

Stock Code : 3057

Promise Technology, Inc.

Handbook for the 2024 Annual Meeting of Shareholders

MEETING TIME: Jun 21, 2024, (Friday) 09:00 a.m.

PLACE : No. 1, Industrial East 2nd Road, Hsinchu Science Park (Darwin Hall,
2nd Floor, Science and Technology Life Museum)

Meeting type : Physical shareholders' meeting

The original of this handbook is written in Chinese language. If there is any discrepancy between the Chinese version and this English translation, the Chinese version shall prevail.

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Promise Technology, Inc.

Year 2024

Agenda of Annual Meeting of Shareholders

1. Calling the meeting to order
2. Chairman's speech
3. Matters to Report
4. Matters for Adoption
5. Matters for Discussion
6. Questions and Motions
7. Adjournment

Promise Technology, Inc.

Year 2024

Agenda of Annual Meeting of Shareholders

Time : Jun 21, 2024, (Monday) 09:00 a.m.

Place : No. 1, Industrial East 2nd Road, Hsinchu Science Park (Darwin Hall, 2nd Floor, Science and Technology Life Museum)

I. Calling the meeting to order :

II. Chairman's speech :

III. Matters to Report :

No.1 2023 Business Report

No.2 Audit Committee's Review Report on the 2023 Financial Statements

No.3 Report on the Company's 2023 Shareholders' Meeting Resolution on the Handling of Private Equity Cases

IV. Matters for Adoption :

No.1 Adoption of the 2023 Business Report and Financial Statements

No.2 Adoption of the Proposal for 2023 Deficit Compensation

V. Matters for Discussion :

No.1 Proposal for Company's Private Equity Securities Issuance

VI. Other proposals :

VII. Adjournment

VIII. Matters to Report

No. 1 : 2023 Business Report

Business Report

Thank you very much to all shareholders for attending the 2023 ordinary shareholders meeting of the company in spite of their busy schedules.

First of all, I would like to thank all shareholders for their support in 2023. The 2023 operating results and 2024 operating outlook report are as follows:

Consolidated financial ratios

project		2023	2022
Financial Structure (%)	Liabilities to Assets Ratio	38.22	31.51
	Ratio of long-term funds to fixed assets	825.33	915.16
solvency	Current Ratio (%)	237.39	300.50
	Quick Ratio (%)	121.12	155.87
	Interest coverage ratio (times)	0	216.63
Profitability	Return on assets (%)	(11.25)	0.49
	Return on Equity (%)	(17.87)	0.34
	Net (loss) profit rate (%)	(24.53)	0.32
	Basic earnings per share (yuan)	(1.55)	0.03

Research Development Status

year	R & D results
2023	<ul style="list-style-type: none">Pegasus M4 features a stable and high-performance PromiseRAID engine with Thunderbolt™ high-speed transmission. In a compact four-slot SSD chassis, the Pegasus M4 features a stable and high-performance PromiseRAID engine with high-speed Thunderbolt™ transmission, making it the best choice for creative media professionals. The perfect partner for Mac Studio: Pegasus M4 works perfectly with Mac Studio, M1/M2 CPU, Intel x86, MacOS 12 and MacOS 13 with DEXT driver. 4K/8K Editing: An all-SSD 2TB/4TB array represents a high-performance/low-latency 4K/8K in-line/post-production pipeline and is a must-have tool for multimedia professionals. Pegasus M4 maximizes the speed of SSDs equipped with enterprise-class RAID data protection; delivering over 2,000 MB/sec transfer speeds with low latency.AI Surveillance Storage A8120 and A6600P This product aims to be an open monitoring application platform, with the hardware specifications and software system specifications required for monitoring. The system is highly reliable and easy to use and expand.

Operational outlook for 2024:

1. Open source - In addition to expanding sales channels, carry out technical cooperation or license to system manufacturers or IC design man-

ufacturers to increase future revenue and profits.

(1) Continue to carry out technical cooperation or license it to target cooperative manufacturers to increase new revenue and profits in the medium and long term.

(2) Implement the new product launch schedule, develop new products and strengthen the current business of system integration manufacturers (SI and OEM) in the fields of multimedia, surveillance and IT.

(3) Strengthen the development of business in regions with economic growth potential, such as Japan and India.

(4) Review the above results in the third and fourth quarters, continue or adjust methods to implement the above strategic directions.

2. Reduce expenditure-strengthen the management of people and things, improve efficiency and productivity

(1) Improve the productivity of human resources.

(2) Examine the minimization of operating expenses in more detail.

(3) Strictly control R&D engineering design and maximize cost recovery.

(4) Strengthen the management of procurement and warehouse materials.

Since its establishment more than 30 years ago, Prosperity has always adhered to the professional field of data storage. In addition to the pursuit of core technologies, it also adapts to the ever-changing industry trends and transforms at different stages to maintain the momentum of continuous growth.

The company is committed to developing new products with high performance/low energy consumption as the main axis and actively promoting them in various markets around the world. On the other hand, the company simultaneously integrates relevant resources, continues to streamline the organization and reduce costs, and hopes to implement key execution points in this global economic dilemma. , aiming to turn losses into profits again in 2024, lay the foundation for growth and profitability, and return to glory in 2026.

We wish you good health and great fortune.

Chairman: Lee,Jyh-En President: Lee,Jyh-En Accounting Supervisor: Hsiao, Hsiang Yu

No. 2: Audit Committee's Review Report

Promise Technology, Inc.

Audit Committee audits the report

2023 financial statements (January 1, 2023 to December 31, 2023) of Promise Technology, Inc. are prepared by the board of directors and audited by Lin, Hsin-Tung and Tsai, Mei-Chen of CPAs, Deloitte Touche Tohmatsu Limited, Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this review report for your consideration.

Submit to

2024 Annual Meeting of Shareholders, Promise Technology, Inc.

Promise Technology, Inc.
Chairman of the Audit Committee: Lu, Hong-Sheng

March 14, 2024

No.3: Report on the Company's 2023 Shareholders' Meeting Resolution on the Handling of Private Equity Cases

1. The company passed the private placement of securities case at the shareholders' meeting on June 26, 2023, and it will be handled once or in batches (no more than three times) within one year from the date of resolution. Since the processing period is about to expire, there is no case for the remaining period. Continue the private placement plan.
2. In accordance with the relevant regulations on private equity, the application has been submitted for approval by the board of directors on May 10, 2024, and will no longer be processed.

Matters for Adoption

No.1 (Proposed by the Board)

Proposal : Adoption of the 2023 Business Report and Financial Statements ◦

Explanation :

1. 2023 Business Report and Financial Statements have been reviewed by the Audit Committee, and approved by the board of directors. For the related Business Report and Financial Statements, please refer to Handbook page 3 and Attachments 3.
2. b.Adoption is respectively requested. The Company's 2023 annual financial statements were approved by the Board of Directors on March 14, 2024

Resolution:

No.2 (Proposed by the Board)

Proposal : Adoption of the Proposal for 2023 Deficit Compensation ◦

Explanation :

Please refer to the 2023 Deficit Compensation Statement as follows

Promise Technology, Inc.
Deficit Compensation Statement
2023/12/31

Items	Unit: NTD
Unappropriated retained earnings (or accumulated deficit) of prior years	(43,663,405)
+ : net profit (loss) after tax in 2023	(143,197,387)
+ : Actuarial (profit) losses are included in undistributed earnings	5,531,723
Deficit yet to be compensated – at the end of 2023	(181,329,069)
+ : Capital reserves to cover losses	2,004,399
Deficit yet to be compensated	<u>(\$179,324,670)</u>

Chairman: Lee,Jyh-En

President: Lee,Jyh-En

Accounting Supervisor: Hsiao,Hsiang-Yun

Resolution:

Matters for Adoption

No.1 : (Proposed by the Board)

Proposal : Proposal for Company's Private Equity Securities Issuance. Please proceed to discuss.

