

JESS-LINK PRODUCTS CO., LTD.

2024 Annual Shareholders' Meeting Minutes

Date: 9:00 a.m. on June 13 (Thursday), 2024
Place: RSL Hotel Taipei Zhonghe
3F, No. 631, Zhongzheng Rd., Zhonghe Dist., New Taipei City

Number of shares present: Total outstanding shares: 122,085,882 shares.
Total voting shares: 122,085,882 shares.
Total shares represented by shareholders present in person or by proxy: 72,488,592 shares (of which 25,585,904 shares casted the votes electronically) with an attendance rate of 59.37%.

Directors present: Chairman Shu-Mei Chang, Vice Chairman Cin-Chih Jiang, Ming-Kung Yang, Ming-Hsiang Cheng, Jing-Hua He, Chih-Feng Lin, Shu-Ling Wang, Li-Chih Lo.

Attendees: CPA of PwC Jen-Chieh Wu, Lawyer Jhen-Yi Li, CFO Chih-Ping Cheng.
Chairperson: Shu-Mei Chang Recorder: Yu-Hsuan Jian

I. The chairperson announced the commencement of the meeting.

II. Chairperson's remarks: omitted.

III. Reports:

Proposal 1 (Proposed by the Board of Directors)

Subject: The Report on 2023 Business Operating Status and Report on 2024 Business Plan are submitted for review.

Description: Please refer to Appendix I for the Report on 2023 Business Operating Status and the Report on 2024 Business Plan.

Proposal 2 (Proposed by the Board of Directors)

Subject: The Review Report on the Company's 2023 Financial Statement issued by the Audit Committee is submitted for review.

Description: Please refer to Appendix II for the Review Report issued by the Audit Committee.

Proposal 3 (Proposed by the Board of Directors)

Subject: The Report on Distribution of the Company's Earnings and Payment of Cash Dividends from its Capital Reserve is submitted for review.

Description: 1. The Company plans to distribute NT\$439,509,175 of cash dividends from earnings to shareholders, that is, it plans to distribute NT\$3.6 per share in cash based on the shareholding ratio specified in the Shareholder Register on dividend distribution record date.

2. The Company's capital reserve, i.e., premium of ordinary shares, was NT\$259,729,525 as of 2023, and the Company plans to pay NT\$73,251,529 of premium of ordinary shares this time, that is, it plans to distribute NT\$0.6 per share in cash based on the shareholding ratio specified in the Shareholder Register on dividend distribution record date.
3. Cash will be distributed based on rounded amount (the amount less than NT\$1 will be rounded down), and the chairman is authorized to appoint a specific person to adjust any amount less than NT\$1.
4. For this proposal, the chairman is authorized to determine the dividend distribution record date and other related matters, and to make any adjustment in case of any change made by competent authority or in the event of any change in payout ratio due to changes in the number of the Company's outstanding shares.

Proposal 4 (Proposed by the Board of Directors)

Subject: The Report on Distribution of 2023 Employees' and Directors' Remuneration is submitted for review.

Description: 1. Subject to Article 19 of the Company's Articles of Association, if the Company has profits in a fiscal year, it shall withdraw no less than 7% from the profits as employee's remuneration as resolved by the Board of Directors. However, an amount shall be set aside to cover the Company's accumulated losses first.

2. The Company plans to distribute NT\$84,510,356 (10%) of employee's remuneration and NT\$5,400,000 of directors' remuneration for 2023, and the remuneration will be paid fully in cash.

3. There is no difference between the amount to be distributed as approved by the Board of Directors and the estimated amount recognized for the year.

IV. Ratifications:

Proposal 1 (Proposed by the Board of Directors)

Subject: The proposal for approval on the Company's 2023 Financial Statement is submitted for ratification.

Description: 1. The Company's 2023 Financial Statements have been prepared by the Board of Directors and audited by Jen-Chieh Wu and Ya-Hui Lin, the CPAs at PwC Taiwan, and reviewed by the Audit Committee. Please refer to Appendix III.

2. Please refer to Appendix I for Business Report.

3. It is submitted for ratification.

Resolution: Voting results:

Shares represented at the time of voting is 69,402,967 (of which 25,585,904

were casted electronically).

Voting Results	% of the total represented share present
Votes in favor: 60,924,742 votes (including 17,189,179 votes casted electronically)	87.78%
Votes against: 47,551 votes (including 47,551 votes casted electronically)	0.06%
Votes invalid: 0 votes	0.00%
Votes abstained: 8,430,674 votes (including 8,430,674 votes casted electronically)	12.14%

This case was approved as proposed.

Proposal 2 (Proposed by the Board of Directors)

Subject: The proposal for approval on distribution of the Company's 2023 earnings is submitted for ratification.

Description: 1. The Company's 2023 Earnings Distribution Table is as follows:

JESS-LINK PRODUCTS CO., LTD
Earnings Distribution Table
2023

Item	Unit: NT\$ Amount
Opening undistributed earnings (Note 1)	592,091,043
Adjusted retained earnings of 2023 (Note 2)	22,149,314
Undistributed earnings after adjustment	614,240,357
Add: after-tax net profit of 2023:	635,394,666
Less: statutory surplus reserve withdrawn (10%)	(65,754,398)
Add: reversal of special surplus reserve (Note 3)	23,299,300
Earnings available for distribution	1,207,179,925
Less: distribution item	
Cash dividends to shareholders (NT\$3.6 per share) (Note 4)	(439,509,175)
Ending undistributed earnings	767,670,750

Chairman:
Shu-Mei Chang

President:
Shu-Mei Chang

Accounting Supervisor:
Chih-Ping Cheng

Note 1: This is the undistributed earnings after distribution of 2022 earnings that was resolved at the 2023 Annual Shareholders' Meeting.

Note 2: The Company's adjusted retained earnings of 2023 are composed of NT\$291,594 of the re-measured amount of defined benefit plan and NT\$22,440,908 of the adjusted retained earnings recognized by the Company and its subsidiaries that use the equity method.

Note 3: Subject to the Securities and Exchange Act, special surplus reserve shall be withdrawn from after-tax earnings of the current year and undistributed earnings of previous

period, in the amount as the same as that recorded into the amount to be deducted from shareholders' equity of current year (the sum of the exchange difference from translation of the financial statements of overseas operating institutions and the unrealized profits and losses of the financial assets measured at FVTOCI).

Note 4: This is calculated based on the number of the outstanding shares as of the day immediately before the Board of Directors' meeting.

Note 5: As for the principles for the distribution specified in the Company's 2023 Earnings Distribution Table, earnings of the most recent year shall be distributed with priority.

2. It is submitted for ratification.

Resolution: Voting results:

Shares represented at the time of voting is 69,402,967 (of which 25,585,904 were casted electronically).

Voting Results	% of the total represented share present
Votes in favor: 60,956,741 votes (including 17,221,178 votes casted electronically)	87.83%
Votes against: 47,554 votes (including 47,554 votes casted electronically)	0.06%
Votes invalid: 0 votes	0.00%
Votes abstained: 8,398,672 votes (including 8,317,172 votes casted electronically)	12.10%

This case was approved as proposed.

V. Discussions:

Proposal 1 (Proposed by the Board of Directors)

Subject: The proposal for amendment to the Articles of Association.

Description: In response to the Company's policy, the Company plans to amend the provisions of the Distribution of the Company's Earnings. Please refer to Appendix IV for the Comparison Table of the Provisions before and after Amendment.

Resolution: Voting results:

Shares represented at the time of voting is 69,402,967 (of which 25,585,904 were casted electronically).

Voting Results	% of the total represented share present
Votes in favor: 60,960,049 votes (including 17,224,486 votes casted electronically)	87.83%
Votes against: 37,916 votes (including 37,916 votes casted electronically)	0.05%
Votes invalid: 0 votes	0.00%
Votes abstained: 8,405,002 votes (including 8,323,502 votes casted electronically)	12.11%

This case was approved as proposed.

