

# CHIN-POON INDUSTRIAL CO., LTD.

## 2026 ANNUAL SHAREHOLDERS' MEETING

### MINUTES

(Translation)

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.)

The outstanding shares of the Company: 397,345,420 shares (After deducting 150,000 treasury shares).

Attendance: A total of 247,320,844 shares attended in person and by proxy (including attendance of 84,192,882 shares which has exercised voting rights by electronic means) accounted for 62.24% 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:

Rachel Lin, CEO

Jack Lin, VP

Stanley Wu, CPA

Tom Hsieh, Lawyer

Tseng, Po-Kang, Director Candidate

Huang, Hao-Lun, Director Candidate

Chen, Tse-Tai, Independent Director Candidate

Chen, Yen-Lin, Independent Director Candidate

Huang, Chih-Yuan, Independent Director Candidate

**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 2025 & Business Plan for 2026 (Appendix 1)

Report 2 Audit Committee's Review Report of 2025 (Appendix 2 : audit committee's review report of 2025 ; Appendix 3 : financial statements of 2025)

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 (Appendix 4)

Report 5 Report on the Status of Share Repurchase (Appendix 5)

## 4. 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. 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 245,072,866.

	Voting Results	% of the Shares Present
Votes in favor:	213,375,643 votes (including 52,695,659 votes)	87.07%
Votes against:	88,900 votes (including 88,900 votes)	0.04%
Votes abstained:	31,608,323 votes (including 31,408,323 votes)	12.90%
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 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**

1. 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:**

The total number of shares present at the time of voting on this case was 245,072,866.

	Voting Results	% of the Shares Present
Votes in favor:	213,657,561 votes (including 52,977,577 votes)	87.18%
Votes against:	91,112 votes (including 91,112 votes)	0.04%
Votes abstained:	31,324,193 votes (including 31,124,193 votes)	12.78%
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 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	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	To comply with the laws and regulations.

<p>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.</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</p>	<p>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.</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</p>	
--	---	--

<p>bonds and preferred stock for the purpose of dividend distribution.</p> <p>If the cumulative balance of 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>bonds and preferred stock for the purpose of dividend distribution.</p> <p>If the cumulative balance of 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:**

The total number of shares present at the time of voting on this case was 245,072,866.

	Voting Results	% of the Shares Present
Votes in favor:	213,659,019 votes (including 52,979,035 votes)	87.18%
Votes against:	92,512 votes (including 92,512 votes)	0.04%
Votes abstained:	31,321,335 votes (including 31,121,335 votes)	12.78%
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.**

## 6. 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:**

Title / Name	Shareholder Account Number	Votes in Favor
Director LIN, PI-CHI	2	217,708,793 (including 45,648,004 votes)
Director TSENG-LIU, YU-CHIH	3	225,859,579 (including 45,402,114 votes)
Director LAI, HWEI-SHAN	14	212,602,843 (including 45,348,900 votes)
Director TUNG, HSIAO-HUNG	19	213,568,690 (including 45,341,046 votes)
Director TSENG, PO-KANG	249	212,005,606 (including 45,350,955 votes)
Director HUANG, HAO-LUN	255	212,452,409 (including 45,303,955 votes)
Independent Director CHEN, TSE-TAI	215	189,213,685 (including 48,044,514 votes)
Independent Director CHEN, YEN-LIN	13679	190,410,002 (including 48,346,420 votes)
Independent Director HUANG, CHIH-YUAN	Non-shareholders	189,206,537 (including 48,122,380 votes)

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

**7. 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 from 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

**Resolution:**

The total number of shares present at the time of voting on this case was 245,072,866.

Voting Results		% of the Shares Present
Votes in favor:	209,155,312 votes (including 48,475,328 votes)	85.34%
Votes against:	1,013,939 votes (including 1,013,939 votes)	0.41%
Votes abstained:	34,903,615 votes (including 34,703,615 votes)	14.24%
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.**

## **8. Special Motions**

None.

## **9. Adjournment**

The meeting closed at 9:33 a.m. on June 24, 2026.

