

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

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2025 and 2024**

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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. Independent Auditors' Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) Application of new and revised standards, amendments and interpretations	8~10
(4) Summary of material accounting policies	10~11
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	11
(6) Explanation of significant accounts	12~29
(7) Related-party transactions	30
(8) Pledged assets	30
(9) Commitments and contingencies	30~31
(10) Losses Due to Major Disasters	31
(11) Subsequent Events	31
(12) Other	31
(13) Other disclosures	
(a) Information on significant transactions	32~33
(b) Information on investees	34
(c) Information on investment in mainland China	34
(14) Segment information	35

Independent Auditors' Review Report

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

Foreword

We have reviewed the accompanying consolidated balance sheets of Chin-Poon Industrial Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months ended March 31, 2025 and 2024, as well as changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of Chin-Poon Industrial Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG

Taipei, Taiwan (Republic of China)

13-May-2025

Notes to Readers

The accompanying consolidated financial statements are intended only to present the Consolidated financial position, financial performance and its 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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

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.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Financial Position
March 31, 2025, December 31 and March 31, 2024
(All amounts expressed in thousands of New Taiwan dollars)

		2025.12.31		2024.12.31		2024.3.31				2025.12.31		2024.12.31		2024.3.31	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%	Amount	%
11XX	Current assets:							21XX	Current liabilities:						
1100	Cash and cash equivalents (note 6(a))	\$ 2,237,080	9	2,964,354	13	3,640,241	16	2100	Short-term loans (notes 6(j), 8 and 9)	\$ 730,180	3	786,408	3	1,088,000	5
1110	Financial assets measured at fair value through profit and loss — current (note 6(b))	2,138,700	9	2,519,146	11	2,343,632	10								
1150	Notes receivable, net (notes 6(e) and (q))	1,115	-	7,799	-	10,529	-	2150	Notes payable	409,470	2	402,024	2	616,424	3
1170	Accounts receivable, net (notes 6(e) and (q))	3,616,354	15	3,545,722	16	3,672,226	16	2170	Accounts payable	1,895,762	8	1,743,228	7	1,624,533	7
1200	Other receivables (note 6(f))	123,253	1	104,996	-	85,390	1								
1220	Current income tax assets	77,266	-	76,790	-	-	-	2219	Other payables (note 6(r))	995,463	4	1,117,043	5	994,155	4
130X	Inventories (note 6(g) and 9)	3,297,230	14	3,136,157	13	3,041,149	13	2230	Current tax liabilities	88,433	-	7,903	-	389,170	2
1410	Prepayments	69,308	-	89,251	-	59,902	-	2280	Current lease liabilities (note 6(l))	40,059	-	44,155	-	50,640	-
1476	Other financial assets — current (note 6(d))	2,372,956	10	1,995,316	9	1,984,341	9								
1479	Other current assets	113,552	-	97,771	-	72,548	-	2399	Other current liabilities (note 6(q))	1,051,544	5	1,051,062	5	887,447	4
									Total current liabilities	5,210,911	22	5,151,823	22	5,650,369	25
	Total current assets	14,046,814	58	14,537,302	62	14,909,958	65	25XX	Non-Current liabilities:						
								2540	Long term loans (note 6(k))	331,900	2	327,670	2	-	-
								2570	Deferred tax liabilities	705,806	3	705,481	3	566,197	2
15XX	Non-current assets:							2580	Non-current lease liabilities (note 6(l))	95,243	-	107,476	-	141,164	1
1536	Non-current financial assets at amortised cost (note 6(c))	944,340	4	641,749	3	311,648	1	2630	Long-term deferred revenue	28,664	-	29,146	-	31,763	-
1600	Property, plant and equipment (notes 6(h), 7, 8 and 9)	6,043,936	25	5,894,218	25	5,814,919	25	2640	Net defined benefit liability — non-current	40,005	-	38,401	-	32,752	-
1755	Right-of-use assets (note 6(i))	172,807	1	187,531	1	226,870	1		Total non-current liabilities	1,201,618	5	1,208,174	5	771,876	3
1840	Deferred tax assets	261,047	1	257,603	1	251,423	1	2XXX	Total liabilities	6,412,529	27	6,359,997	27	6,422,245	28
1915	Prepayments for equipment (note 9)	9,584	-	1,869	-	61,092	-	31XX	Equity attributable to shareholders of the parent (note 6(o)):						
1975	Net defined benefit asset — non-current	124,333	1	121,237	-	102,240	1	3110	Common stock	3,974,954	16	3,974,954	17	3,974,954	17
1980	Other financial assets — non-current (note 4(d))	2,461,022	10	1,950,501	8	1,298,256	6	3200	Capital surplus	1,580,591	7	1,580,591	7	1,580,484	7
								3300	Retained earnings:						
								3310	Legal reserve	2,563,709	10	2,563,709	11	2,490,821	11
	Total non-current assets	10,017,069	42	9,054,708	38	8,066,448	35	3320	Special reserve	447,333	2	447,333	2	304,879	1
								3350	Unappropriated earnings	8,833,621	37	8,625,301	36	8,522,187	37
										11,844,663	49	11,636,343	49	11,317,887	49
								3400	Other equity:						
								3410	Foreign currency translation differences for foreign operations	250,407	1	39,439	-	(319,570)	(1)
								31XX	Total equity attributable to shareholders of the company	17,650,615	73	17,231,327	73	16,553,755	72
								36XX	Non-controlling interests	739	-	686	-	406	-
								3XXX	Total equity	17,651,354	73	17,232,013	73	16,554,161	72
1XXX	Total assets	\$ 24,063,883	100	23,592,010	100	22,976,406	100	2-3XXX	Total liabilities and equity	\$ 24,063,883	100	23,592,010	100	22,976,406	100

See accompanying notes to the consolidated financial statements.

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

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2025 and 2024

(All amounts expressed in thousands of New Taiwan dollars)

		For the three months ended March 31			
		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (note 6(q))	\$ 3,840,450	100	4,101,578	100
5000	Operating costs (notes 6(g), (m), (r) and 7)	3,357,396	88	3,453,248	84
5900	Gross profit	483,054	12	648,330	16
6000	Operating expenses (notes 6(e), (m), (r) and 7):				
6100	Selling expenses	107,846	3	109,689	3
6200	Administrative expenses	126,428	3	131,733	3
6300	Research and development expenses	86,334	2	84,632	2
6450	Expected credit losses (reversal of expected credit losses)	30,750	1	14,023	-
	Total operating expenses	351,358	9	340,077	8
6900	Operating income	131,696	3	308,253	8
7000	Non-operating income and expenses (notes 6(b), (l) and (s)):				
7100	Interest income	49,020	1	42,404	1
7010	Other income	55,252	1	43,346	1
7020	Other gains and losses	65,778	2	79,875	2
7050	Finance costs	(14,574)	-	(20,188)	(1)
	Total non-operating income and expenses	155,476	4	145,437	3
7900	Income before income tax	287,172	7	453,690	11
7950	Less: Income tax expenses (note 6(n))	78,860	2	129,694	3
	Net income	208,312	5	323,996	8
8300	Other comprehensive income (loss) (notes 6(m) and (o)):				
8360	Items that may be reclassified subsequently to profit or loss				
8361	Foreign currency translation differences for foreign operations	211,029	6	127,708	3
8399	Less: income tax related to items that will be reclassified subsequently to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	211,029	6	127,708	3
8300	Other comprehensive income (loss) (notes 6(m) and (o)):	211,029	6	127,708	3
8500	Total comprehensive income	\$ 419,341	11	451,704	11
8600	Net income (loss) attributable to:				
8610	Shareholders of the Company	\$ 208,320	5	323,985	8
8620	Non-controlling interests	(8)	-	11	-
		\$ 208,312	5	323,996	8
8700	Total comprehensive income attributable to:				
8710	Shareholders of the Company	\$ 419,288	11	451,748	11
8720	Non-controlling interests	53	-	(44)	-
		\$ 419,341	11	451,704	11
	Earnings per share(expressed in New Taiwan dollars) (note 6(p))				
9750	Basic earnings per share	\$ 0.52		0.82	
9850	Diluted earnings per share	\$ 0.52		0.81	

See accompanying notes to the consolidated financial statements.