VI. Extempore Motion: None.

VII. Adjournment: The meeting was adjourned at 9:33 a.m. on the same day.

There was no question raised by shareholders during the meeting.

(The minutes of the shareholders' meeting only contain the proceedings. The meeting's detailed content may be found in the audio and video recording of the meeting.)

Business Report

I. 2023 Business Operating Results

(I) Implementation result of business plan:

For 2023, the Company's consolidated revenue was NT\$4,962,135 thousand; consolidated operating profit was NT\$641,210 thousand; and current after-tax net profit attributable to the owners of parent Company was NT\$635,395 thousand.

(II) Implementation status of budget:

The Company had not announced its financial forecast for 2023.

(III) Analysis of financial income, expenditure and profitability:

1. Analysis of financial income and expenditure:

The Company's main products are data, network and telecommunication products, smart connection, and IoT systems...etc. There was an increase of NT\$622,707 thousand in the Company's consolidated revenue of 2023 relative to 2022. The main reasons of growth are (1) new products and new clients of the Datacenter/Networking/Telecom division, (2) the ongoing exploration of new clients and the optimization of product portfolio of the Smart Connection Industry division, (3) the acquisition of SACO ENTERPRISES, INC. of USA in July 2023, and (4) the joint venture of ASTRON Connectivity CO., LTD in April 2023. The Company's consolidated operating gross profit in 2023 was NT\$1,436,531 thousand, an increase of NT\$336,432 thousand (30.58%) relative to 2022. The consolidated operating profit in 2023 was NT\$641,210 thousand, an increase of NT\$262,872 thousand relative to 2022, and current after-tax net profit attributable to the owners of parent Company was NT\$635,395 thousand in 2023.

2. Analysis of profitability:

Item		2022	2023
Return on assets (%)		9.89	13.48
Return on equity (%)		14.23	19.28
Ratio in paid-in capital (%)	Operating profit	30.99	52.52
	Before-tax net profit	44.64	66.38
Net profit ratio (%)		10.26	12.35
Earnings per Share (Note)		3.60	5.20

Note: It is calculated based on the weighted average number of outstanding shares in the current year after adjustment has been made to the weighted number of outstanding shares that were increased due to employees' bonuses in the previous years, i.e., basic earnings per share.

(IV) R&D Status:

1. Annual R&D expenses invested in the past three years

Unit: NT\$ thousand

Item/Year	2021	2022	2023
Consolidated net revenue	3,866,828	4,339,428	4,962,135
Consolidated R&D expenses	133,028	151,244	163,891
Ratio of consolidated R&D expenses to consolidated net revenue	3.44%	3.49%	3.30%

2. 2023 R&D Results

The Company made R&D mainly for high-speed connectors, connection harnesses and optical modules in the three major industrial fields that are applied to AI servers, data center switches, 5G telecommunications, ISP server rooms, IoT and smart connection industries...etc.

The Company focused on:

- (1) Developing PCI-e CEM interface that support SFF-TA-1002/SFF-TA-1020, OCP 3.0, motherboard, AI GPU and storage devices.
- (2) Developing PCI-e CEM interface that support SFF-TA-1016/SFF-TA-1033, motherboard, AI GPU and storage devices.
- (3) Developing SFF-TA-1016 that is qualified for PCI-e Gen 5 and also upgradable to PCI-e Gen 6, fulfilling the needs of AI servers that require low height connectors due to limited space.
- (4) Developing SFF-TA-1033 that is qualified for PCI-e Gen 5 and also upgradable to PCI-e Gen 6, and support current transmission exceeding 55 amperes.
- (5) Developing connectors that are suitable for SFF-TA-1006, SFF-TA-1007, SFF-TA-1008, SFF-TA-1009 and EDSFF, fulfilling the needs of various system designs.
- (6) Launching 800G internet switch and network interface card, including products of 8-channel (OSFP/OSFP-RHS) 800G and 4-channel (QSFP) 400G, improving the completeness of product lines.
- (7) Developing 400G/200G loop back modules to increase the shipping of 400G products in data centers.
- (8) Developing 8-channel (OSFP/OSFP-RHS) 800G and 8-channel (OSFP/QSFP-DD) 400G active copper cables in response to the substantial data transmission required by AI applications.
- (9) Developing multi-channel 800G, single-channel 50G optic transceiver module and multi-channel 200G AOC/400G AOC in response to the

substantial data transmission required by AI applications. Also successfully secured invention patent and provided samples to North American clients.

(10) Accelerating expansion of the application of connector products in vehicles, with the covering scope as follows:

Item	Covering scope	Description
1	Electronic wiring harness for vehicles: ADAS advanced driving-assistance system	Coaxial harness for radar and imaging devices
2	Vehicle information system	Signal and control wiring harness for connecting audio-visual entertainment and smart phone to the peripherals of vehicle system
3	Wiring harness for applying electric power	Wiring harness for management on batteries, and for energy storage devices, DC rapid charging system and power supply devices, of electric vehicles

Improving the ability to research, develop, and design connector + wire assembly and to integrate proposals, and providing management process certification in line with ISO and IATF 16949 under the comprehensive service of QCDS to research and develop:

- High-voltage and high-current connectors for vehicles
- High-voltage power harness
- Vehicle ethernet
- Wiring harness related to new energy storage system

The Company has successfully become a formally qualified supplier of first-line brands by vertically integrating design and manufacturing.

(11) JPC focused on the development of high-voltage and high-current connectors for vehicles:

- with 45A~200A~250A~500A series of wiring harness, in response to electric vehicles that are powered by power batteries
- TL series are mainly the core components of electric vehicles:

Item	Core components of electric vehicles	Description
1	Three power-related big components	Power battery (Battery), driving motor (Motor), motor controlling unit (MCU)
2	Three power-related small components	(DC/DC converter, On-Board Charger (OBC), Power Distribution Unit (PDU)

(12) Developing PSL200 series of energy storage systems: to provide power, commercial, household, communication ESS and UPS solutions.

(13) Characteristics of high power series of connector products:

Item	Characteristics	Description
1	Different water-proof and dust-proof options	Including IP67, IP68, P69K...etc.
2	High voltage interlock (HVIL)	It can provide protection based on detection (failure alarm/cutting off HV power output/reducing HV output power).
3	The secondary lock	It can prevent buckle from loosening during operation and provide secondary protection of non-disconnection to increase safety.

Future trend: The Company will become the first choice of major manufacturers upon choosing the best OEM/ODM partner in vehicle electronics industry by providing the value-added services to meet customer's demands. The Company will also expand the promotion of its standard products, accelerate its development in electric vehicle and new energy markets, and is committed to becoming the best supplier for all-around solutions of NEV connectors and cables.

(14) For the high-speed application of high-performance and vehicle grade of PCIe 5.0 & GENZ:

- Self-driving vehicles will require a large amount of storage devices.
- Providing built-in ADAS advanced driving-assistance system (ACC, LKA, AEB and other functions)
- Establishing multiple sensors (radar, lidar, camera)

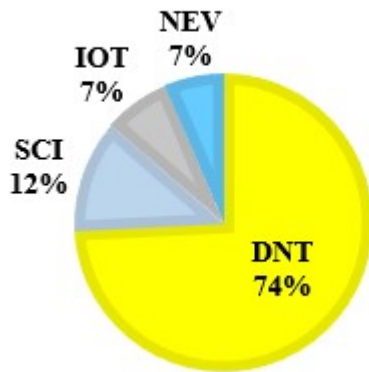
These products can meet the demands of PCIe interfaces that require high-performance, reliability and maintainability, and will become the best choices in vehicle market.

