

Members of Audit Committee and Operation

The Company's Audit Committee consists of 3 independent directors. The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its role in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes and financial controls.

Matters include :

1. Financial Statement Audit and Accounting Policies and Procedures.
2. Internal control system and related policies, procedures and effectiveness, etc.
3. A material asset or derivatives transaction.
4. A material monetary loan, endorsement, or provision of guarantee.
5. The offering, issuance, or private placement of any equity-type securities.
6. Derivative financial products and cash investments.
7. Compliance with the laws and regulations.
8. Whether managers and directors have related party transactions and possible conflicts of interest.
9. Grievance report.
10. Fraud prevention plans and fraud investigation reports.
11. Information security.
12. Corporate risk management.
13. Evaluation of qualifications, independence and performance of CPA.
14. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
15. The appointment or discharge of a financial, accounting, or internal auditing officer.

Assessment of the effectiveness of the internal control system

On January 30, 2024, the Audit Committee evaluated the effectiveness of the company's internal control system policies and procedures (including financial, operational, risk management, information security, outsourcing, legal compliance and other control measures). And reviewed the company's audit department and CPA, as well as the management's regular reports, including risk management and legal compliance. The Audit Committee believes that the company's risk management and internal control systems are effective and that the company has adopted necessary control mechanisms to monitor and correct irregularities.

The hiring of an attesting CPA

Our company's CPAs does not provide our company with other services except tax-related

services or specially approved projects. All services provided by CPAs are approved by the Company's Audit Committee.

In order to ensure the independence of the CPA, the Audit Committee has formulated an independence assessment form with reference to Article 47 of the Accountant Law and the Accountant Professional Ethics Bulletin No. 10 "Integrity, Fairness, Objectivity and Independence" to evaluate the independence of the CPA, professionalism and competency assessment, and assessment of whether the company is related to each other, has business or financial interests with each other, etc. On November 3, 2023, the 12th Audit Committee of the first session passed the CPA assessment case of Deloitte Taiwan, and on March 5, 2024, the 14th Audit Committee of the first session reviewed and approved the appointment of CPA for 2024. . Therefore, Deloitte is qualified to serve as the company's financial and tax accounting CPA.

Audit Committee Meeting Details

The number of audit committee meetings held in the most recent fiscal year(2023) was:8 (A). The attendance by the independent directors was as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) 【 B / A 】	Remark
Independent director	Pu Tsun Ching	8	0	100	
Independent director	Chiang Chih Fung	8	0	100	
Independent director	Lu Lien Wan	8	0	100	

Other information required to be disclosed:

- I 、 If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:
- (I) Any matter under Article 14-5 of the Securities and Exchange Act : as follows.
- (II) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: as follows.

Important Resolutions of ALLTOP Audit Committees Meetings					
Date	Session	Securities & Exchange Act §14-5	Case	Resolutions	Resolution of BOD
Jan. 13, 2023	The 8th of the First		1. Operating Plan and draft budget of 2023.	Approved without objection	Approved
		V	2. Management's reports on Internal Control of 2022.	Approved without objection	Approved
		1. Matters of Securities & Exchange Act §14-5 Opinions of the Audit Committee : agreed. Handling of Opinions of the Audit Committee : NA. 2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA			
March 3, 2023	The 9th of the First	V	1. Non-Consolidated and Consolidated Financial Statements for the year ended December 31, 2022.	Approved without objection	Approved
		V	2. Rotation and replacement of CPA within Deloitte.	Approved without objection	Approved
		V	3. Year 2023 fees of certifying certified public accountant of Deloitte.	Approved without objection	Approved
			4. Business Report of 2022.	Approved without objection	Approved
			5. Proposal for distribution of 2022 earnings.	Approved without objection	Approved
			6. Cash dividends distributed from capital reserve to shareholders.	Approved without objection	Approved
		V	7. Revising for "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises".	Approved without objection	Approved
		V	8. ALLTOP rents a factory in Vietnam and obtains real estate use rights assets.	Approved without objection	Approved

		V	9. ALLTOP invests in Vietnam and establishes a subsidiary.	Approved without objection	Approved
		1. Matters of Securities & Exchange Act §14-5 Opinions of the Audit Committee : agreed. Handling of Opinions of the Audit Committee : NA. 2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA			
		V	1. Consolidated Financial Statements for the Quarter Ended March 31, 2023.	Approved without objection	Approved
		V	2. Formulate “Pre-approval Policy for CPA Providing Uncertain Services”.	Approved without objection	Approved
May 5, 2023	The 10th of the First	1. Matters of Securities & Exchange Act §14-5 Opinions of the Audit Committee : agreed. Handling of Opinions of the Audit Committee : NA. 2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA			
Aug. 4, 2023	The 11th of the First	V	1. Consolidated Financial Statements for the Quarter Ended June 30, 2023.	Approved without objection	Approved
		V	2. LIQUAN TECHNOLOGY (TAICANG) CO., LTD. obtains the ratification of the right-of-use asset supplementary contract from ALLTOP Electronics (Suzhou) Ltd.	Approved without objection	Approved
		1. Matters of Securities & Exchange Act §14-5 Opinions of the Audit Committee : agreed. Handling of Opinions of the Audit Committee : NA. 2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA			
Nov. 3, 2023	The 12th of the First	V	1. Consolidated Financial Statements for the Quarter Ended Sep. 30, 2023.	Approved without objection	Approved
		V	2. 2023 performance appraisal of CPA.	Approved without objection	Approved
		V	3. Rotation and replacement of CPA	Approved without	Approved

