



Stock Code:
1587

吉茂精密股份有限公司

Cryomax Cooling System Corp.

2024 Annual General Meeting of Shareholders

Meeting Minutes

Convening method: Physical meeting

May 30, 2024

Location: Conference Room, 2F, No. 3, Gongqu 6th Road, Houliao Village,
Fangyuan Township, Changhua County

----- Disclaimer -----

THIS IS A TRANSLATION OF THE MINUTES FOR THE 2024 ANNUAL GENERAL MEETING (“THE MINUTES”) OF CRYOMAX COOLING SYSTEM CORP.(“THE COMPANY”).

THE TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NO OTHER PURPOSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE MINUTES SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

Cryomax Cooling System Corp.

2024 Annual General Meeting Minutes

1. Time: 10:00 am, May 30 (Thu.), 2024
2. Location: Conference Room, 2F, No. 3, Gongqu 6th Road, Houliao Village, Fangyuan Township, Changhua County
3. Convening method: Physical meeting
4. Attendants: All shareholders and their proxy holders, representing 35,474,446 shares, or 51.88% of the total 68,374,449 outstanding shares
5. Board Members Present: Siyuan Investment Co., Ltd. Representative: LIU, YEN-TI Director, D E N S O Representative: Yasuo Fukumi Director.
6. Attendees: LAI, CHIH WEI CPA
7. Chairperson: LIU, YEN-TI, Chairman Minute Recorder: HSU, NAI-LUNG
8. Announcing the opening of the meeting: The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.
9. Chairman's Address (omitted)
10. Items for reporting:
 - Proposal 1 (submitted by board of directors)
Reason: Submit the 2023 business report for verification.
Description: 1. For the Company's 2023 annual business report, please refer to Attachment 1.
2. To be reported by Chairman LIU, YEN-TI.
 - Proposal 2 (submitted by board of directors)
Reason: Submit the Audit report of the Audit Committee for 2023 for verification.
Description: Please refer to Attachment 2 of this Manual for the 2023 Audit Report of Audit Committee.

Proposal 3

(submitted by board of directors)

Reason: Submit the report on the distribution of surplus earnings of 2023 for verification.

Description: According to the Articles of Incorporation of the Company, the board of directors is authorized to reach a resolution to distribute the surplus earnings in cash after the end of each half of the fiscal year. The Company's board of directors has reached a resolution to distribute cash dividends for each half of the fiscal year of 2023. The amount and distribution date are as follows:

2023 (Note)	Approval Date (MM/DD/YYYY)	Distribution Date (MM/DD/YYYY)	Cash Dividends per Share (NT\$)	Total Cash Dividends (NT\$)
H1	August 10, 2023	N/A	N/A	0
H2	March 13, 2024	June 28, 2024	0.5	34,312,225
Total			0.5	34,312,225

Note: For the surplus earnings of the Company for the first half of 2023, in order to preserve the Company's working capital, was resolved by the board of directors not to be distributed.

Proposal 4

(submitted by board of directors)

Reason: Submit the report on the distribution of employees and directors remuneration of 2023 for verification.

Description: 1. Prepared based on Article 26 of the Articles of Incorporation.

2. The Company's net income of 2023 was NT\$61,161,197 before deducting the distribution of employees and directors remuneration (both NT\$1,834,836), no difference from the estimated employees remuneration of NT\$1,834,836 and directors remuneration of NT\$1,834,836.

Proposal 5

(submitted by board of directors)

Reason: Submit the treasury stock buyback execution report.

Description:1. It shall be handled in accordance with the promulgated "Regulations Governing Share Repurchase by Exchange Listed and OTC Listed Companies".

2. The execution status of the company's share repurchase is as follows:

Frequency of repurchase	The sixth time
Date of the board of directors resolution	2024/01/27
Purpose of the share repurchase	To transfer shares to employees
Period for the repurchase	2024/02/21 ~ 2024/03/26
Repurchase price range (NTD)	\$15.93--\$34.12
Class, quantity of shares repurchased (shares)	Common shares 250,000
Value of shares repurchased (NTD)	6,179,338
Quantity of repurchased shares as a percentage of total shares to be repurchased (%)	50%
Number of shares canceled and transferred	0
Accumulated number of company shares held (shares)	250,000
Percentage of total company shares held (%)	0.36%
Reason for non completion of the share repurchase	The company repurchases in batches within the price range depending on the change in stock price. In order to consider the willingness of employees to subscribe and the efficiency of capital utilization, and to take into account that the market mechanism does not affect the stock price, the implementation has not been completed.