(15) The Company's patents cover Taiwan, America, China, Japan and Europe, and has over 200 patents accumulatively, including:

Item	Scope of Patents
1	High-speed cable assembly structural design (including shielding structure, unfastening structure, heat dissipation structure)
2	Signal integrity PCB board structural design
3	High-speed optical core technology
4	High-current connector design
5	High-frequency connector design

The number and proportion of patents of each BU and in different countries as of 2023:

Proportion of patents by BU



Proportion of patents by region



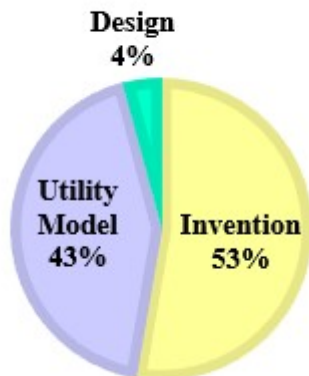
DNT : Datacenter/Networking/Telecom

SCI : Smart Connection Industry

IOT : Internet of Things

NEV : New Energy Vehicle

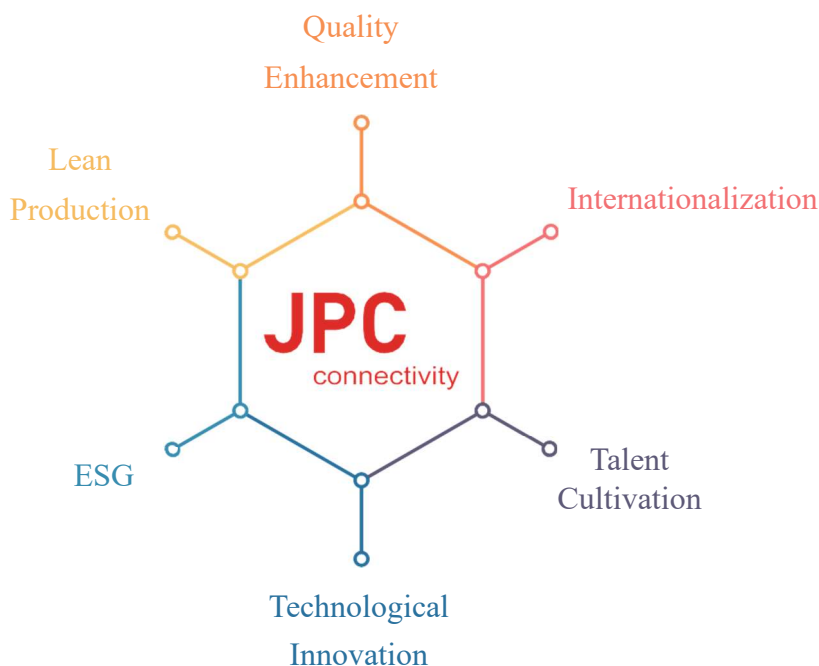
Proportion of patent types



There is cumulative total of 220 patents obtained as of 2023.

II. Overview of 2024 Business Plan

(I) JPC's vision



(II) Business policies

1. Products that the Company will focus on:

Anticipating the integration of AI with cloud services, the Company aims to deepen the connectivity of AI critical supply chains and seize the opportunities for incorporating new product developments. With the increasing demand for high-speed requirements facilitated by AI servers and propelled by advancements in data networking, telecommunications, intelligent connectivity industries, as well as the new energy sector, the Company endeavors to grasp growth trends and profit opportunities, thus becoming the primary driving force behind the Company.

2. Upgrade of management:

The Company will continue to keep and develop talents to make arrangement for sustainable business in advance. It will make information digitized and transparent, further making the managing process more efficient and the Company more competitive.

3. Digital transformation:

In addition to America and Japan, the Company will accelerate the expansion of digital sales channels (website: <https://www.jpcco.com/zh-tw/>) and service localization in order to promote its products to the markets in Southeast Asia, Russia, Brazil, Eastern Europe and Europe.

(III) Expected sales volume and its basis

With the increasing demand for speed driven by AI servers, the Company aims to deepen the connectivity of AI critical supply chains and seize the opportunities for new product development integration in 2024. Through technological enhancements and raising the technical threshold, the Company focuses on advanced and high-margin products. Additionally, the Company maintains well and long-standing relationships with major renowned data centers and network equipment vendors in the United States and Japan, establishing profound partnerships characterized by smooth communication to ensure stability in production and sales quantities.

(IV) Important manufacturing and sales policies

1. In order to maintain a competitive edge, the Company has increased investment in a second factory in Vietnam, boosting production capacity and shipment stability. Concurrently, the production lines at the Company's Taipei headquarter are being upgraded and expanded to mitigate risks. Additionally, strategic partnerships with additional factory sites and product alliances are being pursued, with the aim of providing the Company a broader stage for production and sales momentum.
2. Embracing lean management principles, the Company proactively manages business opportunities through systematic approaches, aiming to control and expedite processes to achieve higher win rates, thereby enhancing business output and efficiency. This strategy enables the sales teams to serve clients more effectively and precisely. Furthermore, it assists the Company in enhancing regulatory compliance, process clarity, and information integration. With a global perspective, the Company actively seeks additional agents, sales representatives and distribution channels with the goal to strengthen localization while simultaneously expanding the international presence.

III. Future Development Strategies of the Company

In 2024, the chairman will lead the management team and staff to make changes in thought, practice, attitude, learning ability and resilience fully from the inside to the outside, and improve the morale and professional ability of the team through learning and individual development, in addition to continuing to be committed to the development of technologies for products and innovation for services.

JPC will also make alliance and cooperate with the strategic partners specializing in energy solutions as well as medical and industrial connectors to share business bases and

channel resources to create complementary advantages, and to promote businesses to each other and extend their service for customers to the markets in various continents as a team, which will facilitate JPC to build a more extensive scope and strengthen its operating strength in industrial and vehicle markets.

JPC shows its ambition for future development that it will upgrade its smart production lines in Taipei, stabilize the mass manufacturing and shipment in its factories in Vietnam and the sales platform of its subsidiaries in Thailand, and expand the complementary strategic cooperation with the factories in Taiwan and mainland China. JPC is fully prepared. Looking forward to 2024, we will provide different and professional services based on the core value of fine and good management to move forward steadily, with a view to change our knowledge and experience accumulated in many years into the power to provide external services to improve the application value of JPC’s overall solutions in relevant fields.

The Company will develop and operate in 2024 by focusing on the following:

(I) R&D strategies:

Item	Product Application	R&D Focus	Future Development
1	Datacenter Networking Telecom (DNT)	High-speed transmission industries related to AI server, 5G telecom, edge computing, storage device, high-speed switches and data center.	<ul style="list-style-type: none"> - Remain closely aligned with the technological development pathways of PCI-e, CXL, and JEDEC associations - 1.6T high-speed transmission technology - Upgrade of PCI-e Gen 6 specification - New application interfaces such as SFF-TA-1026/SFF-TA-1033/SFF-TA-1034/SFF-TA-1035 and transmission exceeding 55 amperes - Increase the length of 800Gbps ethernet - Develop 800Gbps InfiniBand application - Develop NVLink 224Gbps application - Application of liquid cooling
2	Smart Connection Industry (SCI)	Integrate industrial automation, automotive electronics, new energy, and medical-related intelligent connectivity, with a focus on high-speed, high-voltage, waterproof and diverse services. <ul style="list-style-type: none"> - High-end consumer products such as VR and TV 	<ul style="list-style-type: none"> - Continued adoption of the sophisticated R&D and integration of Vehicle-to-everything in multiple fields - Continued development in the industries related to IIoT, electric vehicles and new energy storage - Development of high-voltage and high-current connectors and Ethernet for

