

CHIN-POON INDUSTRIAL CO., LTD.

2025 ANNUAL SHAREHOLDERS' MEETING

MINUTES

(Translation)

Time: Wednesday, June 25, 2025 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.)

The outstanding shares of the Company: 397,495,420 shares.

Attendance: A total of 223,264,397 shares attended in person and by proxy (including attendance of 59,274,242 shares which has exercised voting rights by electronic means) accounted for 56.17% of the total outstanding shares of the Company.

Chairperson: Tseng-Liu, Yu-Chih, the Chairperson of the Board of Directors

Minutes Taker: Huang, Yu-Chiao

Directors in Attendance:

Huang, Wei-Jin, Director

Lin, Pi-Chi, Director

Tung, Hsiao-Hung, Director

Lai, Hwei-Shan, Director

Tseng-Liu, Yu-Chih, Director

Chen, Hsiang-Sheng, Independent Director

Hsu, Sung-Tsai, Independent Director

Chen, Shi-Shu, Independent Director

Attendees who were not directors:

Alan Hwang, CEO

Rachel Lin, VP

Jack Lin, VP

Catherine Hsing, VP

Stanley Wu, CPA

William Tu, Lawyer

1. The chairperson called the meeting to order after the number of shares in attendance have constituted a quorum.

2. Chairperson's Address (omitted)

3. Reports

Report 1 Business Report for 2024 & Business Plan for 2025 (Appendix 1)

Report 2 Audit Committee's Review Report of 2024 (Appendix 2 : audit committee's review report of 2024 ; Appendix 3 : financial statements of 2024)

Report 3 Report on the Remuneration of Directors of 2024

The decided amount of the Remuneration of Directors in cash is NT\$ 5,680,000. There are no differences between the amount decided by the Board of Directors and the amount of expense for the Remuneration accrued in the 2024 financial statements of the Company.

Report 4 Report on the Compensation of Employees of 2024

The decided amount of the Compensation of Employees in cash is NT\$ 58,386,106. There are no differences between the amount decided by the Board of Directors and the amount of expense for the compensation accrued in the 2024 financial statements of the Company.

4. Proposed Resolutions

Proposal 1

(Proposed by Board of Directors)

Subject: To accept 2024 Business Report and Financial Statements.

Explanation:

1. CHIN-POON's 2024 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 2024 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 2024 Business Report, please refer to Report 1.) Please accept the aforementioned Business Report and Financial Statements.

Resolution:

The total number of shares present at the time of voting on this case was 221,016,419.

	Voting Results	% of the Shares Present
Votes in favor:	204,581,914 votes (including 43,052,152 votes)	92.56%
Votes against:	117,075 votes (including 117,075 votes)	0.05%
Votes abstained:	16,317,430 votes (including 16,105,015 votes)	7.38%
Votes invalid:	0 votes	0%

Note : Votes in brackets indicated the votes by means of electronic transmission.

The proposal was approved by a majority of voting shares.

Proposal 2

(Proposed by Board of Directors)

Subject: To approve the Proposal for Distribution of 2024 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	7,485,991,627
Plus:	
- Net Income of 2024	1,132,419,003
- Remeasurements of Defined Benefit Plans	6,890,923
- Reversal of the Special Reserve	447,333,048
Less:	
- 10% Legal Reserve	(113,930,993)
Retained Earnings Available for Distribution as of December 31, 2024	8,958,703,608
Distribution Item:	
- Cash Dividends to Common Share Holders (NT\$ 1.85 per share)	735,366,527
Unappropriated Retained Earnings	8,223,337,081

Chairperson

Chief Executive Officer

Principal Accounting Officer

1. We have deducted from the profits in 2024 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\$ 1.85 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 2024 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 2024 Profits and Retained Earning.

Resolution:

The total number of shares present at the time of voting on this case was 221,016,419.

Voting Results		% of the Shares Present
Votes in favor:	205,015,665 votes (including 43,485,903 votes)	92.76%
Votes against:	94,069 votes (including 94,069 votes)	0.04%
Votes abstained:	15,906,685 votes (including 15,694,270 votes)	7.20%
Votes invalid:	0 votes	0%

Note : Votes in brackets indicated the votes by means of electronic transmission.

The proposal was approved by a majority of voting shares.

5. Deliberation Proposals

Proposal 1

(Proposed by Board of Directors)

Subject: To amend the Articles of Incorporation of the Company.

Explanation:

To comply with the laws and regulations, it is proposed to amend the Articles of Incorporation of the Company. 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 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 qualified employees of subsidiary companies.	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 <u>non-executive employees and</u> qualified employees of subsidiary companies. <u>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.</u>	To comply with the laws and regulations.
Article 29 These Articles of Association	Article 29 These Articles of Association	To add a new entry in the

were enacted on Aug. 11, 1979 and amended ----- ----- ----- <u>and</u> on Jun. 25, 2024 for the thirty-sixth time.	were enacted on Aug. 11, 1979 and amended ----- ----- ----- on Jun. 25, 2024 for the thirty- sixth time, <u>and on Jun. 25, 2025 for the</u> <u>thirty-seventh time.</u>	history of revision.
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Resolution:

The total number of shares present at the time of voting on this case was
221,016,419.