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

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the three months ended March 31, 2025 and 2024
 (All amounts expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the Company							Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings			Subtotal	Other equity Foreign currency translation differences for foreign operations			
			Legal reserve	Special reserve	Unappropriated earnings					
Balance at January 1, 2024	\$ 3,974,954	1,580,484	2,490,821	304,879	8,198,202	10,993,902	(447,333)	16,102,007	450	16,102,457
Net income (loss) for the year	-	-	-	-	323,985	323,985	-	323,985	11	323,996
Other comprehensive income for the year	-	-	-	-	-	-	127,763	127,763	(55)	127,708
Total comprehensive income (loss) for the year	-	-	-	-	323,985	323,985	127,763	451,748	(44)	451,704
Balance at March 31, 2024	\$ 3,974,954	1,580,484	2,490,821	304,879	8,522,187	11,317,887	(319,570)	16,553,755	406	16,554,161
Balance at January 1, 2025	\$ 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
Net income (loss) for the year	-	-	-	-	208,320	208,320	-	208,320	(8)	208,312
Other comprehensive income (loss) for the year	-	-	-	-	-	-	210,968	210,968	61	211,029
Total comprehensive income (loss) for the year	-	-	-	-	208,320	208,320	210,968	419,288	53	419,341
Balance at March 31, 2025	\$ 3,974,954	1,580,591	2,563,709	447,333	8,833,621	11,844,663	250,407	17,650,615	739	17,651,354

See accompanying notes to the consolidated financial statements.

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

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the three months ended March 31, 2025 and 2024

(All amounts expressed in thousands of New Taiwan dollars)

	For the three months ended March 31	
	2025	2024
Cash flows from operating activities:		
Income before tax	\$ 287,172	453,690
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation expenses	206,078	226,826
Expected credit losses (reversal of expected credit losses)	30,750	14,023
Net gains on financial assets measured at fair value through profit or loss	(8,529)	(6,449)
Interest expense	14,574	20,188
Interest income	(49,020)	(42,404)
Losses on disposal of property, plant and equipment	3,027	1,649
Unrealized losses (gains) on foreign exchange	(13,226)	(109,996)
Gains on lease modification	(549)	-
Total adjustments to reconcile profit and loss	183,105	103,837
Changes in operating assets and liabilities relating:		
Net changes in operating assets:		
Notes receivable	6,759	10,202
Accounts receivable	(68,434)	237,377
Other receivables	(16,548)	(17,742)
Inventories	(113,914)	174,879
Prepayments	20,926	21,536
Other current assets	(14,541)	25,837
Net defined benefit asset	(3,096)	-
Total net changes in operating assets	(188,848)	452,089
Net changes in operating liabilities:		
Notes payable	7,446	(31,518)
Accounts payable	128,965	(132,791)
Other payable	(133,622)	(110,102)
Other current liabilities	(3,829)	(60,929)
Net defined benefit liability	750	(2,772)
Total net changes in operating liabilities	(290)	(338,112)
Total net changes in operating assets and liabilities	(189,138)	113,977
Total adjustments	(6,033)	217,814
Cash inflow generated from operations	281,139	671,504
Interest income received	35,404	13,543
Interest paid	(14,380)	(23,076)
Income tax paid	(368)	(64,775)
Net cash flows from operating activities	301,795	597,196
Net cash used in investing activities		
Acquisition of financial assets measured at fair value through profit or loss	(350,000)	(1,926,496)
Proceeds from disposal of financial assets measured at fair value through profit or loss	738,975	1,476,496
Acquisition of financial assets at amortized cost	(291,635)	-
Acquisition of property, plant and equipment	(274,886)	(91,871)
Proceeds from disposal of property, plant and equipment	1,205	628
Decrease (increase) in other financial assets — non-current	(790,373)	(864,174)
Increase in prepayments for equipment	(30,814)	(60,823)
Net cash used in investing activities	(997,528)	(1,466,240)
Cash flows from (used in) financing activities:		
Increase in short-term loans	920,046	1,413,150
Decrease in short-term loans	(975,588)	(1,418,660)
Payment of lease liabilities	(12,496)	(12,478)
Increase in long-term deferred revenue	(1,049)	(1,014)
Net cash flows used in financing activities	(69,087)	(19,002)
Effect of exchange rate changes on cash and cash equivalents	37,546	26,637
Net increase (decrease) in cash and cash equivalents	(727,274)	(861,409)
Cash and cash equivalents at beginning of period	2,964,354	4,501,650
Cash and cash equivalents at end of period	\$ 2,237,080	3,640,241

See accompanying notes to the consolidated financial statements.

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

CHIN POON INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the Three Months Ended March 31, 2025 and 2024

(All amounts expressed in thousands of New Taiwan dollars, unless otherwise stated)

(1) Company history

CHIN POON INDUSTRIAL CO., LTD. ("the Company") was incorporated in the Republic of China (ROC) on September 26, 1979, as a corporation limited by shares in accordance with the ROC Company Act. The consolidated entities in the consolidated financial statements include the Company and its subsidiaries (collectively referred to as "the Consolidated Company"). The Consolidated Company is mainly engaged in the Manufacturing, producing and selling electronic printed circuit boards.

(2) Approval date and procedures of the consolidated financial statements

These consolidated financial statements were authorized for issue by the Board of Directors on May 13, 2025.

(3) Application of new and revised standards, amendments and interpretations:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 "Lack of Exchangeability"

- (b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

CHIN-POON INDUSTRIAL CO., LTD.**Notes to the Parent Company Only Financial Statements**

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(4) Summary of material accounting policies

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial

For the convenience of readers, the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the R.O.C. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language consolidated financial statements shall prevail.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

(b) Basis of preparation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2024.

(i) List of subsidiaries in the consolidated financial statements

Name of investor	Name of subsidiary	Business activities	Percentage of ownership			Note
			114.3.31	113.12.31	113.3.31	
The Company	VEGA International Enterprise Co., Ltd. (VEGA)	Investment	100.00%	100.00%	100.00%	
The Company	Chin Poon Electronics (Thailand) Public Co., Ltd. (CPCD)	Production and trading of PCB	99.89%	99.89%	99.89%	
VEGA International Enterprise Co., Ltd.	Chin-Poon Holdings Cayman Limited (CPCH)	Investment	100.00%	100.00%	100.00%	
Chin-Poon Holdings Cayman Limited	Chin-Poon (Changshu) Electronics Co., Ltd (CPCS)	Production and trading of PCB	100.00%	100.00%	100.00%	

(ii) Subsidiaries excluded from the consolidated financial statements: None.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year. And also adjusted for significant market fluctuations, significant reductions, liquidations or other significant one-time events after the reporting date.

(d) Income taxes

Income tax expense is measured by multiplying the pre-tax profit for the interim reporting period by management's best estimate of the estimated annual effective tax rate and is fully recognized as current income tax expense.

The impact of changes in the statutory income tax rate during the interim period on deferred income tax is recognized entirely in the interim reporting period of the tax rate change.

Income tax expense that is directly recognized in equity items or other comprehensive income items is measured using the tax rates expected to apply when the asset is realized or the liability is settled, based on the temporary differences between the carrying amounts of the related assets and liabilities for financial reporting purposes and their tax bases.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

In preparing these consolidated financial statements, management has made judgments and estimates, about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(6) Explanation of significant accounts

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2024. Please refer to note 6 of the consolidated financial statements for the year ended December 31, 2024.

(a) Cash and cash equivalents

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Cash on hand	\$ 1,696	1,643	1,661
Demand deposits	1,678,802	2,239,887	2,220,428
Time deposits	386,193	360,245	258,716
Checking deposits	<u>170,389</u>	<u>362,579</u>	<u>1,159,436</u>
Cash and cash equivalents per consolidated statements of cash flows	<u>\$ 2,237,080</u>	<u>2,964,354</u>	<u>3,640,241</u>

Please refer to note 6(t) for the disclosure of the Consolidated Company's interest rate risk and sensitivity analysis related to financial assets and liabilities.

Please refer to note 6(d) for the disclosure of the Consolidated Company's time deposits with a maturity of three months to one year and above one year were recorded under other financial assets — current and other financial assets — non current.

(b) Financial assets measured at fair value through profit or loss

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Mandatorily measured at fair value through profit or loss:			
Non derivative financial assets			
Current:			
Beneficiary certificate	<u>\$ 2,138,700</u>	<u>2,519,146</u>	<u>2,343,632</u>

Please refer to note 6(s) for net gains or losses from financial assets measured at fair value through profit or loss.

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company did not pledge its financial assets measured at fair value through profit or loss as collateral.

(c) Financial assets at amortized cost

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Foreign government bonds	<u>\$ 944,340</u>	<u>641,749</u>	<u>311,648</u>

The Consolidated Company has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

Please refer to note 6(t) for the disclosure of the Consolidated Company's credit risk related to financial assets at amortized cost.

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company did not pledge its financial assets at amortized cost as collateral.

(d) Other financial assets

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Current:			
Bank's time deposit	\$ 2,372,956	1,995,316	1,984,341
Non current:			
Bank's time deposit	2,444,587	1,934,667	1,282,466
Refundable deposits	<u>16,435</u>	<u>15,834</u>	<u>15,790</u>
Subtotal	<u>2,461,022</u>	<u>1,950,501</u>	<u>1,298,256</u>
Total	<u>\$ 4,833,978</u>	<u>3,945,817</u>	<u>3,282,597</u>

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company did not pledge its other financial assets as collateral.