Explanation :

- (I) In order to seek opportunities for technical cooperation or strategic alliances with domestic and foreign manufacturers or customers, and to repay bank loans and at the same time enrich working capital to meet future operating needs, the company intends to consider market conditions and the needs of the company through private placement. Issuing ordinary shares to introduce insiders or related company directors, managers, strategic investors, etc., can identify with the company's business philosophy and can directly or indirectly help the company's future business strategic planning, and can assist the company to strengthen management and expand business For resources, the private placement quota is expected to be within the common stock quota of the total number of 5,000 thousand shares issued; in accordance with the provisions of Article 43-6 of the Securities and Exchange Act, it is proposed to submit a resolution to the regular meeting of shareholders for approval, starting from the date of the resolution of the regular meeting of shareholders Once a year or in installments (no more than three times).
- (II) According to Article 43-6 of the Securities and Exchange Act, the matters to be explained in private placement are as follows :
 1. Basis and rationality for setting the private placement price:
 - A. The price of ordinary shares in this private placement shall be determined at no less than 80% of the higher of the following two benchmarks:
 - (a) Choose one of 1, 3, or 5 business days before the pricing date to calculate the simple arithmetic average of the closing prices of ordinary shares after deducting the ex-rights and dividends of gratuitous allotment of shares, and adding back the stock price after deducting the rights of ex-rights for capital reduction.
 - (b) The simple arithmetic average of the closing prices of ordinary shares in the 30 business days before the pricing date, deducting the ex-rights and dividends of gratuitous allotment of shares, and adding back the stock price after deducting the ex-rights of capital reduction and anti-exemption rights.
 - B.The actual pricing date and issue price shall be based on the above-mentioned principles, in accordance with Article 43-6 of the Securities Exchange Act and the regulations on matters that public offering companies should pay attention to in handling private placement of securities, and will be negotiated in the future to determine the situation of specific persons and depending on the current market conditions, and submit to shareholders It will authorize the board of directors to decide.
 - C. If the subscription price is lower than the face value of the stock due to market factors in the future, it should be reasonable because it has been processed according to the pricing basis of laws and regulations and has reflected the market price situation. In the future, depending on the company's operations and market conditions, it will be dealt with in the

form of capital reduction, surplus, and capital reserves to make up for losses.

2. The method, purpose, necessity and expected benefits of the specific person's choice:
 - A. Specific person selection method: Specific persons shall be selected in accordance with Article 43-6, Item 1 of the Securities and Exchange Act and relevant orders. The selection of applicants is limited to specific persons who meet the requirements of the competent authority. The selection of applicants shall be decided by the board of directors authorized by the general meeting of shareholders.
 - B. Purpose and necessity: In order to seek opportunities for technical cooperation or strategic alliances with domestic and foreign manufacturers or customers, and to repay bank loans and at the same time enrich working capital to meet future operating needs, the company intends to consider market conditions and the needs of the company, to introduce insiders or related company directors, managers, strategic investors, etc. through private placement, who can identify with the company's business philosophy and have direct or indirect benefits to the company's future business strategic planning, and can assist the company to strengthen business management and To expand business resources, it is expected to issue common stock through private placement.
 - C. Estimated benefits: One or multiple (not more than three) private placements are expected to increase profits, reduce costs, improve operational efficiency, expand market size, strengthen the company's competitiveness, promote the stable growth of the company's operations, and benefit shareholders' rights and interests.
 - D. So far, the applicant has not been determined. After the case is approved by the shareholders' meeting, if the applicant to be negotiated is an insider or a related party, the list of applicants and their relationship with the company are as follows:

(a) Applicant (insider or related person)

Applicant	Relationship with the company
Qixiang Co., Ltd.	Corporate director of the company
Tsu Fung Investment Corporation :	Corporate director of the company
HO, JHI- WU	Representative of the company's legal person directors
Syntec Technology Co., Ltd.	Chief Information Officer and R&D Director of the company
Chirstine Huang	Financial Supervisor of the Company
Lee,Jyh-En	President of the company
LIN,YU-TSUNG	Chief Information Officer and R&D Director of the company
Chen Ro-Han	Financial Supervisor of the Company
Hsiao,Hsiang-Yun	Accounting Supervisor of the Company
YU,JIN-HAO	Assistant Manager
KAO,SHUN-CHANG	Assistant Manager
WEI,DENG-LIANG	Assistant Manager

MAI,KUN-CHUNG	Assistant Manager
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(b) If the applicant is a legal person, the names of the top ten shareholders and their shareholding ratios

(1) Tsu Fung Investment Corporation

Name of main shareholder	Shareholding ratio	Relationship with the company
MiTAC Internation Corp.	100%	None

(2) Qixiang Co., Ltd.

Name of main shareholder	Shareholding ratio	Relationship with the company
Lee,Jyh-En	100%	President

(3) Syntec Technology Co., Ltd.

Name of main shareholder	Shareholding ratio	Relationship with the company
TSAI,YU-KENG	10.9%	None
HUANG,WEI-SHENG	6.8%	None
RealHunt Ltd.	5.88	None
Songbao Engineering Consulting Co., Ltd.	5.16%	None
Chirstine Huang	5%	Corporate director representative
CHEN,HENG-REN	4.91%	None
TSAI,CHANG-WEI	4.70%	None
TSAI,PEI-HSIN	4.70%	None
CHEN,CHANG-MING	4.20%	None
WU,KUAN-CHUN	4.05%	None

E. The applicant is a strategic investor and the relationship with the company: not yet determined

3、Necessary reasons for private placement

A. Reasons for not adopting public offerings: Compared with public offerings, private offerings of securities that cannot be freely transferred within three years will better ensure the long-term cooperative relationship between the company and strategic investment partners, and evaluate the timeliness of fundraising, so A private placement of common stock is proposed instead of a public offering.

B. Quota for private placement: within the common stock quota of no more than 5,000 thousand total issued shares, one time or in batches (no more than three times).

4、Use of funds and expected benefits: The company will handle it once or in batches (no more than three times) depending on the market and the situation of the specific person. The private placement funds will be used to repay bank loans to improve the financial structure and introduce long-term strategic partners. One-time or multiple (not more than three) private placements are expected to increase profits, reduce costs, improve operational efficiency,

expand market size, strengthen the company's competitiveness, and promote the stable growth of the company's operations, which will positively benefit shareholders' rights and interests. Within the quota of 5,000 thousand common shares for private placement, the estimated private placement amount is 48,800 thousand (the private placement price is subject to the actual pricing after the resolution of the shareholders' meeting). Based on the company's current average borrowing rate of 2.374%, it is estimated that the annual interest expense can be saved by about 1,159 thousand, which is still reasonable.

5、Whether the independent directors have objections or reservations: None.