Voting Results		% of the Shares Present
Votes in favor:	204,931,892 votes (including 43,402,130 votes)	92.72%
Votes against:	133,848 votes (including 133,848 votes)	0.06%
Votes abstained:	15,950,679 votes (including 15,738,264 votes)	7.22%
Votes invalid:	0 votes	0%

Note : Votes in brackets indicated the votes by means of electronic transmission.

The proposal was approved by a majority of voting shares.

Shareholders' Questions and the Company's Responses:

A Shareholder asked questions about the Company's Q1 gross profit, the impact of US tariffs, investment and development in Thailand, R&D expenditures, and the amount of money invested in the money funds.

The chairperson asked CFO to give a response as follows:

- **Gross profit:** The gross profit in the first quarter of 2025 was lower than that in the first quarter of 2024, mainly due to the price cuts by customers and the increase in operating costs such as personnel and electricity costs.
- **Impact of US tariffs:** The Company has been comprehensively reviewing the optimal allocation of the Group's orders among all manufacturing sites and accelerating products transformation to respond to the impact of US tariff policy on the Company's operations in the future.
- **Investment and development in Thailand:** The core management team of different manufacturing sites in the Group all provides various support to help the development and operation of the subsidiary in Thailand and to increase its profits.
- **R&D expenditure:** The Company continues to invest in R&D, while applies for the subsidies on technology research and development by the government and acquires resources provided by the industry-university cooperation project, in order to achieve the highest investment efficiency.
- **The amount Invested in the money fund:** The amount is allocated to maintain the Group's working capital, taking into account acceptable risks, returns and liquidity.

6. Special Motions

None.

7. Adjournment

The meeting closed at 9:41 a.m. on June 25, 2025.

Chairperson:

Tseng-Liu, Yu-Chih, the Chairperson of the Board of Directors

Minutes Taker:

Huang, Yu-Chiao

Appendix

Appendix 1

Business Report for 2024 & Business Plan for 2025

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 2024

Our consolidated operating revenue in 2024 was NT\$ 16,355,210 thousand and decreased by NT\$ 394,205 thousand and by 2.35% from 2023. The Company has been focusing on the automotive business. The main reason for the decrease of revenue was the unsmooth transition from Internal Combustion Engine Vehicles to Electric Vehicles in the global automotive market in 2024. At the beginning of 2024, the global automobile market saw a sharp freeze in demand due to the unsmooth transition. Although there was a slight improvement in the second half of the year, global automobile demand remained weak. The weakness of the automobile market in 2024 had direct impact on a slight decline in the Company's revenue. Our operating income in 2024 was NT\$ 1,028,591 thousand and was increased by NT\$ 205,845 thousand compared with that of 2023, a growth of 25.02%. The significant increase in operating income was mainly due to the Company's excellent cost control, the turnaround of our subsidiary in Thailand from a loss of NT\$ 146,216 thousand to a profit of NT\$ 52,194 thousand and the high appreciation of US dollar against Taiwan dollar and against RMB in 2024, which helped us to increase our gross profit as a manufacturer exporter, so that our gross profit in 2024 increased by NT\$ 180,579 thousand compared with 2023. At the same time, operating expenses in 2024 was reduced by NT\$ 25,266 thousand compared to 2023, so the net operating income still increased by NT\$ 205,845 thousand, making the profit before tax increased from NT\$ 1,151,593 thousand in 2023 to NT\$ 1,597,539 thousand in 2024, an increase of 38.72%. The Company's net income in 2024 was NT\$ 1,132,419 thousand, an increase of NT\$ 369,386 thousand and 48.41% compared with 2023, resulting in earnings per share also rising from NT\$ 1.92 in 2023 to NT\$ 2.85 in 2024.

Operating Results in 2024

Unit: NT\$ in thousands

Item \ Amount	2024	2023	Plus or Minus (Amount)	Plus or Minus (%)
Operating Revenue	16,355,210	16,749,415	-394,205	-2.35%
Operating Costs	13,985,049	14,559,833	-574,784	-3.95%
Gross Profit	2,370,161	2,189,582	180,579	8.25%
Operating Expenses	1,341,570	1,366,836	-25,266	-1.85%
Operating Income	1,028,591	822,746	205,845	25.02%
Non-operating Income and Expenses	568,948	328,847	240,101	73.01%
Profit before Tax	1,597,539	1,151,593	445,946	38.72%
Consolidated Profit	1,132,477	762,753	369,724	48.47%
Profit, attributable to Owners of Parent Company	1,132,419	763,033	369,386	48.41%

