741	-
2300	Other current liabilities	3,226	-	2,672	-
21XX	Total current liabilities	4,525,141	71	4,742,622	70
	Non-current liabilities				
2570	Deferred tax liabilities (Note 22)	4,695	-	4,787	-
2580	Provisions for liabilities - non-current (Note 12)	4,395	-	13,600	-
2640	Net defined benefit liabilities - non-current (Note 18)	23,983	1	14,992	1
25XX	Non-current liabilities	33,073	1	33,379	1
2XXX	Total liabilities	4,558,214	72	4,776,001	71
	Equity (Note 19)				
	Share capital				
3110	Ordinary shares	666,260	10	663,660	10
3200	Capital Surplus	301,577	5	297,544	4
	Retained Earnings				
3310	Legal reserve	313,006	5	261,384	4
3350	Unappropriated earnings	451,213	7	673,792	10
3300	Total retained earnings	764,219	12	935,176	14
3400	Other equity	77,143	1	66,275	1
3XXX	Total equity	1,809,199	28	1,962,655	29
	Total liabilities and equity	$ 6,367,413	100	$ 6,738,656	100

The accompanying notes are an integral part of the financial report.

Chairman: Lee, Jui-Si　　Company officer: Lee, Jui-Si　　Chief Accounting Officer: Li, Ching-Yi

Answer Technology Co., Ltd.

Statements of Comprehensive Income

January 1 to December 31, 2023 and 2022

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

Code		2023 Amount	2023 %	2022 Amount	2022 %
	Total operating revenue (Notes 20 and 28)				
4100	Sales revenue, net	$ 6,296,358	100	$ 6,407,178	100
	Operating costs (Notes 10 and 28)				
5110	Cost of goods sold	(5,600,786)	(89)	(5,392,611)	(84)
5900	Gross profit/(loss)	695,572	11	1,014,567	16
	Operating expenses (Note 21 and 28)				
6100	Selling and marketing expenses	(154,174)	(3)	(211,370)	(3)
6200	General and administrative expenses	(91,175)	(1)	(118,873)	(2)
6300	Research and development expenses	(52,414)	(1)	(103,319)	(2)
6450	Expected credit impairment (loss) benefit	(19,750)	-	3,356	-
6000	Total operating expenses	(317,513)	(5)	(430,206)	(7)
6900	Operating income	378,059	6	584,361	9
	Non-operating income and expenses (Note 21)				
7100	Interest income	7,885	-	1,527	-
7010	Other income	3,592	-	12,431	-
7020	Other gains (losses)	(103,837)	(2)	(81,806)	(1)
7050	Finance costs	(137,943)	(2)	(48,313)	(1)
7000	Total non-operating income and expenses	(230,303)	(4)	(116,161)	(2)
7900	Profit before income tax	147,756	2	468,200	7
7950	Income tax expense (Note 22)	(37,927)	-	(94,215)	(1)
8200	Net profit for the year	109,829	2	373,985	6

(Continued)

(Continued from previous page)

Code		2023 Amount	2023 %	2022 Amount	2022 %
	Other comprehensive income/(loss)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans (Note 18)	($ 8,686)	-	$ 2,539	-
8316	Unrealized gain/(loss) on investments in equity instruments at FVTOCI	10,868	-	(16,155)	-
8300	Other comprehensive income (profit after tax) for the year	2,182	-	(13,616)	-
8500	Total comprehensive income for the year	$ 112,011	2	$ 360,369	6
	Earnings per share (Note 23)				
9710	Basic	$ 1.65		$ 5.65	
9810	Diluted	$ 1.64		$ 5.51	

The accompanying notes are an integral part of the financial report.

Chairman: Lee, Jui-Si　　Company officer: Lee, Jui-Si　　Chief Accounting Officer: Li, Ching-Yi

Answer Technology Co., Ltd.

