

CHIN-POON INDUSTRIAL CO., LTD.

2026 ANNUAL SHAREHOLDERS' MEETING

MEETING AGENDA

(Translation)

The meeting will be held
on Wednesday, June 24, 2026 at 9:00 a.m. GMT+8,
at No.17, Lane 5, Section 2, Nanshan Road, Luzhu District, Taoyuan City 33852,
Taiwan (R.O.C.)

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Procedures

1. Call the Meeting to Order
2. Chairperson's Remarks
3. Reports
4. Proposed Resolutions
5. Deliberation Proposals
6. Directors Election
7. Other Proposals
8. Special Motions
9. Adjournment

Agenda

Time: Wednesday, June 24, 2026 at 9:00 a.m. GMT+8

Venue: No.17, Lane 5, Section 2, Nanshan Road, Luzhu District, Taoyuan City 33852, Taiwan (R.O.C.)

Shareholders' meeting will be held by means of physical shareholders' meeting.

Agenda:

1. Call the Meeting to Order (Reports on the number of shares in attendance)
2. Chairperson's Remarks
3. Reports
 - 3.1 Business Report for 2025 & Business Plan for 2026
 - 3.2 Audit Committee's Review Report of 2025
 - 3.3 Report on the Remuneration of Directors and the Compensation of Employees of 2025
 - 3.4 Report on the Details of Remuneration of Directors of 2025
 - 3.5 Report on the Status of Share Repurchase
4. Proposed Resolutions
 - 4.1 To accept 2025 Business Report and Financial Statements
 - 4.2 To approve the Proposal for Distribution of 2025 Profits
5. Deliberation Proposals
 - 5.1 To amend the Operational Procedures for Acquisition and Disposal of Assets
6. Directors Election

- 6.1 To elect nine Directors (including three Independent Directors)
- 7. Other Proposals
 - 7.1 To release the Prohibition on Directors from Participation in Competitive Business
- 8. Special Motions
- 9. Adjournment

Reports

Report 1

Business Report for 2025 & Business Plan for 2026

Dear Shareholders

We really appreciate your continuous support all these years. We are reporting the following items here so that you can understand more about what we have done, what we are planning to do and what challenges we are facing.

Our Performance in 2025

Our consolidated operating revenue for 2025 was NT\$15,780,872 thousand, a decrease of NT\$574,338 thousand, or 3.51%, compared to that for 2024. The Company's main business is automotive PCBs, and the revenue decrease was primarily due to weak demand from the company's automotive customers in 2025. The company's main automotive customers are manufacturers in Europe, America, and Japan, who have been particularly hard hit by the global shift from Internal Combustion Engine Vehicles to Electric Vehicles. However, in response to the weak demand from automotive customers, the Company actively developed business of industrial electronics products in 2025, which mitigated the decline in revenue. Net operating income for 2025 was NT\$479,978 thousand, a decrease of NT\$548,613 thousand, or 53.34%, compared to that for 2024. The decrease in operating income was mainly due to the significant depreciation of the US dollar against the Taiwan dollar and the Renminbi in 2025, which led to a decline in the gross profit of our export manufacturers. At the same time, raw material prices rose across the board, resulting in increased costs. Consequently, the gross profit in 2025 decreased by NT\$554,988 thousand compared to 2024, roughly equivalent to the decrease in operating income. Our profit before tax in 2025 was NT\$873,686 thousand, a decrease of NT\$723,853 thousand from 2024, a reduction of 45.31%. The Company's net income in 2025 was NT\$634,315 thousand, a decrease of NT\$498,104 thousand from 2024, a reduction of 43.99%, resulting in a decrease in earnings per share from NT\$2.85 in 2024 to NT\$1.60 in 2025.

Operating Results in 2025

Unit: NT\$ in thousands

Item \ Amount	2025	2024	Plus or Minus (Amount)	Plus or Minus (%)
Operating Revenue	15,780,872	16,355,210	-574,338	-3.51%
Operating Costs	13,965,699	13,985,049	-19,350	-0.14%
Gross Profit	1,815,173	2,370,161	-554,988	-23.42%
Operating Expenses	1,335,195	1,341,570	-6,375	-0.48%
Operating Income	479,978	1,028,591	-548,613	-53.34%
Non-operating Income and Expenses	393,708	568,948	-175,240	-30.80%
Profit before Tax	873,686	1,597,539	-723,853	-45.31%
Consolidated Profit	634,288	1,132,477	-498,189	-43.99%
Profit, attributable to Owners of Parent Company	634,315	1,132,419	-498,104	-43.99%

Our budget achievement of operating revenue and operating costs were 87% and 90% of the 2025 budget targets respectively. We expected that demand in the automotive market would have returned to normal in 2025, so we had an optimistic forecast for revenue growth for the year. However, the continued difficulties in the global automotive market's transition to electric vehicles in 2025 have led to weak demand, suppressing growth in automotive PCBs and causing the Company's revenue to deviate from the budget by 13%. But the Company's active efforts to develop orders for industrial electronics products helped to mitigate the decline in revenue. The achievement rate of gross profit for 2025 was only 69%, primarily due to the significant depreciation of the US dollar against the Taiwan dollar and the Renminbi, resulting in a decrease in our gross profit as a manufacturer exporter. Consequently, the achievement rate for operating income and profit before tax were only 38% and 62%, respectively.

Budget Achievement in 2025

Unit: NT\$ in thousands

Item \ Amount	Actual Amount	Budget Amount	Achievement Rate (%)
Operating Revenue	15,780,872	18,102,373	87%
Operating Costs	13,965,699	15,475,452	90%
Gross Profit	1,815,173	2,626,921	69%
Operating Expenses	1,335,195	1,378,787	97%
Operating Income	479,978	1,248,134	38%
Non-operating Income and Expenses	393,708	151,288	260%
Profit before Tax	873,686	1,399,422	62%

And our long-term and short-term financial position remained healthy. The debt-to-asset ratio in 2025 was 29%, slightly higher than 27% in 2024. The current ratio and quick ratio in 2025 were 236% and 172%, which was slightly lower than 282% and 220% in 2024. However, the Company's debt-to-assets ratio, current ratio and quick ratio indicate that the Company has strong financial strength and operational management capabilities.

We have been dedicating significant efforts on R&D for our development in the future. We manage to keep ahead of our competitors in development of new products and new technology. The following was our results of R&D in 2025.

Results of R&D in 2025

- A. Development of modified copper inlay process for cost reduction
- B. Middle/High current carrying PCB – Heavy copper
- C. Partial thermal management PCB – Inlay + blind vias
- D. Partial thermal management PCB – Square inlay
- E. Partial thermal management PCB – Convex
- F. Development of advanced cavity PCB
- G. Development of radio frequency PCB
- H. Development of high layer count PCB – Telecommunication PCB
- I. Development of high-voltage PCB
- J. Development of advanced HDI
- K. Assisting overseas factories to upgrade the capabilities of MLB & HDI
- L. Others

Our Plan for 2025

I. Operating Strategies:

In response to the rapid changes in the electronics industry, the Company has focused on the business of printed circuit board (PCB) for automobiles, industrial electronics, telecommunication and aerospace, where stable quality is the main requirement, and on the niche market of medium-volume PCBs, which are hugely demanding on more flexible production capability. We also have been facing the challenges of how to deal with the micro-profit era and the fast changes of global economy. We have set the following operating strategies to cope with those challenges and to respond to the changes in the markets and in the environments.

1. The Executives Committee plays a key role of integrating all departments, realigning resources and converging all efforts to fulfill our visions and strategies.
2. Dynamically target the potential products and niche markets to respond to global competitions and rapidly changing markets.
3. Realign all our resources to develop creativity of R&D, to build excellent production capability and to setup effective cost control systems in order to provide value-added products, services and total solutions with innovativeness and cost-competitiveness.
4. Build a cluster of Asian production and service bases which has a center in Taiwan and supporting bases in Mainland China and Thailand.
5. Provide Taiwan's resources of technology, marketing, and administration to our bases in Mainland China and Thailand in order for them to rapidly upgrade their operating capabilities and to grasp the opportunities in the local markets of Mainland China, Southeast Asia and South Asia.
6. Integrate production processes and managerial resources to strengthen the supportive systems for production and to promote specialization center and sophisticated technical capabilities.
7. Enhance automation and smart production and integrate AI technology to raise production efficiency, to improve quality and to reduce costs.
8. Implement total quality control, utilize the Six Sigma methodology and use AI technology to assist in improving quality and yield, thereby establishing a competitive advantage in stable quality.
9. Continue to upgrade the capabilities of ERP (Enterprise Resource Planning), CIM (Computer integrated manufacturing) and Industrial 4.0, and to participate in government-subsidized Technology Development Programs in order to strengthen our abilities and efficiency of operation and

administration and to complete the planning and its implementation of Smart Factory.

10. Build a learning organization and knowledge management system to store, accumulate and share management wisdom among all employees in the Company. Activate a cost control system and an incentive plan to guide resources of knowledge into increasing high value-added activities, reducing activities of low efficiency and of low value, and strengthen our core competitiveness. The cultivation of talents is centered on this knowledge management structure and learning organization in order to reserve enough talents for future challenges.

II. Operational Goals:

Volume of Single-sided:	780,576 M ² (square meter)
Volume of Double-sided & Multilayer:	3,284,717 M ² (square meter)

III. Strategies for Marketing and Production:

1. Production Strategies

Grasp the trends of technology and products and continue to improve our costs, quality, speed, flexibility and services.

- (1) Enhance the quality systems of ISO-9002、ISO-14001、QS-9000、TL9000、TS 16949 and AS 9100 Aerospace Quality Management System and utilize the Six Sigma methodology and use AI technology to assist in improving quality and yield in order to achieve the targets of our quality policy.
- (2) Upgrade our capabilities of fine line, high density and micro via.
- (3) Strengthen our capabilities of HDI (High Density Interconnect) and other high value-added technology.
- (4) Continues to expand niche products such as aluminum PCB, Middle/High current carrying PCB, heavy copper board, etc.
- (5) Upgrade automation, enhance our analytic ability for big data of production and enhance smart production. Our vision is to build smart factories.
- (6) Build a cluster of Asian production and service bases. Especially, strengthen the manufacturing site in Thailand and capitalize on its double edges on low cost structure and nearness to the biggest automobiles manufacturing site in Southeast Asia.

2. Marketing Strategies

Keep up with market trends.

- (1) Actively develop global markets and be a key supplier of global main players in different electronics industries. Simultaneously, increase the pocket share of our customers.
- (2) Develop the markets in Mainland China, Southeast Asia, South Asia and other emerging countries.
- (3) Build global marketing channels and strengthen global competitiveness.
- (4) Build a complete platform of logistics and provide our customers more value-added services.

IV. R&D Plans:

1. Upcoming R&D plans:

- Development of middle/high current carrying PCBs
- Development of partial heat dissipation PCBs
- Development of embedded Cu-inlay for Matrix/Multi-Pixel LED Headlights System
- Development of semi-flex plus PCB for vehicle
- Development of radio frequency PCBs
- Development of cavity PCB for power amplifier
- Development of advanced HDI
- Development of thick Cu Coil PCB for vehicle planar transformer
- Development of HLC PCB for telecommunication
- Development of high-voltage PCB for electric vehicle
- Development of high-reliability PCB for aerospace & aviation
- Evaluation of LEBO & Pin-Lamination processes
- Evaluation of thermally conductive materials for EPS PCB
- Evaluation of advanced equipment and intelligent manufacturing at Thai new plant

2. R&D Budget

The total budget for research and development is around NT\$ 261,125 thousand.

Our Strategies

1. Continue to expand the niche market of printed circuit board (PCB) used in automobiles, AI-related industrial electronics, low-orbit satellites and high-end communication and of medium volume PCBs.
2. Build a cluster of Asian manufacturing sites. We are planning to simultaneously expand the manufacturing sites in China and in Thailand in the next 2-3 years. We have increased our ownership of our manufacturing site in Thailand to 99.89% in 2023 and are planning to build more capacity in Thailand. In 2025, an old factory in Thailand has been renovated and is upgrading its equipment and expanding its production capacity to quickly seize business opportunities in Europe, America, Japan, Southeast Asia, and South Asia. Construction of a new factory in Thailand has begun in November 2025, which will provide an important source of future growth for the Group. Simultaneously, some equipment and processes at the Changshu plant in China will be phased out, and an old factory will be renovated to expand equipment and processes for future niche products, to optimize the product structure of the plants in China and to increase its output value and profits.
3. Strengthen R&D of niche products to avoid shrinking of profit margins owing to excessive competition in the industry.
4. Enhance automation and smart production to improve quality and to enhance production flexibility.