Our budget achievement of operating revenue and operating costs were 91% and 91% of the 2024 budget targets respectively. We expected that demand in the automotive market would have returned to normal in 2024, so we had an optimistic forecast for revenue growth for the year. However, the unsmooth transition from Internal Combustion Engine Vehicles to Electric Vehicles in the global automotive market in 2024 led to a sudden freeze in demand at the first half of the year, which suppressed the growth of the automotive sector, causing the Company's operating revenue to deviate from the budget by 9%. We took the market downturn as an opportunity to strengthen our cost control. In addition, our subsidiary in Thailand has turned a significant profit of NT\$ 52,194 thousand from a loss of NT\$ 146,216 thousand. And US dollar continued to maintain a high appreciation against Taiwan dollar and against RMB, which helped to improve our gross profit as a manufacturer exporter. As a result, the achievement rate of the gross profit in 2024 still reached 88%, and those of the operating income and of the pre-tax profit also reached 75% and 101%.

Budget Achievement in 2024

Unit: NT\$ in thousands

Item \ Amount	Actual Amount	Budget Amount	Achievement Rate (%)
Operating Revenue	16,355,210	18,026,931	91%
Operating Costs	13,985,049	15,342,670	91%
Gross Profit	2,370,161	2,684,261	88%
Operating Expenses	1,341,570	1,317,089	102%
Operating Income	1,028,591	1,367,172	75%
Non-operating Income and Expenses	568,948	222,282	256%
Profit before Tax	1,597,539	1,589,454	101%

And our long-term and short-term financial position remained healthy. The debt-to-asset ratio in 2024 was 27%, which improved compared to 29% in 2023. The current ratio and quick ratio in 2024 were 282% and 220%, which was still better than 251% and 195% in 2023. 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 2024.

Results of R&D in 2024

- 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:

We have been focusing on the niche market of printed circuit board (PCB) for automobiles and of PCB of medium volume, 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 to raise production efficiency, to

improve quality and to reduce costs.

8. Implement total quality control and utilize the Six Sigma methodology to build an edge in competitiveness of 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:	922,863 M ² (square meter)
Volume of Double-sided & Multilayer:	3,281,192 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 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
- 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\$ 262,317 thousand.

Our Strategies

1. Continue to expand the niche market of printed circuit board (PCB) used in automobiles, 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. There is still some space for capacity expansion in our plants in Changshu, China. And we have increased our ownership of our manufacturing site in Thailand to 99.89% in 2023. We are planning to build more capacity in Thailand. New capacity in Thailand has a very important significance to our strategy of grasping the opportunities of Southeast Asia and South Asia, providing extra capacity to our manufacturing site in Taiwan and Mainland China, and becoming our main source of future growth.
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 2024 was NT\$ 816.8 billion and increased by 6.1%.

Global economic growth remained resilient in 2024. According to the International Monetary Fund (IMF), global economic growth was 3.2%, the same as the previous year but lower than the pre-pandemic average. In 2024, inflation slowed down, labor market got tight, and demand for artificial intelligence (AI)-related products became strong. At the same time, the trade recovery in developed economies was particularly notable as these economies benefited from improved supply chains and increased demand for services. However, geopolitical risks remained severe, such as the continued Russia-Ukraine war, intensifying tensions in the Middle East and escalating US-China trade conflicts, which continued to undermine economic optimism. However, although global economic growth has slowed down, it can still maintain positive growth, so exporters were able to weather 2024 smoothly.

The International Monetary Fund (IMF) predicts that global economic growth will be 3.2% in 2025, the same as in 2024. Although global inflation is easing and the world economy has not entered a recession, it may fall into a dilemma of low growth and high debt in the future. At the same time, with the return of former US President Trump, there has been a major shift in US domestic and foreign policies, leading to escalating tariff trade wars and geopolitical conflicts, exacerbating global economic and political uncertainties. In particular, Trump's tariff policy may temporarily push up commodity prices, while his tightening immigration policy may lead to higher inflation in the service industry. Faced with high costs, high debts, and the possible intensification of protectionism, the global economy will face pressure to adjust in 2025. 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.

According to the forecast of IEK, total revenue of Taiwan's PCB makers in 2025 is expected to be NT\$ 854.1 billion, with a growth rate of approximately 4.6%. Compared with the growth of 6.1% in 2024, the estimated growth in 2025 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, and escalating geopolitics, 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 45 years. 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 2025 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, intelligent manufacturing and various projects in order to enable the Company's internal resources to be used most effectively and its production efficiency 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 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

Appendix 2

Audit Committee's Review Report of 2024

CHIN-POON INDUSTRIAL CO., LTD.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2024 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

February 27, 2025

Appendix 3

2024 Audit Report of Independent Auditors and Financial Statements

1. Independent Auditors' Report And 2024 Consolidated Financial Statements
2. Independent Auditors' Report And 2024 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, 2024 and 2023**