Statements of Changes in Equity

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

Code		Share capital: Number of shares (in thousands)	Share capital: Amount	Capital surplus	Retained Earnings: Legal reserve	Retained Earnings: Unappropriated earnings	Other equity: Unrealized gain/(loss) on financial assets at FVTOCI	Total equity
A1	Balance at January 1, 2022	66,109	$ 661,095	$ 292,641	$ 231,305	$ 438,868	$ 222,125	$ 1,846,034
	Allocation and appropriation of 2021 earnings							
B1	Legal reserve	-	-	-	30,079	(30,079)	-	-
B5	Cash dividends to the shareholders	-	-	-	-	(251,216)	-	(251,216)
	Other changes in capital reserves							
C17	Employee stock options converted to ordinary shares	257	2,565	4,258	-	-	-	6,823
D1	Net income in 2022	-	-	-	-	373,985	-	373,985
D3	Other comprehensive income after tax in 2022	-	-	-	-	2,539	(16,155)	(13,616)
D5	Total comprehensive income in 2022	-	-	-	-	376,524	(16,155)	360,369
N1	Employee stock options issued by the Company	-	-	645	-	-	-	645
Q1	Disposal of investments in equity instruments measured at FVTOCI	-	-	-	-	139,695	(139,695)	-
Z1	Balance at December 31, 2022	66,366	663,660	297,544	261,384	673,792	66,275	1,962,655
	Allocation and appropriation of 2022 earnings							
B1	Legal reserve	-	-	-	51,622	(51,622)	-	-
B5	Cash dividends to the shareholders	-	-	-	-	(272,100)	-	(272,100)
	Other changes in capital reserves							
C17	Employee stock options converted to ordinary shares	260	2,600	3,848	-	-	-	6,448
C17	Gains from exercise of disgorgement	-	-	37	-	-	-	37
D1	Net income in 2023	-	-	-	-	109,829	-	109,829
D3	Other comprehensive income after tax in 2023	-	-	-	-	(8,686)	10,868	2,182
D5	Total comprehensive income in 2023	-	-	-	-	101,143	10,868	112,011
N1	Employee stock options issued by the Company	-	-	148	-	-	-	148
Z1	Balance at December 31, 2023	66,626	$ 666,260	$ 301,577	$ 313,006	$ 451,213	$ 77,143	$ 1,809,199

The accompanying notes are an integral part of the financial report.

Chairman: Lee, Jui-Si　　Company officer: Lee, Jui-Si　　Chief Accounting Officer: Li, Ching-Yi

Answer Technology Co., Ltd.

Statements of Cash Flows

January 1 to December 31, 2023 and 2022

Unit: NTD thousand

Code		2023	2022
	Cash flows from operating activities		
A10000	Profit before income tax for the year	$ 147,756	$ 468,200
A20010	Adjustments for:		
A20100	Depreciation expenses	20,038	17,153
A20200	Amortization expenses	5,260	4,714
A20300	Expected credit impairment loss (reversal gain)	19,750	(3,356)
A20900	Finance costs	137,943	48,313
A21200	Interest income	(7,885)	(1,527)
A21300	Dividend income	(1,600)	(11,022)
A21900	Compensation cost of employee stock options	148	645
A22500	Disposal of property, plant and equipment (gains) losses	(426)	397
A23700	Losses for obsolete and slow-moving inventories	131,137	50,589
A29900	Lease modification profit and loss	(41)	511
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	17,678	(17,198)
A31150	Trade receivables	20,601	(128,917)
A31180	Other receivables	476	(964)
A31200	Inventories	263,297	(1,650,150)
A31230	Pre-payments	34,698	(155,972)
A32125	Contract liabilities	(18,215)	29,105
A32150	Trade payables to unrelated parties	108,225	672,254
A32180	Other payables	(129,349)	37,196
A32230	Other current liabilities	554	1,515
A32240	Net defined benefit liabilities	305	247
A33000	Cash generated from (used in) operations	750,350	(638,267)
A33300	Interest paid	(141,157)	(44,679)
A33500	Income tax payment	(190,487)	(71,574)
AAAA	Net cash generated from (used in) operating activities	418,706	(754,520)
	Cash flows from investing activities		
B00020	Sale of financial assets measured at FVTOCI	-	202,140
B00040	Acquisition of financial assets measured at amortized cost	(49)	(89)

(Continued)

(Continued from previous page)

Code		2023	2022
B02700	Purchase of property, plant and equipment	($ 19,867)	($ 12,596)
B02800	Disposal of real estate, plant and equipment prices	1,342	47
B03700	Increase in refundable deposits	-	(763)
B03800	Decrease in refundable deposits	86	-
B04500	Acquisition of intangible assets	(4,566)	(8,653)
B07100	Increase in prepayments for equipment	(2,513)	-
B07500	Interest received	7,885	1,527
B07600	Receipt of other dividends	1,600	11,022
BBBB	Net cash (used in) generated from investing activities	(16,082)	192,635
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	-	781,784
C00200	Decrease in short-term borrowings	(57,637)	-
C04020	Principal repayment of lease liabilities	(10,600)	(13,434)
C04500	Dividend payment	(272,100)	(251,216)
C04800	Employees exercising stock options to issue new shares	6,448	6,823
C09900	Exercise of disgorgement	37	-
CCCC	Net cash (used in) generated from financing activities	(333,852)	523,957
EEEE	Net increase (decrease) in cash and cash equivalents	68,772	(37,928)
E00100	Balance of cash and cash equivalents at the beginning of the year	553,649	591,577
E00200	Balance of cash and cash equivalents at the ending of the year	$ 622,421	$ 553,649

The accompanying notes are an integral part of the financial report.