		<ul style="list-style-type: none"> - Various combined services for high-end European and Japanese brand DSC cameras - PCI-e 5.0 ~ 6.0 for gaming - Drive the industrial automation in Taiwan by promoting the Yamaha robotic arms 	<p>vehicles, and new energy storage system-related wiring harnesses in compliance with ISO, IATF 16949 and ISO13485 management certification</p>
3	Internet of Things (IoT)	<ul style="list-style-type: none"> - Develop wireless communication modules such as BLE, Wifi, Zigbee, NB-IoT, LTE, and provide IoT customization - Develop sensors such as Vibration Sensor, Gyro Sensor, AQM Sensor and products for smart home, sports and smart factory - Build mainstream cloud platform, such as Apple, Google and Amazon, to make the product development easier for clients 	<ol style="list-style-type: none"> 1. Develop general standard modules and products for Matter. <ul style="list-style-type: none"> - Intelligent sensing parts: <ol style="list-style-type: none"> a. environment sensors with wireless communication, Modbus, Wifi-Halow, Sub 1Ghz functions. b. Combination of environment sensors and air-conditioning related devices to control HVAC and achieve energy-saving and carbon reduction. 2. Provide user-friendly systems for elders by developing wireless, environmental and physiological sensors. 3. Batter-free RC solution – adaptive energy harvesting 4. Customizable QC 2.0 and 100W wireless charger 5. Develop customizable waterproof and dustproof electronic structural design

(II) Sales strategies:

In 2024, the Company focuses on brand localization and expanding the presence in American data, offering AI server customers more flexible options. Simultaneously, the Company enhances the relationship-building efforts in order to explore future market trends and gather market information, further improving market penetration and share. Additionally, the Company actively participates in domestic and international exhibitions to increase brand visibility.

In 2024, the Company collaborates with SACO, a US-based company, to integrate resources and deepen the engagement with SACO's existing clients. In the European market, the Company continues to improve localization and enhance brand awareness. In Asia, the Company persists in developing markets in Southeast and Northeast Asia.

In 2024, the Company accelerates globalization efforts by establishing multiple subsidiaries and sales offices. Concurrently, the Company actively participates in significant domestic and international exhibitions such as the OptoElectronics and Communications Conference (OECC) and COMPUTEX, as well as industry associations such as O-RAN, BICSI, TECA Automotive Alliance, connector association and 5G Smart Pole Standard Promotion Alliance. Through electronic advertising platforms and media interactions, the Company continues to enhance brand visibility, explore new clients, gather market information, and grasp demand trends, further increasing market penetration and share.

(III) Manufacturing strategies:

With a focus on customer-centricity, JPC's manufacturing strategy aligns with international market demands, which require greater flexibility and agility. Given the ongoing fluctuations in the global economy and government policies, JPC adapts to such fast-changing conditions by adopting a strategy centered around Multiple Production Sites. This approach enables JPC to deploy flexible production strategies, offering clients more versatile and comprehensive product solutions. Recently, the Company has expanded the footprint to Northern Vietnam, establishing a new manufacturing base that primarily produce products such as Power Cables and High-Speed Connectors for data centers, automotive, and new energy industries. Furthermore, JPC integrates automation and intelligent manufacturing technologies while collaborating with strategic supply partners for key component materials across all production bases simultaneously.

In response to the prevailing trend of short lead times and small-batch, high-variety purchases, JPC has established a dedicated department called the "Equipment Technology Development Division." This department actively collaborates with production units across various factories to integrate current automation technologies into production process in order to fulfill market trends, whether cyclical or seasonal, and any other irregular needs. By incorporating automation technologies and leveraging business intelligence (BI), big data and machine learning, JPC aims to improve predictive accuracy and mitigate risks, further creating more value and competitive edge.

Furthermore, JPC is proactively assessing the lead times for critical materials and collaborating with strategic partners to reduce production costs, share resources, enhance information transparency and optimize stock levels. This collaborative effort aims to provide clients with more stable supplies and also achieve a balance between demand and output in order to better manage the stock levels, further improving the profitability and competitiveness.

IV. Impacts of External Competitive Environment, Regulatory Environment and Overall Business Environment

(I) External competitive environment:

There are many uncontrollable external factors such as exchange rate fluctuation, exhaustion of resources, international energy crisis, greenhouse effect, sharp rise in the prices of international crude oil and raw materials, and the decrease in population. Fortunately, driven by the market trends of AI and new energy, Taiwan possesses a remarkable ability to integrate downstream products with significant differentiation and niche characteristics. This will inevitably lead the overall manufacturing industry towards a transformation from traditional manufacturing to "manufacturing as a service," emphasizing highly customized, value-added products and services as the decisive factor.

(II) Regulatory environment:

1. The Company continues to promote ESG actively, and implement compliance with laws and regulations, so as to be a sustainable enterprise that complies with information transparency requirements and relevant laws and regulations.

2. ESG:

JPC has established a Sustainable Development Committee to contemplate its corporate social responsibility, taking into account the interests of all stakeholders, including employees, clients, suppliers, consumers, communities and natural environment. The committee sets medium to long-term ESG directions, measures the Company's sustainable operation capabilities from three ESG dimensions, aligns with international standards, establishes and implements sustainable strategies and goals, and balances the interests of all stakeholders, fully integrating ESG policies into daily operations.

3. Public welfare and giving back to the society:

(1) The Company has been a long-time supporter of the annual performances of XinXin Nanguan Ensemble, Cloud Gate Dance Theater and promotion of dance education...etc. The Company not only participates in diversified arts and cultural groups, but also encourages employees to actively take part in enjoying high-quality performances to bring an artistic and cultural atmosphere into its corporate culture.

(2) The Company initiates love-transmitting, care and public welfare project. JPC would like to donate its relevant products (such as copper-axis cables, optical receiving and sending modules, energy storage and EV new energy...etc.) if there are demands related to smart connection industry, data, network, telecommunication, IoT, vehicle and new energy, in order to

provide assistance to public welfare groups and encourage education groups to make innovation continuously, with a hope to make public welfare and care services more powerful by virtue of its expertise to create a better and more diversified society.

(III) Overall business environment:

In addition to main products in cloud high-speed/netcom/telecom 5G fields, there is a continued acceleration of market penetration rate regarding the current popular IoT, NEV energy & vehicle electronics, medical electronics, industry 4.0 and other forward-looking industries, which brings better product portfolios for the Company and increases the sales with a high value, high gross profit and high growth.

At present, the Company faces challenges that are fiercer than before, but there are also various opportunities such as 5G, artificial intelligence (AI) and cloud computing. The Company's rapid responsiveness, coupled with strong cohesion, has enabled us to swiftly address challenges at the outset. Looking ahead, JPC will continue to establish service centers and deploy sales representatives globally, ensuring to provide clients with faster and more value-added services.

JPC also integrates ESG principles into its business operations and aim for three goals of corporate happiness, mutual prosperity, and sustainable Earth. With professionalism and teamwork, JPC provides services and technologies while fostering a supportive environment for employees to work and grow safely. The Company prioritizes the protection of employee, clients, society and the environment, and actively promotes carbon reduction and environmental friendliness. JPC is committed to long-term, sustainable operations and fulfilling corporate social responsibility while in pursuit of performance.

We sincerely thank all our shareholders for their care, trust, and support. We are committed to working hand in hand with our partners to face future challenges together. We appreciate the support and encouragement from our shareholders over the past year.

Chairman : SHU-MEI CHANG

President : SHU-MEI CHANG

Accounting Supervisor : CHIH-PING CHENG

Audit Report of the Audit Committee

The Company has prepared the Parent Company Only Financial Statements, Consolidated Financial Statements, Earnings Distribution Table, and Business Report for the year of 2023. The Reports with unqualified opinions issued by PwC Taiwan separately have been reviewed by us, the Audit Committee, and there is no discrepancy in our opinion, and we issue the Review Report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please check the Report.

Sincerely,

JESS-LINK PRODUCTS CO., LTD.

2024 Annual Shareholders' Meeting

Audit Committee member : Jing-Hua He

March 6, 2024

Audit Report of the Audit Committee

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Sincerely,

JESS-LINK PRODUCTS CO., LTD.

2024 Annual Shareholders' Meeting

Audit Committee member : Chih-Feng Lin

March 6, 2024

Audit Report of the Audit Committee

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Sincerely,

JESS-LINK PRODUCTS CO., LTD.