**No shareholder asked any question at this meeting.**

Chairperson:

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

Minutes Taker:

Huang, Yu-Chiao

# Appendix

## Appendix 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 <sup>2</sup> (square meter)
Volume of Double-sided & Multilayer:	3,284,717 M <sup>2</sup> (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

## Appendix 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

## Appendix 3

### 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.

## Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Representation Letter	3
4. Independent Auditors' Report	4
5. Consolidated Statements of Financial Position	5
6. Consolidated Statements of Comprehensive Income	6
7. Consolidated Statements of Changes in Equity	7
8. Consolidated Statements of Cash Flows	8
9. Notes to the Consolidated Financial Statements	
(1) Company history	9
(2) Approval date and procedures of the consolidated financial statements	9
(3) Application of new and revised standards, amendments and interpretations	9~11
(4) Summary of material accounting policies	11~22
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	22~23
(6) Explanation of significant accounts	23~54
(7) Related-party transactions	54
(8) Pledged assets	54
(9) Commitments and contingencies	54~55
(10) Losses Due to Major Disasters	55
(11) Subsequent Events	55
(12) Other	55
(13) Other disclosures	
(a) Information on significant transactions	56~57
(b) Information on investees	58
(c) Information on investment in mainland China	58
(14) Segment information	59~61

## 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

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, 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)

		December 31, 2025		December 31, 2024				December 31, 2025		December 31, 2024	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
11xx	<b>Current assets:</b>					21xx	<b>Current liabilities:</b>				
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	-		<b>Total current liabilities</b>	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	<b>Non-Current liabilities:</b>				
1479	Other current assets	105,186	-	97,771	-	2540	Long-term loans (note 6(k))	314,220	1	327,670	2
	<b>Total current assets</b>	13,238,316	55	14,537,302	62	2570	Deferred tax liabilities (note 6(n))	809,764	4	705,481	3
15xx	<b>Non-current assets:</b>					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		<b>Total non-current liabilities</b>	1,275,430	5	1,208,174	5
1840	Deferred tax assets (note 6(n))	238,956	1	257,603	1	2xxx	<b>Total liabilities</b>	6,895,993	28	6,359,997	27
1915	Prepayments for equipment (note 9)	441	-	1,869	-	31xx	<b>Equity attributable to shareholders of the parent (note 6(o)):</b>				
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
	<b>Total non-current assets</b>	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	<b>Total equity attributable to shareholders of the company</b>	17,269,767	72	17,231,327	73
						36xx	<b>Non-controlling interests</b>	763	-	686	-
						3xxx	<b>Total equity</b>	17,270,530	72	17,232,013	73
lxxx	<b>Total assets</b>	\$ 24,166,523	100	23,592,010	100	2-3xxx	<b>Total liabilities and equity</b>	\$ 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 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	<b>Operating revenue (note 6(q))</b>	\$ 15,780,872	100	16,355,210	100
5000	<b>Operating costs (notes 6(g), (m), (r) and 7)</b>	<u>13,965,699</u>	<u>89</u>	<u>13,985,049</u>	<u>86</u>
5900	<b>Gross profit</b>	<u>1,815,173</u>	<u>11</u>	<u>2,370,161</u>	<u>14</u>
6000	<b>Operating expenses (notes 6(e), (m), (r) and 7):</b>				
6100	Selling expenses	448,027	3	435,597	3
6200	Administrative expenses	516,891	3	522,696	3
6300	Research and development expenses	322,641	2	338,570	2
6450	Expected credit losses	<u>47,636</u>	<u>-</u>	<u>44,707</u>	<u>-</u>
	<b>Total operating expenses</b>	<u>1,335,195</u>	<u>8</u>	<u>1,341,570</u>	<u>8</u>
6900	<b>Operating income</b>	<u>479,978</u>	<u>3</u>	<u>1,028,591</u>	<u>6</u>
7000	<b>Non-operating income and expenses (notes 6(b), (l) and (s)):</b>				
7100	Interest income	198,710	1	202,851	1
7010	Other income	254,408	2	302,781	2
7020	Other gains and losses	(7,892)	-	127,365	1
7050	Finance costs	<u>(51,518)</u>	<u>-</u>	<u>(64,049)</u>	<u>-</u>
	<b>Total non-operating income and expenses</b>	<u>393,708</u>	<u>3</u>	<u>568,948</u>	<u>4</u>
7900	<b>Income before income tax</b>	873,686	6	1,597,539	10
7950	<b>Less: Income tax expenses (note 6(n))</b>	<u>239,398</u>	<u>2</u>	<u>465,062</u>	<u>3</u>
	<b>Net income</b>	<u>634,288</u>	<u>4</u>	<u>1,132,477</u>	<u>7</u>
8300	<b>Other comprehensive income (loss) (notes 6(n) and (o)):</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss</b>				
8311	Remeasurements of defined benefit plans	90,163	1	8,614	-
8349	Less: income tax related to items that will not be reclassified subsequently to profit or loss	<u>18,033</u>	<u>-</u>	<u>1,723</u>	<u>-</u>
	<b>Total items that will not be reclassified subsequently to profit or loss</b>	<u>72,130</u>	<u>1</u>	<u>6,891</u>	<u>-</u>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
8361	Foreign currency translation differences for foreign operations	67,288	-	486,950	3
8399	Less: income tax related to items that will be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Total items that will be reclassified subsequently to profit or loss</b>	<u>67,288</u>	<u>-</u>	<u>486,950</u>	<u>3</u>
8300	<b>Other comprehensive income (loss), net of tax</b>	<u>139,418</u>	<u>1</u>	<u>493,841</u>	<u>3</u>
8500	<b>Total comprehensive income</b>	<u>\$ 773,706</u>	<u>5</u>	<u>1,626,318</u>	<u>10</u>
8600	<b>Net income (loss) attributable to:</b>				
8610	Shareholders of the Company	\$ 634,315	4	1,132,419	7
8620	Non-controlling interests	<u>(27)</u>	<u>-</u>	<u>58</u>	<u>-</u>
		<u>\$ 634,288</u>	<u>4</u>	<u>1,132,477</u>	<u>7</u>
8700	<b>Total comprehensive income (loss) attributable to:</b>				
8710	Shareholders of the Company	\$ 773,629	5	1,626,082	10
8720	Non-controlling interests	<u>77</u>	<u>-</u>	<u>236</u>	<u>-</u>
		<u>\$ 773,706</u>	<u>5</u>	<u>1,626,318</u>	<u>10</u>
	<b>Earnings per share(expressed in New Taiwan dollars) (note 6(p))</b>				
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 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**