11. Items for recognition:

Proposal 1 (submitted by board of directors)

Reason: Submit the business report and financial statements of 2023 for recognition.

Description: 1. The Company's 2023 financial statements (including balance sheet, comprehensive income statements, statements of changes in equity, and cash flow statements) have been audited by CPAs LAI,CHIH WEI and WANG,YU-CHUAN from PwC Taiwan.

2. Please refer to Attachment 1, Attachment 2 and Attachment 4 of this Manual for the business report, CPA verification report and financial statements.

Resolution: Shares represented at the time of voting: 35,474,446

Voting Results* * including votes casted electronically (numbers in brackets)	% of the total represented shares present
Votes in favor : 35,326,966 votes (13,106,765 votes)	99.58%
Votes against : 10,368 votes (10,368 votes)	0.02%
Votes invalid : 0 votes	0.00%
Votes abstained: 137,112 votes (24,899 votes)	0.38%

RESOLVED, that the above proposal was hereby approved as proposed.

Proposal 2 (submitted by board of directors)

Reason: Submit the proposal of distribution of surplus earnings of 2023 for recognition.

Description: 1. The Company's undistributed surplus earnings at the beginning of 2023 was NT\$134,646,887. The adjustment of retained earnings in 2023 was NT\$696,303. The adjusted undistributed surplus earnings were NT\$133,950,584. Net income of 2023 was NT\$42,061,252. According to the Company's Articles of Incorporation, 10% of the legal reserve of NT\$4,136,495 shall be allocated, and the special reserve allocated was NT\$174,514. The distributable surplus earnings were NT\$171,700,827. Hence, it is proposed to distribute a cash dividend of NT\$0.5 per share with amount of NT\$34,312,225, and a stock dividend of NT\$0.5 per share with amount of NT\$34,312,230, and the undistributed surplus earnings at the end of the period was NT\$103,076,372.

2. Please refer to Attachment 5 of this Manual for the surplus earnings distribution of 2023.

3. The cash dividends are calculated according to the distribution ratio up to the single digit of the New Taiwan Dollar, rounded up any amount less than NT\$1, and the total fractional amount less than NT\$1 will be included in the other income of the Company.

4. In the event of relevant matters requiring to be changed due to actual needs, amended laws, or necessary changes approved by the competent authority, it is proposed to authorize the board of directors to solely handle such changes.

5. If number of outstanding common stock shares are changed due to transfer or cancellation of treasury stocks causing dividend payout ratio to change and requires amendments, the Board of Directors have full authority to make amendments.

Resolution: Shares represented at the time of voting: 35,474,446

Voting Results* * including votes casted electronically (numbers in brackets)	%of the total represented shares present
Votes in favor : 35,325,966 votes (13,105,765 votes)	99.58%
Votes against : 11,368 votes (11,368 votes)	0.03%
Votes invalid : 0 votes	0.00%
Votes abstained: 137,112 votes (24,899 votes)	0.38%

RESOLVED, that the above proposal was hereby approved as proposed.

12. Items for discussion:

Proposal 1 (submitted by board of directors)

Reason: Discussion of new common share issuance through the increase of capital by capitalization of retained earnings of 2023.

Description: 1. To accommodate the operational requirements of the company, we propose allocating a shareholder dividend of NT\$34,312,230 from the distributable earnings of 2023. Additionally, we plan to issue 3,431,223 new shares through capitalization, with a par value of NT\$10 per share to issue new shares for the distribution of shareholder dividends.