Challenges

Taiwan's PCB industry has been developing for more than 30 years and has built a complete supply chain and industrial clusters. Taiwan's PCB makers have an edge on yield, quality, price, speed and service over global competitors and have a great share of global demand of PCB for automotive electronics, telecommunication, information technology and consumers' electronics. According to the statistics of TPCA and IEK, total revenue of Taiwan's PCB makers in 2025 was NT\$ 915.2 billion and increased by 12.0%.

Global economic growth remained resilient in 2025. According to the International Monetary Fund (IMF), global economic growth was 3.3%, the same as the previous year. Following US President Trump's return to the White House in January 2025, the use of high tariffs as a strategic tool has led to a dramatic restructuring of global trade and supply chains. Meanwhile, the accelerated development of AI applications and the AI industry has been bringing new directions to the global economy. However, geopolitical risks remain severe, such

as the ongoing Russia-Ukraine war, escalating tensions in the Middle East, the intensive US-China trade conflict, and overcapacity in China, continuing to undermine confidence in economic optimism. Nevertheless, global economic growth still maintained positive growth, so exporters were able to weather 2025 smoothly.

The International Monetary Fund (IMF) predicts that global economic growth will be 3.3% in 2026, the same as in 2025. Overall growth momentum in 2026 is expected to remain at the same level as in 2025. Key factors influencing the economic outlook include the development of the artificial intelligence (AI) industry, US tariff policy, the monetary policy of the new Chairman of USA Federal Reserve, US military actions, and China's overcapacity, with varying degrees of impact on major economies. The USA benefits from AI investment and policy support, resulting in relatively robust growth; China faces significant pressure due to weak domestic demand and a sluggish housing market; the Europe and the UK are experiencing weakened economic momentum due to tariffs, competitive pressure from China, and fiscal constraints; Japan is promoting investment in key industries, but its exports remain constrained by tariffs. Overall, the global economic outlook exhibits divergent paths for different regions. It is expected that this year will be a year in which the global economy will maintain growth but will also be filled with high uncertainty.

Looking ahead to the PCB industry in 2026, TPCA predicts that the global PCB total revenue, driven by the rapid growth of AI applications, will reach a record high of US\$103.1 billion in 2026. According to the forecast of IEK, total revenue of Taiwan's PCB makers in 2026 is expected to be NT\$ 1,020.4 billion, with a growth rate of approximately 11.5%. Compared with the growth of 12.0% in 2025, the estimated growth in 2026 is slightly slowing down. Taiwan's PCB makers have always beaten the market and got a bigger share even in global adverse economic situations. They are competitive in the aspects of cost and manufacturing sites so they will remain profitable in the future of expanding electronics industries.

Our production bases are located in Taiwan, China and Thailand. The local laws and regulations in different countries have been changed from time to time. The Company is based on the principle of legal business and complies with local laws and regulations. Moreover, in recent years, the Taiwan authorities have gradually improved the relevant laws and regulations on corporate governance and social responsibility. The Company has complied with the changes in laws and regulations, gradually completed the establishment of corporate governance systems, and fulfilled corporate social responsibilities in order to balance the Company's shareholders' equity and the interests of all interested parties.

Looking back on the past year, the overall environment has been full of changes and challenges. Various uncertainties, such as Trump's return, ups and downs in international economic and trade, escalating geopolitics and the accelerated development of AI applications, have tested the adaptability and operational resilience of an enterprises. And the impact of extreme weather caused by climate change is becoming more and more obvious. For the survival of human beings in the long run, many countries are accelerating to take more proactive actions and thinking about what should be done to maintain the sustainable development of the human society. We have been adhering to a core concept to lead the Company, which is "be good together". That an enterprise can maintain good performance, operation and profitability is the basic task that it must achieve. But it is not enough for it to keep thriving. Its shareholders and employees must be able to benefit from the results it has created, and what it has done must make our society and the environment better. Only when all stakeholders can "be good together", we will be able to maintain a beautiful and long-term future for all of us. This is our fundamental belief of leading an enterprise.

In the past, we have accumulated strength of R&D and manufacturing to create good business results in the global automotive PCB market and to establish the Company's sound operational capabilities and strong financial position. As the world is facing the challenges of severe climate change, we are going to make use of our excellent ability, follow the international trend of carbon reduction, make comprehensive re-alignments in all aspects. At the same time, we will continue to improve the efficiency of energy, material and water resources in our environmental protection strategy. In addition, we will encourage suppliers to participate and builds a resilient and sustainable supply chain to extend the positive influence beyond our reach.

We adhere to the spirit of "be good together" and care about ESG issues. In addition to enhancing R&D, manufacturing and management to drive the improvement of overall productivity, we also actively expand more positive influence with a view to contribute to the comprehensive sustainable development of our society. We have weathered 48 years in 2026. The past difficulties have tempered our confidence and strength to face challenges. In the future, we will continue to work hard to simultaneously achieve the dual goals which are to maintain a going concern and to support the sustainable development of the environment and the society.

Taiwan PCB industry are facing many challenges and rapidly changing external environments which have a great impact on Taiwan's PCB industry. The global economy in 2026 is expected to be full of uncertainty, but will still maintain growth. Chin-poon has aligned our strategy to enhance our edge on globalization, niche

products, high-quality services, key technology, innovation of processing, stable product quality, integrated logistics platform, competitive cost control and advanced knowledge management to achieve our business goals.

In addition, the Company recognizes the advent of the era of smart manufacturing and knowledge management. We continually cultivate talents, appreciate valuable human resources, and has got certain progress and achievements in system management and organizational learning. We also aggressively implement ERP and CIM systems, Six Sigma, AI technology, intelligent manufacturing and various projects in order to enable the Company's internal resources to be used most effectively and its production efficiency and product quality to be significantly improved. In the future, we will adopt a more active strategy in the expansion of our manufacturing sites in Asia to grasp the business opportunities provided by the growth of electronic industries around the world.

Thanks to the efforts and dedication of all employees, the Company has achieved a certain level of profitability over the past year even still in the face of the unsmooth transition from Internal Combustion Engine Vehicles to Electric Vehicles in the global automotive market. We expect the competition in the future will be still extremely intensive. We are going to continue improving our core competitiveness to enhance our performance and develop new niche products and markets so that we can keep enhancing shareholders' equity.

Sincerely yours,

Chairperson

Chief Executive Officer

Principal Accounting Officer

Report 2

Audit Committee's Review Report of 2025

CHIN-POON INDUSTRIAL CO., LTD.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statement, and proposal for allocation of profits. The CPA firm of KPMG was retained to audit the Company's Financial Statements. KPMG has completed audit procedures and issued Audit Opinion. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee of the Company. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

CHIN-POON INDUSTRIAL CO., LTD.

Chairperson of the Audit Committee: Mr. CHEN, HSIANG-SHENG

March 10, 2026

Report 3

Report on the Remuneration of Directors and the Compensation of Employees of 2025

1. The decided amount of the Compensation of Employees in cash is NT\$ 34,716,085. There are no differences between the amount decided by the Board of Directors and the amount of expense for the compensation accrued in the 2025 financial statements of the Company.
2. The decided amount of the Remuneration of Directors in cash is NT\$ 5,330,000. There are no differences between the amount decided by the Board of Directors and the amount of expense for the Remuneration accrued in the 2025 financial statements of the Company.
3. The total amount of expense for the Compensation of Employees and the Remuneration of Directors is NT\$ 40,046,085.

Report 4

Report on the Details of Remuneration of Directors of 2025

1. Policy of linkage between performance and remuneration for directors

Policy, standards and combination for directors' remuneration:

The remuneration of the Company's directors is determined by the Board of Directors in accordance with Article 22 of the Company's Articles of Incorporation. The remuneration for directors in the performance of their duties shall be determined by the Board of Directors based on the degree of participation and contribution of each director, and taking into account the usual level of peers surveyed in the current year. In addition, if the Company makes a profit in the current year, no more than 3% of the profit shall be allocated as directors' remuneration in accordance with Article 25 of the Company's Articles of Incorporation. Independent directors do not participate in the distribution of directors' remuneration.

- (1) Business performance: Business performance accounts for 60% of their remuneration, of which 20% goes to the growth rate of consolidated operating revenue in the year, 20% goes to the growth rate of the profit before tax and 20% goes to the growth rate of the return on equity (ROE).
- (2) Sustainability performance: Sustainability performance accounts for 30% of their remuneration, which refers to the Company's sustainability commitment goals, including green product innovation, low-carbon manufacturing transformation, recycling economy, sustainable procurement and occupational safety and health, etc. in response to the trend of increasing requirements for corporate sustainability by governments and by customers.
- (3) External evaluation: External evaluation accounts for 5% of their remuneration, which refers to the changes in the Company's performance in the Corporate Governance Evaluation System.
- (4) Industrial peer level: Industrial peer level accounts for 5% of their remuneration, which refers to the average remuneration of the same industry surveyed in the current year.

2. Policy of linkage between performance and remuneration for independent directors

The Company has only one policy on the remuneration of independent directors, i.e., a fixed amount of remuneration with each independent director paid at NT\$600,000 per year. Defined benefit remuneration allows independent directors to maintain independence in their decision-making, as the performance and profitability of any material decision is independent of the independent director's compensation, avoiding the risk that the independent director will lose his or her independent judgment by having an interest in a material decision. The payment of NT\$600,000 for each independent director is the average in the market, which allows our independent directors to be reasonably compensated as well.

3. The ratio of the total compensation paid to the Directors from the Company and all consolidated entities to the net income of the financial statements of 2025

Unit: NT\$ thousands

Title	2025		2025	
	The Company	Ratio of Total Compensation to Net Income (%)	All Consolidated Entities	Ratio of Total Compensation to Net Income (%)
Directors	16,495	2.60%	16,836	2.65%

Based on the above assessments, the total amount of directors' remuneration decreased slightly by 1.6% compared to last year. The main reason for the slight decline in operating performance was the decrease in the growth rate of operating revenue and pre-tax net profit. However, the achievement rate of sustainable performance improved, resulting in the directors' assessment results remaining the same as last year. We also take into account the remuneration level of peers. The ratio of directors' remuneration to net income was 2.65%, which is within the range of no more than 3% as stipulated in Article 25 of the Company's Articles of Association.

4. The ratio of the total compensation paid to the Directors from the Company and all consolidated entities to the net income of the financial statements of 2025

Title	Name	Remuneration								Total Remuneration (A+B+C+D) and the Ratio of it to Net Income (%)		Compensation Earned by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid from Non-consolidated Investees or the parent company		
		Base Compensation (A)		Severance Pay & Pensions (B)		Remuneration to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay & Pensions (F)		Employees' Profit-sharing Bonus (G)								
		The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company	From All Consolidated Entities	The Company		From All Consolidated Entities			The Company	From All Consolidated Entities
																		Cash	Stock	Cash	Stock			
Director	Huang, Wei-Jin	0	0	0	0	850	850	240	354	1,090;	1,204;	0	0	0	0	0	0	0	0	1,090;	1,204;	0		
										0.17%	0.19%									0.17%	0.19%			
Director	Lin, Pi-Chi	0	0	0	0	850	850	240	354	1,090;	1,204;	0	0	0	0	0	0	0	0	1,090;	1,204;	0		
										0.17%	0.19%									0.17%	0.19%			
Director	Tseng-Liu, Yu-Chih	9,245	9,245	0	0	850	850	240	354	10,335;	10,448;	0	0	0	0	0	0	0	0	10,335;	10,448;	0		
										1.63%	1.65%									1.63%	1.65%			
Director	Tung, Hsiao-Hung	0	0	0	0	850	850	240	240	1,090;	1,090;	0	0	0	0	0	0	0	0	1,090;	1,090;	0		
										0.17%	0.17%									0.17%	0.17%			
Director	Lai, Hwei-Shan	0	0	0	0	850	850	240	240	1,090;	1,090;	0	0	0	0	0	0	0	0	1,090;	1,090;	0		
										0.17%	0.17%									0.17%	0.17%			
Independent Director	Chen, Hsiang-Sheng	0	0	0	0	360	360	240	240	600;	600;	0	0	0	0	0	0	0	0	600;	600;	0		
										0.09%	0.09%									0.09%	0.09%			
Independent Director	Chen, Shi-Shu	0	0	0	0	360	360	240	240	600;	600;	0	0	0	0	0	0	0	0	600;	600;	0		
										0.09%	0.09%									0.09%	0.09%			
Independent Director	Hsu, Sung-Tsai	0	0	0	0	360	360	240	240	600;	600;	0	0	0	0	0	0	0	0	600;	600;	0		
										0.09%	0.09%									0.09%	0.09%			

Report 5

Report on the Status of Share Repurchase

The 7th Treasury Share Repurchase

Share Repurchase Plan	
Round	The Seventh
Purpose	For transferring shares to the Company's employees
Type of shares repurchased	Common Share
Price Range	NT\$ 28.39 ~ 45
Duration	March 11,2026 ~ May 10,2026
Quantity of shares repurchased	3,000,000 (shares)
Repurchase method	Repurchase from Taiwan Stock Exchange
Execution Status of Share Repurchase	
Actual repurchase period	March 13 ,2026 ~ March 24,2026
Actual repurchase quantity	150,000 shares
Total repurchase amount (including fees)	NT\$ 6,332,707
Average repurchase price	NT\$ 42.22
Reason for incomplete execution	The stock price was mostly above the upper limit of the approved repurchase price range, making it impossible to execute the repurchase within the approved price range.