**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.

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, 2024 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: Zeng , Liu-Yuzhi

Date: February 27, 2025



安侯建業聯合會計師事務所

KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel	+ 886 2 8101 6666
傳真 Fax	+ 886 2 8101 6667
網址 Web	kpmg.com/tw

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, 2024 and 2023, 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, 2024 and 2023, 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 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 consolidated financial statements for the year ended December 31, 2024. 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, 2024 and 2023, 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, 2024 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)
February 27, 2025

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, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	Assets					21xx	Liabilities and Equity				
	Current assets:						Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 2,964,354	13	4,501,650	20	2100	Short-term loans (notes 6(j), 8 and 9)	\$ 786,408	3	1,044,344	5
1110	Financial assets at fair value through profit and loss — current (note 6(b))	2,519,146	11	1,887,183	9	2150	Notes payable	402,024	2	647,942	3
1150	Notes receivable, net (notes 6(e) and (q))	7,799	-	20,437	-	2170	Accounts payable	1,743,228	7	1,726,070	8
1170	Accounts receivable, net (notes 6(e) and (q))	3,545,722	16	3,747,184	17	2219	Other payables (note 6(r))	1,117,043	5	1,117,289	5
1200	Other receivables (note 6(f))	104,996	-	58,234	-	2230	Current tax liabilities	7,903	-	325,085	1
1220	Current income tax assets	76,790	-	-	-	2280	Current lease liabilities (note 6(l))	44,155	-	50,316	-
130x	Inventoriess (notes 6(g) and 9)	3,136,157	13	3,202,096	14	2399	Other current liabilities (note 6(q))	1,051,062	5	942,831	4
1410	Prepayments	89,251	-	81,423	-		Total current liabilities	5,151,823	22	5,853,877	26
1476	Other financial assets — current (note 6(d))	1,995,316	9	1,073,821	5	25xx	Non-Current liabilities:				
1479	Other current assets	97,771	-	97,660	-	2540	Long-term loans (note 6(k))	327,670	2	-	-
	Total current assets	14,537,302	62	14,669,688	65	2570	Deferred tax liabilities (note 6(n))	705,481	3	566,153	2
15xx	Non-current assets:					2580	Non-current lease liabilities (note 6(l))	107,476	-	153,772	1
1536	Non-current financial assets at amortised cost (note 6(c))	641,749	3	299,143	1	2630	Long-term deferred revenue	29,146	-	32,166	-
1600	Property, plant and equipment (notes 6(h), 7, 8 and 9)	5,894,218	25	5,918,636	26	2640	Net defined benefit liability — non-current (note 6(m))	38,401	-	33,116	-
1755	Right-of-use assets (note 6(i))	187,531	1	238,407	1		Total non-current liabilities	1,208,174	5	785,207	3
1840	Deferred tax assets (note 6(n))	257,603	1	252,515	1	2xxx	Total liabilities	6,359,997	27	6,639,084	29
1915	Prepayments for equipment (note 9)	1,869	-	-	-	31xx	Equity attributable to shareholders of the parent (note 6(o)):				
1975	Net defined benefit asset — non-current (note 6(m))	121,237	-	99,126	-	3110	Common stock	3,974,954	17	3,974,954	18
1980	Other financial assets — non-current (note 4(d))	1,950,501	8	1,264,026	6	3200	Capital surplus	1,580,591	7	1,580,484	7
	Total non-current assets	9,054,708	38	8,071,853	35	3300	Retained earnings:				
						3310	Legal reserve	2,563,709	11	2,490,821	11
						3320	Special reserve	447,333	2	304,879	1
						3350	Unappropriated earnings	8,625,301	36	8,198,202	36
								11,636,343	49	10,993,902	48
						3400	Other equity:				
						3410	Foreign currency translation differences for foreign operations	39,439	-	(447,333)	(2)
						31xx	Total equity attributable to shareholders of the company	17,231,327	73	16,102,007	71
						36xx	Non-controlling interests	686	-	450	-
						3xxx	Total equity	17,232,013	73	16,102,457	71
1xxx	Total assets	\$ 23,592,010	100	22,741,541	100	2-3xxx	Total liabilities and equity	\$ 23,592,010	100	22,741,541	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 Comprehensive Income

For the years ended December 31, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars)