- (III) The rights and obligations of the ordinary shares issued in this private placement are the same as those of the ordinary shares issued by the company. Free transfer is not permitted within the year, and the company will apply to the Financial Supervisory Commission for a supplementary application after three years have elapsed since the delivery date of the privately-placed common stock Public offering procedures and application for listing and trading.
- (IV) The main contents of this private placement of ordinary shares, including the actual issue price, number of shares, issuance conditions, total amount of private placement, selection of specific persons, base date of capital increase, capital utilization plan, estimated progress, and estimated possible benefits and other related matters, as well as all other matters related to the issuance plan, are proposed to be submitted to the regular meeting of shareholders to authorize the board of directors to adjust, formulate and handle them according to market conditions. Or when the objective environment needs to change, the board of directors is also authorized to handle it with full authority.
- (V) In order to cooperate with this private placement of ordinary shares, he intends to submit to the general meeting of shareholders to authorize the chairman or a person designated by him to sign and negotiate all contracts and documents related to this private placement plan on behalf of the company, and to handle all related matters for the company. Matters required for the private placement plan.
- (VI) For this case of private placement of ordinary shares, the shareholders' general meeting shall authorize the board of directors to handle it once or in batches (no more than three times) within one year from the date of passing the resolution of the shareholders' regular meeting. If the private placement cannot be completed within one year, It is proposed that the shareholders' general meeting authorize the board of directors to hold a meeting of the board of directors before the expiration of the period to discuss not to continue the private placement, and to handle information disclosure at the public information observation station based on major information.
- (VII) The board of directors resolved that there was no major change in the operating right within one year before the handling of the private placement securities to one year from the delivery date of the private placement securities.

(VIII)Matters not mentioned above are proposed to be submitted to the general meeting of shareholders to authorize the board of directors to handle them with full authority according to law.

Resolution:

Questions and Motions :

Adjournment :

Appendix(I) Articles of Incorporation

 Promise Technology, Inc.

Articles of Incorporation

Chapter I. General Provisions

Article 1: The company is organized in accordance with the provisions of the Company Law Co., Ltd. and is named Promise Technology, Inc.

Article 2: The company's business is as follows:

CC01060 Wired communication machinery and equipment manufacturing industry
CC01070 wireless communication machinery and equipment manufacturing industry
CC01080 electronic components manufacturing industry
CC01110 computer and peripheral equipment manufacturing industry
I301010 information software service industry
F401010 international trade industry

1. Research, development, production, manufacturing, and sale of the following products and their ASICs(Application Specific Integrated Circuits) :

- (1)Storage Controller and Systems ;
- (2)Networking and Graphic Systems ;
- (3)Multimedia Software/Hardware and Systems ;
- (4) Computer Telephone Integration Relative Products ◦

2. Being manager, consultant, advisor or technology transferring import and export trade of the above related products.

Article 3: When the company is a shareholder of another company, the amount of its invested capital shall not exceed 40% of the company's paid-in capital under the first paragraph of Article 13 of the Company Law.

Article 3.1: The company may guarantee externally.

Article 4: The company is located in Hsinchu Science and Industrial Park, and if necessary, with the resolution of the board of directors and the consent of the competent authority, it may establish branches or offices at home and abroad.

Article 5: Deletion.

Chapter II. Shares

Article 6: The total capital of the company is NT\$2.5 billion, divided into 250 million shares, each NT\$10, authorized by the board of directors to issue in installments.

The total amount of shares in the preceding paragraph shall be 20,000,000 shares reserved for the conversion of corporate bonds with warrants, special shares with warrants, and warrant certificates.

Article 6.1 : The shares repurchased by the Company in accordance with Article 28-2, Paragraph 1 of the Securities Exchange Law may be transferred to employees at a price lower than the average price of the actual repurchased shares, or at a price lower than the closing price of the stocks on the date of issue. Issue employee stock option certificates at the stock price.

Article 6.2 : The treasury shares purchased by the company shall be transferred to employees of controlling or subordinate companies who meet certain conditions.

The company's employee stock option certificates are issued to objects, including employees of controlling or subordinate companies who meet certain conditions.

When the company issues new shares, the employees who purchase the shares include employees of the controlling or subordinate companies who meet certain conditions.

Article 7: The stock certificates of the company shall be in registered form and shall be numbered and issued after being signed or stamped by the director representing the company and legally certified.

Shares issued by the company may be exempted from printing stock certificates, and shall be registered with a centralized securities depository institution.

Article 8: When the shareholders of the company handle stock affairs such as stock transfer, pledge of rights, report of loss, inheritance, gift, change of report of loss of seal or change of address, and exercise all their rights, unless otherwise stipulated by laws and securities regulations, they shall abide by "Standards for Handling Share Affairs of Companies Offering Shares to the Public"

Article 9: Deletion.

Article 10: Within 60 days before the regular shareholders' meeting, within 30 days before the extraordinary shareholders' meeting, or within 5 days before the company decides to distribute dividends, bonuses or other benefits, the stock transfer shall be suspended; the exercise of its rights shall be carried out on the basis date Only shareholders listed in the company's shareholder register.

Chapter III. Shareholders' Meetings

Article 11: The company's shareholders' meeting is divided into two types: ordinary shareholders' meeting and extraordinary shareholders' meeting. The general meeting of shareholders shall be convened at least once a year, and shall be held within six months after the end of each fiscal year. Extraordinary shareholder meetings shall be convened by the board of directors when the board of directors deems it necessary, or upon the written request of shareholders who have held more than 3% of the total issued shares for more than one year.

Article 12: The regular meeting of shareholders shall be convened 30 days in advance; the extraordinary meeting of shareholders shall be convened 15 days in advance, and the date, place and reason for the meeting shall be notified to all shareholders.

Article 12-1 When the company's shareholders' meeting is held, it may be held by video conference or other methods announced by the Ministry of Economic Affairs.

Article 13: Except as otherwise provided by laws and regulations, each shareholder of the company has one voting right.

Article 14: Resolutions of the shareholders' meeting, unless otherwise provided by the Company Act, shall be attended by shareholders representing more than half of the total number of issued shares, and shall be carried out with the consent of more than half of the voting rights of the present shareholders.

Article 15: When a shareholder is unable to attend the shareholders' meeting for any reason, he shall issue a power of attorney printed and issued by the company, sign or seal it, specifying the scope of authorization, and entrust a proxy to attend the shareholders' meeting. Shareholders' entrusted attendance shall be handled in accordance with the "Company Law" and "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 16: When the shareholders' meeting is held, the chairman shall be the chairman. When the chairman asks for leave or is unable to exercise his powers for some reason, the chairman shall designate a director to act as his representative; if the chairman does not appoint one, the directors shall recommend one of them to act as his representative.

Article 17: The resolutions of the shareholders' meeting shall be recorded in minutes, signed or sealed by the chairman, and distributed to all shareholders within 20 days after the meeting. The distribution of the minutes of the preceding paragraph shall be handled in accordance with the provisions of the Company Law. The minutes of the meeting shall record the year, month, day, place, name of the chairman, resolution method, essentials and results of the meeting, and shall be kept permanently during the existence of the company; the signature book of the attending shareholders and the power of attorney to attend, Its shelf life is at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be preserved until the lawsuit is concluded.

Chapter IV. Directors

Article 18: The company has seven directors, adopts a candidate nomination system, and is elected by the shareholder meeting with competent persons. The term of office of directors is three years, and they can be re-elected.

Among the number of directors of the company, there shall be at least three independent directors, who shall be selected by the shareholders' meeting from the list of candidates for independent directors. Regulations concerning the professional qualifications of independent directors, restrictions on shareholding and part-time jobs, determination of independence, methods of nomination, and other matters to be complied with shall be in accordance with the relevant regulations of the competent securities authority.

Independent directors and non-independent directors shall be elected together, and the number of elected persons shall be calculated separately.

Article 18-1: The company shall set up an audit committee in accordance with Article 14-4 of the Securities and Exchange Law, and the audit committee shall be composed of all independent directors. The Audit Committee or the members of the Audit Committee are responsible for the execution of the duties and powers of the supervisors stipulated in the Company Law, the Securities and Exchange Law, and other laws and regulations.