Proposed Resolutions

Proposal 1

(Proposed by Board of Directors)

Subject: To accept 2025 Business Report and Financial Statements.

Explanation:

1. CHIN-POON's 2025 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by CPA Stanley Wu and CPA Charlotte Chao of KPMG, who then issued an Audit Report with an Unqualified Opinion with regard to those financial statements.
2. The aforementioned Financial Statements and 2025 Business Report have been accepted by the Board of Directors and reviewed by the Audit Committee of the Company. (The aforementioned Financial Statements are attached hereto as Appendix I. As to 2025 Business Report, please refer to Report 1.) Please accept the aforementioned Business Report and Financial Statements.

Resolution:

Proposal 2

(Proposed by Board of Directors)

Subject: To approve the Proposal for Distribution of 2025 Profits and Retained Earning.

Explanation:

1. The following Profit Allocation Proposal has been approved and proposed by the Board of Directors.

Profit Allocation Proposal

Unit: NT\$

Unappropriated Retained Earnings of Previous Years	8,223,337,081
Plus:	
- Net Income of 2025	634,315,662
- Remeasurements of Defined Benefit Plans	72,141,495
Less:	
- 10% Legal Reserve	(70,645,716)
Retained Earnings Available for Distribution as of December 31, 2025	8,859,148,522
Distribution Item:	
- Cash Dividends to Common Share Holders (NT\$ 1.00 per share)	397,495,420
Unappropriated Retained Earnings	8,461,653,102

Chairperson

Chief Executive Officer

Principal Accounting Officer

2. We have deducted from the profits in 2025 the legal reserve according to applicable laws. Then it is proposed that each common share holder will be entitled to receive a cash dividend of NT\$ 1.00 per share. (The total amount of dividend for each shareholder will be rounded down to an integer. And the fractional amount less than one dollar should be recorded as other income of the Company.)
- 3.1 The total number of common shares outstanding is subject to change and the

ultimate cash dividend to be distributed to each common share will be adjusted accordingly if the Company subsequently repurchase its common shares, or transfers and retires treasury stocks, or executes conversion of convertible bonds to stocks etc. It is proposed that the Board of Directors be authorized to adjust the cash dividend to be distributed to each common share based on the total amount of profits resolved to be distributed and the number of actual common shares outstanding on the record date for distribution.

- 3.2 Upon the Profit Allocation Proposal for the year 2025 having approved in the shareholders' meeting, it is proposed to authorize the Board of Director to set the ex-dividend date and the payment date of cash dividend.
4. Please approve the Proposal for Distribution of 2025 Profits and Retained Earning.

Resolution:

Deliberation Proposals

Proposal 1

(Proposed by Board of Directors)

Subject: To amend the Operational Procedures for Acquisition and Disposal of Assets.

Explanation:

To comply with the laws and regulations, it is proposed to amend the Operational Procedures for Acquisition and Disposal of Assets. Please refer to the following cross reference table that shows the clauses before and after amendment.

Cross Reference Table

Clause before Amendment	Clause after Amendment	Reason for Amendment
Article 7 Procedures for Acquisition and Disposal of Securities 7.1 Assessment, Optional Procedures and Executing Units 7.1.1 When the Company acquires or disposes of Securities, Finance Department shall collect the necessary information, compare and analyze the details, and proposes the terms of the transaction for approval through the relevant authorization system. 7.1.2 The Company's acquisition and disposal of securities shall comply with the following guideline: 7.1.2.1 Securities for liquidity management: As part of the finance department's fund allocation, the finance department handle them at its own discretion according to the necessity of liquidity	Article 7 Procedures for Acquisition and Disposal of Securities 7.1 Assessment, Optional Procedures and Executing Units 7.1.1 When the Company acquires or disposes of Securities, Finance Department shall collect the necessary information, compare and analyze the details, and proposes the terms of the transaction for approval through the relevant authorization system. 7.1.2 The Company's acquisition and disposal of securities shall comply with the following guideline: 7.1.2.1 Securities for liquidity management: As part of the finance department's fund allocation, the finance department handle them at its own discretion according to the necessity of liquidity	To comply with the laws and regulations.

<p>management and is not restricted by the quota. However, except for domestic listed money funds, other securities for liquidity management are subject to the approval of the chairperson and general manager.</p> <p>7.1.2.2 Investment in securities other than domestic listed money funds: Equity investment within NT\$ 5 million (inclusive) and debt investment within NT\$ 25 million (inclusive) are proposed by the finance department and submitted to the chairperson and general manager for approval; equity investment over NT\$ 5 million and debt investment over NT\$ 25 million are proposed by the finance department and submitted to the board of directors for approval.</p> <p>Debt investments include “bond-like investments”. Bondlike investments include both redeemable convertible bonds and preferred stock for the purpose of dividend distribution.</p> <p>If the cumulative balance of</p>	<p>management and is not restricted by the quota. However, except for domestic listed money funds, other securities for liquidity management are subject to the approval of the chairperson and general manager.</p> <p>7.1.2.2 Investment in securities other than domestic listed money funds: Equity investment within NT\$ 5 million (inclusive) and debt investment within NT\$ 25 million (inclusive) are proposed by the finance department and submitted to the chairperson and general manager for approval; equity investment over NT\$ 5 million and debt investment over NT\$ 25 million are proposed by the finance department and submitted to the board of directors for approval <u>on the authorized amount. The finance department shall then execute the investment within the authorized amount as approved by the board of directors.</u></p> <p>Debt investments include “bond-like investments”. Bondlike investments include both redeemable convertible bonds and preferred stock for the purpose of dividend distribution.</p> <p>If the cumulative balance of</p>	
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<p>equity investment has exceeded NT\$ 25 million (excluding) <u>or the cumulative balance of debt investment (including bond-like investments) has exceeded NT\$ 100 million (excluding)</u>, the excess part of the investment must be approved by the board of directors.</p>	<p>equity investment has exceeded NT\$ 25 million (excluding), the excess part of the investment must be approved by the board of directors.</p>	
<p>Article 17 History of Revision</p> <p>17.1 The Procedures were enacted on June 28, 2012.</p> <p>-----</p> <p>17.8 Amended on June 24, 2022.</p>	<p>Article 17 History of Revision</p> <p>17.1 The Procedures were enacted on June 28, 2012.</p> <p>-----</p> <p>17.8 Amended on June 24, 2022.</p> <p><u>17.9 Amended on June 24, 2026.</u></p>	<p>To add a new entry in the history of revision.</p>

Resolution:

Directors Election

Proposal 1

(Proposed by Board of Directors)

Subject: To elect nine Directors (including three independent directors).

Explanation:

1. Upon the expiration of the terms of all CHIN-POON's Directors, which is until June 26, 2026, the Board of Directors resolved that nine Directors (including three independent directors) will be elected at this Annual Shareholders' Meeting. The tenure of newly elected directors shall commence on June 24, 2026 and expire on June 23, 2029.
2. The directors shall be elected by adopting candidate nominating system as specified in the Article 192-1 of the Company Act. The directors shall be elected from the nominated candidates, whose education and professional qualifications, experience and relevant information are attached hereto as the following table.

Title / Name	Education & Professional Qualifications	Shareholdings (shares)
Director LIN, PI-CHI	National Tao-yuan Agricultural & Industrial Vocational High School Director, CHIN-POON Industrial Co., Ltd.	6,591,649
Director TSENG-LIU, YU-CHIH	St. Francis Xavier High School Chairperson, CHIN-POON Industrial Co., Ltd.	9,603,279
Director LAI, HWEI-SHAN	National Chung Hsing University Director, CHIN-POON Industrial Co., Ltd.	6,283,114
Director TUNG, HSIAO-HUNG	National Taipei College of Business Director, CHIN-POON Industrial Co., Ltd.	6,308,043
Director TSENG, PO-KANG	Master of Physics, National Central University Senior Engineer, Taiwan Semiconductor Manufacturing Company Limited	4,081,914
Director HUANG, HAO-LUN	MBA, National University San Diego, CA Sales Engineer, CHIN-POON Industrial Co., Ltd.	4,100,000
Independent Director CHEN, TSE-TAI	Department of Economics, Soochow University Certified Public Accountant	54,433
Independent Director CHEN, YEN-LIN	Department of Japanese Language and Culture, Soochow University Sales Manager, CHIN-POON Industrial Co., Ltd.	2,010
Independent Director HUANG, CHIH-YUAN	PhD in Geographic Information Systems, University of Calgary, Canada Associate Professor, Center for Space and Remote Sensing Research, National Central University	0

Resolution:

Other Proposals

Proposal 1

(Proposed by Board of Directors)

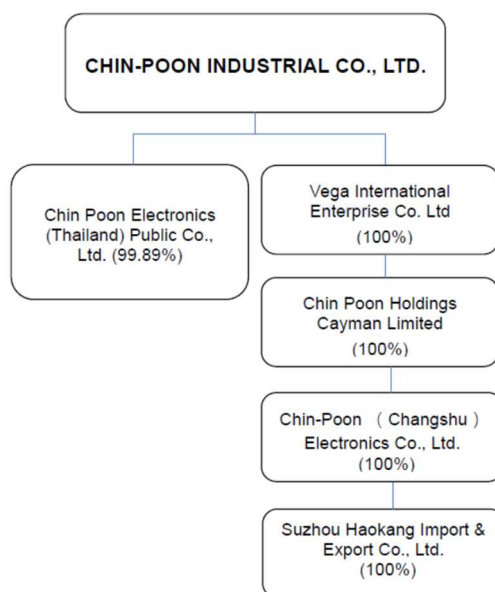
Subject: To release the Prohibition on Directors from Participation in Competitive Business.

Explanation:

1. To comply with the Article 209 of the Company Act, it is proposed to release the prohibition on newly elected directors on June 24, 2026 ifrom participation in competitive business.
2. Please refer to the following table that shows elected directors' participation in competitive business.

Title	Name	Competitive Business	Participation
Director	TSENG-LIU, YU-CHIH	1. CHIN-POON (Changshu) Electronics Co., Ltd. 2. VEGA International Enterprise Co., Ltd 3. CHIN-POON Holdings Cayman Limited 4. Chin Poon Electronics (Thailand) Public Co., Ltd. 5. Suzhou Haokang Import & Export Co., Ltd.	1. Chairperson 2. Chairperson 3. Chairperson 4. Chairperson 5. Director
Director	LIN, PI-CHI	1. CHIN-POON (Changshu) Electronics Co., Ltd. 2. Chin Poon Electronics (Thailand) Public Co., Ltd. 3. Dalux Technology Co., Ltd. 4. Trans Automation Co., Ltd.	1. Director 2. Director 3. Director 4. Director
Director	TUNG, HSIAO-HUNG	1. CHIN-POON (Changshu) Electronics Co., Ltd. 2. Tongli Investment Co., Ltd.	1. Director 2. Chairperson

Note: Some of the competitive business listed in the table are our subsidiaries. The family tree is as follows.



Resolution:

Special Motions

Adjournment

Appendix

Appendix 1

2025 Audit Report of Independent Auditors and Financial Statements

1. Independent Auditors' Report And 2025 Consolidated Financial Statements
2. Independent Auditors' Report And 2025 Parent Company Only Financial Statements

**CHIN-POON INDUSTRIAL CO., LTD.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

**Address: No. 46, Nei-Tsuoh St., 3rd Lin, Nei-Tsuoh Village, Lu-Chu County,
Taoyuan City, Taiwan, R.O.C.**

Telephone: (03)322-2226

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of Chin-Poon Industrial Co., Ltd. as of and for the year ended December 31, 2025 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 "Consolidated Financial Statements" endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Chin-Poon Industrial Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Chin-Poon Industrial Co., Ltd.