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (note 6(q))	\$ 16,355,210	100	16,749,415	100
5000	Operating costs (notes 6(g), (m), (r) and 7)	<u>13,985,049</u>	<u>86</u>	<u>14,559,833</u>	<u>87</u>
5900	Gross profit	<u>2,370,161</u>	<u>14</u>	<u>2,189,582</u>	<u>13</u>
6000	Operating expenses (notes 6(e), (m), (r) and 7):				
6100	Selling expenses	435,597	3	369,503	2
6200	Administrative expenses	522,696	3	532,937	3
6300	Research and development expenses	338,570	2	330,006	2
6450	Expected credit losses	<u>44,707</u>	<u>-</u>	<u>134,390</u>	<u>1</u>
	Total operating expenses	<u>1,341,570</u>	<u>8</u>	<u>1,366,836</u>	<u>8</u>
6900	Operating income	<u>1,028,591</u>	<u>6</u>	<u>822,746</u>	<u>5</u>
7000	Non-operating income and expenses (notes 6(b), (l) and (s)):				
7100	Interest income	202,851	1	163,789	1
7010	Other income	302,781	2	196,260	1
7020	Other gains and losses	127,365	1	26,761	-
7050	Finance costs	<u>(64,049)</u>	<u>-</u>	<u>(57,963)</u>	<u>-</u>
	Total non-operating income and expenses	<u>568,948</u>	<u>4</u>	<u>328,847</u>	<u>2</u>
7900	Income before income tax	1,597,539	10	1,151,593	7
7950	Less: Income tax expenses (note 6(n))	<u>465,062</u>	<u>3</u>	<u>388,840</u>	<u>2</u>
	Net income	<u>1,132,477</u>	<u>7</u>	<u>762,753</u>	<u>5</u>
8300	Other comprehensive income (loss) (notes 6(n) and (o)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	8,614	-	(42,673)	-
8349	Less: income tax related to items that will not be reclassified subsequently to profit or loss	<u>1,723</u>	<u>-</u>	<u>(8,518)</u>	<u>-</u>
	Total items that will not be reclassified subsequently to profit or loss	<u>6,891</u>	<u>-</u>	<u>(34,155)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Foreign currency translation differences for foreign operations	486,950	3	(142,358)	(1)
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>486,950</u>	<u>3</u>	<u>(142,358)</u>	<u>(1)</u>
8300	Other comprehensive income (loss), net of tax	<u>493,841</u>	<u>3</u>	<u>(176,513)</u>	<u>(1)</u>
8500	Total comprehensive income	<u>\$ 1,626,318</u>	<u>10</u>	<u>586,240</u>	<u>4</u>
8600	Net income (loss) attributable to:				
8610	Shareholders of the Company	\$ 1,132,419	7	763,033	5
8620	Non-controlling interests	<u>58</u>	<u>-</u>	<u>(280)</u>	<u>-</u>
		<u>\$ 1,132,477</u>	<u>7</u>	<u>762,753</u>	<u>5</u>
8700	Total comprehensive income (loss) attributable to:				
8710	Shareholders of the Company	\$ 1,626,082	10	586,424	4
8720	Non-controlling interests	<u>236</u>	<u>-</u>	<u>(184)</u>	<u>-</u>
		<u>\$ 1,626,318</u>	<u>10</u>	<u>586,240</u>	<u>4</u>
Earnings per share(expressed in New Taiwan dollars) (note 6(p))					
9750	Basic earnings per share	<u>\$ 2.85</u>		<u>1.92</u>	
9850	Diluted earnings per share	<u>\$ 2.84</u>		<u>1.92</u>	

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, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the Company						Other equity			
	Common stock	Capital surplus	Retained earnings			Subtotal	Foreign currency translation differences for foreign operations	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
			Legal reserve	Special reserve	Unappropriated earnings					
Balance at January 1, 2023	\$ 3,974,954	1,580,137	2,439,494	571,745	7,591,656	10,602,895	(304,879)	15,853,107	383	15,853,490
Appropriation and distribution:										
Legal reserve	-	-	51,327	-	(51,327)	-	-	-	-	-
Cash dividends	-	-	-	-	(337,871)	(337,871)	-	(337,871)	-	(337,871)
Reversal of special reserve	-	-	-	(266,866)	266,866	-	-	-	-	-
Other changes in capital surplus:										
Net income (loss) for the year	-	-	-	-	763,033	763,033	-	763,033	(280)	762,753
Other comprehensive income for the year	-	-	-	-	(34,155)	(34,155)	(142,454)	(176,609)	96	(176,513)
Total comprehensive income (loss) for the year	-	-	-	-	728,878	728,878	(142,454)	586,424	(184)	586,240
Changes in non-controlling interests	-	(45)	-	-	-	-	-	(45)	251	206
Non-payment of expired cash dividends from previous years transferred to capital surplus	-	392	-	-	-	-	-	392	-	392
Balance at December 31, 2023	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 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 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	<u>\$ 3,974,954</u>	<u>1,580,591</u>	<u>2,563,709</u>	<u>447,333</u>	<u>8,625,301</u>	<u>11,636,343</u>	<u>39,439</u>	<u>17,231,327</u>	<u>686</u>	<u>17,232,013</u>

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, 2024 and 2023****(All amounts expressed in thousands of New Taiwan dollars)**