2. The issuance of new shares from this earnings surplus is based on the shareholders' register on the record date, with each shareholder entitled to receive 50 shares per thousand shares held as a stock dividend. Any fractional shares resulting from the dividend distribution can be rounded up by shareholders to one whole share. Shareholders must complete the registration process with the company's stock transfer agent within five days from the stop transfer date. Any remaining fractional shares will be redeemed for cash at face value, rounded down to dollar. The Chairman will negotiate with specific individuals to purchase these shares at face value. If there are any changes in the total outstanding shares as of the ex-dividend date, the Board of Directors is authorized to adjust the number of shares to be distributed per share based on the actual total outstanding shares as of the ex-dividend date.

3. The shareholder rights and obligations of the new shares are the same as those of existing shares.

4. This proposal will be implemented after approval at the shareholders' meeting and subsequent filing with the securities regulatory authority. Upon approval, the Board of Directors will set a new ex-dividend date. All other matters not covered herein are hereby authorized to be handled by the Board of Directors.

Resolution: Shares represented at the time of voting: 35,474,446

Voting Results* * including votes casted electronically (numbers in brackets)	%of the total represented shares present
Votes in favor : 35,325,966 votes (13,105,765 votes)	99.58%
Votes against : 11,391 votes (11,391 votes)	0.03%
Votes invalid : 0 votes	0.00%
Votes abstained: 137,089 votes (24,876 votes)	0.38%

RESOLVED, that the above proposal was hereby approved as proposed.

13. Extempore motion: None

14. Meeting adjourned: At 10:23 a.m. on the same day, the chairman announced the adjournment of the meeting

There are no questions from shareholders at this shareholders meeting.

Cryomax Cooling System Corp.

2023 Business Report

Dear Shareholders,

First of all, we would like to welcome you to attend this year's shareholders' meeting despite your busy schedules. On behalf of the Company, we would like to express our highest gratitude to all shareholders for the support. The following is the report on the Company's 2023 business operating results and future prospects.

1. 2023 Business Report

(1) Business results

Unit: NT\$1,000

Profit and Loss (Individual Financial Statements)	2023	2022	Increase/ Decrease	Change (%)
Net operating income	1,493,762	1,800,057	(306,295)	(17.02)
Operating cost	1,360,232	1,600,440	(240,208)	(15.01)
Unrealized sales loss(profits)	451	(7,610)	8,061	(105.93)
Net operating gross profits	133,981	192,007	(58,026)	(30.22)
Operating expenses	117,296	133,922	(16,626)	(12.41)
Operating benefits	16,685	58,085	(41,400)	(71.27)
Non-operating income and expenses	40,806	112,298	(71,492)	(63.66)
Pre-tax income	57,491	170,383	(112,892)	(66.26)
Income tax expense	15,430	33,478	(18,048)	(53.91)
Net profit for the period	42,061	136,905	(94,844)	(69.28)

Unit: NT\$1,000

Profit and Loss (Consolidated Financial Statements)	2023	2022	Increase/ Decrease	Change (%)
Net operating income	2,122,061	2,535,296	(413,235)	(16.30)
Operating cost	1,677,394	1,945,906	(268,512)	(13.80)
Unrealized sales benefits	444,667	589,390	(144,723)	(24.55)

Net operating gross profits	389,755	423,032	(33,277)	(7.87)
Operating expenses	54,912	166,358	(111,446)	(66.99)
Non-operating income and expenses	3,245	29,613	(26,368)	(89.04)
Pre-tax income	58,157	195,971	(137,814)	(70.32)
Income tax expense	16,096	59,066	(42,970)	(72.75)
Net profit for the period	42,061	136,905	(94,844)	(69.28)

(2) Budget implementation

The Company has not prepared a public financial forecast of 2023, so it is not applicable.

(3) Income and expense

Unit: NT\$1,000

Items (Individual Financial Statements)	2023	2022	Amount of Change
Net cash inflow from operating activities	126,534	117,742	8,792
Net cash (outflow) inflow from investing activities	(394,526)	34,868	(429,394)
Net cash inflow (outflow) from financing activities	153,805	(46,829)	200,634

Unit: NT\$1,000

Items (Consolidated Financial Statements)	2023	2022	Amount of Change
Net cash inflow from operating activities	345,472	366,719	346,916
Net cash outflow from investing activities	(428,746)	(146,161)	(40,897)
Net cash inflow (outflow) from financing activities	97,301	(95,740)	(163,225)