Chairman: Lee, Jui-Si　Company officer: Lee, Jui-Si　Chief Accounting Officer: Li, Ching-Yi

Answer Technology Co., Ltd.
Earnings Distribution Table
2023

Unit: NTD

Item	Amount	
	Sub-total	Total
Unappropriated earnings at the beginning of the period		350,070,849
Add: Net profit after tax for the period	109,828,749	
Less: Defined benefit plan remeasurement recognized in retained earnings	8,686,179	
Net profit after tax for the period plus the amount of items other than net profit after tax for the period included in unappropriated earnings for the year		101,142,570
Less: Provision for legal reserve (10%)		10,114,257
Available-for-distribution earnings		441,099,162
Distribution items:		
Shareholders' bonuses - cash (NTD 1.5 per share)		99,938,949
Unappropriated earnings at the end of the period		341,160,213

Note:

1. The priority is to distribute the earnings of the year 2023.
2. In the event of any subsequent changes in dividend payout ratio due to a change in the number of outstanding common shares of the Company, the chairperson is authorized to deal with such changes with full authority.

Chairperson: Lee, Jui-Si Company Officer: Lee, Jui-Si Chief Accounting Officer: Li, Ching-Yi

ANSWER TECHNOLOGY CORPORATION

Title	Rules of Procedure for Board of Directors' Meetings	Number: ANS-M-A-P-025		Version 1.7
Formulation Department	Management Department	Date of Amendment	November 8, 2022	Page 1 of 6

Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors' Meetings of Public Companies.

Article 2: With respect to the board of directors meetings (hereinafter referred to as the "board meetings") of the Company, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.

Article 3: The board of directors shall meet at least quarterly.

A notice of the reasons for convening a board meeting shall be given to each director 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.

The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients.

All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion.

Article 4: The Company's meeting administration unit designated by the Board of Directors is the Management Department.

The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting. A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 5: When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with the Company's articles of incorporation. Attendance by videoconference will be deemed attendance in person.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 6: A board meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and suitable for holding board meetings.

Article 7: Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

In accordance with Article 203-4 or Article 203-1-3 of the Company Act, if the Board of Directors’ meeting is convened by a majority of the directors themselves, the directors shall elect one from among themselves as meeting chair.

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

Article 8: When a board meeting is held, the management shall furnish the attending directors with relevant materials for ready reference.

As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants, to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.

At the time of the meeting, If half of the directors are not present, the meeting chair may postpone the meeting for up to two times. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.

The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.

Article 9: Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form.

If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.

Where a board meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 10: Agenda items for regular board meetings of the Company shall include at least the following:

1. Matters to be reported:
   - A. Minutes of the last meeting and actions taken.
   - B. Important financial and business matters.

C. Internal audit activities.

D. Other important matters to be reported.

2. Matters for discussion:

A. Items for continued discussion from the last meeting.

B. Items for discussion at this meeting.

3. Extraordinary motions.

Article 11: A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 4 shall apply *mutatis mutandis*.

Article 12: The matters listed below as they relate to the Company shall be raised for discussion at a board meeting:

1. The Company's business plan.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loan of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. If the Board of Directors does not have managing directors, the election or discharge of the chairperson of the Board of Directors.
7. The appointment or discharge of a financial, accounting, or internal audit officer.
8. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors' meeting for retro-active recognition.
9. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other laws, regulations or bylaws must be approved by resolution at a shareholders' meeting or board meeting, or any material matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retro-actively from the date on which the current board of directors' meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

At least one independent director of the Company shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 13: When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed as approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote
3. A vote by ballot.
4. A vote by a method selected at the Company's discretion.

Attending directors as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 14: Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

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

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 15: If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

If a director's spouse, relatives within 2nd degree of kinship, or a company with which the director has a controlling subordinate relationship has an interest in a meeting matter, the director is deemed to also have an interest in the meeting matter.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply *mutatis mutandis* in accordance with Article 206, paragraph 4 of the same Act.

Article 16: Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.
3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minutes taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 12, paragraph 4.
8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Any objections or expressions of reservations by an independent director expresses of which there is a record or written statement.
2. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of the Company.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of the Company.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Company.

The meeting minutes of paragraph 1 may be produced and distributed in electronic form.