Article 19: The board of directors is composed of directors and meets once a quarter. Its functions and powers are as follows:

1. Make a business plan,
2. Proposals on distribution of surplus or compensation of losses,
3. Proposing proposals for capital increase or capital reduction,
4. Approval of important rules and contracts,
5. Appointment and dismissal of the company's managers,
6. Approved budget and final accounts,
7. Acquisition, transfer, and grant of know-how and patent rights, approval and revision of technical cooperation contracts,
8. Examination and approval of investment in related businesses,
9. Other functions and powers in accordance with the company law or resolutions of the shareholders' meeting.

Article 19-1: When convening the board of directors of the company, the reason for the convening shall be stated, and all directors shall be notified seven days in advance. However, in case of emergency, it can be called at any time. The convening notice mentioned in the preceding paragraph shall state the reason and be done in writing, e-mail or fax.

Article 20: The board of directors shall be attended by more than two-thirds of the directors and more than half of the directors present shall elect one person as the chairman of the board of directors. The chairman of the board shall represent the company. When the chairman asks for leave or is unable to exercise his powers for some reason, the chairman shall designate a director to act as an agent; if the chairman does not designate an agent, the directors shall recommend one of the directors to act as the agent.

Article 21: When a director is unable to attend the board meeting for any reason, he may entrust another director to attend the meeting on his behalf. The agent referred to in the preceding paragraph is limited to the entrustment of one person.

Article 22: The board of directors may appoint a secretary to handle the affairs of the board of directors in accordance with the instructions of the board of directors.

Chapter V Supervisors

Article 23: Deletion.

Article 24: Deletion.

Article 25: Deletion.

Chapter VI Managerial Officers

Article 26: The establishment of the manager of the company shall be handled in accordance with the organizational regulations.

Article 27: The appointment and removal of the President of the company must be approved by more than half of the directors; the appointment and removal of other managers shall be proposed by the President and submitted to the board of directors for approval.

Article 28: Deletion.

Chapter VII Accounting

Article 29: The accounting year of the company adopts the calendar year system, from January 1st to December 31st of the same year; at the end of each accounting year, the board of directors shall follow the provisions of Article 228 of the Company Law. Prepare various forms and submit them to the general meeting of shareholders for approval.

Article 30: The company's annual pre-tax net profit before deducting employee remuneration and director's remuneration shall allocate no less than 5% as employee remuneration and no more than 3% as director's remuneration. However, if the company still has accumulated losses (including adjustments to the amount of undistributed earnings), it shall reserve the compensation amount in advance, and then allocate employee remuneration and director remuneration in proportion to the preceding paragraph.

Employee remuneration may be distributed in stock or in cash, and the recipients of the distribution include employees of controlling or subordinate companies who meet certain conditions, and the certain conditions are authorized to be de-

terminated by the board of directors.

Proposals on the distribution of employee remuneration and director remuneration shall be reported to the shareholders' meeting.

Article 30-1: If the company has net profit after tax for the current period in its annual final accounts, it shall be distributed in the following order:

1. Make up for losses (including adjusting the amount of undistributed surplus).
2. Allocate 10% of the statutory reserve, except when the statutory reserve has reached the total capital of the company;
3. Appropriate or reverse the special surplus reserve according to laws and regulations.
4. The distribution of the remaining surplus and the cumulative undistributed surplus of the previous year (including the adjusted amount of undistributed surplus) and the adjusted amount of undistributed surplus for the current year shall be determined by the board of directors and shall be resolved by the shareholders' meeting. Pursuant to Article 240, Paragraph 5 of the Company Law, the Company authorizes the Board of Directors to distribute dividends and bonuses or as stipulated in Article 241, Paragraph 1 of the Company Law, with more than two-thirds of the directors present and a resolution passed by more than half of the directors present. All or part of the statutory surplus reserve and capital reserve shall be distributed in cash and reported to the shareholders' meeting.

In order to cooperate with the overall environment and the characteristics of industrial growth, and to consider the funding needs of the future capital expenditure budget, in order to achieve the company's sustainable operation, the pursuit of long-term interests of shareholders and the goal of stable operating performance, the company's dividend policy, the distribution of surplus can be cash Dividends or stock dividends, of which cash dividends shall not be less than 10% of the total dividends. The amount of this dividend payment depends on the actual operating conditions of the current year, and the capital budget planning for the next year is considered, and the most appropriate dividend policy is decided by the shareholders meeting.

Article 31: The directors and consultants of the company, etc., may receive travel expenses on a monthly basis according to the actual situation. The individual payment shall be determined by the authorized chairman, but the total payment listed above shall not exceed NT\$200,000 per month.

Article 31-1: The remuneration of directors shall be determined by the board of directors according to the degree of participation and contribution value of each director in the company's operations, and in consideration of the usual payment levels in domestic and foreign industries.

Chapter VIII Supplementary Provisions

Article 32: The company's organizational regulations and operating rules shall be stipulated separately.

Article 33: If there are matters not mentioned in this Articles of Association, they shall be handled in accordance with the Company Law.

Article 34 : The articles of association of the company were established on January 24, 1991,
First revised on June 26, 1993.
The second revision was on May 28, 1994.
The third revision was on June 10, 1996.
Fourth revision on October 18, 1997.
Fifth revision on June 5, 1999.
Sixth revision on May 17, 2000.
Seventh revision on June 27, 2001.
Eighth revision on May 13, 2002.
Ninth revision on May 13, 2002.
Tenth revision on June 10, 2003.
Eleventh revision on May 10, 2004.
Twelfth revision on May 10, 2004.
Thirteenth revision on June 13, 2005.
Fourteenth revision dated June 26, 2006.
Fifteenth revision on May 15, 2007.
Sixteenth revision dated June 13, 2008.
Seventeenth revision on June 10, 2009.
Eighteenth revision on June 23, 2010.
Nineteenth revision on June 22, 2011.
Twentieth revision on June 12, 2012.
Twenty-first revision dated June 17, 2013.
Twenty-second revision on June 11, 2014.
Twenty-third revision on May 24, 2016.
Twenty-fourth revision on June 14, 2017.
Twenty-fifth revision on June 10, 2019.
Twenty-sixth revision on June 23, 2022.



Promise Technology, Inc.

Chairman and President : Lee, Jyh-En



(II) Rules of Procedure for Shareholders Meetings

Promise Technology, Inc.

Rules of Procedure for Shareholders Meetings

Article 1 The shareholders' meeting of the company shall be conducted in accordance with these rules.

Article 2. The shareholder referred to in these rules refers to the shareholder himself or the agent entrusted by the shareholder.

Article 3. The company shall specify in the meeting notice the time for accepting shareholders' report, the location of the report, and other matters that should be paid attention to.

The time for acceptance of shareholder registration in the preceding paragraph shall be handled at least 30 minutes before the start of the meeting; the registration office shall be clearly marked, and adequate and qualified personnel shall be assigned to handle it.

Shareholders should present their attendance certificates, attendance cards or other attendance certificates to attend the shareholders' meeting; the solicitor of the power of attorney solicitation should bring their identity documents for verification.

The company shall set up a signature book for the attendance of shareholders to sign in, or the attendance card shall be submitted by the attending shareholder to sign in.

Article 4. The company may appoint a lawyer, accountant or related personnel to attend the shareholder meeting. Personnel handling the shareholders' meeting shall wear identification badges or armbands.

Article 5. The company shall make audio and video recordings of the shareholder meeting.

The audio-visual materials mentioned in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be preserved until the lawsuit is concluded.