(4) Profitability Analysis

Year			
Analytical Items (Individual Financial Statements)		2023	2022
Return on Assets (%)		2.14	5.58
Return on Shareholders' Equity (%)		3.03	10.20
Ratio of paid-in capital (%)	Operating Income	2.43	8.46
	Earnings before Taxes	8.38	24.83
Net Profit Margin (%)		2.82	7.61
EPS (NT\$)		0.61	2.00

Year			
Analytical Items (Consolidated Financial Statements)		2023	2022
Return on Assets (%)		2.05	4.94
Return on Shareholders' Equity (%)		3.03	10.20
Ratio of paid-in capital (%)	Operating Income	8.00	24.24
	Earnings before Taxes	8.47	28.55
Net Profit Margin (%)		1.98	5.39
EPS (NT\$)		0.61	2.00

(5) R&D Progress

Due to the trend of environmental protection and the rise of electric vehicles, automobile manufacturers have successively developed low-carbon emission internal combustion engines, changed the fuel supply system, and reduced the delay time of idle speed or increased the turbine, etc. These designs are different from the past. The demand for radiator is large and more precise. How to effectively meet the radiator requirements of vehicles and effectively save production costs, and meet the requirements of various radiator systems for vehicles in harsh environments. The Company and the subsidiaries are committed to the R&D and production of automotive radiator systems, and we hereby list the important R&D achievements in 2023:

Year	R&D Results and Achievements
2023	1.Successful development of both water-cooled and air-cooled radiators, suitable for projectors. 2.Successful development of the oil-electric hybrid vehicle ICE and inverter radiator water tank, suitable for hybrid vehicles. 3.Successful development of the EV electric vehicle radiator water tank, suitable for cooling vehicle inverters and high-voltage electric motor systems. 4.Successful development of the CDU (Cooling Distribution Unit) all-aluminum and plastic-aluminum radiators, suitable for servers. 5.Successful development of the low-temperature water tank Intercooler Radiator, designed for cooling the auxiliary low-temperature water tank in intercoolers.

(6) Future research projects and estimated investment costs

1. R&D achievements and future R&D direction

The Company's major products are radiator water tanks for vehicles. In the future, the product lines will expand the development of radiator systems and air conditioning system components for vehicles, and we will continue to develop and improve the radiator water tanks.

(1) External oil-cooled tube

External oil radiator and external transmission fluid radiator are suitable for refitting and sales service markets, and can meet various customization needs. In response to hotter climate, using external oil-cooled tubes can provide higher transmission efficiency, avoid high-temperature oil film deterioration and loss of protection, and extend the service life of engine cylinders and gearboxes.

(2) High-performance radiator water tank

By adopting the basis of DENSO water tanks, we develop a lightweight and miniaturized water tank, which is suitable for global vehicle radiator water tanks. We study the radiator units to adjust the material characteristics, and by combining with the advantages of self-made water pipes, we are expecting to increase the space for heat dissipation by 30%, and the efficiency by 10% compared with conventional water tanks. Such specifications can realize lightweight and

miniaturization, and increase the degree of freedom of the engine room.

(3) Air conditioning system for vehicles - Condenser

The development of vehicle air conditioning system condensers can be integrated with water tanks and fans to develop modules to improve development efficiency and precision.

(4) Heat exchanger for vehicles - Multifunctional water tanks

Based on the development of various types of electric vehicles, new concepts for radiator modules have also emerged, and the multifunctional water tank for hybrid vehicles that combines engine radiators, inverter radiators, and power motors has emerged as the times require. Compared with independent inverter radiators, the multifunctional water tank can save vehicle space, features a simple structure and saves assembly man-hours, and is able to improve efficiency in production lines.

(5) Electric vehicle battery radiator- Water-cooled plate water tank

Based on the existing process equipment, we utilize software for preliminary calculation to develop and verify the reliability of the cooler that meets the environmental requirements.

(6) Electronic cloud server heat exchange - Water-cooled water tanks or condenser radiators

To meet the needs of electronics factories, we introduce existing process capabilities and develop radiator conditions that satisfy customer needs.

