NAN LIU ENTERPRISE CO., LTD.

Audit Committee information

Identity (Note 1)	Condition / Name	Has more than 5 years of work experience and the following professional qualifications			Compliant to the requirements of independence (Note 2)								Number of Audit Committee memberships concurrently held in other public companies	Remarks (Note 3)
		Currently serving as an instructor or higher post in a private or public college or university in the field of business, law, finance, accounting, or the business sector of the Company	Currently serving as a judge, prosecutor, lawyer, accountant, or other professional practice or technician that must undergo national examinations and specialized license.	Has professional experience necessary for business administration, legal affairs, finance, accounting, or business sector of the Company.	1	2	3	4	5	6	7	8		
Independent Director	Huang, Tung-Rong		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1	
Independent Director	Chen, Chao Lungh	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	1	
Independent Director	Huang Chun-Ping	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	-	

Note 1: For identity, please annotate whether the person is a director, independent director, or other.

Note 2: For any committee member who fulfills the relevant condition(s) 2 years before being elected or during the term of office, please provide the ✓ sign in the field next to the corresponding condition(s).

(1) Not employed by the Company or an affiliated business.
(2) Not a director or supervisor of the Company or an affiliated business. This does not apply in cases where the person is an independent director of the Company, its parent company, or a subsidiary where the Company holds, directly and indirectly, more than 50% of the voting shares.
(3) Not a natural person shareholder who holds more than 1% of issued shares or is ranked top 10 in terms of the total quantity of shares held, including the shares held in the name of the person's spouse, minor children, or others.
(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship in the 3 preceding items.
(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds more than 5% of the total number of issued shares of the Company or is ranked top 5 in terms of quantity of shares held.
(6) Not a director (member of the governing board), supervisor (member of the supervising board), managerial officer, or shareholder holding more than 5% of shares of a specified company or institution that has a financial or business relationship with the Company.
(7) Not a professional individual or owner, partner, director (member of the governing board), supervisor (member of the supervising board), or managerial officer of a sole proprietorship, partnership, company, or institution that provides commercial, legal, financial, accounting, or consultation services to the Company or to any affiliated business, or spouse thereof.
(8) Where none of the circumstances in the subparagraphs of Article 30 of the Company Act applies.

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Operations of Audit Committee

(1) The Company has an Audit Committee composed of 3 members.
(2) The duration of the current term of service is from May 31, 2022 to May 30, 2025.
In the recent year, a total of five Remuneration Committee meetings (A) were held. The following lists member qualifications and presence at these meetings:

Title	Name	Actual presence (B)	Frequency of proxy attendance	Rate of actual presence (%) (B/A) (Note)	Remarks
Committee chair	Huang Tung-Rung	5	0	100%	
Member	Chen, Chao Lungh	4	1	80%	
Member	Huang Chun-Ping	5	0	100%	

The Audit Committee was composed of three independent directors. For helping board of directors, the main function of the Audit Committee is to supervise the quality and ethics of accounting, internal audit officer, financial reporting flow and financial control.

The Committee shall convene at least once quarterly. The powers of the Committee are as follows:

1. Auditing of financial statements and financial policy, procedures.
2. Internal control system and related policy, procedures.
3. Asset transactions or derivatives trading of a material nature.
4. Loans of funds, endorsements, or provision of guarantees of a material nature.
5. The offering, issuance, or private placement of equity-type securities.
6. Investment of equity-type securities and cash.
7. Compliance.
8. Matters in which a director or manager is an interested party.
9. Appeal report.
10. Prevention fraud plan and fraud survey report.
11. Information security.
12. Risk management.
13. Seniority, independent and performance of audit accountants.
14. The hiring or dismissal of a certified public accountant, or their compensation.
15. The appointment or discharge of a financial, accounting, or internal audit officer.
16. Process of Audit Committee.
17. Evaluation of Audit Committee.

- Review financial report

  The Board of Directors approved 2021 Business Report, financial statements and distribution of Profit. The financial statements is audited by PricewaterhouseCoopers Taiwan. The above Business Report, financial statements and distribution of Profit were audited by the Audit Committee and there's no any problem.