Article 6. Unless otherwise stipulated by the Company Law, specific resolutions should be followed. If shareholders representing more than half of the total number of issued shares attend the meeting, the chairman will announce the opening of the meeting. , the number of delays is limited to two times, and the delay time shall not exceed one hour. If the number of shareholders who represent more than one-third of the total number of issued shares is still insufficient after two delays, it may be handled in accordance with the provisions of Article 175 of the Company Law: resolution". Before the end of the current meeting, if the number of shares represented by the attending shareholders has reached the statutory number, the chairman may resubmit the false resolution made to the general meeting for voting in accordance with Article 174 of the Company Law.

Article 7. The agenda of the shareholders' meeting shall be determined by the board of di-

rectors, and the meeting shall be conducted in accordance with the procedure set by the agenda, and shall not be changed without the resolution of the shareholders' meeting. Before the conclusion of the agenda scheduled in the preceding paragraph, the chairman shall not declare the meeting closed unless a resolution is passed. After the meeting is adjourned, shareholders are not allowed to elect another chairman to continue the meeting at the original location or find another place.

Article 8. During the meeting, the chairman may announce a break at a discretionary time.

Article 9. When presenting a shareholder's speech, the speech slip must first be filled in with the gist of the speech, shareholder account number (or attendance card number) and account name, and the order of the speeches will be determined by the chairman. Shareholders attending the meeting who only put forward speech slips but did not make a speech shall be deemed as having not made a speech. If there is any discrepancy between the content of the speech and the record in the statement, the content of the speech shall prevail. When a shareholder present speaks, other shareholders are not allowed to interfere with the speech unless the chairman and the shareholder who speaks agree, and the chairman should stop the violation.

Article 10 Each shareholder shall speak on the same proposal for no more than two times without the consent of the chairman, and each time shall not exceed five minutes. If a shareholder violates the provisions of the preceding paragraph or exceeds the scope of the agenda, the chairman may stop the shareholder from speaking.

Article 11. When a legal person is entrusted to attend the shareholders' meeting, the legal person can only designate one representative to attend. When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one person may speak on the same proposal.

Article 12 After attending shareholders' speeches, the chairman may reply in person or by designating relevant personnel.

Article 13. When discussing a proposal, the chairman may announce the end of the discussion at an appropriate time, and may announce the suspension of the discussion when necessary, and the chairman will put it to the vote.

Article 14. The scrutineers and counting personnel for voting on proposals shall be designated by the chairman, but the scrutineers shall have the status of shareholders, and the vote counting operations for voting or election proposals at the shareholders' meeting shall be performed in open places in the shareholders' meeting place, and shall be After the counting of votes is completed, the voting result is announced on the spot, including the weight of statistics, and a record is made.

Article 15. When voting on proposals, unless otherwise stipulated by the Company Law, special resolutions shall be passed with the consent of more than half of the voting rights of the shareholders present. When voting, if there is no objection after consultation by the chairman, it shall be deemed passed, and its effect is the same as Vote the same.

Article 16. Unless otherwise stipulated by laws and regulations, each shareholder of the company has one voting right; if a shareholder is unable to attend the shareholders' meeting for some reason, he shall issue a power of attorney issued by the company specifying the scope of authorization, and sign or seal an agent to

attend the shareholders' meeting. Shareholders' entrusted attendance shall be handled in accordance with the "Company Law" and "Public Issued Companies Attending Shareholders' Meetings Using Power of Attorney Rules".

Article 17. If a meeting cannot be concluded, the meeting may be postponed or continued in accordance with Article 182 of the Company Law.

Article 18. The chairman may designate pickets to assist in maintaining order. Pickets should wear "Picket" armbands. Shareholders shall obey the instructions of the chairman or pickets regarding the maintenance of order. The chairman or pickets may exclude those who obstruct the progress of the meeting. Shareholders who are excluded should leave the meeting place immediately, and if necessary, the chairman may apply for police officers to be present at the meeting to divert traffic and maintain order.

Article 19. Shareholders, pickets and other persons participating in the meeting are not allowed to carry items that can endanger the life, body, freedom or property safety of others.

Article 20. Matters not stipulated in these rules shall be handled in accordance with the provisions of the Company Law, the company's articles of association and other relevant laws and regulations.

Article 21. These rules shall come into force after being approved by the shareholders' meeting, and the same shall apply when they are revised.

Article 22. These rules were made on May 17, 2000, First revised on May 13, 2002. The second revision was on June 12, 2012. The third revision was on June 17, 2013. Fourth revision on June 11, 2014.

(III) 2023 Financial Statements


 Promise Technology, Inc.
 Balance Sheet
 December 31, 2023 and 2022

Unit: NT\$ thousand

codes	Assets	December 31,2023		December 31,2022		codes	Liabilities and equity	December 31,2023		December 31,2022	
		amount	%	amount	%			amount	%	amount	%
	current assets						Current liabilities				
1100	Cash and cash equivalents (Notes 4, 6 and 27)	\$ 288,845	24	\$ 275,485	22	2100	Short-term borrowings (Notes 4, 15 and 27)	\$ 247,000	21	\$ 159,000	12
1136	Financial assets measured at amortized cost - current (Notes 4,7,27 and 29)	1,376	-	1,373	-	2170	Accounts payable (Notes 4 and 27)	64,580	5	85,208	7
1170	Net accounts receivable (Notes 4,8,19 and 27)	21,193	2	24,579	2	2220	Amount due to related parties, (Notes 4 ,27 and 28)	21,321	2	-	-
1180	Net accounts receivable (Notes 4,8,19 and 27)	45,011	4	30,050	2	2280	Lease liabilities - current (Notes 4, 12 and 27)	9,242	1	12,864	1
1210	Other receivables from related parties (Notes 4,27and 28)	163	-	778	-	2399	Long-term loans due within one year (Notes 4,15 and 27)	<u>28,838</u>	<u>2</u>	<u>34,952</u>	<u>3</u>
130X	Inventories (Notes 4, 5 and 9)	376,699	32	388,553	31	21XX	Expenses payable and other current liabilities	<u>370,981</u>	<u>31</u>	<u>292,024</u>	<u>23</u>
1479	Prepayments and other current assets (Notes 4 and 14)	<u>11,019</u>	<u>1</u>	<u>11,163</u>	<u>1</u>	2570	Deferred tax liabilities (Notes 4 and 21)	16,004	2	18,473	2
11XX	Total Current Assets	<u>744,306</u>	<u>63</u>	<u>731,981</u>	<u>58</u>	2580	Lease liabilities - non-current (Notes 4 ,12 and 27)	24,939	2	30,456	2
	Non-current assets					2640	Net defined benefit liabilities - non-current (Notes 4 and 17)	<u>34,924</u>	<u>3</u>	<u>39,230</u>	<u>3</u>
1550	Investments using the equity method (Notes 4 and 10)	285,871	24	352,047	28	25XX	Total non-current liabilities	<u>75,867</u>	<u>7</u>	<u>88,159</u>	<u>7</u>
1600	Property, plant and equipment (Notes 4 , 11and 29)	95,440	8	102,299	8	2XXX	total liabilities	<u>446,848</u>	<u>38</u>	<u>380,183</u>	<u>30</u>
1755	Right-of-use assets (Notes 4 and 12)	32,822	3	42,387	4		Equity (Notes 4, 18 and 23)				
1780	Intangible assets (Notes 4 and 13)	2,307	-	1,196	-		share capital				
1840	Deferred tax assets (Notes 4 and 21)	17,409	2	19,878	2	3110	common stock capital	926,787	78	926,787	74
1990	Other non-current assets (Notes 4 and 14)	<u>2,320</u>	<u>-</u>	<u>2,131</u>	<u>-</u>	3200	capital reserve	86,971	7	89,195	7
15XX	Other non-current assets	<u>436,169</u>	<u>37</u>	<u>519,938</u>	<u>42</u>	3350	accumulated loss	(181,330)	(15)	(45,910)	(3)
							pending loss				
						3410	Other interests				
							Conversion of financial statements of foreign operating institutions	(68,586)	(6)	(68,121)	(6)
						3420	Unrealized valuation gains and losses on financial assets measured at fair value through other comprehensive income	(<u>30,215</u>)	(<u>2</u>)	(<u>30,215</u>)	(<u>2</u>)
						3XXX	total equity	<u>733,627</u>	<u>62</u>	<u>871,736</u>	<u>70</u>
1XXX	total assets	<u>\$ 1,180,475</u>	<u>100</u>	<u>\$ 1,251,919</u>	<u>100</u>		Total liabilities and equity	<u>\$ 1,180,475</u>	<u>100</u>	<u>\$ 1,251,919</u>	<u>100</u>

The attached notes form part of this individual financial report.