			within Deloitte.	objection	
		V	4. Audit plan of 2024.	Approved without objection	Approved
		V	5. Revising for "Organizational management work methods" and formulate the organization chart of the (Vietnam) subsidiary.	Approved without objection	Approved
		V	6. Issue the 6th unsecured convertible corporate bond.	Approved without objection	Approved
		1. Matters of Securities & Exchange Act §14-5 Opinions of the Audit Committee : agreed. Handling of Opinions of the Audit Committee : NA. 2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA			
	Jan 30, 2024		1. Operating Plan and draft budget of 2024.	Approved without objection	Approved
		V	2. Management's reports on Internal Control of 2023.	Approved without objection	Approved
		V	3. Revising for "Rules of Procedure for Board of Directors Meetings".	Approved without objection	Approved
		1. Matters of Securities & Exchange Act §14-5 Opinions of the Audit Committee : agreed. Handling of Opinions of the Audit Committee : NA. 2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA			
	March 05, 2024	V	1. Non-Consolidated and Consolidated Financial Statements for the year ended December 31, 2023.	Approved without objection	Approved
		V	2. Year 2024 fees of certifying certified public accountant of Deloitte.	Approved without objection	Approved
			3. Business Report of 2023.	Approved without objection	Approved
			4. Proposal for distribution of 2023 earnings.	Approved without objection	Approved
			5. Cash dividends distributed from capital reserve to shareholders.	Approved without objection	Approved
		1. Matters of Securities & Exchange Act §14-5			

		<p>Opinions of the Audit Committee : agreed.</p> <p>Handling of Opinions of the Audit Committee : NA.</p> <p>2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA</p>			
May 03, 2024	The 15th of the First	V	1. Consolidated Financial Statements for the Quarter Ended March 31, 2024.	Approved without objection	Approved
		<p>1. Matters of Securities & Exchange Act §14-5</p> <p>Opinions of the Audit Committee : agreed.</p> <p>Handling of Opinions of the Audit Committee : NA.</p> <p>2. In addition to the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: NA</p>			

II 、 Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted : None.

III 、 Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the company's finances and business and the method(s) and outcomes of the communication.)

1. The audit supervisor and accountant may directly contact the independent directors if needed. Good communication situation.
2. In addition to receiving audit reports on a monthly basis for independent directors, the audit supervisor and accountants will hold an audit committee meeting at least once a year, and individually report to independent directors on matters such as auditing business and financial statement audit results. Audit supervisors and accountants attend the audit committee, provide the related information on implementation status, achievement and suggestion, and conduct good communication.

3. The communication situation is as follows:

Date	Communication status with internal audit	
	Communication Item	Result
2023.01.13	1. 2022 internal self-assessment results and matters to be improved and issued a statement of internal control. 2. Audit work report.	No objection
2023.03.03	1. Prepare a progress report on the implementation of the financial reporting improvement plan. 2. Audit work report.	No objection

2023.05.05	Audit work report.	No objection
2023.06.21	Audit work report.	No objection
2023.08.04	Audit work report.	No objection
2023.11.03	1. 2023 Annual communication report of internal control deficiency and tracking improvement, and problem description & Report on improvement and solution measures for OTC internal control suggested matters. 2. Audit work report.	No objection
2024.01.30	1. 2023 internal self-assessment results and matters to be improved and issued a statement of internal control. 2. Audit work report.	No objection
2024.03.05	Audit work report.	No objection
2024.05.03	Audit work report.	No objection

Date	Communication with CPA	
	Communication Item	Result
2023.03.03	CPA communicated and explained the review of financial reports and key audit items in 2022.	No objection
2023.05.05	CPA communicated and explained the review of financial reports and key audit items in the first quarter of 2023.	No objection
2023.08.04	CPA communicated and explained the review of financial reports and key audit items in the second quarter of 2023.	No objection
2023.11.03	1. CPA communicated and explained the review of financial reports and key audit items in the third quarter of 2023. 2. Communicated and discussed the auditing and planning of the 2024 annual report review.	No objection
2024.03.05	CPA communicated and explained the review of financial reports and key audit items in 2023.	No objection
2024.05.03	CPA communicated and explained the review of financial reports and key audit items in the first quarter of 2024.	No objection