(e) Notes receivable and accounts receivable

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Notes receivable	\$ 1,115	7,799	10,529
Accounts receivable	3,849,402	3,746,816	3,840,858
Less: loss allowance	<u>233,048</u>	<u>201,094</u>	<u>168,632</u>
	<u>\$ 3,617,469</u>	<u>3,553,521</u>	<u>3,682,755</u>

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

Except for the account receivable of \$136,317 thousand, \$134,580 thousand and \$131,446 thousand from Gigaset Communications GmbH, Germany as of March 31, 2025, December 31, 2024, and March 31, 2024, that had been individually assessed, the Consolidated Company applies the simplified approach of IFRS 9 to provide for its expected credit losses as the use of lifetime expected credit loss provision for notes and accounts receivable. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

The Consolidated Company's analysis of the expected credit loss on its notes and accounts receivable in the regions of Taiwan were as follows:

	2025.3.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,381,594	0.0756%	1,801
Past due 1~30 days	126,531	2.2487%	2,845
Past due 31~60 days	43,036	6.4789%	2,788
Past due 61~90 days	2,622	30.3056%	795
Past due 91~120 days	2,625	39.0113%	1,024
Past due 121 to 180 days	6,503	48.4370%	3,150
Past due over 181 days	15,364	100.0000%	15,364
	\$ 2,578,275		27,767
	2024.12.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,205,943	0.0755%	1,665
Past due 1~30 days	209,854	2.2430%	4,707
Past due 31~60 days	37,426	6.4074%	2,398
Past due 61~90 days	7,817	28.9732%	2,265
Past due 91~120 days	7,611	31.8072%	2,421
Past due 121 to 180 days	7,917	42.4676%	3,362
Past due over 181 days	4,779	100.0000%	4,779
	\$ 2,481,347		21,597
	2024.3.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 2,669,160	0.0648%	1,728
Past due 1~30 days	97,801	1.6318%	1,596
Past due 31~60 days	19,770	3.7859%	748
Past due 61~90 days	13,538	25.1188%	3,401
Past due 91~120 days	10,406	26.8262%	2,792
Past due 121 to 180 days	498	42.8030%	213
Past due over 181 days	4,784	100.0000%	4,784
	\$ 2,815,957		15,262

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

The Consolidated Company's analysis of the expected credit loss on its notes and accounts receivable in the regions of China were as follows:

	2025.3.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 375,876	1.1630%	4,372
Past due 1~30 days	18,990	15.9715%	3,033
Past due 31~60 days	13,721	24.6954%	3,388
Past due 61~90 days	11,653	27.8757%	3,248
Past due 91~120 days	7,210	32.1201%	2,316
Past due 121 to 180 days	12,082	44.6569%	5,395
Past due over 181 days	27,237	100.0000%	27,237
	\$ 466,769		48,989

	2024.12.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 509,978	1.0446%	5,328
Past due 1~30 days	42,891	12.2027%	5,234
Past due 31~60 days	30,605	17.3531%	5,311
Past due 61~90 days	11,596	18.9248%	2,195
Past due 91~120 days	24,141	23.2580%	5,615
Past due 121 to 180 days	3,994	37.9613%	1,516
Past due over 181 days	300	100.0000%	300
	\$ 623,505		25,499

	2024.3.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 552,258	0.0325%	180
Past due 1~30 days	39,684	1.3388%	531
Past due 31~60 days	33,057	6.7834%	2,242
Past due 91~120 days	1,216	31.2237%	380
	\$ 626,215		3,333

The Consolidated Company's analysis of the expected credit loss on its notes and accounts receivable in the regions of other were as follows:

	2025.3.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 635,628	0.0917%	583
Past due 1~30 days	5,275	0.7962%	42
Past due 31~60 days	8,710	1.2400%	108
Past due 91~120 days	320	5.9375%	19
Past due over 181 days	19,223	100.0000%	19,223
	\$ 669,156		19,975

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

	2024.12.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 480,838	0.0953%	458
Past due 1~30 days	15,192	0.8162%	124
Past due 31~60 days	321	1.2461%	4
Past due over 181 days	18,832	100.0000%	18,832
	\$ 515,183		19,418
	2024.3.31		
	Gross carrying amount of notes and accounts receivable	Weighted-average expected credit loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 252,594	0.0966%	244
Past due 1~30 days	6,392	0.7822%	50
Past due 31~60 days	482	1.0373%	5
Past due 61~90 days	9	0.0000%	-
Past due over 181 days	18,292	100.0000%	18,292
	\$ 277,769		18,591

The movement in the loss allowance for impairment with respect to notes and accounts receivable was as follows:

	For the three months ended March 31,	
	2025	2024
Balance at beginning of the period	\$ 201,094	154,940
Impairment loss (reversal gain)	30,750	14,023
Translation effect	1,204	(331)
Balance at end of the period	\$ 233,048	168,632

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company had not provided its notes and accounts receivable as collateral or factored them for cash.

(f) Other receivables

	2025.3.31	2024.12.31	2024.3.31
Other receivables	\$ 123,253	104,996	85,390
Less: loss allowance	-	-	-
	\$ 123,253	104,996	85,390

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company had no other receivables that were past due. Therefore, no provisions for doubtful debt were required after the management's assessment.

(g) Inventories

	2025.3.31	2024.12.31	2024.3.31
Finished goods	\$ 1,530,026	1,533,563	1,434,788
Work in progress	1,120,527	1,022,955	1,060,011
Raw materials	646,677	579,639	546,350
	\$ 3,297,230	3,136,157	3,041,149

Due to the decrease in the realizable value of inventories, the Consolidated Company recognized the inventory pricing loss as cost of goods sold. The amounts were as follows:

	For the three months ended March 31	
	2025	2024
Inventory that has been sold	3,448,433	3,569,118
Write down of inventories (Reversal of write downs))	\$ (11,130)	(52,435)
Income from sale of scrap	(170,868)	(151,099)
Unallocated production overhead	90,961	87,664
Total	\$ 3,357,396	3,453,248

Inventory write-downs are recognized as a loss when the cost of inventories exceeds the net realizable value. The amount of any reversal of any write-downs of inventories, arising from an increase in net realizable value or the inventories have been sold, shall be recognized since the loss is no longer exist.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company did not pledge its inventories as collateral.

(h) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Consolidated Company for the three months ended March 31, 2025 and 2024 were as follows:

		Land	Buildings	Machinery equipment	Other equipment	Leasehold improvement	Construction in progress and Equipment to be inspected	Total
Cost:								
Balance at January 1, 2025	\$	979,234	3,936,217	11,585,326	3,161,365	48,166	484,524	20,194,832
Additions		-	1,504	(6,906)	8,148	-	265,533	268,279
Disposals		-	(327)	(150,614)	(3,860)	-	-	(154,801)
Reclassification		-	1,950	48,701	2,308	-	(29,883)	23,076
Translation effect		4,746	44,525	104,517	31,360	-	3,745	188,893
Balance at March 31, 2025	\$	<u>983,980</u>	<u>3,983,869</u>	<u>11,581,024</u>	<u>3,199,321</u>	<u>48,166</u>	<u>723,919</u>	<u>20,520,279</u>
Balance at January 1, 2024	\$	837,778	3,770,861	11,644,956	3,154,580	48,166	164,935	19,621,276
Additions		-	2,120	38,959	2,090	-	36,410	79,579
Disposals		-	-	(75,187)	(5,941)	-	-	(81,128)
Reclassification		-	1,950	48,272	1,595	-	(51,817)	-
Translation effect		(1,577)	26,494	50,846	20,571	-	310	96,644
Balance at March 31, 2024	\$	<u>836,201</u>	<u>3,801,425</u>	<u>11,707,846</u>	<u>3,172,895</u>	<u>48,166</u>	<u>149,838</u>	<u>19,716,371</u>
Accumulated depreciation and impairment loss:								
		Land	Buildings	Machinery equipment	Other equipment	Leasehold improvement	Construction in progress and Equipment to be inspected	Total
Balance at January 1, 2025	\$	-	1,887,135	9,685,299	2,689,359	38,821	-	14,300,614
Depreciation		-	32,268	133,255	27,601	567	-	193,691
Disposal		-	(327)	(146,395)	(3,847)	-	-	(150,569)
Translation effect		-	26,407	80,171	26,029	-	-	132,607
Balance at March 31, 2025	\$	<u>-</u>	<u>1,945,483</u>	<u>9,752,330</u>	<u>2,739,142</u>	<u>39,388</u>	<u>-</u>	<u>14,476,343</u>
Balance at January 1, 2024	\$	-	1,653,202	9,370,050	2,643,705	35,683	-	13,702,640
Depreciation		-	30,473	153,911	28,422	1,372	-	214,178
Disposal		-	-	(73,216)	(5,635)	-	-	(78,851)
Translation effect		-	12,340	35,130	16,015	-	-	63,485
Balance at March 31, 2024	\$	<u>-</u>	<u>1,696,015</u>	<u>9,485,875</u>	<u>2,682,507</u>	<u>37,055</u>	<u>-</u>	<u>13,901,452</u>
Carrying amount:								
Balance at January 1, 2025	\$	<u>979,234</u>	<u>2,049,082</u>	<u>1,900,027</u>	<u>472,006</u>	<u>9,345</u>	<u>484,524</u>	<u>5,894,218</u>
Balance at March 31, 2025	\$	<u>983,980</u>	<u>2,038,386</u>	<u>1,828,694</u>	<u>460,179</u>	<u>8,778</u>	<u>723,919</u>	<u>6,043,936</u>
Balance at March 31, 2024	\$	<u>836,201</u>	<u>2,105,410</u>	<u>2,221,971</u>	<u>490,388</u>	<u>11,111</u>	<u>149,838</u>	<u>5,814,919</u>

(i) Loss and gain on disposal

For the three months ended March 31, 2025 and 2024, the Consolidated Company recognized loss and gain on disposal of property, plant and equipment, please refer to note 6(s).