Promise Technology, Inc.
Individual Comprehensive Income Statement
1 January to 31 December 2023 and 2022

Unit: NT\$ thousand ,
the earnings per share are in NT\$

C o d e	2023		2022	
	Amount	%	Amount	%
	operating income (Notes 4, 19 and 28)			
4100	\$ 511,412	100	\$ 795,789	100
4600	2,572	-	3,990	-
4000	513,984	100	799,779	100
	Operating costs (Notes 9, 20 and 28)			
5110	364,773	71	568,538	71
	Operating income (Notes 4, 19 and 28)			
5900	149,211	29	231,241	29
5920	(5,812)	(1)	(1,362)	(1)
5950	143,399	28	229,879	28
	Operating expenses (Notes 20 and 28)			
6100	46,336	9	50,078	6
6200	56,326	11	59,964	8
6300	109,727	21	107,744	13
6000	212,389	41	217,786	27
6900	(68,990)	(13)	12,093	1
	Non-operating income and expenses (Notes 4, 20 and 28)			
7100	5,226	1	1,146	-
7010	9,605	2	13,739	2
7020	6	-	(3,154)	-
7050	(5,828)	(1)	(4,474)	(1)
7070	(85,937)	(17)	(31,157)	(4)
7230	2,738	-	14,697	2
7000	(74,190)	(15)	(9,203)	(1)

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codes		2023		2022				
		金	額	金	額	%		
7900	Net Profit Before Taxes	(\$	143,180)	(28)	\$	2,890	-
7950	Income tax expenses (Notes 4 and 21)		18		-		-	-
8200	Net profit for the year	(143,198)	(28)		2,890	-
	Other comprehensive(profit) loss							
8310	Items not reclassified to profit or loss :							
8311	defined benefit plan Measured amount (Notes 4 and 17))		5,532		1		4,244	1
8360	Items that may be subsequently reclassified to profit or loss :							
8361	Exchange difference in the conversion of financial statements of foreign operating institutions (Notes 4 and 18)	(465)		-		26,596	3
8300	Other comprehensive gains and losses for the year (net of tax)		5,067		1		30,840	4
8500	Total comprehensive (profit) loss for the year	(\$	138,131)	(27)	\$	33,730	4
	Earnings per share (Note 22)							
9710	Basic	(\$	1.55)			\$	0.03	
9810	Diluted	(\$	1.55)			\$	0.03	

The attached notes form part of this individual financial report.


 Promise Technology, Inc.
 Individual Equity Change Statement
 1 January to 31 December 2023 and 2022

Unit: Unless otherwise specified,
in thousands of NT dollars

code	common stock capital		capital reserve	accumulated loss pending loss	other equity		total equity	
	Number of shares (thousand shares)	Amount			Exchange differ- ences in the trans- lation of financial statements of for- eign operating in- stitutions	Unrealized valua- tion gains and losses on financial assets measured at fair value through other comprehen- sive income and losses		
A1	January 1, 2022 balance	89,329	\$ 893,288	\$ 92,729	(\$ 58,197)	(\$ 94,717)	(\$ 30,215)	\$ 802,888
C3	Overdue cash dividends not received	-	-	112	-	-	-	112
C11	Capital reserves make up for losses	-	-	(5,153)	5,153	-	-	-
E1	cash capital increase	3,350	33,499	1,507	-	-	-	35,006
D1	2022 net profit	-	-	-	2,890	-	-	2,890
D3	Other Comprehensive (Profit) Loss in 2022	-	-	-	4,244	26,596	-	30,840
Z1	December 31, 2022 balance	92,679	926,787	89,195	(45,910)	(68,121)	(30,215)	871,736
C3	Overdue cash dividends not received	-	-	22	-	-	-	22
C11	Capital reserves make up for losses	-	-	(2,246)	2,246	-	-	-
D1	2022 net profit(lose)	-	-	-	(143,198)	-	-	(143,198)
D3	Other Comprehensive (Profit) Loss in 2023	-	-	-	5,532	(465)	-	5,067
Z1	December 31, 2023 balance	<u>92,679</u>	<u>\$ 926,787</u>	<u>\$ 86,971</u>	<u>(\$ 181,330)</u>	<u>(\$ 68,586)</u>	<u>(\$ 30,215)</u>	<u>\$ 733,627</u>

The attached notes form part of this individual financial report.

Promise Technology, Inc.

Individual Cash Flow Statement
1 January to 31 December 2023 and 2022

Unit: NT\$ thousand

<u>codes</u>		<u>2023</u>	<u>2022</u>
	Cash Flow from Operating Activities		
A10000	Net profit before tax for the year	(\$ 143,180)	\$ 2,890
A20000	Adjustment items: :		
A20100	Depreciation expense	25,221	27,046
A20200	Amortization fee	739	464
A20900	Financial costs	5,828	4,474
A21200	interest income	(5,226)	(1,146)
A22300	Share of loss of affiliated enterprises recognized using equity method	85,937	31,157
A22500	Disposal of property, plant and equipment losses	1	-
A22600	Property, plant and equipment transfer expenses	3	-
A22700	Intangible assets transfer expenses	64	-
A23700	Inventory depreciation and sluggish loss	10,027	3,490
A24000	Unrealized benefits between affiliated companies	5,812	1,362
A24100	Net (profit) loss on foreign currency exchange	(3,202)	(18,908)
A29900	lease modification benefit	(9)	(576)
A30000	Changes in operating assets and liabilities		
A31150	Accounts receivable	2,755	59,015
A31160	Receivables from related parties	(15,775)	(12,191)
A31190	Other receivables from related parties	613	58
A31200	Inventory	(1,587)	7,955
A31240	Prepayments and other current assets	626	(344)
A32150	accounts payable	(19,770)	(34,350)
A32190	Other payables - related parties	21,321	-
A32200	refund liability	1,109	-
A32230	Expenses payable and other current liabilities	(7,630)	(45,663)
A32240	Net defined benefit liability	<u>1,226</u>	<u>1,013</u>
A33000	Net cash inflows (outflows) from operations	(35,097)	25,746
A33500	income tax paid	(<u>412</u>)	(<u>80</u>)
AAAA	Net cash inflows (outflows) from operating activities	(<u>35,509</u>)	<u>25,666</u>

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<u>c o d e s</u>		<u>2023</u>	<u>2022</u>
	Cash flow from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	(\$ 3)	(\$ 2)
B01800	Obtain long-term equity investment using equity method	(26,038)	-
B02700	Acquisition of real estate, plant and equipment	(1,507)	(1,585)
B02800	Disposal of price of real estate, plant and equipment	63	-
B03700	Deposit margin and others	77	549
B04500	Acquisition of intangible assets	(1,520)	(808)
B07500	interest charged	<u>4,439</u>	<u>1,114</u>
BBBB	Net cash flow (outflow) from investing activities	<u>(24,489)</u>	<u>(732)</u>
	Cash Flow from Financing Activities		
C00100	short-term borrowing	550,900	418,000
C00200	Repayment of short-term loans	(462,900)	(502,600)
C01700	repayment of long-term loans	-	(29,500)
C04020	Lease liability principal repayments	(12,706)	(13,231)
C04600	cash capital increase	-	35,006
C05600	interest paid	(5,782)	(4,478)
C09900	Overdue unclaimed cash dividends transferred to capital reserve	<u>22</u>	<u>112</u>
CCCC	Net cash outflow from financing activities	<u>69,534</u>	<u>(96,691)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>3,824</u>	<u>18,168</u>
EEEE	Net (decrease) increase in cash and cash equivalents	13,360	(53,589)
E00100	Cash and equivalent cash balance at the end of the year	<u>275,485</u>	<u>329,074</u>
E00200	Cash and equivalent cash balance at the end of the year	<u>\$ 288,845</u>	<u>\$ 275,485</u>

The attached notes form part of this individual financial report.