2024 Annual Shareholders' Meeting

Audit Committee member : Li-Chih Lo

March 6, 2024

Audit Report of the Audit Committee

The Company has prepared the Parent Company Only Financial Statements, Consolidated Financial Statements, Earnings Distribution Table, and Business Report for the year of 2023. The Reports with unqualified opinions issued by PwC Taiwan separately have been reviewed by us, the Audit Committee, and there is no discrepancy in our opinion, and we issue the Review Report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please check the Report.

Sincerely,

JESS-LINK PRODUCTS CO., LTD.

2024 Annual Shareholders' Meeting

Audit Committee member : Shu-Ling Wang

March 6, 2024

JESS-LINK PRODUCTS CO., LTD.

Independent Auditor's Report and Financial Statements

To the Board of Directors and Stockholders of Jess-Link Products Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Jess-Link Products Co., Ltd. (the “Company”) as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, 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. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most

significance in our audit of the Company's 2023 parent company only financial statements. 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Appropriateness of cut-off on sales revenue

Description

For the accounting policy on revenue recognition, refer to Note 4(28).

The Company's sales mainly arise from manufacturing and sales of electronic components and the Company is primarily engaged in international sales. The revenue from international sales is recognized based on the transaction terms with customers. As there are a large number of customers, sales areas and transaction terms, we considered the cut-off on sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the transaction terms of sales revenue and tested the internal controls over the recognition of sales revenue.
2. Selected samples of supporting documents used in revenue recognition, including verifying orders, delivery orders and other relevant documents to evaluate the appropriateness of the cut-off on revenue.
3. Performed cut-off test on sales transactions for a certain period before and after the end of the reporting period to assess the appropriateness of the cut-off on sales revenues.

Valuation of inventories

Description

Refer to Notes 4(13) and (14) for accounting policy on inventory valuation and investment accounted for under the equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Notes 6(6) and (7) for details of inventories. As at December 31, 2023, the Company's inventories and allowance for inventory valuation losses were NT\$194,600 thousand and NT\$28,923 thousand, respectively. As at December 31,

2023, the balances of inventories and allowance for inventory valuation losses in the consolidated financial statements amounted to NT\$606,801 thousand and NT\$43,072 thousand, respectively.

The Company and its subsidiaries are primarily engaged in the manufacture and sales of electronic components. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. The Company and its subsidiaries' inventory are stated at the lower of cost and net realisable value, and the net realisable value of inventories over a certain age and individually identified as obsolete is evaluated based on the historical data on inventory clearance and discounts. The allowance for inventory valuation losses is presented under "inventories" and "investment accounted for using equity method" in the parent company financial statements.

The Company and its subsidiaries operate in an environment characterised by rapidly changing technology and the calculation of the net realisable value of obsolete inventories involves subjective judgment, which would result in a high degree of estimation uncertainty. Given that the inventory and allowance for inventory valuation losses are material to the financial statements, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the Company's operations and industry. Assessed the reasonableness of the policies and procedures used to recognize allowance for inventory valuation losses.
2. Obtained the report on net realisable value of each inventory item and checked whether the calculation logic was applied consistently to each inventory item.
3. Verified the appropriateness of system logic used in the inventory aging reports which management used to assess inventories to confirm whether the information on the reports is consistent with its policies.
4. Discussed with management the estimated net realisable value of inventory items aged over a certain period and individually identified as obsolete and damaged, obtained and corroborated against supporting documents and recalculated the allowance provision.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 13 in respect of these companies, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$546,561 thousand and NT\$73,679 thousand, constituting 9% and 1% of the total assets as at December 31, 2023 and 2022, respectively, and the comprehensive income recognized from these investments accounted for under the equity method amounted to NT\$32,863 thousand and (NT\$18,555) thousand, constituting 5% and (5%) of the total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the 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 the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the 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 Standard 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 Standard 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 entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the 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 parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Wu, Jen-Chieh

Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 6, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

JESS-LINK PRODUCTS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023 AMOUNT	December 31, 2022 AMOUNT
Current assets			
1100	Cash and cash equivalents	\$ 428,051	\$ 735,890
1110	Current financial assets at fair value through profit or loss	1,453	8,714
1120	Current financial assets at fair value through other comprehensive income	150,188	158,305
1136	Current financial assets at amortised cost	214,970	30,500
1170	Accounts receivable	796,116	876,351
1200	Other receivables	279,476	44,859
130X	Inventory	165,677	185,198
1410	Prepayments	52,981	108,501
11XX	Total current assets	<u>2,088,912</u>	<u>2,148,318</u>
Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	23,342	18,502
1517	Non-current financial assets at fair value through other comprehensive income	91,860	90,540
1550	Investments accounted for under equity method	3,121,543	2,406,855
1600	Property, plant and equipment	340,260	290,697
1755	Right-of-use assets	29,191	6,706
1760	Investment property	37,679	38,085
1780	Intangible assets	5,317	6,420
1840	Deferred income tax assets	6,606	7,681
1900	Other non-current assets	28,408	24,294
15XX	Total non-current assets	<u>3,684,206</u>	<u>2,889,780</u>
1XXX	Total assets	<u>\$ 5,773,118</u>	<u>\$ 5,038,098</u>

(Continued)

JESS-LINK PRODUCTS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2023 AMOUNT	December 31, 2022 AMOUNT
Current liabilities			
2100	Short-term borrowings	\$ 100,000	\$ -
2130	Current contract liabilities	5,353	91,411
2170	Accounts payable	448,107	393,072
2180	Accounts payable - related parties	1,291,882	1,151,233
2200	Other payables	224,360	120,444
2220	Other payables - related parties	60,079	63,812
2230	Current income tax liabilities	115,293	108,792
2280	Current lease liabilities	7,469	6,628
2399	Other current liabilities	3,016	3,031
21XX	Total current liabilities	<u>2,255,559</u>	<u>1,938,423</u>
Non-current liabilities			
2570	Deferred income tax liabilities	41,709	38,059
2580	Non-current lease liabilities	21,776	112
2600	Other non-current liabilities	102,552	150
25XX	Total non-current liabilities	<u>166,037</u>	<u>38,321</u>
2XXX	Total liabilities	<u>2,421,596</u>	<u>1,976,744</u>
Equity			
	Share capital		
3110	Common stock	1,220,859	1,220,859
	Capital surplus		
3200	Capital surplus	272,568	394,654
	Retained earnings		
3310	Legal reserve	585,160	537,680
3320	Special reserve	256,966	191,539
3350	Unappropriated retained earnings	1,249,636	973,587
	Other equity interest		
3400	Other equity interest	(233,667)	(256,965)
3XXX	Total equity	<u>3,351,522</u>	<u>3,061,354</u>
	Significant contingent liabilities and unrecognized contract commitments		
	Significant events after the balance sheet date		
3X2X	Total liabilities and equity	<u>\$ 5,773,118</u>	<u>\$ 5,038,098</u>

The accompanying notes are an integral part of these parent company only financial statements.