	2024	2023
Cash flows from operating activities:		
Income before tax	\$ 1,597,539	1,151,593
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation expenses	879,145	1,044,452
Expected credit losses	44,707	134,390
Net gains on financial assets at fair value through profit or loss	(33,351)	(25,398)
Interest expense	64,049	57,963
Interest income	(202,851)	(163,789)
Losses on disposal of property, plant and equipment	15,109	1,621
Unrealized losses (gains) on foreign exchange	(90,459)	23,076
Gains on lease modification	(172)	-
Total adjustments to reconcile profit and loss	<u>676,177</u>	<u>1,072,315</u>
Changes in operating assets and liabilities relating:		
Net changes in operating assets:		
Notes receivable	13,296	(9,781)
Accounts receivable	352,000	(88,615)
Other receivables	(15,861)	37,519
Inventories	124,257	793,951
Prepayments	(6,049)	(2,429)
Other current assets	1,986	(4,341)
Other operating assets	<u>(13,497)</u>	<u>(14,242)</u>
Total net changes in operating assets	<u>456,132</u>	<u>712,062</u>
Net changes in operating liabilities:		
Notes payable	(245,918)	8,911
Accounts payable	(42,607)	(258,444)
Other payable	845	(51,540)
Other current liabilities	42,439	(10,782)
Net defined benefit liability	<u>2,889</u>	<u>2,290</u>
Total net changes in operating liabilities	<u>(242,352)</u>	<u>(309,565)</u>
Total net changes in operating assets and liabilities	<u>213,780</u>	<u>402,497</u>
Total adjustments	<u>889,957</u>	<u>1,474,812</u>
Cash inflow generated from operations	2,487,496	2,626,405
Interest received	117,161	199,055
Interest paid	(70,940)	(51,497)
Income tax paid	<u>(724,391)</u>	<u>(378,627)</u>
Net cash flows from operating activities	<u>1,809,326</u>	<u>2,395,336</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	(313,560)	(303,996)
Acquisition of financial assets at fair value through profit or loss	(3,126,496)	(1,350,000)
Proceeds from disposal of financial assets at fair value through profit or loss	2,527,884	1,341,317
Acquisition of property, plant and equipment	(640,572)	(286,892)
Proceeds from disposal of property, plant and equipment	6,398	1,029
Increase in other financial assets — current and non-current	(1,414,898)	(527,605)
Increase in prepayments for equipment	<u>(28,030)</u>	<u>-</u>
Net cash used in investing activities	<u>(2,989,274)</u>	<u>(1,126,147)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	3,943,843	2,462,093
Decrease in short-term loans	(4,239,075)	(2,199,835)
Proceeds from long-term debt	324,380	-
Payment of lease liabilities	(49,944)	(49,268)
Cash dividends paid	(496,869)	(337,871)
Change in non-controlling interests	-	206
Increase in long-term deferred revenue	<u>(4,142)</u>	<u>32,166</u>
Net cash flows used in financing activities	<u>(521,807)</u>	<u>(92,509)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>164,459</u>	<u>(41,847)</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,537,296)</u>	<u>1,134,833</u>
Cash and cash equivalents at beginning of period	<u>4,501,650</u>	<u>3,366,817</u>
Cash and cash equivalents at end of period	<u><u>\$ 2,964,354</u></u>	<u><u>4,501,650</u></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, 2024 and 2023**

**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.



安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel	+ 886 2 8101 6666
傳真 Fax	+ 886 2 8101 6667
網址 Web	kpmg.com/tw

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, 2024 and 2023, 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, 2024 and 2023, 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 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 parent company only financial statements for the year ended December 31, 2024. 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, 2024 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)
February 27, 2025