- Effectiveness of internal control system evaluation

  The Audit Committee evaluate effectiveness of policy and procedures of the Company's internal control system (including of financial, business, risk management, information security and external compliance). The Committee review regular report of audit office, audit accountants, managers that include risk management and compliance. Reference announcement of Internal Control Integrated Framework by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, the audit committee members recognize the effectiveness of risk management and internal control system. The Company takes necessary control system to supervise and correct the violation action.

Implementation of Audit Committee.

<table>
<tr><th>Session number of the Audit Committee meeting and date</th><th>Major resolutions and subsequent processing</th><th>Article 14-5 of the Securities and Exchange Act</th><th>The qualified opinion unreview by Audit Committee and approved by over two thirds of all directors</th></tr>
<tr><td rowspan="8">The second session the fourth time Audit Committee 2023.3.15</td><td>Discussion item:</td><td></td><td></td></tr>
<tr><td>1. 2022 Financial Statements and the Business Report.</td><td>V</td><td></td></tr>
<tr><td>2. The statement of the internal control system in 2022.</td><td>V</td><td></td></tr>
<tr><td>3. Amendments to Parts of 'Articles of Incorporation'.</td><td>V</td><td></td></tr>
<tr><td>4. 2022 Dividend Distribution.</td><td>V</td><td></td></tr>
<tr><td>5. Evaluation of eligibility and independence for accountant.</td><td></td><td></td></tr>
<tr><td colspan="3">The results of the decision by Audit Committee(2023.03.15):
all attendees of Audit Committee members agreed to pass.</td></tr>
<tr><td colspan="3">Subsequent processing of Audit Committee opinions:
all attendees of Directors agreed to pass</td></tr>
<tr><td rowspan="4">The second session the fifth time Audit Committee 2023.05.09</td><td>Discussion item:</td><td></td><td></td></tr>
<tr><td>1. Consolidated Financial Statements for the first quarter of 2023.</td><td>V</td><td></td></tr>
<tr><td colspan="3">The results of the decision by Audit Committee(2023.05.09):
all attendees of Audit Committee members agreed to pass.</td></tr>
<tr><td colspan="3">Subsequent processing of Audit Committee opinions:
all attendees of Directors agreed to pass</td></tr>
<tr><td rowspan="6">The second session the sixth time Audit Committee 2023.08.08</td><td>Discussion item:</td><td></td><td></td></tr>
<tr><td>1. Consolidated Financial Statements for the second quarter of 2023.</td><td>V</td><td></td></tr>
<tr><td>2. Amendment of internal control system.</td><td>V</td><td></td></tr>
<tr><td>3. Loan guarantee for subsidiaries.</td><td>V</td><td></td></tr>
<tr><td colspan="3">The results of the decision by Audit Committee(2023.08.08):
all attendees of Audit Committee members agreed to pass.</td></tr>
<tr><td colspan="3">Subsequent processing of Audit Committee opinions:
all attendees of Directors agreed to pass</td></tr>
<tr><td rowspan="5">The second session the seventh time Audit Committee 2023.11.06</td><td>Discussion item:</td><td></td><td></td></tr>
<tr><td>1. Consolidated Financial Statements for the third quarter of 2023.</td><td>V</td><td></td></tr>
<tr><td>2. Loan guarantee for subsidiaries.</td><td>V</td><td></td></tr>
<tr><td colspan="3">The results of the decision by Audit Committee(2023.11.06):
all attendees of Audit Committee members agreed to pass.</td></tr>
<tr><td colspan="3">Subsequent processing of Audit Committee opinions:
all attendees of Directors agreed to pass</td></tr>
<tr><td rowspan="6">The second session the eighth time Audit Committee 2023.12.27</td><td>Discussion item:</td><td></td><td></td></tr>
<tr><td>1. 2024 annual audit plan</td><td>V</td><td></td></tr>
<tr><td>2. 2024 annual business plan</td><td></td><td></td></tr>
<tr><td>3. loan guarantee for subsidiaries</td><td>V</td><td></td></tr>
<tr><td colspan="3">The results of the decision by Audit Committee(2023.12.27):
all attendees of Audit Committee members agreed to pass.</td></tr>
<tr><td colspan="3">Subsequent processing of Audit Committee opinions:
all attendees of Directors agreed to pass</td></tr>
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