JESS-LINK PRODUCTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	Year ended December 31	
			2023	2022
			AMOUNT	AMOUNT
4000	Operating revenue	6(19) and 7	\$ 3,605,095	\$ 3,431,206
5000	Operating costs	6(6)(21) and 7	(2,609,069)	(2,530,548)
5900	Net operating margin		996,026	900,658
	Operating expenses	6(21)		
6100	Selling expenses		(195,308)	(196,655)
6200	General and administrative expenses		(156,081)	(128,959)
6300	Research and development expenses		(125,345)	(93,790)
6450	Expected credit loss		(1,542)	-
6000	Total operating expenses		(478,276)	(419,404)
6900	Operating profit		517,750	481,254
	Non-operating income and expenses			
7100	Interest income		27,074	9,057
7010	Other income	6(3)	65,101	32,976
7020	Other gains and losses	6(20)	3,090	44,011
7050	Finance costs		(11,267)	(1,367)
7070	Share of profit (loss) of associates and joint ventures accounted for under equity method	6(7)	153,445	(43,581)
7000	Total non-operating income and expenses		237,443	41,096
7900	Profit before income tax		755,193	522,350
7950	Income tax expense	6(22)	(119,798)	(82,534)
8200	Profit for the year		\$ 635,395	\$ 439,816
	Other comprehensive income			
	Components of other comprehensive income that will not be reclassified to profit or loss			
8311	Actuarial (losses) gains on defined benefit plan	6(14)	(\$ 365)	\$ 3,676
8316	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	6(3)(18)	72,952	(70,654)
8330	Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(18)	20,540	(3,503)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		73	(735)
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		93,200	(71,216)
	Components of other comprehensive income that will be reclassified to profit or loss			
8361	Financial statements translation differences of foreign operations	6(18)	(47,159)	41,114
8380	Share of other comprehensive loss of associates and joint ventures accounted for under equity method	6(18)	(593)	(337)
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(47,752)	40,777
8300	Total other comprehensive income (loss) for the year		\$ 45,448	(\$ 30,439)
8500	Total comprehensive income for the year		\$ 680,843	\$ 409,377
	Earnings per share (in dollars)	6(23)		
9750	Basic earnings per share		\$ 5.20	\$ 3.60
9850	Diluted earnings per share		\$ 5.15	\$ 3.56

The accompanying notes are an integral part of these parent company only financial statements.

JESS-LINK PRODUCTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Capital Reserves			Retained Earnings			Other Equity Interest		Total equity
		Share capital - common stock	Total capital surplus, additional paid-in capital	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	
<u>Year ended December 31, 2022</u>										
Balance at January 1, 2022		\$ 1,220,859	\$ 479,484	\$ 12,839	\$ 498,754	\$ 179,881	\$ 817,957	(\$ 206,809)	\$ 15,270	\$ 3,018,235
Profit for the year		-	-	-	-	-	439,816	-	-	439,816
Other comprehensive income (loss)	6(18)	-	-	-	-	-	2,941	40,777	(74,157)	(30,439)
Total comprehensive income (loss)		-	-	-	-	-	442,757	40,777	(74,157)	409,377
Appropriations of 2021 earnings:	6(17)									
Legal reserve		-	-	-	38,926	-	(38,926)	-	-	-
Special reserve		-	-	-	-	11,658	(11,658)	-	-	-
Cash dividends		-	-	-	-	-	(268,589)	-	-	(268,589)
Cash dividends from capital surplus	6(16)	-	(97,669)	-	-	-	-	-	-	(97,669)
Disposal of financial assets at fair value through other comprehensive income	6(3)(18)	-	-	-	-	-	13,800	-	(13,800)	-
Disposal of financial assets at fair value through other comprehensive income from subsidiaries	6(18)	-	-	-	-	-	18,246	-	(18,246)	-
Balance at December 31, 2022		\$ 1,220,859	\$ 381,815	\$ 12,839	\$ 537,680	\$ 191,539	\$ 973,587	(\$ 166,032)	(\$ 90,933)	\$ 3,061,354
<u>Year ended December 31, 2023</u>										
Balance at January 1, 2023		\$ 1,220,859	\$ 381,815	\$ 12,839	\$ 537,680	\$ 191,539	\$ 973,587	(\$ 166,032)	(\$ 90,933)	\$ 3,061,354
Profit for the year		-	-	-	-	-	635,395	-	-	635,395
Other comprehensive income (loss)	6(18)	-	-	-	-	-	(292)	(47,752)	93,492	45,448
Total comprehensive income (loss)		-	-	-	-	-	635,103	(47,752)	93,492	680,843
Appropriations of 2022 earnings:	6(17)									
Legal reserve		-	-	-	47,480	-	(47,480)	-	-	-
Special reserve		-	-	-	-	65,427	(65,427)	-	-	-
Cash dividends		-	-	-	-	-	(268,589)	-	-	(268,589)
Cash dividends from capital surplus	6(16)	-	(122,086)	-	-	-	-	-	-	(122,086)
Disposal of financial assets at fair value through other comprehensive income	6(3)(18)	-	-	-	-	-	21,410	-	(21,410)	-
Disposal of financial assets at fair value through other comprehensive income from subsidiaries	6(18)	-	-	-	-	-	1,032	-	(1,032)	-
Balance at December 31, 2023		\$ 1,220,859	\$ 259,729	\$ 12,839	\$ 585,160	\$ 256,966	\$ 1,249,636	(\$ 213,784)	(\$ 19,883)	\$ 3,351,522

The accompanying notes are an integral part of these parent company only financial statements.

JESS-LINK PRODUCTS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 755,193	\$ 522,350
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(21)	38,063	37,997
Amortisation	6(21)	5,425	9,877
Expected credit loss	12(2)	1,542	-
Dividend income	6(3)	(17,310)	(20,929)
Interest income		(27,074)	(9,057)
Net gain on financial assets or liabilities at fair value through profit or loss	6(20)	(7,206)	(45,682)
Interest expense		11,267	1,367
Share of (profit) loss of associates and joint ventures accounted for under equity method		(153,445)	(43,581)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets or liabilities at fair value through profit or loss		9,627	29,603
Accounts receivable		78,693	(152,883)
Other receivables		(232,883)	(1,001)
Inventory		19,521	29,555
Prepayments		55,520	(71,173)
Other non-current assets		(253)	(121)
Changes in operating liabilities			
Current contract liabilities		(86,058)	(87,767)
Accounts payable		55,035	158,698
Accounts payable - related parties		140,649	207,784
Other payables		29,553	14,472
Other payables - related parties		(3,730)	(904)
Other current liabilities		(15)	(2,028)
Cash inflow generated from operations		672,114	845,137
Interest received		25,340	9,057
Interest paid		(1,955)	(1,367)
Income tax paid		(108,501)	(68,852)
Net cash flows from operating activities		<u>586,998</u>	<u>783,975</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		(30,848)	(20,382)
Proceeds from disposal of financial assets at fair value through other comprehensive income		110,597	71,357
Increase in financial assets at amortized cost		(184,470)	(30,500)
Dividends received	6(3)	53,989	33,648
Acquisition of investments accounted for under equity method		(469,960)	(20,000)
Acquisition of property, plant and equipment	6(24)	(67,480)	(26,710)
Proceeds from disposal of property, plant and equipment		-	1,478
Acquisition of intangible assets	6(11)	(4,322)	(1,483)
Decrease in refundable deposits		198	2,144
Acquisition of other non-current assets		(4,424)	(3,469)
Net cash flows (used in) from investing activities		<u>(596,720)</u>	<u>13,021</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(25)	265,000	-
Decrease in short-term borrowings		(165,000)	(-)
Payment of lease liabilities	6(25)	(7,442)	(7,998)
Cash dividends paid	6(17)	(268,589)	(268,589)
Cash dividends from capital surplus	6(17)	(122,086)	(97,669)
Net cash flows used in financing activities		<u>(298,117)</u>	<u>(374,256)</u>
Net (decrease) increase in cash and cash equivalents		(307,839)	(422,740)
Cash and cash equivalents at beginning of year		735,890	313,150
Cash and cash equivalents at end of year		<u>\$ 428,051</u>	<u>\$ 735,890</u>

JESS-LINK PRODUCTS CO., LTD.

Independent Auditor's Report and Financial Statements

To the Board of Directors and Stockholders of Jess-Link Products Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Jess-Link Products Co., Ltd. and subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Appropriateness of cut-off on sales revenue

Description

For the accounting policy on revenue recognition, refer to Note 4(30).

The Group's sales mainly arise from manufacturing and sales of electronic components and the Group is primarily engaged in international sales. The revenue from international sales is recognized based on the transaction terms with customers. As there are a large number of customers, sales areas and transaction terms, we considered the cut-off on sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the transaction terms of sales revenue and tested the internal control over the recognition of sales revenue.
2. Selected samples of supporting documents used in revenue recognition, including verifying orders, delivery orders and other relevant documents to evaluate the appropriateness of the cut-off on revenue.
3. Performed cut-off test on sales transactions for a certain period before and after the balance sheet date to assess the appropriateness of the cut-off on sales revenues.