2. R&D Projects

The technology research and development of Taiwan integrates Jiwang Mold Factory and Nanjing Factory, and adopts the simultaneous development strategy of technology R&D and patent analysis layout. By the analysis of patents and market-related information before research and development, the correlation between research and development topics and potential markets is improved, and the information analysis is adopted to interpret the

informatization and automation of the R&D design process for improving R&D efficiency. DENSO technology is able to improve and develop high-performance radiator water tanks, oil-electric hybrid multi-functional radiator water tanks, and the long-term expansion and development of vehicle component layout and radiator system integration research and development, and the estimated investment in research and development in the next year will account for about 2% to 4% of revenue.

Items	R&D Projects
Radiator Water Tank	Develop lightweight, miniaturized, high-performance cooling water tanks, and multi-functional radiator water tanks for hybrid vehicles
Transmission oil-cooled system	Developed external ATF transmission oil radiator
Air-conditioning cooling system	Develop condenser products
EV cooling system	Develop battery radiator products
Electronic cloud server cooling system	Develop customized water-cooled or condenser products

2. 2024 Business Plan

(1) Business Policy

1. Promoting mass production and shipment from the Mexican factory showcases the advantage of local supply, aiming to secure more customer orders.
2. Maintaining strong cooperative relationships with existing customers and supporting promising partners fosters mutual growth and success.
3. Enhancing factory production efficiency and capacity, while ensuring product quality, to meet customer demands.
4. Leveraging the tariff advantages of shipping from Taiwan to the United States to expand revenue and market share.

5. The group manages as a whole, plans the production of each factory, flexibly allocates the inventory of each factory, and shortens the delivery time for customers.

(2) Expected sales volume and basis

1. Estimated sales volume: The Company has not issued the public financial forecasts. Our estimated sales volume is based on the market overview forecast and the assessment of customer potential in 2023. It is expected that the achievement of sales volume target for 2024 will be optimistic.
2. Basis: Based on the Company's expected goals while considering changes in the overall industry, the prediction is carried out for market demand and external economic prosperity.

(3) Important production and sales policies

1. Focus on quality management and provide customers with the best products and services.
 2. Driving the Mexican factory into the mass production phase to mitigate the impact of geopolitical risks and enhance stability.
 3. Continuously optimizing processes and equipment to increase output and production efficiency, thereby generating profit.
3. Company's future development strategies and impact from external competitive environment, regulatory environment and overall economic environment

The company continues to focus on the development of the core business in the thermal management sector. We specialize in the production and distribution of automotive radiators and their components, meeting customer demands with high efficiency production and excellent product quality. Additionally, in the non-automotive thermal management products sector, we actively collaborate with customers on product sampling and prototyping to explore new orders. Over the past year, both revenue and

profitability were impacted by unfavorable factors such as customer inventory adjustments and price competition among competitors in the industry. Compared to 2022, there was a decline in both revenue and profit. For 2023, the earnings per share were at NT\$0.61.

As 2024 unfolds, while there is still uncertainty surrounding the depreciation of the US dollar due to potential interest rate cuts in the United States, the customer inventory adjustment activities have largely concluded. We anticipate that order volumes will gradually return to normal levels. This year, the main focus is on ramping up production and supply from the Mexican factory. Leveraging advantages such as shortened lead times for customers, reduced shipping costs, and the imposition of tariffs on Chinese-made radiators imported into the United States, we aim to expand our market share and secure more customer orders. In terms of compliance with the regulations, we strictly comply with the requirements of local laws and regulations, and constantly focus on the implementation and control of legal changes. With professional division of labor of the Company's management team and the sound and effective internal control system, we can ensure our compliance with government laws and regulations.

Last but not least, we would like to thank all the shareholders for taking time from your busy schedules to attend this shareholders meeting. Please continue to give us support and advice to the Company's management team. On behalf of all the colleagues in the Company, we would like to express our sincere gratitude and wish you all a healthy and prosperous life.

Cryomax Cooling System Corp.