Article 17: With the exception of matters required to be discussed at a board meeting under Article 12, paragraph 1, when the board of directors appoints a party to exercise the powers of the board in accordance with applicable laws and regulations or the Company's articles of incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific, and carried out in accordance with the principles below:

The scope of authority shall be determined in accordance with Article 8 of the "Procedures for Acquisition or Disposal of Assets" of the Company.

The scope of authority shall be determined in accordance with Article 7, Article 8 and Article 9 of the "Procedures for Endorsement and Guarantee" of the Company.

The chairperson may decide to increase the credit facilities with financial institutions if it is necessary for efficiency, and then report to the Board of Directors for ratification afterwards.

Article 18: These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders' meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

The Rules of Procedure were formulated on December 6, 2006.

The 1st amendments were made on February 29, 2008.

The 2nd amendments were made on June 4, 2013.

The 3rd amendments were made on June 24, 2019.

The 4th amendments were made on June 9, 2020.

The 5th amendments were made on March 11, 2021.

The 6th amendments were made on November 8, 2022.

The comparison of the current and amended provisions of the "Rules of Procedure for Board of Directors' Meetings"

Amended provisions	Current provisions	Reason for amendments
Article 8: When a board meeting is held, the management shall furnish the attending directors with relevant materials for ready reference. As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants, to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. At the time of the meeting, If half of the directors are not present, the meeting chair may postpone the meeting <u>to a later time on the same day</u> for up to two times. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.	Article 8: When a board meeting is held, the management shall furnish the attending directors with relevant materials for ready reference. As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals retained by the Company may also be invited to attend the meeting as non-voting participants, to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. At the time of the meeting, If half of the directors are not present, the meeting chair may postpone the meeting for up to two times. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.	Amended in accordance with the Order Jin-Guan-Zheng-Fa-Zi No. 1120383996 of the Financial Supervisory Commission dated January 11, 2024.

Amended provisions	Current provisions	Description
Article 11: A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 4 shall apply mutatis mutandis. <u>During a board of directors meeting, if the chairperson is unable to chair the meeting for any reason or declare the meeting closed without adhering to the provision stipulated in paragraph 2, the provision of Article 7, paragraph 3, as applied mutatis mutandis, shall apply to the election and appointment of an acting chairperson.</u>	Article 11: A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 4 shall apply mutatis mutandis.	Amended in accordance with the Order Jin-Guan-Zheng-Fa-Zi No. 1120383996 of the Financial Supervisory Commission dated January 11, 2024.
Article 18: These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders' meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules. The Rules of Procedure were formulated on December 6, 2006. The 1st amendments were made on February 29, 2008. The 2nd amendments were made on June 4, 2013. The 3rd amendments were made on June 24, 2019. The 4th amendments were made on June 9, 2020. The 5th amendments were made on March 11, 2021. The 6th amendments were made on November 8, 2022. <u>The 7th amendments were made on March 12, 2024.</u>	Article 18: These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders' meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules. The Rules of Procedure were formulated on December 6, 2006. The 1st amendments were made on February 29, 2008. The 2nd amendments were made on June 4, 2013. The 3rd amendments were made on June 24, 2019. The 4th amendments were made on June 9, 2020. The 5th amendments were made on March 11, 2021. The 6th amendments were made on November 8, 2022.	The dates of Amendment were added.

The comparison of the current and amended provisions of the "Articles of Incorporation"