(ii) Impairment loss

The movements in accumulated impairment loss of the Consolidated Company's property, plant and equipment were as follows:

	For the three months ended March 31	
	2025	2024
Balance at beginning of the period	\$ 12,221	12,793
Disposals during the period	(516)	(133)
Translation effect	263	(272)
Balance at end of the period	<u>\$ 11,968</u>	<u>12,388</u>

(iii) Collateral

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company pledged its property, plant and equipment as collateral for short term loans, please refer to note 8.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(i) Right of use assets

The Consolidated Company leases its assets including its use right of land and buildings. Information about leases for which the Consolidated Company is the lessee is as follow:

	<u>Use right of land</u>	<u>Buildings</u>	<u>Total</u>
Cost:			
Balance at January 1, 2025	\$ 56,842	442,199	499,041
Additions	-	-	-
Reductions	-	(8,628)	(8,628)
Translation effect	1,130	-	1,130
Balance at March 31, 2025	<u>\$ 57,972</u>	<u>433,571</u>	<u>491,543</u>
Balance at January 1, 2024	\$ 54,891	447,909	502,800
Additions	-	194	194
Translation effect	1,060	-	1,060
Balance at March 31, 2024	<u>\$ 55,951</u>	<u>448,103</u>	<u>504,054</u>
Accumulated depreciation:			
Balance at January 1, 2025	\$ 8,975	302,535	311,510
Depreciation	377	12,010	12,387
Reductions	-	(5,344)	(5,344)
Translation effect	183	-	183
Balance at March 31, 2025	<u>\$ 9,535</u>	<u>309,201</u>	<u>318,736</u>
Balance at January 1, 2024	\$ 7,223	257,170	264,393
Depreciation	364	12,284	12,648
Translation effect	143	-	143
Balance at March 31, 2024	<u>\$ 7,730</u>	<u>269,454</u>	<u>277,184</u>
Carrying amount:			
Balance at January 1, 2025	<u>\$ 47,867</u>	<u>139,664</u>	<u>187,531</u>
Balance at March 31, 2025	<u>\$ 48,437</u>	<u>124,370</u>	<u>172,807</u>
Balance at March 31, 2024	<u>\$ 48,221</u>	<u>178,649</u>	<u>226,870</u>

(j) Short term loans

(i) Short term loans

	<u>2025.3.31</u>		
	<u>Currency</u>	<u>Range of interest rates (%)</u>	<u>Year of maturit</u>
Unsecured loans	USD	4.83-4.937	2025
			<u>2024.12.31</u>
			<u>\$ 730,180</u>
	<u>Currency</u>	<u>Range of interest rates (%)</u>	<u>Year of maturit</u>
Unsecured loans	USD	5.06-5.45	2025
			<u>2024.3.31</u>
			<u>\$ 786,408</u>
	<u>Currency</u>	<u>Range of interest rates (%)</u>	<u>Year of maturit</u>
Unsecured loans	USD	5.74-6.29	2024
			<u>\$ 1,088,000</u>

As of March 31, 2025, December 31 and March 31, 2024, the unused credit facilities of the Consolidated Company's short term loans amounted to \$4,446,014 thousand, \$4,347,005 thousand and \$3,843,466 thousand, respectively.

(ii) Collateral of loans

As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company has mortgaged its assets as collateral of loans, please refer to note 8.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(k) Long-term loans

2025.3.31			
Currency	Range of interest rates (%)	Year of maturit	Amount
Unsecured bank loans	USD	2031	\$ 331,900
Less: Current portion			
Non-curren			\$ <u>331,900</u>
Unused long-term credit lines			\$ <u>-</u>
2024.12.31			
Currency	Range of interest rates (%)	Year of maturit	Amount
Unsecured bank loans	USD	2031	\$ 327,670
Less: Current portion			-
Non-curren			\$ <u>327,670</u>
Unused long-term credit lines			\$ <u>-</u>

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(l) Lease liabilities

The carrying amounts of lease liabilities for the Consolidated Company were as follows:

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Current	\$ <u>40,059</u>	<u>44,155</u>	<u>50,640</u>
Non current	\$ <u>95,243</u>	<u>107,476</u>	<u>141,164</u>

The amounts recognized in profit or loss were as follows:

	<u>For the three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Interest on lease liability	\$ <u>779</u>	<u>1,076</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>1,407</u>	<u>1,125</u>
Expenses relating to short term leases	\$ <u>518</u>	<u>196</u>
Expenses relating to leases of low value assets, excluding short term leases of low value assets	\$ <u>1,089</u>	<u>296</u>

The amounts recognized in the statement of cash flows for the Consolidated Company were as follows:

	<u>For the three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Total cash outflow for leases	\$ <u>16,289</u>	<u>15,171</u>

(m) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were as follows:

	<u>For the three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Operating costs	\$ 618	566
Selling expenses	81	71
Administrative expenses	210	185
	\$ <u>909</u>	<u>822</u>

(ii) Defined contribution plans

The Consolidated Company's expenses for the pension plan contributions to the Bureau of Labor Insurance and local government agencies of the merged overseas subsidiaries for unified payment were as follows:

	<u>For the three months ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Operating costs	\$ 34,161	31,597
Selling expenses	1,904	1,658
Administrative expenses	2,899	2,613
Research and development expenses	2,793	2,514
	\$ <u>41,757</u>	<u>38,382</u>

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(n) Income tax

Income tax expense is measured based on the pretax income of the interim reporting period multiplied by management's best estimate of the effective tax rate expected for the full fiscal year.

	For the three months ended March 31	
	2025	2024
Current tax expenses		
Current period	\$ 78,860	129,694

The ROC income tax authorities have examined the Company's income tax returns through 2022.

(o) Share capital and other equity

(i) Common stock

As of March 31, 2025, December 31 and March 31, 2024, the total value of authorized nominal ordinary shares amounted to \$4,500,000 thousand, with par value of \$10 per share, of which 397,495 thousand shares of common stocks were outstanding. All issued shares were paid up upon issuance.

(ii) Capital surplus

The balances of the Consolidated Company's capital surplus were as follows:

	2025.3.31	2024.12.31	2024.3.31
Paid-in capital in excess of par value	\$ 630,382	630,382	630,382
Conversion of convertible bonds ordinary shares	937,936	937,936	937,936
Changes in equity of subsidiaries	10,477	10,477	10,477
Non payment of expired cash dividends from previous years	1,796	1,796	1,689
	\$ 1,580,591	1,580,591	1,580,484

In accordance with the ROC Company Act, realized capital surplus can be used to increase share capital or to distribute as cash dividends after offsetting losses. The aforementioned capital surplus includes share premiums and donation gains. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital surplus to increase share capital shall not exceed 10 percent of the actual share capital amount.

(iii) Retained earnings

1) Legal reserve

If the Company experienced profit for the year, the distribution of the statutory earnings reserve, either by new shares or by cash, shall be decided at the shareholders' meeting, and the distribution amount is limited to the portion of legal reserve which exceeds 25 percent of the paid-in capital.

2) Special earnings reserve

In accordance with the rules issued by the FSC, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of other shareholders' equity. Similarly, a portion of undistributed prior-period earnings shall be reclassified as a special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

3) Distribution of earnings

According to the Company's Articles of Incorporation, when allocating the net profits for each fiscal year, the Company should first pay income tax, offset its prior years' losses, and appropriate 10% of net income to legal reserve. Legal reserve should be appropriated until the reserve equals to the Company's paid-in capital. The remainder, if necessary, is subject to special reserve. The distribution of remainder earning should be amounts directors' and supervisors' remuneration, employee bonuses and stockholders' dividends and bonuses in the percentage amounts of 20% to 80%. After the distribution, the remainder is unappropriated earnings.