Valuation of inventories

Description

Refer to Note 4(14) for accounting policy on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventories. As at December 31, 2023, the balances of inventories and loss allowance were NT\$606,801 thousand and NT\$43,072 thousand, respectively.

The Group is primarily engaged in the manufacture and sales of electronic components. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. The Group's inventory is stated at the lower of cost and net realizable value, and the net realizable value of inventories over a certain age and individually identified as obsolete is evaluated based on the historical data on inventory clearance and discounts.

The Group operates in an environment characterized by rapidly changing technology and the calculation of the net realizable value of obsolete inventories involves subjective judgment, which would result in a high degree of estimation uncertainty. Given that the inventory and allowance for inventory valuation losses are material to the financial statements, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the Group's operations and industry. Assessed the reasonableness of the policies and procedures used to recognize allowance for inventory valuation losses.
2. Obtained the report on net realizable value of each inventory item and checked whether the calculation logic was applied consistently to each inventory item.
3. Verified the appropriateness of system logic used in the Group's inventory aging reports to confirm whether the information on the reports is consistent with its policies.
4. Discussed with management the estimated net realizable value of inventory items aged over a certain period and individually identified as obsolete and damaged, obtained and corroborated against supporting documents and recalculated the allowance provision.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain subsidiaries which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT\$466,446 thousand and NT\$307,601 thousand, constituting 9% and 7% of the consolidated total assets as at December 31, 2023 and 2022, respectively, and the operating revenue amounted to NT\$485,686 thousand and NT\$246,862 thousand, constituting 10% and 6% of the consolidated net operating revenue as at December

31, 2023 and 2022, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Jess-Link Products Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

Responsibilities of management and those charged with governance for the financial statements

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, 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 the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the 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 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Wu, Jen-Chieh

Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 6, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

JESS-LINK PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023 AMOUNT	December 31, 2022 AMOUNT
Current assets			
1100	Cash and cash equivalents	\$ 921,043	\$ 1,337,293
1110	Current financial assets at fair value through profit or loss	208,782	171,069
1120	Current financial assets at fair value through other comprehensive income	197,185	229,997
1136	Current financial assets at amortised cost, net	377,006	32,310
1170	Accounts receivable, net	1,375,098	1,157,234
1200	Other receivables	43,501	32,994
130X	Inventory	563,729	642,091
1410	Prepayments	72,970	84,349
11XX	Total current assets	<u>3,759,314</u>	<u>3,687,337</u>
Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	23,342	18,502
1517	Non-current financial assets at fair value through other comprehensive income	223,138	214,563
1550	Investments accounted for under equity method	8,114	8,111
1600	Property, plant and equipment	457,393	427,593
1755	Right-of-use assets	110,542	62,462
1760	Investment property - net	39,664	40,042
1780	Intangible assets	540,708	95,450
1840	Deferred income tax assets	13,665	8,321
1900	Other non-current assets	178,159	41,801
15XX	Total non-current assets	<u>1,594,725</u>	<u>916,845</u>
1XXX	Total assets	<u>\$ 5,354,039</u>	<u>\$ 4,604,182</u>

(Continued)

JESS-LINK PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023 AMOUNT	December 31, 2022 AMOUNT
Current liabilities				
2100	Short-term borrowings	6(14)	\$ 100,000	\$ -
2130	Current contract liabilities	6(21)	24,081	91,379
2170	Accounts payable	7	937,660	890,025
2200	Other payables	6(15)	344,659	220,735
2230	Current income tax liabilities	6(25)	143,301	122,696
2280	Current lease liabilities	6(29)	35,234	35,381
2399	Other current liabilities		5,838	17,199
21XX	Total current liabilities		<u>1,590,773</u>	<u>1,377,415</u>
Non-current liabilities				
2570	Deferred income tax liabilities	6(25)	101,362	40,183
2580	Non-current lease liabilities	6(29)	71,309	20,010
2600	Other non-current liabilities	6(15)	106,709	7,152
25XX	Total non-current liabilities		<u>279,380</u>	<u>67,345</u>
2XXX	Total liabilities		<u>1,870,153</u>	<u>1,444,760</u>
Equity attributable to owners of parent				
Share capital				
3110	Common stock	6(17)	1,220,859	1,220,859
Capital surplus				
3200	Capital surplus	6(18)	272,568	394,654
Retained earnings				
3310	Legal reserve	6(19)	585,160	537,680
3320	Special reserve		256,966	191,539
3350	Unappropriated retained earnings		1,249,636	973,587
Other equity interest				
3400	Other equity interest	6(20)	(233,667)	(256,965)
31XX	Equity attributable to owners of the parent		<u>3,351,522</u>	<u>3,061,354</u>
36XX	Non-controlling interests		<u>132,364</u>	<u>98,068</u>
3XXX	Total equity		<u>3,483,886</u>	<u>3,159,422</u>
Significant contingent liabilities and unrecognised contract commitments				
Significant events after the balance sheet date				
3X2X	Total liabilities and equity		<u>\$ 5,354,039</u>	<u>\$ 4,604,182</u>

The accompanying notes are an integral part of these consolidated financial statements.

JESS-LINK PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

	Items	Notes	Year ended December 31	
			2023	2022
			AMOUNT	AMOUNT
4000	Sales revenue	6(21) and 14(2)	\$ 4,962,135	\$ 4,339,428
5000	Operating costs	6(6)(23) and 7	(3,525,604)	(3,239,329)
5900	Net operating margin		<u>1,436,531</u>	<u>1,100,099</u>
	Operating expenses	6(23)		
6100	Selling expenses		(325,523)	(345,132)
6200	General and administrative expenses		(304,556)	(209,691)
6300	Research and development expenses		(163,891)	(151,244)
6450	Impairment loss determined in accordance with IFRS 9		(1,351)	(15,694)
6000	Total operating expenses		<u>(795,321)</u>	<u>(721,761)</u>
6900	Operating profit		<u>641,210</u>	<u>378,338</u>
	Non-operating income and expenses			
7100	Interest income	14(2)	35,474	19,454
7010	Other income	6(2)	75,643	49,633
7020	Other gains and losses	6(22)	70,952	101,344
7050	Finance costs	14(2)	(13,464)	(3,410)
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(8)	596	(355)
7000	Total non-operating income and expenses		<u>169,201</u>	<u>166,666</u>
7900	Profit before income tax		<u>810,411</u>	<u>545,004</u>
7950	Income tax expense	6(25)	(150,092)	(99,666)
8200	Profit for the year		<u>\$ 660,319</u>	<u>\$ 445,338</u>
	Components of other comprehensive income that will not be reclassified to profit or loss			
8311	(Losses) gains on remeasurements of defined benefit obligation	6(16)	(\$ 365)	\$ 3,676
8316	Unrealised loss (gain) on financial assets at fair value through other comprehensive loss (income)	6(3)(20)	93,492	(74,157)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	73	(735)
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>93,200</u>	<u>(71,216)</u>
	Components of other comprehensive income that will be reclassified to profit or loss	6(20)		
8361	Financial statements translation differences of foreign operations		(47,587)	45,361
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		(593)	(337)
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		<u>(48,180)</u>	<u>45,024</u>
8300	Total other comprehensive income (loss) for the year		<u>\$ 45,020</u>	<u>(\$ 26,192)</u>
8500	Total comprehensive income for the year		<u>\$ 705,339</u>	<u>\$ 419,146</u>
	Profit attributable to:			
8610	Owners of the parent		\$ 635,395	\$ 439,816
8620	Non-controlling interests		24,924	5,522
			<u>\$ 660,319</u>	<u>\$ 445,338</u>
	Comprehensive income attributable to:			
8710	Owners of the parent		\$ 680,843	\$ 409,377
8720	Non-controlling interests		24,496	9,769
			<u>\$ 705,339</u>	<u>\$ 419,146</u>
	Earnings per share (in dollars)	6(26)		
9750	Basic earnings per share		\$ 5.20	\$ 3.60
9850	Diluted earnings per share		\$ 5.15	\$ 3.56

The accompanying notes are an integral part of these consolidated financial statements.