Chairman: Tseng-Liu, Yu-Chih

Date: March 10, 2026



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

To the Board of Directors Chin-Poon Industrial Co., Ltd.:

Opinion

We have audited the accompanying consolidated financial statements of Chin-Poon Industrial Co., Ltd. ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public 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 of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Subsequent measurements of inventories

Please refer to note 4(h), note 5(a) and note 6(g) for the related disclosures on subsequent measurements of inventories of the consolidated financial statements.

Description of key audit matter:

The inventories of the Group are mainly electronic printed circuit boards and electronic materials. The products may be outdated or no longer meet the market demand due to the rapid changes in technology. In addition, with the price competition in the same industry, the demand on related products and their prices may fiercely fluctuate, which may result in a risk wherein the cost of inventories may exceed its net realizable value. As a result, the subsequent measurements of inventories have to be based on the managements' assessment using internal and external evidences. Therefore, the subsequent measurements of inventories were identified as one of our key audit matters.

How the matter was addressed in our audit:

The procedures included assessing the rationality of accounting policy for inventory subsequent measurements; reviewing the inventory aging documents and analyzing their changes; obtaining the documents of inventory subsequent measurements and understanding the rationality of sales prices adopted by the management; selecting samples and examining relevant documents to verify the accuracy of net realizable value of inventories; and assessing whether the disclosure of the inventory subsequent measurements made by the management was appropriate.

2. Refund liability of sales returns and discounts

Please refer to note 4(l), note 5(b) and note 6(q) for the related disclosures on the refund liabilities for sales returns and discounts of the consolidated financial statements.

Description of key audit matter:

The Group recorded a refund liability for its estimated future returns and discounts for specific electronic circuit boards by using historical trend and other known factors in the same period when related revenues were recorded. Since the refund liability for sales returns and discounts is subject to significant judgment of the management, it was, therefore, identified as one of our key audit matters.

How the matter was addressed in our audit:

The procedures included understanding the management's methodology used in estimating sales returns and discounts; assessing the reasonableness of relevant assumptions made by the management; obtaining the documents of refund liability for sales returns and discounts, selecting samples and examining relevant documents to verify the reasonableness of the management's methodology used in estimating refund liability of sales returns and discounts; and assessing whether the disclosure on refund liability for sales returns and discounts made by the management was appropriate.

Other Matter

The Company has prepared its parent company only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Wu, Chia-Han and Chao, Min-Ju.

KPMG

Taipei, Taiwan (Republic of China)

March 10, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the Consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CHIN-POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Financial Position

December 31, 2025 and 2024

(All amounts expressed in thousands of New Taiwan dollars)

		<u>December 31, 2025</u>		<u>December 31, 2024</u>				<u>December 31, 2025</u>		<u>December 31, 2024</u>	
Assets		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	Liabilities and Equity		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
11xx	Current assets:					21xx	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 2,534,998	11	2,964,354	13	2100	Short-term loans (notes 6(j), 8 and 9)	\$ 722,706	3	786,408	3
1110	Financial assets at fair value through profit and loss—current (note 6(b))	1,455,337	6	2,519,146	11	2150	Notes payable	374,526	1	402,024	2
1150	Notes receivable, net (notes 6(e) and (q))	3,408	-	7,799	-	2170	Accounts payable	2,102,763	9	1,743,228	7
1170	Accounts receivable, net (notes 6(e) and (q))	3,432,599	14	3,545,722	16	2219	Other payables (note 6(r))	1,310,366	6	1,117,043	5
1200	Other receivables (note 6(f))	94,524	-	104,996	-	2230	Current tax liabilities	36,068	-	7,903	-
1220	Current income tax assets	114,677	1	76,790	-	2280	Current lease liabilities (note 6(l))	37,121	-	44,155	-
130x	Inventories (notes 6(g) and 9)	3,483,474	15	3,136,157	13	2399	Other current liabilities (note 6(q))	1,037,013	4	1,051,062	5
1410	Prepayments	96,914	-	89,251	-		Total current liabilities	5,620,563	23	5,151,823	22
1476	Other financial assets—current (note 6(d))	1,917,199	8	1,995,316	9	25xx	Non-Current liabilities:				
1479	Other current assets	105,186	-	97,771	-	2540	Long-term loans (note 6(k))	314,220	1	327,670	2
	Total current assets	13,238,316	55	14,537,302	62	2570	Deferred tax liabilities (note 6(n))	809,764	4	705,481	3
15xx	Non-current assets:					2580	Non-current lease liabilities (note 6(l))	71,501	-	107,476	-
1536	Non-current financial assets at amortised cost (note 6(c))	897,603	4	641,749	3	2630	Long-term deferred revenue	25,092	-	29,146	-
1600	Property, plant and equipment (notes 6(h), 7, 8 and 9)	6,100,122	25	5,894,218	25	2640	Net defined benefit liability—non-current (note 6(m))	54,853	-	38,401	-
1755	Right-of-use assets (note 6(i))	145,927	1	187,531	1		Total non-current liabilities	1,275,430	5	1,208,174	5
1840	Deferred tax assets (note 6(n))	238,956	1	257,603	1	2xxx	Total liabilities	6,895,993	28	6,359,997	27
1915	Prepayments for equipment (note 9)	441	-	1,869	-	31xx	Equity attributable to shareholders of the parent (note 6(o)):				
1975	Net defined benefit asset—non-current (note 6(m))	239,646	1	121,237	-	3110	Common stock	3,974,954	16	3,974,954	17
1980	Other financial assets—non-current (note 4(d))	3,305,512	13	1,950,501	8	3200	Capital surplus	1,580,768	7	1,580,591	7
	Total non-current assets	10,928,207	45	9,054,708	38	3300	Retained earnings:				
						3310	Legal reserve	2,677,640	11	2,563,709	11
						3320	Special reserve	-	-	447,333	2
						3350	Unappropriated earnings	8,929,794	37	8,625,301	36
								11,607,434	48	11,636,343	49
						3400	Other equity:				
						3410	Foreign currency translation differences for foreign operations	106,611	1	39,439	-
						31xx	Total equity attributable to shareholders of the company	17,269,767	72	17,231,327	73
						36xx	Non-controlling interests	763	-	686	-
						3xxx	Total equity	17,270,530	72	17,232,013	73
lxxx	Total assets	\$ 24,166,523	100	23,592,010	100	2-3xxx	Total liabilities and equity	\$ 24,166,523	100	23,592,010	100

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
CHIN-POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(All amounts expressed in thousands of New Taiwan dollars)

Equity attributable to shareholders of the Company

	Common stock	Capital surplus	Retained earnings			Subtotal	Other equity	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
			Legal reserve	Special reserve	Unappropriated earnings		Foreign currency translation differences for foreign operations			
Balance at January 1, 2024	\$ 3,974,954	1,580,484	2,490,821	304,879	8,198,202	10,993,902	(447,333)	16,102,007	450	16,102,457
Appropriation and distribution:										
Legal reserve	-	-	72,888	-	(72,888)	-	-	-	-	-
Special reserve	-	-	-	142,454	(142,454)	-	-	-	-	-
Cash dividends	-	-	-	-	(496,869)	(496,869)	-	(496,869)	-	(496,869)
Net income (loss) for the year	-	-	-	-	1,132,419	1,132,419	-	1,132,419	58	1,132,477
Other comprehensive income for the year	-	-	-	-	6,891	6,891	486,772	493,663	178	493,841
Total comprehensive income (loss) for the year	-	-	-	-	1,139,310	1,139,310	486,772	1,626,082	236	1,626,318
Non-payment of expired cash dividends from previous years transferred to capital surplus	-	107	-	-	-	-	-	107	-	107
Balance at December 31, 2024	3,974,954	1,580,591	2,563,709	447,333	8,625,301	11,636,343	39,439	17,231,327	686	17,232,013
Appropriation and distribution:										
Legal reserve	-	-	113,931	-	(113,931)	-	-	-	-	-
Cash dividends	-	-	-	-	(735,366)	(735,366)	-	(735,366)	-	(735,366)
Reversal of special reserve	-	-	-	(447,333)	447,333	-	-	-	-	-
Net income for the year	-	-	-	-	634,315	634,315	-	634,315	(27)	634,288
Other comprehensive income for the year	-	-	-	-	72,142	72,142	67,172	139,314	104	139,418
Total comprehensive income for the year	-	-	-	-	706,457	706,457	67,172	773,629	77	773,706
Non-payment of expired cash dividends from previous years transferred to capital surplus	-	177	-	-	-	-	-	177	-	177
Balance at December 31, 2025	\$ 3,974,954	1,580,768	2,677,640	-	8,929,794	11,607,434	106,611	17,269,767	763	17,270,530

See accompanying notes to the consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHIN-POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the years ended December 31, 2025 and 2024****(All amounts expressed in thousands of New Taiwan dollars)**

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Income before tax	\$ 873,686	1,597,539
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation expenses	799,180	879,145
Expected credit losses	47,636	44,707
Net gains on financial assets at fair value through profit or loss	(28,294)	(33,351)
Interest expense	51,518	64,049
Interest income	(198,710)	(202,851)
Losses on disposal of property, plant and equipment	13,827	15,109
Unrealized gains on foreign exchange	(25,984)	(90,459)
Gains on lease modification	(579)	(172)
Total adjustments to reconcile profit and loss	<u>658,594</u>	<u>676,177</u>
Changes in operating assets and liabilities relating:		
Net changes in operating assets:		
Notes receivable	4,265	13,296
Accounts receivable	78,909	352,000
Other receivables	8,686	(15,861)
Inventories	(304,898)	124,257
Prepaid expenses	(6,821)	(6,049)
Other current assets	(6,625)	1,986
Other operating assets	(14,814)	(13,497)
Total net changes in operating assets	<u>(241,298)</u>	<u>456,132</u>
Net changes in operating liabilities:		
Notes payable	(27,498)	(245,918)
Accounts payable	335,019	(42,607)
Other payable	16,222	845
Other current liabilities	81,058	42,439
Net defined benefit liability	677	2,889
Total net changes in operating liabilities	<u>405,478</u>	<u>(242,352)</u>
Total net changes in operating assets and liabilities	<u>164,180</u>	<u>213,780</u>
Total adjustments	<u>822,774</u>	<u>889,957</u>
Cash inflow generated from operations	1,696,460	2,487,496
Interest received	171,629	117,161
Interest paid	(54,165)	(70,940)
Income tax paid	(144,467)	(724,391)
Net cash flows from operating activities	<u>1,669,457</u>	<u>1,809,326</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	(276,476)	(313,560)
Acquisition of financial assets at fair value through profit or loss	(950,000)	(3,126,496)
Proceeds from disposal of financial assets at fair value through profit or loss	2,042,103	2,527,884
Acquisition of property, plant and equipment	(856,793)	(640,572)
Proceeds from disposal of property, plant and equipment	11,244	6,398
Increase in other financial assets—current and non-current	(1,183,797)	(1,414,898)
Increase in prepayments for equipment	(17,533)	(28,030)
Net cash used in investing activities	<u>(1,231,252)</u>	<u>(2,989,274)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	4,936,256	3,943,843
Decrease in short-term loans	(4,992,517)	(4,239,075)
Proceeds from long-term debt	-	324,380
Payment of lease liabilities	(43,243)	(49,944)
Cash dividends paid	(735,366)	(496,869)
Increase in long-term deferred revenue	(4,030)	(4,142)
Net cash flows used in financing activities	<u>(838,900)</u>	<u>(521,807)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(28,661)</u>	<u>164,459</u>
Net increase (decrease) in cash and cash equivalents	<u>(429,356)</u>	<u>(1,537,296)</u>
Cash and cash equivalents at beginning of period	<u>2,964,354</u>	<u>4,501,650</u>
Cash and cash equivalents at end of period	<u>\$ 2,534,998</u>	<u>2,964,354</u>

See accompanying notes to the consolidated financial statements.

CHIN-POON INDUSTRIAL CO., LTD.**PARENT COMPANY ONLY FINANCIAL STATEMENTS**

**With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

**Address: No. 46, Nei-Tsuoh St., 3rd Lin, Nei-Tsuoh Village, Lu-Chu County,
Taoyuan City, Taiwan, R.O.C.**

Telephone: (03)3222226

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

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安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors Chin-Poon Industrial Co., Ltd.:

Opinion

We have audited the financial statements of Chin-Poon Industrial Co., Ltd. (“the Company”), which comprise the balance sheet as of December 31, 2025 and 2024, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Parent Company Only 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Subsequent measurements of inventories

Please refer to note 4(g), note 5(a) and note 6(f) for the related disclosures on subsequent measurements of inventories of the parent company only financial statements.