According to the Company's Articles of Incorporation, the Company's dividend policy will consider its operating environment, steady profitability, sufficiency of its cash for future expansion, financial plan and the balance of dividends. The Board of Directors then proposes the appropriations and presents this proposal for approval at the shareholders' meeting. The Company stipulated a dividend policy that at least 20% of income after tax may be distributed as cash dividends, and if the Company has sufficient cash acquired from the outer, the ratio of distribution as cash dividends will be 50%. The actual appropriations are based on profit and the requirement of cash which are adjusted and approved by the stockholders' meeting.

The Company's Board of Directors resolved to appropriate the 2024 earnings on February 27, 2025 and the appropriations of 2023 earnings have been approved by the Company's shareholders in its meetings held on June 25, 2024. These earnings were appropriated as follows:

	2024		2023	
	Amount per share(NT dollars)	Total Amount	Amount per share(NT dollars)	Total Amount
Dividends distributed to common stockholders:				
Cash	\$ 1.85	<u>735,366</u>	1.25	<u>496,869</u>

For information on the appropriation of the earnings approved by the Company's shareholders in its meetings and resolved by the Company's Board of Directors, please refer to the website of Market Observation Post System of Taiwan Stock Exchange.

(iv) Other equities (net of tax)

	Foreign exchange differences arising from foreign	Non controlling interests	Total
Balance at January 1, 2025	\$ 39,439	(7,174)	32,265
Foreign exchange differences arising from foreign operation	<u>210,968</u>	<u>61</u>	<u>211,029</u>
Balance at March 31, 2025	\$ <u>250,407</u>	<u>(7,113)</u>	<u>243,294</u>
Balance at January 1, 2024	\$ (447,333)	(7,352)	(454,685)
Foreign exchange differences arising from foreign operation	<u>127,763</u>	<u>(55)</u>	<u>127,708</u>
Balance at March 31, 2024	\$ <u>(319,570)</u>	<u>(7,407)</u>	<u>(326,977)</u>

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(p) Earnings per share

The calculation of the Company's basic and diluted earnings per share were as follows:

(i) Basic EPS

	For the three months ended March 31	
	2025	2024
Net income attributable to common shareholders of the Company	\$ 208,320	323,985
Weighted average number of common shares outstanding	397,495	397,495
Basic EPS (New Taiwan dollars)	\$ 0.52	0.82

(ii) Diluted EPS

	For the three months ended March 31	
	2025	2024
Net income attributable to common shareholders of the Company	\$ 208,320	323,985
Weighted average number of common shares outstanding — basic	397,495	397,495
Influence of potentially dilutive shares — Remuneration to employees	1,311	709
Weighted average number of shares outstanding — diluted	398,806	398,204
Diluted EPS (New Taiwan dollars)	\$ 0.52	0.81

(q) Revenue from contracts with customers

(i) Disaggregation of revenue

The Consolidated Company is engaged in one industry which manufactures and sells printed circuit boards. The disaggregation of revenue by primary geographical markets for the three months ended March 31, 2025 and 2024 were as follows:

	For the three months ended March 31, 2025			
	Taiwan	China	Others	Total
Taiwan	\$ 191,964	-	-	191,964
United States	692,852	-	4,165	697,017
Germany	299,637	7,113	2,413	309,163
Japan	287,863	97,907	-	385,770
Hungary	171,474	4,145	-	175,619
Mexico	298,371	34,740	-	333,111
China	286,131	195,733	4,865	486,729
Others	693,654	24,440	542,983	1,261,077
	\$ 2,921,946	364,078	554,426	3,840,450
	For the three months ended March 31, 2024			
	Taiwan	China	Others	Total
Taiwan	\$ 241,894	11,504	-	253,398
United States	889,411	-	-	889,411
Germany	339,067	18,844	5,638	363,549
Japan	320,847	98,243	-	419,090
Hungary	209,549	7,552	-	217,101
Mexico	118,345	54,173	-	172,518
China	375,282	197,254	9,547	582,083
Others	754,909	131,289	318,230	1,204,428
	\$ 3,249,304	518,859	333,415	4,101,578

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Contract balances

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Notes receivable	\$ 1,115	7,799	10,529
Account receivable	3,849,402	3,746,816	3,840,858
Less: loss allowance	233,048	201,094	168,632
Total	<u>\$ 3,617,469</u>	<u>3,553,521</u>	<u>3,682,755</u>

For the details on accounts receivable and allowance for impairment, please refer to note 6(e).

(iii) Refund liabilities (recorded under other current liabilities)

	<u>2025.3.31</u>	<u>2024.12.31</u>	<u>2024.3.31</u>
Sales return and discounts	\$ <u>800,579</u>	<u>780,044</u>	<u>678,573</u>

The refund liabilities are expected payment to customers contingent on sales returns and discounts in the future. The amount recognized for refund liabilities is based on historical experience and other known factors and is treated as reduction of operating revenue when products are sold.

(r) Remuneration to employees and directors

In accordance with the Company's articles of incorporation, the Company should contribute no less than 2%~10% of profit as employee remuneration and less than 3% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Employees who are entitled to receive the above mentioned employee remuneration, in share or cash, include the employees of the subsidiaries of the Company who meet certain specific requirement.

For the three months ended March 31, 2025 and 2024, the Company accrued and estimated the remuneration to employees amounting to \$9,409 thousand and \$19,350 thousand, respectively, and the remuneration for directors of \$1,270 thousand and \$1,320 thousand, respectively. These amounts are calculated by using the Company's profit before tax for the period before deducting the amount of the remuneration to the employees and directors, multiplied by the distribution ratio of remuneration to the employees and directors under the Company's articles of association, and expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. If the board of directors resolves to distribute employee compensation in the form of stock, the calculation basis for the number of shares of stock compensation is based on the closing price on the day before the board of directors' resolution.

The estimated amounts of employee compensation for the years 2024 and 2023 are \$58,386 thousand and \$22,631 thousand, respectively, and the estimated amounts of director compensation for the years 2024 and 2023 are \$5,680 thousand and \$5,280 thousand, respectively. There are no discrepancies between the estimated amounts and the distribution resolved by the board of directors. Related information is available on the Market Observation Post System.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(s) Non operating income and expenses

(i) Interest income

The details of the Consolidated Company's interest income were as follows:

For the three months ended March 31		
	2025	2024
Interest income from bank deposits	\$ 39,720	39,300
Other interest income	9,300	3,104
Total Interest income	\$ 49,020	42,404

(ii) Other income

The details of the Consolidated Company's other income were as follows:

For the three months ended March 31		
	2025	2024
Rental income	\$ 861	849
Other income — other		
Compensation income	1,816	12,307
Others	52,575	30,190
Subtotal other income — other	54,391	42,497
Total other income	\$ 55,252	43,346

(iii) Other gains and losses

The details of the Consolidated Company's other gains and losses were as follows:

For the three months ended March 31		
	2025	2024
Gains (losses) on disposal of property, plant and equipment	\$ (3,027)	(1,649)
Gains (losses) on lease modification	549	0
Net on foreign exchange gains	64,351	77,268
Gains on financial assets measured at fair value through profit and loss	8,529	6,449
Miscellaneous disbursements	(4,624)	(2,193)
Other gains and losses, net	\$ 65,778	79,875

(iv) Finance costs

The details of the Consolidated Company's finance costs were as follows:

For the three months ended March 31		
	2025	2024
Interest expense	\$ 14,574	20,188

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(t) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Consolidated Company's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 6(t) to the consolidated financial statements for the three months ended March 31, 2025 and 2024.

(i) Concentration of credit risk

The Consolidated Company's counterparties of account receivables transaction mainly locate in the United States, China, and Germany. As of March 31, 2025, December 31 and March 31, 2024, the balance of accounts receivable from those regions accounted for 45%、44%、55%, of the total balance.