Amended provisions	Current provisions	Reason for amendments
Article 1 The Company was incorporated in accordance with the Company Act, and its name was Macnica Anstek Inc.	**Article 1** The Company was incorporated in accordance with the Company Act, and its name was ~~Answer Technology Co., Ltd~~ .	Change the English name.
Article 9 The shareholders meeting shall be convened by the board of directors and chaired by the chairman. In the absence of the chairman, the vice chairman shall act on his behalf. If both the chairman and the vice chairman are absent, the chairman shall appoint one of the directors to act on his behalf. If no one is appointed, one of the directors shall be elected to act instead. If convened by a person other than the board of directors, the convener shall act as chairman. And, if there are more than 2 conveners, the conveners shall elect one of them as chairman.	**Article 9** The shareholders meeting shall be convened by the board of directors and chaired by the chairman. In the absence of the chairman, the chairman shall appoint one of the directors to act on his behalf. If no one is appointed, one of the directors shall be elected to act instead. If convened by a person other than the board of directors, the convener shall act as chairman. And, if there are more than 2 conveners, the conveners shall elect one of them as chairman.	Add vice chairman.
Article 17 During the Board of Directors' meeting, one chairman and one vice chairman shall be elected from among the directors with the attendance of more than two-thirds of the directors and the consents of more than half of the attending directors. The chairman represents the Company externally. If the Chairman is on leave or unable to exercise his power, the acting person should be subject to Article 208 of the Company Act.	**Article 17** During the Board of Directors' meeting, the Chairman shall be elected from among the directors with the attendance of more than two-thirds of the directors and the consents of more than half of the attending directors to represent the Company externally. If the Chairman is on leave or unable to exercise his power, the acting person should be subject to Article 208 of the Company Act.	Add vice chairman.
Article 26 These Articles of Incorporation were made on December 20, 2000 by the promoters' meeting with the consent of all the promoters. The 1st amendments were made on February 15, 2001. The 2nd amendments were made on April 14, 2003. The 3rd amendments were made on June 10, 2004. The 4th amendments were made on June 22, 2005. The 5th amendments were made on December 6, 2006. The 6th amendments were made on June 17, 2008. The 7th amendments were made on May 12, 2009. The 8th amendments were made on June 14, 2010. The 9th amendments were made on June 9, 2011. The 10th amendments were made on June 6, 2012. The 11th amendments were made on June 2, 2016. The 12th amendments were made on June 24, 2019. The 13th amendments were made on May 25, 2022. The 14th amendments were made on May 31, 2024.	**Article 26** These Articles of Incorporation were made on December 20, 2000 by the promoters' meeting with the consent of all the promoters. The 1st amendments were made on February 15, 2001. The 2nd amendments were made on April 14, 2003. The 3rd amendments were made on June 10, 2004. The 4th amendments were made on June 22, 2005. The 5th amendments were made on December 6, 2006. The 6th amendments were made on June 17, 2008. The 7th amendments were made on May 12, 2009. The 8th amendments were made on June 14, 2010. The 9th amendments were made on June 9, 2011. The 10th amendments were made on June 6, 2012. The 11th amendments were made on June 2, 2016. The 12th amendments were made on June 24, 2019. The 13th amendments were made on May 25, 2022.	The dates of Amendment were added

Appendices

ANSWER TECHNOLOGY CORPORATION

Title	Rules of Procedure for Shareholders Meetings	Number: ANS-M-A-P-006		Version 1.8
Formulation Department	Management Department	Date of Amendment	May 25, 2022	Page 1 of 6

Article 1:

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

Article 2:

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

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

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

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

A proposal submitted by shareholders must not exceed 300 Chinese characters. Any proposal containing more than 300 Chinese characters will not be included in the agenda. A shareholder who has submitted a proposal must attend the regular shareholders' meeting in person or by proxy and participate in the discussion of his or her proposal.

The Company shall notify the shareholder submitting the proposal of the status of his or her proposal before the date when the notice of the shareholders' meeting is sent, and include the proposals that have met the requirements in this article in the meeting notice. The Board shall provide reasons for not including a shareholder's proposal in the agenda at the shareholders' meeting.

Article 3:

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

If, after the Company has received a proxy form, a shareholder sending the proxy form decides to attend the shareholders' meeting in person or intends to exercise his or her voting rights in writing or electronically, he or she shall issue a written notice to revoke the authorization to the Company at least two days before the shareholders' meeting. If the revocation is not provided within the specified time limit, exercise of the voting rights by the proxy attending the meeting shall prevail.

The shareholders’ meeting of the Company can be held by means of visual communication network or other methods promulgated by the central competent authority.

In case a shareholders’ meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 4:

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

Article 5:

The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

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

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

The attendance list of shareholders and the authorization of proxy shall be kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

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

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

Article 6:

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

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one audit committee member in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

Article 7:

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 8:

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the meeting time and at the same time announce the number of non-voting shares and the number of shares present and other related information.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned

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

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

Article 9:

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

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

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders;

when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 10:

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

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

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

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

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

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

Article 11:

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

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

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

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

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

Article 12:

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

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

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except for a declaration to revoke a prior expression of intent.

If, after having exercised the voting rights in writing or electronically, a shareholder intends to attend the shareholders' meeting in person, he or she shall revoke the prior expression of intent on exercise of voting rights in the same manner as how he or she has exercised the voting rights at least two days before the shareholders' meeting. If the revocation is not made within the specified time limit, exercise of voting rights in writing or electronically shall prevail.

When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

If there is no objection from the attending shareholders upon the chairperson's inquiry, it shall be deemed as passed, and the effect shall be the same as that adopted by a poll. In addition to the motions specified in the agenda, for motions proposed by shareholders, or for amendments to or alternatives to the original motions, which should be seconded by other shareholders.