Description of key audit matter:

The inventories of the Company are mainly electronic printed circuit boards and electronic materials. The products may be outdated or no longer meet the market demand due to the rapid changes in technology. In addition, with the price competition in the same industry, the demand on related products and their prices may fiercely fluctuate, which may result in a risk wherein the cost of inventories may exceed its net realizable value. As a result, the subsequent measurements of inventories have to be based on the managements' assessment using internal and external evidences. Therefore, the subsequent measurements of inventories were identified as one of our key audit matters.

How the matter was addressed in our audit:

The procedures included assessing the rationality of accounting policy for inventory subsequent measurements; reviewing the inventory aging documents and analyzing their changes; obtaining the documents on inventory subsequent measurements, and understanding the rationality of sales prices adopted by the management; selecting samples and examining relevant documents to verify the accuracy of net realizable value of inventories; and assessing whether the disclosure of the inventory subsequent measurements made by the management was appropriate.

2. Refund liability of sales returns and discounts

Please refer to note 4(l), note 5(b) and note 6(r) for the related disclosures on the refund liabilities for sales returns and discounts of the parent company only financial statements.

Description of key audit matter:

The Company recorded a refund liability for its estimated future returns and discounts for specific electronic circuit boards by using historical trend and other known factors in the same period when related revenues were recorded. Since the refund liability for sales returns and discounts is subject to significant judgment of the management, it was, therefore, identified as one of our key audit matters.

How the matter was addressed in our audit:

The procedures included understanding the management's methodology used in estimating sales returns and discounts; assessing the reasonableness of relevant assumptions made by the management; obtaining the documents of refund liability for sales returns and discounts, selecting samples and examining relevant documents to verify the reasonableness of the management's methodology used in estimating refund liability of sales returns and discounts; and assessing whether the disclosure on refund liability for sales returns and discounts made by the management was appropriate.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 of assurance but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Wu, Chia-Han and Chao, Min-Ju.

KPMG

Taipei, Taiwan (Republic of China)
March 10, 2026

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
CHIN-POON INDUSTRIAL CO., LTD.

Parent Company Only Statements of Financial Position

December 31, 2025 and 2024

(All amounts expressed in thousands of New Taiwan dollars)

Assets		December 31, 2025		December 31, 2024				December 31, 2025		December 31, 2024	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	Current assets:					21xx	Liabilities and Equity				
1100	Cash and cash equivalents (note 6(a))	\$ 886,913	4	1,016,382	5	2100	Short-term loans (notes 6(j) and 9)	\$ 722,706	3	786,408	3
1110	Financial assets at fair value through profit and loss – current (note 6(b))	1,455,337	6	2,519,146	11	2150	Notes payable	374,526	2	402,024	2
1170	Accounts receivable, net (notes 6(d) and (q))	2,487,993	11	2,459,750	11	2170	Accounts payable	760,193	3	639,445	3
1180	Accounts receivable – related parties, net (notes 6(d), (q) and 7)	1,308	-	85	-	2180	Accounts payable – related parties (note 7)	1,070,462	5	996,368	4
1200	Other receivables (note 6(e))	37,526	-	38,888	-	2200	Other payables (notes 6(m), (r) and 7)	829,254	4	903,843	4
1210	Other receivables – related parties (notes 6(e) and 7)	10,116	-	5,696	-	2230	Current tax liabilities	23,382	-	-	-
1220	Current income tax assets	43,524	-	39,891	-	2280	Current lease liabilities (note 6(l))	37,121	-	44,155	-
130x	Inventories (notes 6(f) and 9)	2,062,878	9	1,902,439	8	2399	Other current liabilities (note 6(q))	629,872	3	659,422	3
1410	Prepayments	72,426	-	62,320	-		Total current liabilities	4,447,516	20	4,431,665	19
1476	Other financial assets – current (note 6(c))	107,870	1	105,346	1	25xx	Non-Current liabilities:				
1479	Other current assets	43,025	-	42,412	-	2540	Long-term loans (notes 6(k), 8 and 9)	314,220	1	327,670	1
	Total current assets	7,208,916	31	8,192,355	36	2570	Deferred tax liabilities (note 6(n))	798,575	4	689,113	3
15xx	Non-current assets:					2580	Non-current lease liabilities (note 6(l))	71,501	-	107,476	1
1550	Investments accounted for under equity method (note 6(g))	11,992,181	53	11,059,612	48		Total non-current liabilities	1,184,296	5	1,124,259	5
1600	Property, plant and equipment (notes 6(h), 7 and 9)	3,196,307	14	3,098,411	13	2xxx	Total liabilities	5,631,812	25	5,555,924	24
1755	Right-of-use assets (note 6(i))	99,352	-	139,664	1	31xx	Equity (note (o)):				
1840	Deferred tax assets (note 6(n))	159,217	1	166,377	1	3110	Common stock	3,974,954	17	3,974,954	18
1915	Prepayments for equipment (note 9)	441	-	550	-	3200	Capital surplus	1,580,768	7	1,580,591	7
1975	Net defined benefit asset – non-current (note 6(m))	239,646	1	121,237	1	3300	Retained earnings:				
1980	Other financial assets – non-current (note 6(c))	5,519	-	9,045	-	3310	Legal reserve	2,677,640	12	2,563,709	11
	Total non-current assets	15,692,663	69	14,594,896	64	3320	Special reserve	-	-	447,333	2
						3350	Unappropriated earnings	8,929,794	39	8,625,301	38
								11,607,434	51	11,636,343	51
						3400	Other equity:				
						3410	Foreign currency translation differences for foreign operations	106,611	-	39,439	-
						3xxx	Total equity	17,269,767	75	17,231,327	76
1xxx	Total assets	\$ 22,901,579	100	22,787,251	100	2-3xxx	Total liabilities and equity	\$ 22,901,579	100	22,787,251	100

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
CHIN-POON INDUSTRIAL CO., LTD.

Parent Company Only Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(All amounts expressed in thousands of New Taiwan dollars)

		<u>2025</u>		<u>2024</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(q) and 7)	\$ 12,079,726	100	12,673,478	100
5000	Operating costs (notes 6(f), (m), (r) and 7)	<u>11,572,958</u>	<u>96</u>	<u>11,700,259</u>	<u>92</u>
5900	Gross profit	<u>506,768</u>	<u>4</u>	<u>973,219</u>	<u>8</u>
6000	Operating expenses (notes 6(d), (m), (r) and 7):				
6100	Selling expenses	279,649	2	282,021	2
6200	Administrative expenses	311,681	3	324,228	3
6300	Research and development expenses	63,393	-	75,753	1
6450	Expected credit losses	<u>(1,315)</u>	<u>-</u>	<u>22,030</u>	<u>-</u>
	Total operating expenses	<u>653,408</u>	<u>5</u>	<u>704,032</u>	<u>6</u>
6900	Operating income	<u>(146,640)</u>	<u>(1)</u>	<u>269,187</u>	<u>2</u>
7000	Non-operating income and expenses (notes 6(h), (l), (s) and 7):				
7100	Interest income	20,237	-	29,333	-
7010	Other income	135,129	1	114,746	1
7020	Other gains and losses	(7,377)	-	99,695	1
7050	Finance costs	(49,624)	-	(62,513)	-
7070	Share of profit from the subsidiaries, the associates and the joint ventures	<u>876,131</u>	<u>7</u>	<u>945,139</u>	<u>7</u>
	Total non-operating income and expenses	<u>974,496</u>	<u>8</u>	<u>1,126,400</u>	<u>9</u>
7900	Income before income tax	827,856	7	1,395,587	11
7950	Less: Income tax expenses (note 6(n))	<u>193,541</u>	<u>2</u>	<u>263,168</u>	<u>2</u>
	Net income	<u>634,315</u>	<u>5</u>	<u>1,132,419</u>	<u>9</u>
8300	Other comprehensive income (notes 6(m) and (n)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	103,595	1	8,614	-
8330	Share of other comprehensive losses of subsidiaries, associates, and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	<u>(10,734)</u>	<u>-</u>	<u>-</u>	<u>-</u>
8349	Less: income tax related to items that will not be reclassified subsequently to profit or loss	<u>20,719</u>	<u>-</u>	<u>1,723</u>	<u>-</u>
	Total items that will not be reclassified subsequently to profit or loss	<u>72,142</u>	<u>1</u>	<u>6,891</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Foreign currency translation differences for foreign operations	67,172	-	486,772	4
8399	Less: income tax related to items that will be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that will be reclassified subsequently to profit or loss	<u>67,172</u>	<u>-</u>	<u>486,772</u>	<u>4</u>
8300	Other comprehensive income (loss), net of tax	<u>139,314</u>	<u>1</u>	<u>493,663</u>	<u>4</u>
8500	Total comprehensive income	<u>\$ 773,629</u>	<u>6</u>	<u>1,626,082</u>	<u>13</u>
	Earnings per share (expressed in New Taiwan dollars) (note 6(p))				
9750	Basic earnings per share	<u>\$ 1.60</u>		<u>2.85</u>	
9850	Diluted earnings per share	<u>\$ 1.59</u>		<u>2.84</u>	

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

CHIN-POON INDUSTRIAL CO., LTD.**Parent Company Only Statements of Changes in Equity****For the years ended December 31, 2025 and 2024****(All amounts expressed in thousands of New Taiwan dollars)**

	Common stock	Capital surplus	Retained earnings			Subtotal	Other equity Foreign currency translation differences for foreign operations	Total equity
			Legal reserve	Special reserve	Unappropriated earnings			
Balance at January 1, 2024	\$ 3,974,954	1,580,484	2,490,821	304,879	8,198,202	10,993,902	(447,333)	16,102,007
Appropriation and distribution:								
Legal reserve	-	-	72,888	-	(72,888)	-	-	-
Special reserve	-	-	-	142,454	(142,454)	-	-	-
Cash dividends	-	-	-	-	(496,869)	(496,869)	-	(496,869)
Net income for the year	-	-	-	-	1,132,419	1,132,419	-	1,132,419
Other comprehensive income for the year	-	-	-	-	6,891	6,891	486,772	493,663
Total comprehensive income for the year	-	-	-	-	1,139,310	1,139,310	486,772	1,626,082
Non-payment of expired cash dividends from previous years transferred to capital surplus	-	107	-	-	-	-	-	107
Balance at December 31, 2024	3,974,954	1,580,591	2,563,709	447,333	8,625,301	11,636,343	39,439	17,231,327
Appropriation and distribution:								
Legal reserve	-	-	113,931	-	(113,931)	-	-	-
Cash dividends	-	-	-	-	(735,366)	(735,366)	-	(735,366)
Reversal of special reserve	-	-	-	(447,333)	447,333	-	-	-
Net income for the year	-	-	-	-	634,315	634,315	-	634,315
Other comprehensive income for the year	-	-	-	-	72,142	72,142	67,172	139,314
Total comprehensive income for the year	-	-	-	-	706,457	706,457	67,172	773,629
Non-payment of expired cash dividends from previous years transferred to capital surplus	-	177	-	-	-	-	-	177
Balance at December 31, 2025	<u>\$ 3,974,954</u>	<u>1,580,768</u>	<u>2,677,640</u>	<u>-</u>	<u>8,929,794</u>	<u>11,607,434</u>	<u>106,611</u>	<u>17,269,767</u>

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

CHIN-POON INDUSTRIAL CO., LTD.**Parent Company Only Statements of Cash Flows****For the years ended December 31, 2025 and 2024****(All amounts expressed in thousands of New Taiwan dollars)**

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Income before tax	\$ 827,856	1,395,587
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation expenses	340,522	398,189
(Reversal of) expected credit losses	(1,315)	22,030
Net gains on financial assets at fair value through profit or loss	(28,294)	(31,963)
Interest expense	49,624	62,513
Interest income	(20,237)	(29,333)
Share of profits of subsidiaries, associates and joint ventures accounts for under equity method	(876,131)	(945,139)
Losses on disposal of property, plant and equipment	2,594	2,643
Unrealized gains on foreign exchange	(19,891)	(59,078)
Gains on lease modification	(579)	(172)
Total adjustments to reconcile profit and loss	<u>(553,707)</u>	<u>(580,310)</u>
Changes in operating assets and liabilities relating:		
Net changes in operating assets:		
Accounts receivable	(22,654)	407,409
Accounts receivable – related parties	(1,223)	742
Other receivables	1,212	(2,694)
Other receivables – related parties	(4,420)	(3,060)
Inventories	(160,439)	147,054
Prepayments	(10,106)	(13,977)
Other current assets	(613)	4,150
Net defined benefit asset	(14,814)	(13,497)
Total net changes in operating assets	<u>(213,057)</u>	<u>526,127</u>
Net changes in operating liabilities:		
Notes payable	(27,498)	(245,918)
Accounts payable	118,334	(127,395)
Accounts payable – related parties	73,275	142,657
Other payable	(35,686)	36,003
Other current liabilities	(29,546)	49,727
Total net changes in operating liabilities	<u>98,879</u>	<u>(144,926)</u>
Total net changes in operating assets and liabilities	<u>(114,178)</u>	<u>381,201</u>
Total adjustments	<u>(667,885)</u>	<u>(199,109)</u>
Cash inflow generated from operations	159,971	1,196,478
Interest income received	20,378	29,589
Interest paid	(52,272)	(69,404)
Income tax paid	(77,889)	(439,429)
Net cash flows from operating activities	<u>50,188</u>	<u>717,234</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss	(950,000)	(3,126,496)
Proceeds from disposal of financial assets at fair value through profit or loss	2,042,103	2,526,496
Acquisition of property, plant and equipment	(441,423)	(426,997)
Proceeds from disposal of property, plant and equipment	5,637	1,660
Decrease in other financial assets – current and non-current	(2,816)	(6,849)
Increase in prepayments for equipment	(341)	(550)
Net cash flows from (used in) investing activities	<u>653,160</u>	<u>(1,032,736)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	4,936,256	3,943,843
Decrease in short-term loans	(4,992,517)	(4,239,075)
Proceeds from long-term debt	-	324,380
Payment of lease liabilities	(43,243)	(49,944)
Cash dividends paid	(735,366)	(496,869)
Net cash flows used in financing activities	<u>(834,870)</u>	<u>(517,665)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>2,053</u>	<u>20,731</u>
Net increase (decrease) in cash and cash equivalents	<u>(129,469)</u>	<u>(812,436)</u>
Cash and cash equivalents at beginning of period	<u>1,016,382</u>	<u>1,828,818</u>
Cash and cash equivalents at end of period	<u>\$ 886,913</u>	<u>1,016,382</u>

See accompanying notes to the parent company only financial statements.