Promise Technology, Inc. and Subsidiaries
consolidated balance sheet
December 31, 2023 and 2022



Unit: NT\$ thousand

c o d e s	Assets	December 31,2023		December 31,2022		c o d e s	Liabilities and equity	December 31,2023		December 31,2022	
		amount	%	amount	%			amount	%	amount	%
	Current Assets						Current liabilities				
1100	Cash and cash equivalents (notes 4 、 6 、 and 20)	\$ 401,652	34	\$ 392,092	31	2100	Short-term borrowings (Notes 4, 16 and 28)	\$ 247,000	21	\$ 159,000	13
1136	Financial assets measured at amortized cost - current (Notes 4, 7, 28 and 30)	6,113	-	1,373	-	2170	Accounts payable (Notes 4 and 28)	64,806	5	85,367	7
1170	Net accounts receivable (Notes 4, 8, 20 and 28)	53,051	4	94,953	7	2230	Current income tax liabilities (Notes 4 and 22)	837	-	2,086	-
130X	Inventories (Notes 4, 5 and 9)	411,679	35	428,423	34	2280	Lease liabilities - current (Notes 4, 13. and 28)	13,503	1	16,399	1
1479	Prepayments and other current assets (Note 4, 15 and 29)	18,679	2	22,167	2	2399	Expenses payable and other current liabilities (Note 4, 17 and 28)	49,258	4	49,625	4
11XX	Total Current Assets	891,174	75	939,008	74	21XX	Total current liabilities	375,404	31	312,477	25
	Non-current assets						Non-current liabilities				
1550	Investments using the equity method (Notes 4 and 11)	-	-	18,339	1	2570	Deferred tax liabilities (Notes 4 and 22)	16,004	1	18,473	1
1600	Property, plant and equipment (Notes 4, 12 and 30)	98,449	8	104,975	8	2580	Lease liabilities - non-current (Notes 4, 13 and 28)	27,970	3	31,252	3
1755	Right-of-use assets (Notes 4 and 13)	40,332	3	47,040	4	2640	Net defined benefit liabilities - non-current (notes 4 and 18)	34,924	3	39,230	3
1780	Intangible assets (Notes 4, 14 and 29)	17,672	2	21,631	2	25XX	Total non-current liabilities	78,898	7	88,955	7
1840	Deferred tax assets (Notes 4 and 22)	137,464	12	139,830	11	2XXX	Total liabilities	454,302	38	401,432	32
1990	Other non-current assets (Notes 4 and 15)						Equity attributable to the owner of the company (Note 4.19 and 24)				
15XX	Right-of-use assets (Notes 4 and 13)	3,544	-	3,251	-		share capital				
15XX	Total non-current assets	297,461	25	335,066	26	3110	common stock capital	926,787	78	926,787	73
						3200	capital reserve	86,971	7	89,195	7
							accumulated loss				
						3350	pending loss	(181,330)	(15)	(45,910)	(4)
							Other interests				
						3410	Exchange difference on translation of financial statements of foreign operating institutions	(68,586)	(6)	(68,121)	(5)
							Unrealized valuation gains and losses on financial assets measured at fair value through other comprehensive income	(30,215)	(2)	(30,215)	(3)
						3420					
						31XX	Total owner's equity of the company	733,627	62	871,736	68
						36XX	Non-controlling interests (Note 19)	706	-	906	-
						3XXX	total equity	734,333	62	872,642	68
1XXX	total assets	\$ 1,188,635	100	\$ 1,274,074	100		Liabilities and Equity Total	\$ 1,188,635	100	\$ 1,274,074	100

The attached notes form part of this individual financial report.

Promise Technology, Inc. and Subsidiaries
Consolidated statement of comprehensive income

1 January to 31 December 2023 and 2022

Unit: NT\$ thousand ,
the earnings per share are in NT\$

codes		2023		2022	
		amount	%	amount	%
	Operating income (Notes 4 and 20)				
4100	sales revenue	\$ 582,050	100	\$ 886,144	100
4600	Labor income	<u>2,472</u>	-	<u>3,990</u>	-
4000	Total Operating income	584,522	100	890,134	100
5110	Operating costs (Notes 9, 21 and 29)	<u>382,245</u>	<u>65</u>	<u>567,102</u>	<u>64</u>
5950	operating profit	<u>202,277</u>	<u>35</u>	<u>323,032</u>	<u>36</u>
	Operating expenses (Notes 21 and 29)				
6100	promotional expenses	118,880	21	128,931	15
6200	management costs	76,246	13	84,158	9
6300	R & D costs	129,678	22	124,307	14
6450	Expected credit impairment losses (Note 8)	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>
6000	Total operating expenses	<u>324,804</u>	<u>56</u>	<u>337,398</u>	<u>38</u>
6900	net operating loss	(<u>122,527</u>)	(<u>21</u>)	(<u>14,366</u>)	(<u>2</u>)
	non-operating income and expenses (Notes 21 and 29)				
7100	interest income	6,003	1	1,588	-
7010	Other income	1,411	-	9,621	1
7020	Other gains and losses	(25,590)	(4)	(3,156)	-
7050	Financial costs	(6,130)	(1)	(4,719)	(1)
7060	Share of profit (loss) of affiliated enterprises recognized using the equity method (Note 11)	2,406	-	1,274	-
7230	Net foreign currency exchange gain (loss)	<u>3,168</u>	<u>1</u>	<u>15,179</u>	<u>2</u>
7000	Total non-operating income and expenses	(<u>18,732</u>)	(<u>3</u>)	<u>19,787</u>	<u>2</u>

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codes		2023		2022	
		amount	%	amount	%
7900	Net Profit Before Taxes	(\$ 141,259)	(24)	\$ 5,421	-
7950	Income tax expenses (Notes 4 and 22)	<u>2,147</u>	<u>1</u>	<u>2,614</u>	<u>-</u>
8200	Net profit for the year	(<u>143,406</u>)	(<u>25</u>)	<u>2,807</u>	<u>-</u>
	Other comprehensive (profit) loss(Notes 4 and 19)				
8310	Items not reclassified to profit or loss				
8311	defined benefit plan Measured amount (Notes 4 and 18)	5,532	1	4,244	1
8360	Items that may be reclassified to profit or loss in the future				
8361	Exchange difference in the conversion of financial statements of foreign operating institutions	(<u>457</u>)	<u>-</u>	<u>26,758</u>	<u>3</u>
8300	Other comprehensive gains and losses for the year (net of tax)	<u>5,075</u>	<u>1</u>	<u>31,002</u>	<u>4</u>
8500	Total comprehensive (profit) loss for the year	(<u>\$ 138,331</u>)	(<u>24</u>)	<u>\$ 33,809</u>	<u>4</u>
	Net profit (loss) attributable to :				
8610	The owner of the company	(\$ 143,198)	(25)	\$ 2,890	-
8620	non-controlling interest	(<u>208</u>)	<u>-</u>	(<u>83</u>)	<u>-</u>
8600		(<u>\$ 143,406</u>)	(<u>25</u>)	<u>\$ 2,807</u>	<u>-</u>
	Total comprehensive (profit) loss attributable to :				
8710	The owner of the company	(\$ 138,131)	(24)	\$ 33,730	4
8720	non-controlling interest	(<u>200</u>)	<u>-</u>	<u>79</u>	<u>-</u>
8700		(<u>\$ 138,331</u>)	(<u>24</u>)	<u>\$ 33,809</u>	<u>4</u>
	Earnings per share (Note 23)				
9710	Basic	(<u>\$ 1.55</u>)		<u>\$ 0.03</u>	
9810	Diluted	(<u>\$ 1.55</u>)		<u>\$ 0.03</u>	

The attached notes form part of this individual financial report.