(ii) Liquidity risk

The following table showed the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	Within a year	1~2 years	2~5 years	Over 5 years
2025.3.31						
Non-derivative financial liabilities						
Unsecured loans	\$ 1,062,080	1,160,965	781,404	15,566	264,823	99,172
Notes payable	409,470	409,470	409,470	-	-	-
Accounts payable	1,895,762	1,895,762	1,895,762	-	-	-
Other payables	995,463	995,463	995,463	-	-	-
Lease liabilities	135,302	140,517	42,547	39,129	58,841	-
Other current liabilities	153,871	153,871	153,871	-	-	-
	\$ 4,651,948	4,756,048	4,278,517	54,695	323,664	99,172
2024.12.31						
Non-derivative financial liabilities						
Unsecured loans	1,114,078	1,223,494	843,298	15,564	244,901	119,731
Notes payable	402,024	402,024	402,024	-	-	-
Accounts payable	1,743,228	1,743,228	1,743,228	-	-	-
Other payables	1,117,043	1,117,043	1,117,043	-	-	-
Lease liabilities	151,631	157,792	46,945	40,160	70,687	-
Other current liabilities	159,225	159,225	159,225	-	-	-
	\$ 4,687,229	4,802,806	4,311,763	55,724	315,588	119,731
2024.3.31						
Non-derivative financial liabilities						
Unsecured loans	1,088,000	1,153,443	1,153,443	-	-	-
Notes payable	616,424	616,424	616,424	-	-	-
Accounts payable	1,624,533	1,624,533	1,624,533	-	-	-
Other payables	994,155	994,155	994,155	-	-	-
Lease liabilities	191,804	200,891	54,267	44,166	102,458	-
Other current liabilities	109,955	109,955	109,955	-	-	-
	\$ 4,624,871	4,699,401	4,552,777	44,166	102,458	-

The Consolidated Company does not expect that the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(iii) Currency risk

1) Currency risk exposure

The Consolidated Company's financial assets and liabilities exposed to significant foreign currency risk were as follows:

2025.3.31				2024.12.31			2024.3.31		
Foreign currency (in thousands)	Exchange rate	Amount	Foreign currency (in thousands)	Exchange rate	Amount	Foreign currency (in thousands)	Exchange rate	Amount	
Financial assets:									
Monetary items:									
USD\$	114,834	33.1900	3,811,340	113,877	32.7670	3,731,408	120,550	32.0000	3,857,600
JPY	1,172,595	0.2223	260,668	1,517,553	0.2092	317,472	2,037,116	0.2113	430,443
EUR	6,656	35.9166	239,061	7,665	34.0761	261,193	9,712	34.4908	334,975
THB	3,407	0.9791	3,336	3,237	0.9580	3,101	3,312	0.8780	2,908
CNY	12,722	4.5661	58,090	47,457	4.4771	212,470	38,853	4.4069	171,221
Financial liabilities:									
Monetary items									
USD	46,591	33.1900	1,546,355	44,095	32.7670	1,444,861	46,430	32.0000	1,485,760
JPY	20,125	0.2223	4,474	22,317	0.2092	4,669	25,197	0.2113	5,324
EUR	11	35.9166	395	9	34.0761	307	65	34.4908	2,242

2) Sensitivity analysis

The Consolidated Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, other financial assets, loans and accounts and other payables that are denominated in foreign currency. A weakening or strengthening 1% appreciation or depreciation of the NTD against the USD, JPY, EUR, THB and CNY as of March 31, 2025 and 2024, would have increased or decreased the net income before tax by \$28,213 thousand and \$33,038 thousand, respectively. The analysis is performed on the same basis for both periods.

3) Foreign exchange gains and losses on monetary items

Due to the numerous types of functional currency of the Consolidated Company, the Consolidated Company disclose its exchange gains and losses of monetary items aggregately. The Consolidated Company's exchange loss, including realized and unrealized, were \$64,351 thousand and \$77,268 thousand for March 31, 2025 and 2024, respectively.

4) Interest rate analysis

Please refer to the note on liquidity risk management for the interest rate exposure of the Consolidated Company's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure of the interest rate on derivative and non derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is on the basis of the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the management of the Consolidated Company's assessment on the reasonably possible interval of interest rate change.

With all other variable factors remain constant. If the interest rate increases or decreases by 1%, the Consolidated Company's net income before tax will have increased or decreased by \$10,354 thousand and \$6,094 thousand, respectively, for the three months ended March 31, 2025, and 2024. This were mainly due from the Group's loans and time deposits on floating rates.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(iv) Other market price risk

For the three months ended March 31, 2025 and 2024, sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for profit or loss as illustrated below:

	For the three months ended March 31			
	2025		2024	
	Other comprehensive income	Net income	Other comprehensive income	Net income
Price of securities at the reporting date				
Increasing 1%	\$ -	21,387	-	23,436
Decreasing 1%	\$ -	(21,387)	-	(23,436)

(v) Fair value information

1) Categories and fair value of financial instruments

The fair value of financial assets at fair value through profit or loss is measured on a recurring basis. The carrying amount and fair value of the financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value and lease liabilities, disclosure of fair value information is not required :

	2025.3.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through					
Beneficiary certificate	\$ 2,138,700	2,138,700	-	-	2,138,700
Financial assets measured at amortized cost					
Foreign government bonds	944,340	952,338	-	-	952,338
Cash and cash equivalents	2,237,080	-	-	-	-
Notes and accounts receivable	3,617,469	-	-	-	-
Other receivables	123,253	-	-	-	-
Other financial assets — current and non current	4,833,978	-	-	-	-
Subtotal	11,756,120	952,338	-	-	952,338
Total	\$ 13,894,820	3,091,038	-	-	3,091,038
Financial liabilities measured at amortized cost					
Short term loans	\$ 730,180	-	-	-	-
Long term loans	331,900	-	-	-	-
Notes and accounts payable	2,305,232	-	-	-	-
Other payables	995,463	-	-	-	-
Lease liabilities	135,302	-	-	-	-
Other current liabilities	153,871	-	-	-	-
Total	\$ 4,651,948	-	-	-	-

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

2024.12.31					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through					
Beneficiary certificate	\$ 2,519,146	2,519,146	-	-	2,519,146
Financial assets measured at amortized cost					
Foreign government bonds	641,749	638,482	-	-	638,482
Cash and cash equivalents	2,964,354	-	-	-	-
Notes and accounts receivable	3,553,521	-	-	-	-
Other receivables	104,996	-	-	-	-
Other financial assets — current and non current	3,945,817	-	-	-	-
Subtotal	11,210,437	638,482	-	-	638,482
Total	\$ 13,729,583	3,157,628	-	-	3,157,628
Financial liabilities measured at amortized cost					
Short term loans	\$ 786,408	-	-	-	-
Long term loans	327,670	-	-	-	-
Notes and accounts payable	2,145,252	-	-	-	-
Other payables	1,117,043	-	-	-	-
Lease liabilities	151,631	-	-	-	-
Other current liabilities	159,225	-	-	-	-
Total	\$ 4,687,229	-	-	-	-
2024.3.31					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through					
Beneficiary certificate	\$ 2,343,632	2,343,632	-	-	2,343,632
Financial assets measured at amortized cost					
Foreign government bonds	311,648	309,088	-	-	309,088
Cash and cash equivalents	3,640,241	-	-	-	-
Notes and accounts receivable	3,682,755	-	-	-	-
Other receivables	85,390	-	-	-	-
Other financial assets — current and non current	3,282,597	-	-	-	-
Subtotal	11,002,631	309,088	-	-	309,088
Total	\$ 13,346,263	2,652,720	-	-	2,652,720
Financial liabilities measured at amortized cost					
Short term loans	\$ 1,088,000	-	-	-	-
Notes and accounts payable	2,240,957	-	-	-	-
Other payables	994,155	-	-	-	-
Lease liabilities	191,804	-	-	-	-
Other current liabilities	109,955	-	-	-	-
Total	\$ 4,624,871	-	-	-	-

2) Valuation techniques for financial instruments not measured at fair value – financial assets measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. Otherwise, the estimated valuation or prices used by competitors are adopted.

3) Valuation techniques and assumptions used in fair value determination

a) Non derivative financial instruments

If financial instrument has quoted price in an active market, using the quoted price as fair value.

The fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (included open ended funds).

b) Derivative financial instrument

The forward exchange contract is usually priced by the forward exchange rate from financial institutions.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

4) Fair value hierarchy

The Consolidated Company used the fair value that can be observed in the market to measure the value of assets and liabilities. Fair values levels are based on the degree in which the fair value can be observed and grouped in to Levels 1 to 3 as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- b) Level 2: inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

There was no such situation that the Company reclassified the financial instruments from one level to another as of the reporting date.

5) Transfers from Level 1 financial instrument to Level 2 financial instrument

There was no significant transfer from level 2 financial instrument to level 1 financial instrument the three months ended March 31, 2025 and 2024.

(u) Financial risk management

Except for the following disclosures, there were no significant changes in the Consolidated Company's financial risk management and policies as disclosed in note 6(u) of the consolidated financial statements for the year ended December 31, 2024.

(v) Capital management

Management believes that the objectives, policies and processes of capital management of the consolidated company has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the consolidated company's capital management information as disclosed for the year ended December 31, 2024. Please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2024 for further details.