	Equity attributable to shareholders of the Company						Other equity	Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Subtotal	Foreign currency translation differences for foreign operations			
<b>Balance at January 1, 2024</b>	\$ 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
<b>Balance at December 31, 2024</b>	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
<b>Balance at December 31, 2025</b>	\$ 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>
<b>Cash flows from operating activities:</b>		
Income before tax	\$ 873,686	1,597,539
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit and loss</b>		
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)
<b>Net cash flows from operating activities</b>	<u>1,669,457</u>	<u>1,809,326</u>
<b>Cash flows from (used in) investing activities:</b>		
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)
<b>Net cash used in investing activities</b>	<u>(1,231,252)</u>	<u>(2,989,274)</u>
<b>Cash flows from (used in) financing activities:</b>		
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)
<b>Net cash flows used in financing activities</b>	<u>(838,900)</u>	<u>(521,807)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>(28,661)</u>	<u>164,459</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(429,356)</u>	<u>(1,537,296)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>2,964,354</u>	<u>4,501,650</u>
<b>Cash and cash equivalents at end of period</b>	<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.

## Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Report	3
4. Parent Company Only Statements of Financial Position	4
5. Parent Company Only Statements of Comprehensive Income	5
6. Parent Company Only Statements of Changes in Equity	6
7. Parent Company Only Statements of Cash Flows	7
8. Notes to the Parent Company Only Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the financial statements	8
(3) Application of new and revised standards, amendments and interpretations	8~10
(4) Summary of material accounting policies	10~20
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	20~21
(6) Explanation of significant accounts	21~47
(7) Related-party transactions	47~50
(8) Pledged assets	50
(9) Commitments and contingencies	50
(10) Losses Due to Major Disasters	50
(11) Subsequent Events	50
(12) Other	51
(13) Other disclosures	
(a) Information on significant transactions	52~53
(b) Information on investees	53
(c) Information on investment in mainland China	54
(14) Segment information	54
9. List of major account titles	55~70