JESS-LINK PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent										
		Capital Reserves			Retained Earnings			Other Equity Interest				
		Share capital - common stock	Total capital surplus, additional paid-in capital	Treasury stock transactions	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
<u>2022</u>												
Balance at January 1, 2022		\$ 1,220,859	\$ 479,484	\$ 12,839	\$ 498,754	\$ 179,881	\$ 817,957	(\$ 206,809)	\$ 15,270	\$ 3,018,235	\$ 82,798	\$ 3,101,033
Consolidated net income		-	-	-	-	-	439,816	-	-	439,816	5,522	445,338
Other comprehensive income (loss)	6(20)	-	-	-	-	-	2,941	40,777	(74,157)	(30,439)	4,247	(26,192)
Total comprehensive income (loss)		-	-	-	-	-	442,757	40,777	(74,157)	409,377	9,769	419,146
Appropriations of 2021 earnings:	6(19)											
Legal reserve		-	-	-	38,926	-	(38,926)	-	-	-	-	-
Special reserve		-	-	-	-	11,658	(11,658)	-	-	-	-	-
Cash dividends		-	-	-	-	-	(268,589)	-	-	(268,589)	-	(268,589)
Cash dividends from capital surplus	6(19)	-	(97,669)	-	-	-	-	-	-	(97,669)	-	(97,669)
Disposal of financial assets at fair value through other comprehensive income	6(3)(20)	-	-	-	-	-	32,046	-	(32,046)	-	-	-
Business combinations	6(27)	-	-	-	-	-	-	-	-	-	5,501	5,501
Balance at December 31, 2022		\$ 1,220,859	\$ 381,815	\$ 12,839	\$ 537,680	\$ 191,539	\$ 973,587	(\$ 166,032)	(\$ 90,933)	\$ 3,061,354	\$ 98,068	\$ 3,159,422
<u>2023</u>												
Balance at January 1, 2023		\$ 1,220,859	\$ 381,815	\$ 12,839	\$ 537,680	\$ 191,539	\$ 973,587	(\$ 166,032)	(\$ 90,933)	\$ 3,061,354	\$ 98,068	\$ 3,159,422
Consolidated net income		-	-	-	-	-	635,395	-	-	635,395	24,924	660,319
Other comprehensive income (loss)	6(20)	-	-	-	-	-	(292)	(47,752)	93,492	45,448	(428)	45,020
Total comprehensive income (loss)		-	-	-	-	-	635,103	(47,752)	93,492	680,843	24,496	705,339
Appropriations of 2022 earnings:	6(19)											
Legal reserve		-	-	-	47,480	-	(47,480)	-	-	-	-	-
Special reserve		-	-	-	-	65,427	(65,427)	-	-	-	-	-
Cash dividends		-	-	-	-	-	(268,589)	-	-	(268,589)	-	(268,589)
Cash dividends from capital surplus	6(19)	-	(122,086)	-	-	-	-	-	-	(122,086)	-	(122,086)
Disposal of financial assets at fair value through other comprehensive income	6(3)(20)	-	-	-	-	-	22,442	-	(22,442)	-	-	-
Business combinations	4(3)	-	-	-	-	-	-	-	-	-	9,800	9,800
Balance at December 31, 2023		\$ 1,220,859	\$ 259,729	\$ 12,839	\$ 585,160	\$ 256,966	\$ 1,249,636	(\$ 213,784)	(\$ 19,883)	\$ 3,351,522	\$ 132,364	\$ 3,483,886

The accompanying notes are an integral part of these consolidated financial statements.

JESS-LINK PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 810,411	\$ 545,004
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(23)	112,321	124,382
Amortisation	6(12)(23)	18,323	12,489
Expected credit loss	12(2)	1,351	15,694
Dividend income	6(2)	(24,469)	(29,758)
Interest income		(35,474)	(19,454)
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	6(2)(22)	(29,965)	7,619
Gain on disposal of property, plant and equipment	6(22)	(1,153)	(3,804)
Interest expense		13,464	3,410
Share of (profit) loss of associates and joint ventures accounted for under equity method	6(8)	(596)	355
Changes in operating assets and liabilities			
Changes in operating assets			
Current financial assets at fair value through profit or loss		(4,898)	(69,314)
Accounts receivable		(249,222)	(74,757)
Other receivables		(11,555)	(9,254)
Inventories		134,722	154,965
Prepayments		11,898	12,994
Other non-current assets		(253)	(121)
Changes in operating liabilities			
Contract liabilities		(67,302)	63,093
Accounts payable		57,794	30,231
Other payables		47,724	(719)
Other current liabilities		(10,335)	9,284
Other non-current liabilities		1,706	3,463
Cash inflow generated from operations		<u>774,492</u>	<u>775,802</u>
Interest received		35,474	19,454
Interest paid		(4,152)	(3,410)
Income tax paid		(134,018)	(83,071)
Net cash flows from operating activities		<u>671,796</u>	<u>708,775</u>

(Continued)

JESS-LINK PRODUCTS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 38,536)	(\$ 53,738)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	151,686	128,469
Increase in financial assets at amortized cost		(401,067)	(30,500)
Acquisition of financial assets at amortised cost		53,779	43,412
Acquisition of property, plant and equipment	6(28)	(107,782)	(67,732)
Proceeds from disposal of property, plant and equipment		2,787	14,623
Acquisition of intangible assets	6(12)	(4,701)	(3,238)
(Increase) decrease in other non-current assets		(140,033)	1,048
Dividends received	6(2)	24,469	29,758
Net cash outflow for business combinations	6(27)(28)	(284,766)	(6,334)
Net cash flows (used in) from investing activities		(744,164)	55,768
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(29)	265,000	-
Decrease in short-term borrowings	6(29)	(165,000)	-
Payment of lease liabilities	6(29)	(52,068)	(55,327)
Cash dividends paid	6(19)	(268,589)	(268,589)
Cash dividends from capital surplus	6(19)	(122,086)	(97,669)
Net cash generated from acquisition of subsidiary	4(3)	9,800	-
Net cash flows used in financing activities		(332,943)	(421,585)
Effect of foreign exchange translations		(10,939)	8,284
Net (decrease) increase in cash and cash equivalents		(416,250)	351,242
Cash and cash equivalents at beginning of year		1,337,293	986,051
Cash and cash equivalents at end of year		\$ 921,043	\$ 1,337,293

JESS-LINK PRODUCTS CO., LTD.

Articles of Association

Comparison Table of the Provisions before and after Amendment

Section	Provisions after Amendment	Provisions before Amendment	Note
Article 19-1	<p>[...] The Company distributes earnings or recovers losses after the end of <u>each accounting year</u> in accordance with the Company Act. Upon distribution of earnings, the Company shall first estimate and retain the taxes payable, recover losses in accordance with laws, and withdraw statutory surplus reserve, unless statutory surplus reserve reaches the Company's paid-in capital. [...]</p>	<p>[...] The Company distributes earnings or recovers losses after the end of each half of an accounting year in accordance with the Company Act. Upon distribution of earnings, the Company shall first estimate and retain the taxes payable, recover losses in accordance with laws, and withdraw statutory surplus reserve, unless statutory surplus reserve reaches the Company's paid-in capital. [...]</p>	<p>This provision of earnings distribution is amended in response to the Company's policies.</p>
Article 21	<p>This Articles of Association was formulated on May 2, 1992. [...] <u>The 23rd amendment was made on June 13, 2024.</u></p>	<p>This Articles of Association was formulated on May 2, 1992. [...] The 22nd amendment was made on June 15, 2022.</p>	<p>Added the last amendment date.</p>