ARTICLES OF INCORPORATION OF CHIN-POON INDUSTRIAL CO., LTD.

Chapter One General Provisions

- Article 1 The Company shall be incorporated under the Company Act. The company is named "CHIN-POON INDUSTRIAL CO., LTD".
- Article 2 The scope of business shall be as follow:
1. CC01080: Electronic Parts and Components Manufacturing.
 2. CQ01010: Die Manufacturing.
 3. F401010: International Trade.
 4. I301010: Software Design Services.
 5. F213030: Retail sale of Computing and Business Machinery Equipment.
 6. ZZ99999: All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2.1 The Company may make endorsements or provide guarantees for others in accordance with the Operational Procedures for making endorsements or providing guarantees.
- Article 2.2 The total amount of the Company's domestic and foreign business investments may not be subject to the restrictions on the amount of total investment by the Company Act, but shall not exceed three times the amount of paid-in capital.
- Article 3 The Company shall set up its headquarters in Taoyuan City of Taiwan Province. Whenever necessary, branch companies or offices may be set up at any domestic or foreign locations by decision of the Board of Directors.
- Article 4 Public announcements of the Company shall be made in accordance with Article 28 of the Company Act and the rules and regulations of the securities regulatory agency.

Chapter Two Shares

- Article 5 The total capital amount of the Company shall be four billion and five hundred million New Taiwan Dollars accounting for four hundred and fifty million shares, at a par value of Ten New Taiwan Dollars (NT\$10) per share. Board of Directors is authorized to issue the unissued shares in installments.
- Article 6 The share of the Company shall be registered share. The company may

be exempted from printing any share certificate for the shares issued. If the Company prints share certificates, it shall do so in accordance with the provisions of the Company Act and other relevant laws of the Republic of China.

Article 7 The handling of stock affairs of the Company shall comply with applicable regulations and rules by the supervising authorities.

Article 8 The entries in its shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting., or within 5 days prior to the reference date set by the issuing company for distribution of dividends, bonus or other benefits.

Chapter Three Shareholders' Meeting

Article 9 Shareholders' meeting shall be of two types, namely regular and special shareholders' meeting; the former shall be convened once a year by the Board of Directors in accordance with laws within six months after the close of each fiscal year and the latter shall be convened in accordance with laws whenever necessary.

Article 10 In case a shareholder is unable to attend a shareholders' meeting, he/she may issue proxy to delegate his representative to the Meeting in accordance with Article 177 of Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".

Article 11 When the Shareholders' meeting is convened by the Board of Directors (BOD), the Chairperson of the board shall act as the Shareholders' Meeting Chairperson. In the absence of the Chairperson of the board, delegation of the Acting chairperson shall be made in accordance with Article 208, paragraph 3 of the Company Act. When the Shareholders' meeting is convened by any competent person beyond the BOD, the Shareholders' meeting Chairperson shall be acted by such competent person. Provided there are two or more such competent persons, they shall elect one person among themselves to act as the Shareholders' meeting Chairperson.

Article 12 Except otherwise ruled by the applicable regulations, a shareholder shall have one voting power in respect of each share in his/her/its possession.

Article 13 Except otherwise ruled by the Company Act or other applicable regulations, any resolution to be passed by the Shareholders' meeting shall require a quorum of shareholders representing over half the number of issued stock shares, and be approved by over half the number of

attending shareholders with the voting rights. According to regulatory requirements, shareholders may also vote via an electronic voting system. Those who vote via an electronic voting system shall be deemed as attending the shareholders' meeting in person. The matters with regard to electronic voting shall be conducted in accordance with the applicable laws and regulations.

Article 14 Any resolutions made at the Shareholders' meeting shall be recorded in the Meeting Minutes, which shall clearly record the date and place of the meeting, the name of the chairperson, the resolution method, the main points and results of the discussion process, the number of attending shareholder and their voting rights. The Minutes shall be signed or sealed by the Chairperson within 20 days after the meeting and processed in accordance with Article 183 of the Company Act.

The meeting minutes shall be maintained in the company together with the record containing signatures of the shareholders attending the meeting and the proxy statements.

Chapter Four Directors and Audit Committee

Article 15 The Company shall have nine (9) Directors and an Audit Committee for a term of three (3) years, who shall be elected under candidates nomination system as specified in Article 192-1 of the Company Act ,and shall be persons with disposing capacity, and be elected and appointed by the Shareholders' Meeting. The term may be renewed upon re-election.

There shall be three (3) Independent Directors among all elected directors. Independent directors shall be elected under candidate nominating system. The shareholders shall elect the Independent Directors from among the nominees listed in the roster of Independent Director Candidates. The professional qualifications, restrictions on both shareholding and concurrent positions held, method of nominating and electing, and other requirements with regard to the independent directors shall be governed in accordance with the rules and regulations of the regulatory agencies.

The elected Directors may pass the resolution of the Board of the Company to have the liability insurance coverage within the scope of their duties.

Article 15.1 The Company shall establish an Audit Committee in accordance with Article 14.4 of the Securities and Exchange Act. The Audit Committee shall be composed of all independent directors. The exercising authority and matters relevant to the audit committee and its members shall be governed in accordance with the rules and regulations of the regulatory

agencies.

- Article 16 In the absence of more than one-third of the total number of Directors, the BOD shall call a special Shareholders' Meeting within 60 days for re-election of their replacements, who shall continue to serve their remaining terms.
- Article 17 Provided no re-election is possible at the time when the term of Directors expires, their term may be extended until the date when new Directors are elected.
- Article 18 The board of directors consists of directors. The board of directors shall elect a chairperson of the board from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. Election of the Vice Chairperson shall follow the same rule of electing the Chairperson. Each director shall attend the meeting of the board of directors in person. A director may be represented by another director.
- Article 19 Except for the first Board Meeting of each term, which shall be convened per Article 203 of Company Act, the remaining Board Meetings shall be called and presided over by the Chairperson of the board. When the Chairperson of the board is on leave or for any reason unable to fulfill his/her duty as the chairperson, the proxy shall be appointed in accordance with Article 208 of the Company Act.
- Article 19.1 In calling a meeting of the board of directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time. The notice of meeting of Board to be convened should be given to the directors in writing, by e-mail or by fax.
- Article 20 Any resolution by the BOD, except otherwise ruled by the Company Act, shall require a meeting attendance by over half the number of total Directors, and an approval by over half the attending Directors. Provided any Director cannot attend the Board Meeting due to any reason, he/she shall issue a written proxy, clearly stating the scope of authorized powers. A director may accept the appointment to act as the proxy of one other director only.
- Article 21 For any issues discussed at the Board Meeting, they shall be recorded in a meeting minute, which shall be signed and sealed by the Chairperson, and be distributed to all Directors in the following twenty (20) days. The meeting minutes shall record a summary of the essential points of the proceedings and the results of the meeting. The meeting Minutes, as well as the attendance list bearing the signatures of Directors present at the

meeting and the powers of attorney of the proxies shall be kept by the Company.

- Article 22 All Directors of the Company shall be paid a certain amount of traveling fees. Provided any Director is concurrently acting other positions of the Company, he/she shall be paid a salary per normal standards.

Chapter Five Managers

- Article 23 The Company may have a number of managers and one General Manager. The appointment and dismissal of managers, and their compensation and benefits shall be decided per Article 29 of the Company Act.

Chapter Six Accounting

- Article 24 At the end of each fiscal year, the BOD shall compile the following statements, which shall be submitted to the regular Shareholders' Meeting 30 days in advance, and apply for approval by the Shareholders' Meeting after verification by the Audit Committee:

- I. the business report;
- II. the financial statements; and
- III. the surplus earnings distribution or loss make-up proposal.

- Article 25 When the Company makes profits in a year, 2%~10% of the yearly profits shall be allocated for employee bonuses, and not more than 3% of the yearly profits for the remuneration of directors. However, when the company has accumulated losses, the profit shall be used to cover the accumulated losses beforehand. The employees for bonus distribution shall include non-executive employees and qualified employees of subsidiary companies.

Of the employees bonuses allocated by the board of directors as mentioned above, no less than 25% of the total amount of such employee bonuses shall be distributed to non-executive employees.

- Article 26 Should there be any remaining earnings after making the final settlement of account every year and after allocating for tax payments according to laws, they shall first be used to cover accumulated losses, and then setting aside 10% for legal reserve. However, when the cumulative legal reserve has reached the amount of paid-in capital, no more legal reserve shall be allocated. Should there still be remaining earnings, a special reserve can be allocated because of operational consideration

and regulatory imperatives. Among the rest of the remaining earnings of the yearly profits, the dividends or bonuses to shareholders shall range from 20% to 80%, The rest is unallocated remaining earnings and will be added to the remaining earnings of previous years. The board can make a proposal of distributing those remaining earnings for the Shareholders' Meeting to approve.

- Article 26.1 The dividend policy shall take into consideration the actual business environment and stage of business growth. The BOD shall prepare and submit the specific distribution plans for implementation after approval by the Shareholders' Meeting, in view of future fund needs and the financial plans under the optimal principle of cash dividend and stock dividend. The cash dividend shall not be less than 20% of the total current-time Distribution, and shall not be less than 50% of the total current-time Distribution if the Company can acquire enough external financing. The actual distribution amount, category and proportions of the earnings shall be decided and adjusted per actual profitability and capital status and be resolved by the Shareholders' Meeting.

Chapter Seven Appendix

- Article 27 The regulations governing the organizations of the Company and the rules on all kinds of operational procedures shall be separately decided by the BOD.
- Article 28 For any other issues unstated herein, the Company Act and applicable regulations shall govern.
- Article 29 These Articles of Association were enacted on Aug. 11, 1979 and amended
on Aug. 26, 1979 for the first time,
on Sep 11, 1979 for the second time,
on Jan. 13, 1981 for the third time,
on Aug. 2, 1983 for the fourth time,
on Oct. 15, 1985 for the fifth time,
on Nov. 15, 1986 for the sixth time,
on Apr. 22, 1987 for the seventh time,
on Nov. 20, 1987 for the eighth time,
on Jan. 9, 1988 for the ninth time,
on Nov. 1, 1989 for the tenth time,
on May 2, 1990 for the eleventh time,
on May 12, 1991 for the twelfth time,

on May 23, 1992 for the thirteenth time,
on May 16, 1993 for the fourteenth time,
on May 7, 1995 for the fifteenth time,
on May 19, 1996 for the sixteenth time,
on Sep 14, 1996 for the seventeenth time,
on Apr. 30, 1997 for the eighteenth time,
on Jun. 9, 1999 for the nineteenth time,
on May 23, 2000 for the twentieth time,
on Apr. 25, 2001 for the twenty-first time,
on May 31, 2002 for the twenty-second time,
on May 31, 2002 for the twenty-third time,
on Jun. 13, 2003 for the twenty-fourth time,
on Jun. 15, 2004 for the twenty-fifth time,
on May 18, 2005 for the twenty-sixth time,
on Jun. 13, 2007 for the twenty-seventh time,
on Jun. 16, 2009 for the twenty-eighth time,
on Jun. 15, 2010 for the twenty-ninth time,
on Jun. 28, 2012 for the thirtieth time,
on Jun. 24, 2015 for the thirty-first time,
on Jun. 14, 2016 for the thirty-second time,
on Jun. 22, 2017 for the thirty-third time,
on Jun. 27, 2019 for the thirty-fourth time,
on Jun. 23, 2020 for the thirty-fifth time,
on Jun. 25, 2024 for the thirty-sixth time,
and on Jun. 25, 2025 for the thirty-seventh time.