Promise Technology, Inc. and Subsidiaries
 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 1 January to 31 December 2023 and 2022

Unit: Unless otherwise specified,
in thousands of NT dollars

		Equity attributable to the owner of the company				other equity				
		common stock capital		capital reserve	accumulated loss pending loss	Exchange differ- ences in the translation of financial statements of foreign operating institutions	Unrealized valua- tion gains and losses on fi- nancial assets measured at fair value through other comprehensive income and losses	Total	non-controlling equity	total equity
代碼		Number of shares (thousand shares)	amount							
A1	January 1, 2022 balance	89,329	\$ 893,288	\$ 92,729	(\$ 58,197)	(\$ 94,717)	(\$ 30,215)	\$ 802,888	\$ 827	\$ 803,715
C3	Overdue cash dividends not received	-	-	112	-	-	-	112	-	112
C11	Capital reserves make up for losses	-	-	(5,153)	5,153	-	-	-	-	-
E1	cash capital increase	3,350	33,499	1,507	-	-	-	35,006	-	35,006
D1	2022 net profit	-	-	-	2,890	-	-	2,890	(83)	2,807
D3	Other Comprehensive (Profit) Loss in 2022	-	-	-	4,244	26,596	-	30,840	162	31,002
Z1	December 31, 2022 balance	92,679	926,787	89,195	(45,910)	(68,121)	(30,215)	871,736	906	872,642
C3	Overdue cash dividends not received	-	-	22	-	-	-	22	-	22
C11	Capital reserves make up for losses	-	-	(2,246)	2,246	-	-	-	-	-
D1	2022 net profit	-	-	-	(143,198)	-	-	(143,198)	(208)	(143,406)
D3	Other Comprehensive (Profit) Loss in 2023	-	-	-	5,532	(465)	-	5,067	8	5,075
Z1	December 31, 2023 balance	<u>92,679</u>	<u>\$ 926,787</u>	<u>\$ 86,971</u>	<u>(\$ 181,330)</u>	<u>(\$ 68,586)</u>	<u>(\$ 30,215)</u>	<u>\$ 733,627</u>	<u>\$ 706</u>	<u>\$ 734,333</u>

The attached notes form part of this individual financial report.

Promise Technology, Inc. and Subsidiaries
Consolidated Cash Flow Statement
1 January to 31 December 2023 and 2022

Unit: NT\$ thousand

<u>codes</u>		<u>2023</u>	<u>2022</u>
	Cash Flow from Operating Activities		
A10000	Net profit before tax for the year	(\$ 141,259)	\$ 5,421
A20000	Adjustment items:		
A20100	Depreciation expense	35,298	37,236
A20200	Amortization fee	5,879	5,449
A20300	Expected credit impairment losses	-	2
A20900	Financial costs	6,130	4,719
A21200	interest income	(6,003)	(1,588)
A22300	The share of related enterprise (profit) losses recognized using the equity method	(2,406)	(1,274)
A22500	Disposal of property, plant and equipment losses	1	10
A22600	Inventory depreciation and sluggish loss (recovery benefit)	3	-
A22700	Net benefit from foreign currency exchange	64	-
A23500	Government Grant Loan Forgiveness Income	21,068	-
A23700	lease modification benefit	10,405	3,456
A24100	Changes in operating assets and liabilities	(5,459)	(3,310)
A29900	Accounts receivable	-	(3,701)
A29900	Other receivables - related parties	(9)	(771)
A30000	Inventory		
A31150	Prepayments and other current assets	40,983	52,138
A31200	accounts payable	1,475	(15,450)
A31240	Other payables - related parties	823	(4,755)
A32150	Expenses payable and other current liabilities	(19,704)	(34,351)
A32200	Net defined benefit liability	1,109	-
A32230	Net cash inflow from operations	(1,834)	(20,981)
A32240	income tax paid	<u>1,226</u>	<u>1,013</u>
A33000	Net cash inflow from operating activities	(52,210)	23,263
A33500	Cash Flow from Operating Activities	(<u>3,664</u>)	(<u>820</u>)
AAAA	Net profit before tax for the year	(<u>55,874</u>)	<u>22,443</u>

(continued on next page)

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<u>codes</u>		<u>2023</u>	<u>2022</u>
	Cash flow from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	(\$ 4,740)	(\$ 2)
B02700	Acquisition of real estate, plant and equipment	(2,321)	(2,523)
B02800	Disposal of property, plant and equipment	113	-
B03700	Deposit margin and others	(27)	1,417
B04500	Acquisition of intangible assets	(1,520)	(808)
B07500	interest charged	<u>5,216</u>	<u>1,556</u>
BBBB	Net cash flow (outflow) from investing activities	<u>(3,279)</u>	<u>(360)</u>
	Cash Flow from Financing Activities		
C00100	short-term borrowing	550,900	418,000
C00200	Repayment of short-term loans	(462,900)	(502,600)
C01700	repayment of long-term loans	-	(33,536)
C04020	Lease liability principal repayments	(17,851)	(18,364)
C04600	cash capital increase	-	35,006
C05600	interest paid	(6,083)	(4,815)
C09900	Overdue unclaimed cash dividends transferred to capital reserve	<u>22</u>	<u>112</u>
CCCC	Net cash outflow from financing activities	<u>64,088</u>	<u>(106,197)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>4,625</u>	<u>18,366</u>
EEEE	Cash and equivalent cash balance at the beginning of the year	9,560	(65,748)
E00100	Cash and equivalent cash balance at the beginning of the year	<u>392,092</u>	<u>457,840</u>
E00200	Cash and equivalent cash balance at the end of the year	<u>\$ 401,652</u>	<u>\$ 392,092</u>

The attached notes form part of this individual financial report.

(IV) Shareholding of all directors :

The number of shares held by individual and all directors recorded in the shareholder list as of April 23, 2024 :

List of directors and independent directors Base Date : April 23, 2024

Job title	Name	Number of shares held
Chairman	Qixiang Co., Ltd. : Lee,Jyh-En	7,142,873 0
Director	Tsu Fung Investment Corporation : Ho, Jhi-Wu	2,609,479 0
Director	Syntec Technology Co., Ltd. Chirstine Huang	2,741,860 0
Independent Director	LU,Hong-Sheng	0
Independent Director	Chang,Wen-Thong	0
Independent Director	Chen, Jyh-Cheng	0
Independent Director	Chen Yi Liang	0
SUM		9,752,392

Note:

1. The legally required shares held by all directors of the company:
None
2. As of April 23, 2024, the actual number of issued shares is
92,678,668 shares.