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, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
11xx	Assets					21xx	Liabilities and Equity				
11xx	Current assets:					21xx	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 1,016,382	5	1,828,818	8	2100	Short-term loans (notes 6(k) and 9)	\$ 786,408	3	1,044,344	5
1110	Financial assets at fair value through profit and loss — current (note 6(b))	2,519,146	11	1,887,183	9	2150	Notes payable	402,024	2	647,942	3
1170	Accounts receivable, net (notes 6(d) and (r))	2,459,750	11	2,745,111	13	2170	Accounts payable	639,445	3	753,783	3
1180	Accounts receivable — related parties, net (notes 6(d), (r) and 7)	85	-	827	-	2180	Accounts payable — related parties (note 7)	996,368	4	816,961	4
1200	Other receivables (note 6(e))	38,888	-	36,413	-	2200	Other payables (notes 6(n), (s) and 7)	903,843	4	833,361	4
1210	Other receivables — related parties (notes 6(e) and 7)	5,696	-	2,636	-	2230	Current tax liabilities	-	-	260,955	1
1220	Current income tax assets	39,891	-	-	-	2280	Current lease liabilities (note 6(m))	44,155	-	50,316	-
130x	Inventories (notes 6(f) and 9)	1,902,439	8	2,049,493	10	2399	Other current liabilities (note 6(r))	659,422	3	592,112	3
1410	Prepayments	62,320	-	48,343	-		Total current liabilities	4,431,665	19	4,999,774	23
1476	Other financial assets — current (note 6(c))	105,346	1	94,928	-	25xx	Non-Current liabilities:				
1479	Other current assets	42,412	-	46,562	-	2540	Long-term loans (note 6(l), 8 and 9)	327,670	1	-	-
	Total current assets	8,192,355	36	8,740,314	40	2570	Deferred tax liabilities (note 6(o))	689,113	3	563,835	2
15xx	Non-current assets:					2580	Non-current lease liabilities (note 6(m))	107,476	1	153,772	1
1550	Investments accounted for under equity method (notes 6(g) and (h))	11,059,612	48	9,627,701	44		Total non-current liabilities	1,124,259	5	717,607	3
1600	Property, plant and equipment (notes 6(i), 7 and 9)	3,098,411	13	2,984,816	14	2xxx	Total liabilities	5,555,924	24	5,717,381	26
1755	Right-of-use assets (note 6(j))	139,664	1	190,739	1	31xx	Equity (notes 6(h) and (p)):				
1840	Deferred tax assets (note 6(o))	166,377	1	167,407	1	3110	Common stock	3,974,954	18	3,974,954	18
1915	Prepayments for equipment (note 9)	550	-	-	-	3200	Capital surplus	1,580,591	7	1,580,484	7
1975	Net defined benefit asset — non-current (note 6(n))	121,237	1	99,126	-	3300	Retained earnings:				
1980	Other financial assets — non-current (note 6(c))	9,045	-	9,285	-	3310	Legal reserve	2,563,709	11	2,490,821	12
	Total non-current assets	14,594,896	64	13,079,074	60	3320	Special reserve	447,333	2	304,879	1
						3350	Unappropriated earnings	8,625,301	38	8,198,202	38
								11,636,343	51	10,993,902	51
						3400	Other equity:				
						3410	Foreign currency translation differences for foreign operations	39,439	-	(447,333)	(2)
						3xxx	Total equity	17,231,327	76	16,102,007	74
1xxx	Total assets	\$ 22,787,251	100	21,819,388	100	2-3xxx	Total liabilities and equity	\$ 22,787,251	100	21,819,388	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, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars)

		2024		2023	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(r) and 7)	\$ 12,673,478	100	13,075,648	100
5000	Operating costs (notes 6(f), (n), (s) and 7)	<u>11,700,259</u>	<u>92</u>	<u>11,976,791</u>	<u>92</u>
5900	Gross profit	<u>973,219</u>	<u>8</u>	<u>1,098,857</u>	<u>8</u>
6000	Operating expenses (notes 6(d), (n), (s) and 7):				
6100	Selling expenses	282,021	2	236,928	2
6200	Administrative expenses	324,228	3	329,408	2
6300	Research and development expenses	75,753	1	86,567	1
6450	Expected credit losses	<u>22,030</u>	<u>-</u>	<u>123,205</u>	<u>1</u>
	Total operating expenses	<u>704,032</u>	<u>6</u>	<u>776,108</u>	<u>6</u>
6900	Operating income	<u>269,187</u>	<u>2</u>	<u>322,749</u>	<u>2</u>
7000	Non-operating income and expenses (notes 6(i), (m), (t) and 7):				
7100	Interest income	29,333	-	40,880	-
7010	Other income	114,746	1	156,131	1
7020	Other gains and losses	99,695	1	10,452	-
7050	Finance costs	(62,513)	-	(54,729)	-
7070	Share of profit from the subsidiaries, the associates and the joint ventures	<u>945,139</u>	<u>7</u>	<u>531,939</u>	<u>5</u>
	Total non-operating income and expenses	<u>1,126,400</u>	<u>9</u>	<u>684,673</u>	<u>6</u>
7900	Income before income tax	1,395,587	11	1,007,422	8
7950	Less: Income tax expenses (note 6(o))	<u>263,168</u>	<u>2</u>	<u>244,389</u>	<u>2</u>
	Net income	<u>1,132,419</u>	<u>9</u>	<u>763,033</u>	<u>6</u>
8300	Other comprehensive income (notes 6(n) and (o)):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	8,614	-	(42,266)	-
8330	Share of other comprehensive losses of subsidiaries, associates, and joint ventures accounted for under equity method	-	-	(342)	-
8349	Less: income tax related to items that will not be reclassified subsequently to profit or loss	<u>1,723</u>	<u>-</u>	<u>(8,453)</u>	<u>-</u>
	Total items that will not be reclassified subsequently to profit or loss	<u>6,891</u>	<u>-</u>	<u>(34,155)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Foreign currency translation differences for foreign operations	486,772	4	(142,454)	(1)
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>486,772</u>	<u>4</u>	<u>(142,454)</u>	<u>(1)</u>
8300	Other comprehensive income (loss), net of tax	<u>493,663</u>	<u>4</u>	<u>(176,609)</u>	<u>(1)</u>
8500	Total comprehensive income	<u>\$ 1,626,082</u>	<u>13</u>	<u>586,424</u>	<u>5</u>
Earnings per share (expressed in New Taiwan dollars) (note 6(q))					
9750	Basic earnings per share	<u>\$ 2.85</u>		<u>1.92</u>	
9850	Diluted earnings per share	<u>\$ 2.84</u>		<u>1.92</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, 2024 and 2023****(All amounts expressed in thousands of New Taiwan dollars)**