Appendix 3

CHIN-POON INDUSTRIAL CO., LTD.

Operational Procedures for Acquisition and Disposal of Assets

Article 1 Objective

To protect assets and implement information disclosure, this procedure has been established, and shall be adopted for any asset acquisition and disposal.

Article 2 Compliance

The Procedure is established in accordance with Article 36-1 of Securities and Exchange Act (the "Act") and the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.

Article 3 Scope of Assets

"Assets" used herein should mean:

- 3.1 Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
- 3.2 Real property (including land, houses and buildings, investment property, and inventory of construction industry) and equipment.
- 3.3 Memberships.
- 3.4 Patents, copyrights, trademarks, franchise rights, and other intangible assets.
- 3.5 Right-of-use assets.
- 3.6 Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- 3.7 Derivatives.
- 3.8 Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
- 3.9 Other major assets.

Article 4 Terminology

- 4.1 Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a

specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

- 4.2 Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under the Article 156-3 of the Company Act.
- 4.3 Related party and Subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- 4.4 Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
- 4.5 Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier. For investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
- 4.6 Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
- 4.7 Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises,

securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.

- 4.8 Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
- 4.9 Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Article 5 Appraisal Reports and Opinions

- 5.1 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 - 5.1.1 May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
 - 5.1.2 May not be a related party or de facto related party of any party to the transaction.
 - 5.1.3 If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.
 - 5.1.4 When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the

self-regulatory rules of the industry associations to which they belong and with the following provisions:

- 5.1.4.1 Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- 5.1.4.2 When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
- 5.1.4.3 They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
- 5.1.4.4 They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.

5.2 Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 6 Procedures for Acquisition and Disposal of Real Property and Equipment

6.1 Assessment, Optional Procedures and Executing Units

6.1.1 When the Company acquires or disposes of real property and equipment, the unit who uses the assets shall collect the necessary information, compare and analyze the details, and proposes the terms of the transaction for approval through the relevant authorization system.

6.1.2 The executing unit of disposal assets shall compile a report which contains the reason of disposal, disposal assets, the counterparties, the disposal price, the payment term, reference materials of determining the price and the mandatory items of public announcement , and submit it to their decision-makers for approval in accordance with the relevant operational rules of the Company's internal control and the Procedures.

- 6.1.3 With regard to acquisition and disposal of assets, their user or their administrator is responsible for preparing the documents for assessment and approval by the relevant supervisors. They can acquire or dispose of the assets only after having gotten approval.
- 6.2 The appraisal for acquisition or disposal of real property or equipment or their right-of-use assets
- In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
- 6.2.1 Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.
- 6.2.2 Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- 6.2.3 Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
- 6.2.3.1 The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
- 6.2.3.2 The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.

6.2.4 No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 7 Procedures for Acquisition and Disposal of Securities

7.1 Assessment, Optional Procedures and Executing Units

7.1.1 When the Company acquires or disposes of Securities, Finance Department shall collect the necessary information, compare and analyze the details, and proposes the terms of the transaction for approval through the relevant authorization system.

7.1.2 The Company's acquisition and disposal of securities shall comply with the following guideline:

7.1.2.1 Securities for liquidity management: As part of the finance department's fund allocation, the finance department handle them at its own discretion according to the necessity of liquidity management and is not restricted by the quota. However, except for domestic listed money funds, other securities for liquidity management are subject to the approval of the chairperson and general manager.

7.1.2.2 Investment in securities other than domestic listed money funds: Equity investment within NT\$ 5 million (inclusive) and debt investment within NT\$ 25 million (inclusive) are proposed by the finance department and submitted to the chairperson and general manager for approval; equity investment over NT\$ 5 million and debt investment over NT\$ 25 million are proposed by the finance department and submitted to the board of directors for approval.

Debt investments include "bond-like investments".

Bondlike investments include both redeemable convertible bonds and preferred stock for the purpose of dividend distribution.

If the cumulative balance of equity investment has exceeded NT\$ 25 million (excluding) or the cumulative balance of debt investment (including bond-like

investments) has exceeded NT\$ 100 million (excluding), the excess part of the investment must be approved by the board of directors.

7.2 The method and reference materials for determining the transaction price

The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price and shall adopt the following methods to determine the transaction price :

7.2.1 When the Company acquires or disposes of securities that are already traded on the stock exchange or at securities brokers' business offices, transactions shall be determined on the basis of market prices.

7.2.2 When the Company acquires or disposes of securities that are not traded on the stock exchange or at securities brokers' business offices, the Company shall refer to the target company's net worth per share, profitability, future prospect and the last transaction prices or refer to the interest rate in the market, the coupon rate of the bonds or the credit of the debtors to appraise the securities.

7.3 Obtaining experts' opinion

If the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall, prior to the date of occurrence of the event, additionally engage a certified public accountant to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

Article 8 Procedures for Acquisition and Disposal of Intangible Assets or Right-of-use Assets thereof or Memberships

8.1 Assessment, Optional Procedures and Executing Units

When the Company acquires or disposes of memberships or intangible assets, the unit who uses the assets shall collect the necessary information, compare and analyze the details, and proposes the terms of the transaction for approval through the relevant authorization system.

- 8.2 Experts' appraisal report on memberships or intangible assets
Where The Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.

Article 8-1 Calculation of Transaction Amount

The calculation of the transaction amount referred to in Articles 6, 7 and 8 shall be handled in accordance with Article 12.2.8.

Within the preceding year: Refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained in accordance with the Procedures need not be counted.

Article 9 Procedures for Acquisition and Disposal of Real Property from or to a Related Party

- 9.1 When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the handling is in accordance with Article 6 of the Procedures, if the transaction amount reaches 10 percent or more of the company's total assets, the Company shall also handle the relevant resolution procedures and the assessment of the reasonableness of the transactions in accordance with the following provisions. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.
- 9.2 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and the audit

committee:

- 9.2.1 The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
- 9.2.2 The reason for choosing the related party as a trading counterparty.
- 9.2.3 With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 9.3.1, 9.3.2, 9.3.3, 9.3.4 and 9.3.6 of the Procedures.
- 9.2.4 The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party.
- 9.2.5 Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
- 9.2.6 An appraisal report from a professional appraiser or a CPA's opinion in accordance with Article 6.2 of the Procedures.
- 9.2.7 Restrictive covenants and other important stipulations associated with the transaction.

With respect to the types of transactions listed below, when to be conducted between a public company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors may pursuant to the Article 7, paragraph 1, subparagraph 3 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.

- (1) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
- (2) Acquisition or disposal of real property or right-of-use assets held for business use.

Where an audit committee has been established in accordance with the provisions of the Act, the matters for which Article 9.2 of the

Procedures requires recognition by the audit committee shall first be approved by more than half of all audit committee members and then submitted to the board of directors for a resolution, and shall be subject to Article 15.2 and 15.3 of the Procedures.

If the Company or its subsidiary that is not a domestic public company will have a transaction set out in Article 9.2 and the transaction amount will reach 10 percent or more of the Company's total assets, the Company shall submit the materials in all the subparagraphs of Article 9.2 to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries or between its subsidiaries.

The calculation of the transaction amounts referred to in Article 9.2 and the preceding paragraph shall be made in accordance with Article 12.2.8 of the Procedures, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders' meeting or the board of directors and recognized by the audit committee need not be counted toward the transaction amount.

9.3 Evaluation of the reasonableness of the transaction costs

9.3.1 The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

9.3.1.1 Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property. But it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

9.3.1.2 Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan. And the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's

appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties.

- 9.3.2 Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.
- 9.3.3 The Company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with Article 9.3.1 and 9.3.2 of the Procedures shall also engage a CPA to check the appraisal and render a specific opinion.
- 9.3.4 Where a public company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Article 9.1 and 9.2 of the Procedures and Article 9.3.1, 9.3.2 and 9.3.3 of the Procedures do not apply:
- 9.3.4.1 The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
- 9.3.4.2 More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
- 9.3.4.3 The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
- 9.3.4.4 The real property right-of-use assets for business use are acquired by the public company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.
- 9.3.5 When the Company acquires real property or right-of-use assets thereof from a related party and the results of the Company's appraisal conducted in accordance with the article 9.3.1 and 9.3.2 are uniformly lower than the transaction price, the matter shall be handled in compliance with the article 9.3.6. However, where the following circumstances exist, objective

evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

9.3.5.1 Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

9.3.5.1.1 Where undeveloped land is appraised in accordance with the means in the preceding article, and structures is appraised according to the related party's construction cost plus reasonable construction profit, the total appraised amount of both are in excess of the actual transaction price. The "Reasonable construction profit" shall be the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

9.3.5.1.2 If there are completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, the land area and transaction terms of the Company's acquisition are similar to them after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.

9.3.5.2 Where a public company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Completed transactions for neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels

close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or right-of-use assets.

9.3.6 Where the Company acquires real property or right-of-use assets from a related party and the results of appraisals conducted in accordance with the article 9.3.1 and 9.3.2 are uniformly lower than the transaction price, the following steps shall be taken:

9.3.6.1 A special reserve shall be set aside in accordance with the Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the transaction price and the appraised cost of real property or right-of-use assets, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under the Article 41, paragraph 1 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.

The Company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.

9.3.6.2 The independent director members of the audit committee shall comply with the Article 218 of the Company Act.

9.3.6.3 Actions taken pursuant to Article 9.3.5.1 and 9.3.5.2 of the Procedures shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

9.3.7 When a public company obtains real property or right-of-use assets from a related party, it shall also comply with Article 9.3.6 of the Procedures if there is other evidence indicating that the acquisition was not an arm's length transaction.

Article 10 Procedures for Acquisition and Disposal of Derivatives

The Company's derivatives transactions shall be in compliance with the Company's "Operational Procedures for Derivatives Transactions". The Company shall pay strict attention to control of the important risk management and auditing matters in order to implement the internal control of the derivatives transactions. The general manager is responsible for periodically evaluating whether derivatives transactions performance is consistent with established business strategy and whether the risk undertaken is within the company's permitted scope of tolerance. If the general manager find significant anomalies, the general manager should report them to the board of directors.

The Company shall authorize the relevant persons for them to do derivatives transactions in accordance with the provisions of the Operational Procedures for Derivatives Transactions and report the list of the authorized persons to the board of directors in the next board meeting.

Article 11 Procedures for Mergers and Consolidations, Splits, Acquisitions, and Assignment of Shares

11.1 Assessment and Optional Procedures

11.1.1 The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and resolution. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be

exempted in the case of a merger by a public company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.

11.1.2 The Company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders, which contains important contractual content and matters relevant to the merger, demerger, or acquisition, prior to the shareholders meeting and include it along with the expert opinion referred to in Article 11.1.1 of the Procedures when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders meeting of any one of the companies participating in the merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

11.2 Other important matters

11.2.1 Date of directors meeting and shareholders meeting: All companies participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders meeting on the same day to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

The Company and other counterparties participating in a transfer of shares shall call a board of directors meeting on

the same day, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

- 11.2.2 Written undertaking of confidentiality: Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.
- 11.2.3 Alteration of the share exchange ratio or acquisition price: Public companies participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:
 - 11.2.3.1 Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
 - 11.2.3.2 An action, such as a disposal of major assets, that affects the company's financial operations.
 - 11.2.3.3 An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
 - 11.2.3.4 An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
 - 11.2.3.5 An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
 - 11.2.3.6 Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.
- 11.2.4 Required items in the contract: The contract of a merger,

demerger, acquisition, or transfer of shares participated by the Company shall, in addition to compliance with Article 317-1 of the Company Act and Article 22 of the Enterprises Mergers and Acquisitions Act, record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:

11.2.4.1 Handling of breach of contract.

11.2.4.2 Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.

11.2.4.3 The amount of treasury stock which the participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.

11.2.4.4 The manner of handling changes in the number of participating entities or companies.

11.2.4.5 The execution schedule and expected completion date.

11.2.4.6 Scheduled date for convening the legally mandated shareholders meeting and the relevant procedures if the plan exceeds the deadline without completion.

11.2.5 Change of Participants: After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

11.2.6 Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company in accordance with the relevant provisions.