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

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

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

Article 13:

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

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

Article 14:

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

The Company may distribute the meeting minutes of the paragraph 1 by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

Any resolutions involving the chairman asking for objections from shareholders and receiving none in return must be remarked as "Passed without objections from any shareholders present in the meeting". If shareholders did raise any objections, then the resolution must be remarked to have passed through voting, with details on the number of passing votes.

Where a shareholders meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 15:

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

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

Article 16:

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

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

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

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

Article 17:

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

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

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

Article 18:

These Rules were formulated on June 16, 2004 and shall be enacted after approval by the shareholders' meeting. The same applies to amendments.

The 1st amendments were made on December 6, 2006.

The 2nd amendments were made on June 6, 2012.

The 3rd amendments were made on June 4, 2013.

The 4th amendments were made on June 2, 2015.

The 5th amendments were made on June 9, 2020.

The 6th amendments were made on August 11, 2021.

The 7th amendments were made on May 25, 2022.

Answer Technology Co., Ltd.
Articles of Incorporation

Chapter 1 General Principles

Article 1 The Company was incorporated in accordance with the Company Act, and its name was Answer Technology Co., Ltd.

Article 2 The Company's industry classifications are:

(1) CC01060 Wired Communication Mechanical Equipment Manufacturing.

(2) CC01070 Wireless Communication Mechanical Equipment Manufacturing.

(3) CC01080 Electronics Components Manufacturing.

(4) CC01120 Data Storage Media Manufacturing and Duplicating.

(5) E605010 Computer Equipment Installation.

(6) F113050 Wholesale of Computers and Clerical Machinery Equipment.

(7) F113070 Wholesale of Telecommunication Apparatus.

(8) F119010 Wholesale of Electronic Materials.

(9) I301010 Software Design Services.

(10) F118010 Wholesale of Computer Software.

(11) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company’s headquarters is in New Taipei City. The Board of Directors may resolve to set up domestic and foreign branches as necessary.

Article 4 The total amount of the Company's reinvestment is not subject to the restriction on reinvestment under Article 13 of the Company Act that the reinvestment shall not exceed 40% of the paid-in capital.

Chapter 2 Shares

Article 5 The Company’s authorized capital is NTD 800 million, divided into 80 million shares, all of which are common shares at NTD 10 per share. The board of directors is authorized to issue the unissued shares in installments.

Within the total capital, NTD 30 million is reserved for the issuance of employee stock options. A total of NTD 10 per share for one million shares may be issued in installments according to the resolution of the board of directors.

Article 5-1 The Company may, with the consent of the shareholders representing more than half of the total number of issued shares at a shareholders' meeting attended by more than two-thirds of the voting rights of the attending shareholders, sell shares at a price lower than the average price of employee stock warrants.

Article 6 The Company may be exempted from printing any share certificate for the shares issued, but shall register the issued shares with a centralized securities depositary enterprise.

Article 7 Share transfer registration is suspended during the period of 60 days before a general shareholders' meeting, 30 days before a special shareholders' meeting or 5 days before the record date for the distribution of dividend, bonus or other benefit determined by the Company.

Chapter 3 Shareholders' Meeting

Article 8 There shall be two types of shareholders' meetings, regular and extraordinary. The regular shareholders' meeting shall be held once a year, within six months after the end of each fiscal year. The extraordinary meeting is convened in accordance with relevant laws and regulations when necessary.

When the Company convenes a shareholders' meeting, electronic voting is one of the channels for exercising voting rights, and the voting method shall be specified in the notice of shareholders' meeting. Shareholders who cast their votes by electronic means shall be deemed to have attended the meeting in person.

Article 9 The shareholders meeting shall be convened by the board of directors and chaired by the chairman. In the absence of the chairman, the chairman shall appoint one of the directors to act on his behalf. If no one is appointed, one of the directors shall be elected to act instead. If convened by a person other than the board of directors, the convener shall act as chairman. And, if there are more than 2 conveners, the conveners shall elect one of them as chairman.

Article 10 When a shareholder is unable to attend the shareholders meeting for any reason, he or she may execute a power of attorney issued by the company, to appoint a proxy to attend the shareholders meeting. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

The shareholders' meeting of the Company can be held by means of visual communication network or other methods promulgated by the central competent authority.

In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 11 Unless otherwise regulated by the laws, each shareholder of the Company is entitled to one vote per share.

Article 12 The resolution of the shareholders meeting, unless otherwise regulated by laws, shall be attended by the shareholders representing more than half of the total number of issued shares in person or by proxy, and approved by more than two-thirds of voting rights of the attending shareholders.

Article 13 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

The minutes of meeting in the preceding paragraph should be prepared and distributed in accordance with the Article 183 of the Company Act.