(w) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities for the three months ended March 31, 2025 and 2024 were as follows:

		Non cash changes				
	2025.1.1	Cash flows	Acquisition of right of use assets	Foreign exchange movement	Reduction of right of use assets	2025.3.31
Short-term loans	\$ 786,408	(55,542)	-	(686)	-	730,180
Long-term loans	327,670	-	-	4,230	-	331,900
Lease liabilities	151,631	(12,496)	-	-	(3,833)	135,302
Total liabilities from financing activities	<u>\$ 1,265,709</u>	<u>(68,038)</u>	<u>-</u>	<u>3,544</u>	<u>(3,833)</u>	<u>1,197,382</u>

		Non cash changes				
	2024.1.1	Cash flows	Acquisition of right of use assets	Foreign exchange movement	Reduction of right of use assets	2024.3.31
Short-term loans	\$ 1,044,344	(5,510)	-	49,166	-	1,088,000
Long-term loans	-	-	-	-	-	0
Lease liabilities	204,088	(12,478)	194	-	-	191,804
Total liabilities from financing activities	<u>\$ 1,248,432</u>	<u>(17,988)</u>	<u>194</u>	<u>49,166</u>	<u>0</u>	<u>1,279,804</u>

CHIN-POON INDUSTRIAL CO., LTD.

Notes to the Parent Company Only Financial Statements

(7) Related party transactions

Key management personnel compensation comprised:

	For the three months ended March 31	
	2025	2024
Short term employee benefits	\$ 17,086	15,793
Post employment benefits	268	231
Termination benefits	207	179
Other long term benefits	1	2
	\$ 17,562	16,205

For the three months ended March 31, 2025 and 2024, the Consolidated Company provided two vehicles, at the costs of \$1,007 thousand, respectively, for key management personnel.

(8) Pledged assets

The Consolidated Company's carrying amounts of pledged assets were as follows:

Pledged assets	Object	2025.3.31	2024.12.31	2024.3.31
Property, plant and equipment				
Land	Short term bank loans	\$ 32,398	31,700	29,052
Buildings	Short term bank loans	70,925	72,725	62,670
		\$ 103,323	104,425	91,722

(9) Commitments and contingencies

- (a) As of March 31, 2025, December 31 and March 31, 2024, the Consolidated Company provided guarantee notes, each amounting to \$789,110 thousand, \$1,497,594 thousand and \$813,296 thousand, respectively, for usance letters of credits, domestic letters of credit and guarantees for the Consolidated Company's hiring of foreign labors. The customs duty guaranteed by the Consolidated Company for importing raw materials each amounted to \$10,000 thousand for both years.
- (b) For expanding the factory, the Consolidated Company entered contracts of construction and purchase of property, plant and equipment. The total contract amount was \$569,410 thousand, \$403,904 thousand and \$169,730 thousand as of March 31, 2025, December 31 and March 31, 2024, respectively, of which the Consolidated Company had paid \$454,841 thousand, \$293,909 thousand and \$104,330 thousand, respectively, included in the construction in progress and prepayments for equipment accounts.

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(c)

On February 25, 2019, the Company received an indictment, with case number 108-Zhen-829 and 108-Zhen-2491, from the Taoyuan District Prosecutors Office, accusing the ex-chairman of the Company's board and 6 former and current employees of the Pingzhen third plant of causing fire disaster, which led to an offense of negligent manslaughter, that occurred on April 28, 2018. For the criminal liability aspect, the Taoyuan District Prosecutors Office indicted the relevant personnel, and the Taoyuan District Court issued a summary criminal judgment under Taoyuan District Court Summary Criminal Appeal Case No.4 (2023), convicting both defendants. Both parties subsequently filed appeals. On October 17, 2024, the Taoyuan District Court's Criminal Division issued the second instance under Taoyuan District Court Summary Criminal Appeal Case No.1 (2024), upheld the original verdict, granting the option for plea bargaining and sentence reduction conditions, and the case was closed. For the civil liability aspect, the company and the relevant parties reached settlements with the families of the deceased and the injured workers, and no lawsuits were filed. This fire has not had a significant impact on the company's financial operations.

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events: None.

(12) Other

(a) A summary of employee benefit expenses, depreciation, depletion and amortization by function, were as follows:

By function By nature	For the three months ended March 31, 2025			For the three months ended March 31, 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	739,792	115,033	854,825	723,999	115,219	839,218
Labor and health insurance	70,075	9,739	79,814	67,661	9,359	77,020
Pension	34,779	7,887	42,666	32,163	7,041	39,204
Directors' remuneration	-	4,083	4,083	-	4,052	4,052
Others	69,399	9,736	79,135	53,227	8,970	62,197
Depreciation	195,813	10,266	206,079	214,926	11,900	226,826
Amortization	-	-	-	-	-	-

(b) Seasonality of operations

The Consolidated Company's operations were not affected by seasonality or cyclicity factors.

(13) Other disclosures

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the three months ended March 31, 2025:

(i) Loans to other parties:

No.	Name of lender	Name of borrower	Financial statement account	Related party	Highest balance of financing to other parties during the year	Ending balance	Amount actually drawn (Note 4)	Range of interest rates	Purposes of fund financing for the borrowers (Note 3)	Transaction amount for business between two parties	Reasons for short term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
0	Chin-Poon Industrial Co., Ltd.	Chin Poon Electronics (Thailand) Public Co., Ltd.	Other receivables – related parties	Yes	265,520	265,520	-	5.32	2	-	operating capital	-	-	-	7,060,246	7,060,246
															(Note 2)	(Note 2)
1	Chin Poon Holdings Cayman Limited	Chin-Poon (Changshu) Electronic Co., Ltd	Other receivables – related parties	Yes	796,560	796,560	796,560	5.32	2	-	operating capital	-	-	-	4,373,792	4,373,792
															(Note 1)	(Note 1)

Note 1: The total amount lending to the subsidiaries and each borrowing company shall not be over 50% of the net worth of Chin Poon Industrial Co., Ltd.

Note 2: The total amount lending to the subsidiaries and each borrowing company shall not be over 40% of the net worth of Chin Poon Holdings Cayman Limited.

Note 3: Nature of financing activities as follows:

- (1) if there are transactions between these two parties, the number is "1".
- (2) if it is necessary to loan to other parties, the number is "2".

Note 4: The transaction has already been written off in the consolidated financial statements.

(ii) Guarantees and endorsements for other parties:

No.	Name of company	Counter party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for one party (Note 2)	Highest balance for guarantees and endorsements during the year	Ending balance of guarantees and endorsements (Note 2)	Amount actually drawn	Property pledged on guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum allowable amount for guarantees and endorsements (Note 2)	Parent company endorsement / guarantees to third parties on behalf of subsidiary	Subsidiary endorsement / guarantees to third parties on behalf of parent company	Endorsements/guarantees to third parties on behalf of company in Mainland China
		Name	Relationship with the company (Note 1)										
0	Chin-Poon Industrial Co., Ltd.	Chin Poon Electronics (Thailand) Public Co., Ltd.	4	3,530,123	-	-	-	-	0.00%	4,412,654	Y	N	N

Note 1: The guarantee's relationship with the guarantor is as follows:

- (1) A company with which it does business.
- (2) A company in which the public company directly and indirectly holds more than 50 percent of the voting shares.
- (3) A company that directly and indirectly holds more than 50 percent of the voting shares in the public company.
- (4) A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.
- (5) A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- (6) A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
- (7) Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre construction homes pursuant to the Consumer Protection Act for each other.

Note 2: The total amount of guarantee shall not exceed 25% of the Company's net worth. The total amount of guarantee provided by the Company to any individual entity shall not exceed 20% of the Company's net worth.

(iii) Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Nature and name of security	Relationship with the security issuer	Account name	Ending balance				Remarks
				Number of units	Book value	Holding percentage	Market value	
The Company	Beneficiary Certificate: Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss current	47,353,668	672,583	- %	672,583	
The Company	Fubon Chi-Hsiang Money Market Fund	-	Financial assets at fair value through profit or loss current	77,104,933	1,264,066	- %	1,264,066	
The Company	Taishin Ta Chong Money Market Fund	-	Financial assets at fair value through profit or loss current	13,581,421	202,051	- %	202,051	
Chin-Poon Holdings Cayman Limited	Bond: US government bond-US9128284N73	-	Financial assets at amortized cost noncurrent	USD 10,000,000	318,266	- %	322,488	
Chin-Poon Holdings Cayman Limited	US government bond-US91282CFZ95	-	Financial assets at amortized cost noncurrent	USD 5,000,000	165,193	- %	166,119	
Chin-Poon Holdings Cayman Limited	US government bond-US91282CHQ78	-	Financial assets at amortized cost noncurrent	USD 9,850,000	327,948	- %	329,757	
Chin-Poon Holdings Cayman Limited	US government bond-US91282CKG59	-	Financial assets at amortized cost noncurrent	USD 4,000,000	132,933	- %	133,974	

(iv) Related party transactions for purchases and sales with amounts exceeding the lower of NT\$300 million or 20% of the capital stock:

Name of company	Counter party	Relationship	Transaction details				Status and reason for deviation from arm's length transaction		Account / note receivable (payable)		Remarks
			Purchase / Sale	Amount (Note 2)	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance (Note 2)	Percentage of total accounts / notes receivable (payable)	
The Company	Chin Poon(Changshu) Electronic Co., Ltd.	Investee controlled by the Company	Purchase	794,847	44.99%	Note 1	Note 1	Note 1	(806,261)	(42.05)%	
Chin Poon(Changshu) Electronic Co., Ltd.	The Company	Ultimate parent company of Chin Poon (Changshu) Electronic Co., Ltd.	(Sale)	(794,847)	(62.22)%	Note 1	Note 1	Note 1	806,261	57.62%	
Chin Poon Electronics (Thailand) Public Co., Ltd.	Chin Poon(Changshu) Electronic Co., Ltd.	Subsidiary and subsidiary	Purchase	118,527	23.36%	Note 1	Note 1	Note 1	(202,641)	(33.32)%	
Chin Poon(Changshu) Electronic Co., Ltd.	Chin Poon Electronics (Thailand) Public Co., Ltd.	Subsidiary and subsidiary	(Sale)	(118,527)	(9.28)%	Note 1	Note 1	Note 1	202,641	14.48%	

Note 1: The sales and purchase prices are based on the market prices. The terms of collection and payment are not significantly different from those to third parties.

Note 2: The transaction has already been written off in the consolidated financial statement.

(v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Name of related party	Counter party	Relationship	Balance of receivables from related party (Note 1)	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
Chin Poon(Changshu) Electronic Co., Ltd.	The Company	Ultimate parent company of Chin Poon (Changshu) Electronic Co., Ltd.	806,261	3.74	-	-	229,342 (As of May 2, 2025)	-
Chin-Poon Holdings Cayman Limited	Chin Poon(Changshu) Electronic Co., Ltd.	Parent Company of Chin Poon(Changshu) Electronic Co., Ltd.	807,164 (Note 2)	-	-	-	10,385 (As of May 2, 2025)	-
Chin Poon(Changshu) Electronic Co., Ltd.	Chin Poon Electronics (Thailand) Public Co., Ltd.	Subsidiary and subsidiary	202,641	3.32	-	-	66,068 (As of May 2, 2025)	-

Note 1: The transaction has already been written off in the consolidated financial statement.

Note 2: Included principle 796,560 thousand and other receivables of interest 10,604 thousand.

(vi) Business relationships and significant intercompany transactions:

No. (Note 1)	Name of company	Name of counter party	Existing relationship with the counter party (Note 2)	Transaction details			
				Account name	Amount (Note 5)	Trading terms (Note 3)	Percentage of the total consolidated revenue or total assets (Note4)
0	The Company	Chin Poon(Changshu) Electronic Co., Ltd.	1	Cost of goods sold	794,847	Determined in accordance with both sides.	20.70%
0	The Company	Chin Poon(Changshu) Electronic Co., Ltd.	1	Account payable related parties	806,261	Determined in accordance with both sides.	3.35%
0	The Company	Chin Poon Electronics (Thailand) Public Co., Ltd.	1	Operating revenue	59,404	Determined in accordance with both sides.	1.55%
1	Chin-Poon Holdings Cayman Limited	Chin Poon(Changshu) Electronic Co., Ltd.	3	Other payables related parties	807,164	The rate of interests is determined in accordance with mutual agreement.	3.35%
2	Chin Poon Electronics (Thailand) Public Co., Ltd.	Chin Poon(Changshu) Electronic Co., Ltd.	3	Cost of goods sold	118,527	Determined in accordance with both sides.	3.09%

Note 1: Company numbering is as follows:

- (1) Parent company 0.
- (2) Subsidiary starts from 1.

Note 2: The number of the relationship with the transaction counterparty represents the following:

- (1) 1 represents downstream transactions.
- (2) 2 represents upstream transactions.
- (3) 3 represents side stream transactions.

Note 3: The sales and purchase prices are based on the market prices. The terms of collection and payment are not significantly different from those to third parties.

Note 4: For balance sheet items, over 1% of total consolidated assets, and for profit or loss items, over 1% of total consolidated revenue were selected for disclosure.

Note 5: The transactions have already been written off in the consolidated financial statements.

(b) Information on investees:

The following is the information on investees for the three months ended March 31, 2025 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Address	Scope of business	Original cost		Ending balance			Net income of investee (Note 1)	Investment income (losses) (Note 1)	Remarks
				March 31, 2025	December 31, 2024	Shares	Percentage of ownership	Book value (Note 1)			
The Company	VEGA International Enterprise Co. Ltd.	British Virgin Islands	Investment	3,716,845	3,716,845	131,242,925	100%	8,767,425	171,745	171,745	Subsidiary (Note 2)
The Company	Chin Poon Electronics (Thailand) Public Co., Ltd.	Thailand	Production and trading of printed circuit board	3,648,007	3,648,007	1,537,644,283	99.89%	2,666,984	(7,925)	(7,916)	Subsidiary (Note 3)
VEGA International Enterprise Co. Ltd.	Chin Poon Holdings Cayman Limited	Cayman Islands	Investment	3,402,946	3,402,946	112,354,035	100%	8,747,585	171,574	171,574	Subsidiary (Note 2)

Note 1: The transaction has already been written off in the consolidated financial statements.

Note 2: The investment income (loss) was based on the financial statements reviewed by the auditor of the Company.

Note 3: The financial statements were reviewed by on international accounting firm in cooperation with the R.O.C. accounting firm.

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2025	Investment flow during current period		Cumulative investment (amount) from Taiwan as of March 31, 2025	Net income of investee (Notes 2 and 3)	Direct / indirect investment holding percentage	Investment income (loss) (Notes 2 and 3)	Book value	Accumulated remittance of earnings in current period
					Remittance amount	Repatriation amount						
Chin Poon (Changshu) Electronic Co., Ltd	Production and trading of printed circuit board	3,982,800	(Note 2)	2,821,150	-	-	2,821,150	128,342	100%	128,342	6,481,427	2,616,597

Note 1: The method of investment is divided into the following three categories:

(1) Invest directly in a company in Mainland China.

(2) Through the establishment of third region companies then investing in Mainland China. (The Company invests Chin Poon (Changshu) Electronic Co., Ltd. through Chin Poon Holdings Cayman Limited.)

(3) Other methods.

Note 2: The investment income was based on the financial statements reviewed by the auditor of the Company.

Note 3: The transaction has already been written off in the consolidated financial statements.

Note 4: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (USD1 to NTD 33.1900).

(ii) Limitation on investment in Mainland China:

Company name	Accumulated investment amount in Mainland China as of March 31, 2025	Investment (amount) approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs
Chin Poon Industrial Co., Ltd.	2,821,150	4,148,750	- (Note 1)

Note 1: On November 13, 2024, the Company was certified as an operations center from November 1, 2024 to October 31, 2027 by the Industrial Development Bureau, Ministry of Economic Affairs, with approval letter No.11351020230. The company has no limitation on investment in Mainland China during the abovementioned period.

Note 2: Amounts in foreign currencies were translated based on the exchange rate at the reporting date (USD1 to NTD 33.1900).

(iii) Significant transactions:

The significant inter company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements for the three months ended March 31, 2025, please refer to note 13(a).

CHIN-POON INDUSTRIAL CO., LTD.
Notes to the Parent Company Only Financial Statements

(14) Segment information:

Information on reportable segments and reconciliation for the Consolidated Company is as follows:

For the three months ended March 31, 2025					
	Taiwan	China	Others	Adjustments or elimination	Total
Revenue:					
Revenue from external customers	\$ 2,921,946	364,078	554,426	-	3,840,450
Inter segment revenues	59,404	913,374	16,830	(989,608)	-
Total revenue	\$ 2,981,350	1,277,452	571,256	(989,608)	3,840,450
Reportable segment profit or loss	\$ 134,579	147,374	5,219	-	287,172
For the three months ended March 31, 2024					
Revenue:					
Revenue from external customers	\$ 3,249,304	518,859	333,415	-	4,101,578
Inter segment revenues	1,253	856,813	10,099	(868,165)	-
Total revenue	\$ 3,250,557	1,375,672	343,514	(868,165)	4,101,578
Reportable segment profit or loss	\$ 255,041	173,221	25,428	-	453,690

The Consolidated Company's chief decision makers create strategies and measure performances based on operating income (losses) before taxation. As the information on segment assets and liabilities was not provided to the chief operating decision maker, the information on segment assets and liabilities was not disclosed.

For the three months ended March 31, 2025 and 2024, inter segment revenues of \$989,608 thousand and \$868,165 thousand respectively, should be eliminated from total revenue.