11.2.7 When participating in a merger, demerger, acquisition, or

transfer of another company's shares, the Company shall prepare a full written record of the following information and retain it for 5 years for reference:

11.2.7.1 Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.

11.2.7.2 Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.

11.2.7.3 Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

11.2.8 When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in Article 11.2.7.1 and 11.2.7.2 of the Procedures to the FSC for recordation.

Article 12 Information Disclosure

12.1 Deadline of disclosure

Under the requirement in Article 12.2 of the Procedures, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

12.2 Required items and criteria for disclosure

12.2.1 Acquisition or disposal of real property or right-of-use assets

from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more. This shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

12.2.2 Merger, demerger, acquisition, or transfer of shares.

12.2.3 Losses from derivatives transactions reaching the limits on aggregate losses or on losses of individual contracts set out in the procedures adopted by the company.

12.2.4 Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:

12.2.4.1 For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.

12.2.4.2 For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.

12.2.5 Acquisition or disposal by the Company in the construction business of real property or right-of-use assets for business use, where the trading counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.

12.2.6 Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the

transaction reaches NT\$500 million.

12.2.7 Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. But this shall not apply to the following circumstances:

12.2.7.1 Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.

12.2.7.2 Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets, or subscription of foreign government bonds, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.

12.2.7.3 Trading of bonds under repurchase/resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

12.2.8 The amount of transactions referred to in Article 12.2.4 ~ 12.2.7 of the Procedures shall be calculated as follows. "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Laws and Regulations need not be counted toward the transaction amount.

12.2.8.1 The amount of any individual transaction.

12.2.8.2 The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.

12.2.8.3 The cumulative transaction amount of real property or

right-of-use assets acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.

12.2.8.4 The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

12.3 Public announcement and regulatory filing procedures

12.3.1 The Company shall publicly announce and report the relevant information on the FSC's designated website.

12.3.2 The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

12.3.3 When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.

12.3.4 The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.

12.3.5 Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:

12.3.5.1 Change, termination, or rescission of a contract signed in regard to the original transaction.

12.3.5.2 The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.

12.3.5.3 Change to the originally publicly announced and

reported information.

Article 13 Information Disclosure of the Company's Subsidiaries

- 13.1 The subsidiaries of the Company shall establish and implement Operational Procedures for Acquisition and Disposal of Assets for the acquisition or disposal of assets in compliance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies. Where the subsidiary is not a public company, establishment and amendment of the Procedures shall be approved by its board of directors; where the subsidiary is a public company, establishment and amendment of the Procedures shall be in compliance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
- 13.2 Information required to be publicly announced and reported in accordance with Article 12 of the Procedures on acquisitions and disposals of assets by a subsidiary of the Company that is not itself a public company in Taiwan shall be reported by the Company.
- 13.3 The subsidiary should make a public announcement and regulatory filing if the type of transaction specified therein reaches 20 percent of paid-in capital or 10 percent of the total assets. The paid-in capital or total assets referred to in this criterion means the paid-in capital or total assets of the Company. For the calculation of 10 percent of total assets under these Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.

Article 14 Other Important Matters and Discipline

- 14.1 The Company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives transactions and the approval dates by the board of directors shall be recorded in detail. Internal audit personnel shall periodically conduct a monthly audit of how faithfully derivatives transactions by the trading department adheres to the procedures for engaging in derivatives transactions. If any material violation is discovered, all audit committee members shall be notified in writing.
- 14.2 The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and opinions provided by CPA, attorney, and securities underwriter at the company headquarters, where they shall be retained for 5 years except where

another Act provides otherwise.

- 14.3 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party of any party to the transaction.
- 14.4 The employees of the Company who are responsible for acquisition and disposal of assets and violate the provisions of the Procedures shall be disciplined depending on the seriousness of their violations in accordance with the company's personnel management procedures or employees work rules.

Article 15 Implementation and Amendment

- 15.1 The Company adopts the following procedure to establish and revise the Procedures. After the Procedures have been approved by the audit committee, they shall be submitted to the board of directors for approval and then to a shareholders' meeting for resolution. The same applies when the procedures are amended. If a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each audit committee member. The board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

- 15.2 With respect to the Company's acquisition or disposal of assets that is subject to the approval of more than half of all audit committee members, If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.
- 15.3 The terms "all audit committee members" and "all directors" in the preceding paragraphs shall be counted as the actual number of

persons currently holding those positions.

Article 16

The matters which are not stipulated by the Procedures are governed by the relevant laws and regulations and by the Company's policies and procedures.

Article 17 History of Revision

17.1 The Procedures were enacted on June 28, 2012.

17.2 Amended on June 18, 2013.

17.3 Amended on June 24, 2014.

17.4 Amended on June 22, 2017.

17.5 Amended on June 27, 2019.

17.6 Amended on June 23, 2020.

17.7 Amended on July 30, 2021.

17.8 Amended on June 24, 2022.

Appendix 4

CHIN-POON INDUSTRIAL CO., LTD.

Rules and Procedures of Shareholders' Meeting

1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures. Any matter not provided in these Rules and Procedures shall be handled in accordance with applicable laws and regulations.
2. The shareholders referred to in The Rules and Procedures mean the shareholder attending the Meeting in person and the proxies of the shareholders unable to attend.
3. Shareholders attending the Meeting shall wear the attendance badges and submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.
4. Chairperson shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairperson may postpone the time for the Meeting. The postponements shall be limited to two times at the most and the Meeting shall not be postponed for longer than one hour in the aggregate. If no quorum can yet be constituted after two postponements but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act. The aforesaid tentative resolutions shall be executed in accordance with applicable provisions of the Company Act.
If the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum during the process of the Meeting, the chairperson may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.
5. The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.
The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting.
Unless otherwise resolved at the Meeting, the chairperson cannot announce

adjournment of the Meeting before all the items (including special motions) listed in the agenda are resolved. The shareholders cannot designate any other person as chairperson and continue the Meeting in the same or other place after the Meeting is adjourned.

6. During the meeting, the chairperson may announce a recess in a time as appropriate. If all the items in the agenda are not resolved in the Meeting, a resolution may be adopted at a shareholders' meeting to defer or resume the Meeting within 5 days in accordance with Article 182 of the Company Act. In this case, the Company does not need to issue a public notice for that.
7. When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with a summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairperson. If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairperson, no shareholder shall interrupt the speeches of the other shareholders. Otherwise the chairperson shall stop such interruption.
8. Unless otherwise permitted by the chairperson, each shareholder shall not, for each discussion item, speak more than two times (not exceeding 3 minutes each time). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairperson may stop the speech of such shareholder. Other shareholders have the right to ask the chairperson to stop the speech of such shareholder.
9. The chairperson may announce to end the discussion of any resolution and go into voting if the Chairperson deems it appropriate.
10. Except otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting.

A shareholder shall be entitled to one vote for each share held. A shareholder may appoint a proxy to attend the Meeting on he/she/it behalf. With the exception of a trusted 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 (3) 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.

When the Company holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means.

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/its rights with respect to the special motions and any and all amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of special 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 2 days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means 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.

At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson 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 Market Observation Post System (MOPS).

11. The calculation of attendance and voting of the Meeting shall be based on the number of shares.
12. The venue for a shareholders' meeting shall be in the same city 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.
13. A shareholders' meeting shall be presided by the Chairperson of the Board if convened by the board of directors. In the event that the Chairperson of the Board is on leave or for whatever reason unable to perform his/her function in the meeting, the Vice Chairperson of the Board shall act in his/her stead. In case

- of no Vice Chairperson of the Board or in the event that the Vice Chairperson of the Board is on leave or for whatever reason unable to perform his/her function in the meeting, the Chairperson of the Board shall appoint a director to act in his/her stead. In the event that the Chairperson of the Board does not appoint a proxy, a director shall be elected from among themselves to preside the meeting. In the event that a shareholders' meeting is convened by an eligible convener beyond the board of directors, the meeting shall be presided by that convener.
14. The Company may appoint designated counsel, CPA or other related persons to attend the Meeting. Persons handling affairs of the Meeting shall wear identification cards or badges.
 15. The process of the Meeting shall be tape-recorded or video-taped and these tapes shall be preserved for at least one year.
 16. If there is amendment to or substitute for a proposal, the chairperson shall decide the sequence of voting for such proposal, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.
 17. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
 18. After the speech of a shareholder, the chairperson may respond by himself/herself or appoint an appropriate person to respond.
 19. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots for resolution of proposals or election of directors shall be appointed by the chairperson. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.
 20. The chairperson may conduct the disciplinary officers or the security guard to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officers" for identification purpose.
 21. In case of incident of force majeure, such as air strike, earthquake, fire and etc., the chairperson may immediately announce to stop or temporarily suspend the Meeting in order for all persons to evacuate from the dangerous places. The chairperson may announce a new schedule for the Meeting one hour later when the crisis is over.
 22. Any matter not provided in The Rules and Procedures shall be handled in accordance with applicable laws and regulations.
 23. The Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

CHIN-POON INDUSTRIAL CO., LTD.

Rules for Election of Directors

1. Unless otherwise provided in the Company Act or the Articles of Incorporation of this Company, the directors of this Company shall be elected in accordance with the rules specified herein.
2. Election of directors of the Company shall be held separately at the shareholders' meeting.
3. All persons with disposing capacity shall be elected as directors of the Company.
4. The number of directors of the Company is subject to the number of directors as set out in the Articles of Association of the Company.
5. The Company adopts the cumulative voting method for the election of the directors. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates.
6. In the election of directors of the Company, candidates who acquire more votes should win the seats of directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairperson shall draw lots on behalf of the candidate who is not present.
7. The Company shall prepare the ballots on which attendance card number and the number of voting rights shall be specified.
8. At the beginning of the election, the Chairperson shall appoint several persons to monitor the voting and to record the ballots.
9. The ballot box used for voting shall be prepared by the Company and checked in public before voting by the persons who monitor the voting.
10. If the candidate is a shareholder of the Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number. If the candidate is not a shareholder of the Company, voters shall fill in the "candidate" column the candidate's name and the candidate's ID number. If the candidate is a legal entity, the full name of the legal entity and the name(s) of their representative(s) should be filled in the column. If their representatives are more than one person, all of their names shall be listed.

The aforementioned candidate's name, his/her shareholder's number and candidate's ID number can be in writing or by stamp.

11. Ballots shall be deemed void under the following conditions:
 - (1) Ballots not prepared by the Company;
 - (2) Ballots not placed in the ballot box;
 - (3) Blank ballots not completed by the voter;
 - (4) Illegible writing;
 - (5) If the candidate is a shareholder of the Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is incorrect;
 - (6) The number of candidates filled in the ballot exceeding the number of the seats to be elected.
 - (7) Ballots with other written characters or symbols in addition to a candidate's name and his/her shareholder's number (ID number).
12. The persons who monitor the voting and record the ballots are responsible for opening the ballot boxes after the vote casting has finished. The ballots should be calculated during the meeting right after the vote casting has finished and the results of the election should be announced by the Chairperson at the meeting.
13. The board of directors shall issue notifications to the directors elected.
14. These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.

Appendix 6

CHIN-POON INDUSTRIAL CO., LTD.

Shareholdings of All Directors

1. According to Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares held by all directors other than independent directors shall be 15,899,817 shares.
2. The following table shows the shareholdings of all directors on the record date.

Title	Name	Election Date	Term	Shareholdings on the Election Date (Note 1)		Shareholdings on the Record Date of April 26, 2026 (Note 2)	
				Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio
Chairperson	TSENG-LIU, YU-CHIH	2023.6.27	3 years	9,603,279	2.42	9,603,279	2.42
Director	LIN, PI-CHI	2023.6.27	3 years	6,919,649	1.74	6,591,649	1.66
Director	TUNG, HSIAO-HUNG	2023.6.27	3 years	6,308,043	1.59	6,308,043	1.59
Director	HUANG, WEI-JIN	2023.6.27	3 years	11,238,409	2.83	5,638,409	1.42
Director	LAI, HWEI-SHAN	2023.6.27	3 years	6,283,114	1.58	6,283,114	1.58
Independent Director	CHEN, HSIANG-SHENG	2023.6.27	3 years	88,637	0.02	43,637	0.01
Independent Director	CHEN, SHI-SHU	2023.6.27	3 years	0	0	0	0
Independent Director	HSU, SUNG-TSAI	2023.6.27	3 years	1,242	0.00	1,242	0.00
	Total			40,442,373	11.58	34,469,373	8.68

Note 1: Total shares issued as of the record date were 397,495,420 Common Shares.

Note 2: The Company has set up an audit committee, so the Company is exempted from the requirement that the number of shares held by the supervisors shall not be less than a certain percentage.