Where a shareholders meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 13-1 The suspension of the Company's public offering shall be resolved by the shareholders' meeting, and this provision remains unchanged during the emerging stock market and the listing period.

Article 13-2 Deleted.

Chapter 4 Directors, Audit Committee, and Managerial Officers

Article 14 The Company's board of directors consists of 7 to 9 directors. The candidate nomination system is adopted for the election of directors. The shareholders' meeting elects directors from the candidate list for a term of three years. Unless otherwise specified by law, they may be eligible for re-election.

The total shareholding of all directors shall be governed by the regulations of the competent securities authority.

Article 14-1 The Company may set up functional special committees such as audit and remuneration. The Audit Committee shall be composed of all Independent Directors with at least three members, of which one shall be the convener, and at least one member shall have financial or accounting expertise and shall be responsible for the implementation of the Company Act, Securities The role of supervisors defined in the Exchange Act, other applicable laws and regulations, and the Company's supervisor duties, as well as the professional qualifications, shareholding, concurrent position restrictions, nomination and election methods of independent directors, and other compliance matters for independent directors shall be handled in accordance with the relevant regulations of the securities competent authority; Committee members shall be appointed by the Board of Directors upon resolution of the Board of Directors, with the participation of at least one Independent Director. An Independent Director shall be elected by all members to serve as the convener and chair of the meeting. Specialized functional committees shall be responsible to the Board of Directors and shall refer the proposals to the Board of Directors for resolution. The exercise of power and the compliance matters are handled in accordance with the relevant laws and regulations and the Company's regulations.

Article 14-2 Deleted.

Article 15 The business operations of a company shall be executed pursuant to the resolutions adopted by the board of directors, except for matters the execution of which shall be effected pursuant to the resolutions of the shareholders' meeting as required by the Company Act or the company's articles of incorporation, including but not limited to the following:

1. Approval of important procedures, rules, and contracts.
2. Prepare the business plan.
3. Review of budgets and final statements.
4. Appointment and dismissal of the Company's managerial officers.
5. Proposal for distribution of earnings or covering of losses.
6. Proposal for capital increase or decrease.

7. Report to the Audit Committee of any material damage to the Company.
8. Reviewing the investments and operations of domestic and foreign enterprises.

Article 16 When one-third of the seats on Board become vacant or all independent directors are removed, the Board of Directors should call an extraordinary shareholders meeting within 60 days. The elected directors should serve the office only for the remaining term.

Article 17 During the Board of Directors' meeting, the Chairman shall be elected from among the directors with the attendance of more than two-thirds of the directors and the consents of more than half of the attending directors to represent the Company externally. If the Chairman is on leave or unable to exercise his power, the acting person should be subject to Article 208 of the Company Act.

Article 17-1 During the term of office, the Company may authorize the Board of Directors to purchase liability insurance with full authority over their responsibilities within the scope of their duties for the Company.

Article 18 Unless otherwise provided in the Company Act, the Board of Directors shall be convened by the Chairman. Unless otherwise provided in the Company Act and other applicable laws and regulations, resolutions of the board of directors shall be approved with the attendance of a majority of the directors and the consent of a majority of the directors present at the meeting.

Article 18-1 The Board of Directors is authorized to authorize the Board of Directors to determine the standard of remuneration to be paid by the Company for executing the Company's operations, irrespective of the profit or loss of the Company's operations, in accordance with the level of participation and value of the contributions made to the Company's operations, and after taking into consideration the standards of the industry in the same industry.

In addition to the remuneration distributed to directors in accordance with Article 23 of the Articles of Incorporation, directors who hold positions in the Company are entitled to a monthly salary based on the salary level of managers in the same industry.

Article 19 Any director who cannot attend a board meeting may designate another director to attend the meeting on his/her behalf. However, a director shall represent no more than one other director in attending a board meeting. In a Board meeting is held by video conference, the directors who participate in the video conference shall be deemed to have attended the meeting in person.

Article 19-1 For the convening of the Board of Directors' meeting of the Company, the reasons shall be stated and all directors shall be notified within the time limit prescribed by the competent authority of securities.

The convening of the board of directors of the Company may be notified in writing, by e-mail or fax.

Article 20 Deleted.

Article 21 The Company may appoint a number of managerial officers, including the President, Vice Presidents, and Assistant Vice Presidents, to appoint and dismiss them in accordance with Article 29 of the Company Act.

Chapter 5 Accounting

Article 22 The board of directors shall prepare the following reports for the ratification of the regular shareholders meeting at the end of each fiscal year.