			Retained earnings				Other equity Foreign currency translation differences for foreign operations	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Subtotal		
Balance at January 1, 2023	\$ 3,974,954	1,580,137	2,439,494	571,745	7,591,656	10,602,895	(304,879)	15,853,107
Appropriation and distribution:								
Legal reserve	-	-	51,327	-	(51,327)	-	-	-
Cash dividends	-	-	-	-	(337,871)	(337,871)	-	(337,871)
Reversal of special reserve	-	-	-	(266,866)	266,866	-	-	-
Net income for the year	-	-	-	-	763,033	763,033	-	763,033
Other comprehensive income for the year	-	-	-	-	(34,155)	(34,155)	(142,454)	(176,609)
Total comprehensive income for the year	-	-	-	-	728,878	728,878	(142,454)	586,424
Changes in the ownership interests in subsidiaries	-	(45)	-	-	-	-	-	(45)
Non-payment of expired cash dividends from previous years transferred to capital surplus	-	392	-	-	-	-	-	392
Balance at December 31, 2023	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	<u>\$ 3,974,954</u>	<u>1,580,591</u>	<u>2,563,709</u>	<u>447,333</u>	<u>8,625,301</u>	<u>11,636,343</u>	<u>39,439</u>	<u>17,231,327</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, 2024 and 2023

(All amounts expressed in thousands of New Taiwan dollars)

	2024	2023
Cash flows from operating activities:		
Income before tax	\$ 1,395,587	1,007,422
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation expenses	398,189	547,981
Expected credit losses	22,030	123,205
Net gains on financial assets at fair value through profit or loss	(31,963)	(24,226)
Interest expense	62,513	54,729
Interest income	(29,333)	(40,880)
Share of profits of subsidiaries, associates and joint ventures accounts for under equity method	(945,139)	(531,939)
Losses on disposal of property, plant and equipment	2,643	314
Unrealized losses (gains) on foreign exchange	(59,078)	29,956
Gains on lease modification	(172)	-
Total adjustments to reconcile profit and loss	(580,310)	159,140
Changes in operating assets and liabilities relating:		
Net changes in operating assets:		
Accounts receivable	407,409	(197,306)
Accounts receivable—related parties	742	2,985
Other receivables	(2,694)	(2,224)
Other receivables—related parties	(3,060)	62,129
Inventories	147,054	457,842
Prepayments	(13,977)	(5,755)
Other current assets	4,150	(4,581)
Net defined benefit asset	(13,497)	(14,242)
Total net changes in operating assets	526,127	298,848
Net changes in operating liabilities:		
Notes payable	(245,918)	8,911
Accounts payable	(127,395)	36,823
Accounts payable—related parties	142,657	(247,235)
Other payable	36,003	64,343
Other current liabilities	49,727	(65,175)
Total net changes in operating liabilities	(144,926)	(202,333)
Total net changes in operating assets and liabilities	381,201	96,515
Total adjustments	(199,109)	255,655
Cash inflow generated from operations	1,196,478	1,263,077
Interest income received	29,589	41,426
Interest paid	(69,404)	(48,263)
Income tax paid	(439,429)	(249,232)
Net cash flows from operating activities	<u>717,234</u>	<u>1,007,008</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss	(3,126,496)	(1,350,000)
Proceeds from disposal of financial assets at fair value through profit or loss	2,526,496	1,341,317
Acquisition of investments accounted for under equity method	-	(1,988,012)
Acquisition of property, plant and equipment	(426,997)	(196,955)
Proceeds from disposal of property, plant and equipment	1,660	347
Increase (decrease) in other financial assets—current and non-current	(6,849)	184,515
Increase in prepayments for equipment	(550)	-
Dividend received	-	1,268,802
Net cash flows used in investing activities	<u>(1,032,736)</u>	<u>(739,986)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	3,943,843	2,271,899
Decrease in short-term loans	(4,239,075)	(2,009,641)
Proceeds from long-term debt	324,380	-
Payment of lease liabilities	(49,944)	(49,268)
Cash dividends paid	(496,869)	(337,871)
Net cash flows used in financing activities	<u>(517,665)</u>	<u>(124,881)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>20,731</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(812,436)	142,141
Cash and cash equivalents at beginning of period	1,828,818	1,686,677
Cash and cash equivalents at end of period	<u><u>\$ 1,016,382</u></u>	<u><u>1,828,818</u></u>

See accompanying notes to the parent company only financial statements.