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, 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 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, 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	<b>Current assets:</b>					21xx	<b>Liabilities and Equity</b>				
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	-		<b>Total current liabilities</b>	4,447,516	20	4,431,665	19
1476	Other financial assets – current (note 6(c))	107,870	1	105,346	1	25xx	<b>Non-Current liabilities:</b>				
1479	Other current assets	43,025	-	42,412	-	2540	Long-term loans (notes 6(k), 8 and 9)	314,220	1	327,670	1
	<b>Total current assets</b>	7,208,916	31	8,192,355	36	2570	Deferred tax liabilities (note 6(n))	798,575	4	689,113	3
15xx	<b>Non-current assets:</b>					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		<b>Total non-current liabilities</b>	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	<b>Total liabilities</b>	5,631,812	25	5,555,924	24
1755	Right-of-use assets (note 6(i))	99,352	-	139,664	1	31xx	<b>Equity (note (o)):</b>				
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
	<b>Total non-current assets</b>	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	<b>Total equity</b>	17,269,767	75	17,231,327	76
1xxx	<b>Total assets</b>	\$ 22,901,579	100	22,787,251	100	2-3xxx	<b>Total liabilities and equity</b>	\$ 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	<b>Operating revenue (notes 6(q) and 7)</b>	\$ 12,079,726	100	12,673,478	100
5000	<b>Operating costs (notes 6(f), (m), (r) and 7)</b>	<u>11,572,958</u>	<u>96</u>	<u>11,700,259</u>	<u>92</u>
5900	<b>Gross profit</b>	<u>506,768</u>	<u>4</u>	<u>973,219</u>	<u>8</u>
6000	<b>Operating expenses (notes 6(d), (m), (r) and 7):</b>				
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>
	<b>Total operating expenses</b>	<u>653,408</u>	<u>5</u>	<u>704,032</u>	<u>6</u>
6900	<b>Operating income</b>	<u>(146,640)</u>	<u>(1)</u>	<u>269,187</u>	<u>2</u>
7000	<b>Non-operating income and expenses (notes 6(h), (l), (s) and 7):</b>				
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>
	<b>Total non-operating income and expenses</b>	<u>974,496</u>	<u>8</u>	<u>1,126,400</u>	<u>9</u>
7900	<b>Income before income tax</b>	827,856	7	1,395,587	11
7950	<b>Less: Income tax expenses (note 6(n))</b>	<u>193,541</u>	<u>2</u>	<u>263,168</u>	<u>2</u>
	<b>Net income</b>	<u>634,315</u>	<u>5</u>	<u>1,132,419</u>	<u>9</u>
8300	<b>Other comprehensive income (notes 6(m) and (n)):</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss</b>				
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>
	<b>Total items that will not be reclassified subsequently to profit or loss</b>	<u>72,142</u>	<u>1</u>	<u>6,891</u>	<u>-</u>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
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>
	<b>Total items that will be reclassified subsequently to profit or loss</b>	<u>67,172</u>	<u>-</u>	<u>486,772</u>	<u>4</u>
8300	<b>Other comprehensive income (loss), net of tax</b>	<u>139,314</u>	<u>1</u>	<u>493,663</u>	<u>4</u>
8500	<b>Total comprehensive income</b>	<u>\$ 773,629</u>	<u>6</u>	<u>1,626,082</u>	<u>13</u>
<b>Earnings per share (expressed in New Taiwan dollars) (note 6(p))</b>					
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			
<b>Balance at January 1, 2024</b>	\$ 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
<b>Balance at December 31, 2024</b>	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
<b>Balance at December 31, 2025</b>	<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>
<b>Cash flows from operating activities:</b>		
Income before tax	\$ 827,856	1,395,587
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit and loss</b>		
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>
<b>Changes in operating assets and liabilities relating:</b>		
<b>Net changes in operating assets:</b>		
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>
<b>Net changes in operating liabilities:</b>		
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)
<b>Net cash flows from operating activities</b>	<u>50,188</u>	<u>717,234</u>
<b>Cash flows from (used in) investing activities:</b>		
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)
<b>Net cash flows from (used in) investing activities</b>	<u>653,160</u>	<u>(1,032,736)</u>
<b>Cash flows from (used in) financing activities:</b>		
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)
<b>Net cash flows used in financing activities</b>	<u>(834,870)</u>	<u>(517,665)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>2,053</u>	<u>20,731</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(129,469)</u>	<u>(812,436)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>1,016,382</u>	<u>1,828,818</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 886,913</u>	<u>1,016,382</u>

See accompanying notes to the parent company only financial statements.

## Appendix 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%			

## Appendix 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.