1. Business report;
2. Financial statements; and
3. Proposal for allocation of profits or compensation of losses.

Article 23 Where the Company makes a profit for a fiscal year, it shall provide 7.5% to 11.5% of the balance for employee remuneration, and the Board of Directors shall resolve a decision to pay it out in stock or cash; not higher than 2.5% of the balance shall be provided for directors' remuneration. The employee remuneration and directors' remuneration distribution proposal shall be reported to the shareholders' meeting.

However, if the Company still has a cumulative deficit, it shall reserve an amount for offsetting the deficit in advance and then provide employee remuneration and directors' remuneration at the percentages in the preceding two paragraphs.

The Company's employee treasury shares, employee stock warrants, new shares subscribed for by employees, restricted stock awards, and employee remuneration, may apply to employees at the controlling company or subsidiaries who meet certain criteria.

Article 24 Where the Company makes a profit for a fiscal year, the profit shall be first used for paying taxes, offsetting a cumulative deficit, providing 10% of the remaining profit as a legal reserve unless it has reached the total amount of the Company's paid-in capital, providing an amount for or reversing a special reserve in accordance with laws and regulations, and then any remaining profit, together with any undistributed retained earnings, shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal (not lower than 10% of the year's cumulative distributable earnings), which shall then be submitted to the shareholders' meeting for a resolution before the distribution of the shareholder dividends.

When the Company provides a special reserve as per law, regarding the shortfall of the "net increase in the fair value of investment property accumulated in the prior period" and the "net deduction of other equity interests accumulated in the prior period," the same amounts of special reserves shall be provided from the undistributed earnings of the prior period. If there is still a shortfall, a special reserve shall be provided from the amount of the current period's after-tax net income, plus the amounts other than the current period's after-tax net income, added to the current undistributed earnings.

Where the dividends or dividends from the legal reserves and the capital surplus referred to in the first paragraph are paid out in cash, the Board of Directors may be delegated to carry it out, with a resolution adopted by more than half of the directors present at a board meeting attended by more than two-thirds of all directors and report to the shareholders' meeting.

As the business environment where the Company is located is stable and growing, based on the future business expansion and investment plans, we may pay out dividends in two ways: capitalization of earnings and cash dividends. Cash dividends to be paid out shall not be lower than 20% of the total dividends to be paid out. However, if the cash dividend per share is NTD 0.2 or lower, it may not be paid out, and the payout may be carried out with stock dividends instead. It shall be then submitted to the shareholders' meeting for resolution.

Chapter 6 Supplementary Provisions

Article 25 Matters not specified in these Articles of Incorporation, if any, shall be duly handled in accordance with the Company Act, laws and relevant regulations.

Article 26 These Articles of Incorporation were made on December 20, 2000 by the promoters' meeting with the consent of all the promoters. The 1st amendments were made on February 15, 2001. The 2nd amendments were made on April 14, 2003. The 3rd amendments were made on June 10, 2004. The 4th amendments were made on June 22, 2005. The 5th amendments were made on December 6, 2006. The 6th amendments were made on June 17, 2008. The 7th amendments were made on May 12, 2009. The 8th amendments were made on June 14, 2010. The 9th amendments were made on June 9, 2011. The 10th amendments were made on June 6, 2012. The 11th amendments were made on June 2, 2016. The 12th amendments were made on June 24, 2019. The 13th amendments were made on May 25, 2022.

Answer Technology Co., Ltd.

Chairperson: Lee, Jui-Si

Appendix 3

Answer Technology Co., Ltd.

Shareholdings of directors

April 2, 2024

Job title	Name	Number of shares held	Shareholding
Chairperson	Lee, Jui-Si	3,631,384	5.45%
Director	Lee, Jui-Fang	2,529,591	3.80%
Director	Macnica Chungju Co., Ltd. Representative: Chan, Chi-Kwong	33,954,608	50.96%
Director	Macnica Chungju Co., Ltd. Representative: Wu, Wei-Kuo		
Independent director	Lin, Keng-Chou	0	0%
Independent director	Sun, Te-Chih	0	0%
Independent director	Tan, Gin-Hwee	0	0%
Independent director	Lu, I-Hsuan	0	0%

(Note 1): In accordance with the provisions of Article 26 of the Securities and Exchange Act on the percentage of shareholdings of directors and supervisors of the Company.

(Note 2): The Company has two or more independent directors and has established an Audit Committee in accordance with the law.

I. The paid-in capital of the Company is 666,259,660 (66,625,966 shares).

The minimum number of shares to be held by directors of the Company: 5,330,077 shares.

II. Shareholdings on the shareholders' roster as at the date of cessation of transfer of shares

Shareholding percentage of the entire bodies of directors and number of shares: 60.21%; 40,115,583 shares.