Chairman: LIU, YEN-TI

Audit Report of the Audit Committee

The board of directors has prepared the Company's 2023 annual business report, financial statements, and surplus earnings distribution proposal. Among them, the financial statements have been audited by CPAs LAI,CHIH WEI and WANG,YU-CHUAN from PwC Taiwan appointed by the board of directors, and an Audit Report is hereby issued.

The above-mentioned business report, financial statements, and surplus earnings distribution proposal have been reviewed by the Committee, and it is confirmed that there is no discrepancy. Hence, the Committee hereby issues the Audit Report in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To:

Cryomax Cooling System Corp. 2024 Annual General Shareholders' Meeting

Chair of Audit Committee: Yan, Wen-Jyh

March 13, 2024

CPA Audit Report

(2024) Tsai-shen-bao-zi No. 23004042

To: Cryomax Cooling System Corp.

Audit Opinions

Cryomax Cooling System Corp.'s parent company's only financial statement of December 31 2023 and 2022, the parent company's only comprehensive income statement, the parent company's only statement of changes of equity, and the parent company's only cash flow statement from January 1 to December 31 of 2023 and 2022 and the notes to the parent company only financial statements (including the summary of major accounting policies) have been audited by the CPA of the Firm.

According to the opinions of the CPA, the above-mentioned parent company's only financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material aspects, which are sufficient to express the parent company only financial status of Cryomax Cooling System Corp. on December 31, 2023 and 2022, and parent company only financial performance and parent company only cash flow from January 1 to December 31 in 2023 and 2022.

Basis for Audit Opinions

The CPA performs the audit work in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The CPA's responsibilities under these standards will be further explained in the section of the CPA's responsibilities for reviewing and auditing parent company only financial statements. The personnel of the accounting firm the CPA affiliates have maintained detached independence from Cryomax Cooling System Corp. in accordance with the professional code of ethics for CPA of the Republic of China, and have fulfilled other responsibilities of the code. Based on the audit results of our accountant and the audit reports of other accountants, the CPA believes that sufficient and appropriate audit evidence as a basis for expressing the audit opinions has been obtained.

Emphasized Matters

As stated in Note 3(1) of the financial statements, Cryomax Cooling System Corp. and its subsidiaries have been affected by the amendments to IAS 12, "Deferred income tax relating to assets and liabilities arising from a single transaction", effective from January 1, 2023. Consequently, retrospective application of this accounting standard has been made, adjusting the affected items in the prior financial statements. The CPA has not amended the audit opinion due to this matter.

Key Items for Auditing

Key audit items refer to the most important items in the audit of the 2023 parent company's only financial

statements of Cryomax Cooling System Corp. based on the professional judgment of the CPA. These matters have been treated in the process of reviewing and auditing the parent company only financial statements as a whole and forming audit opinions, and the CPA does not express independent opinions on these matters.

The key audit items of Cryomax Cooling System Corp.'s parent company's only financial statements in 2023 are as follows:

Correctness of Sales Revenue Cut-off

Descriptions

For the accounting policy of sales revenue, please refer to Note 4 (24) of the parent company only financial statements; for the description of accounting items for sales revenue, please refer to Note 6 (16) of the parent company only financial statements, and the daily operating revenue in the parent company only financial statement from January 1 to December 31, 2023 is NT\$1,493,762 thousand.

The sales to customers involve making and selling all kinds of vehicle metal water tank products. The sales to customers are based on the transaction conditions agreed by individual customers and the transfer of control of the products is confirmed after shipment, and revenue is recognized. In particular, whether the control of the shipped products has been transferred to the buyer in accordance with the agreed transaction conditions before the end of the reporting period will affect the financial statement period to which the sales revenue belongs, the aforementioned matters also exist in the subsidiaries held by Cryomax Cooling System Corp. Therefore, the CPA believes that the correctness of the cut-off of sales revenue is one of the most important matters in the audit of this fiscal year.

Procedures for Auditing

The major audit procedures performed by CPA are as follows:

1. The internal control of Cryomax Cooling System Corp. at the time of recognition of sales revenue has been understood and evaluated, and the effectiveness of such control has been tested.
2. Perform cut-off test for sales transactions within a certain period before and after the end date of the financial reporting period to evaluate the correctness of the timing of revenue recognition.

Appraisal of Loss from Valuation of Inventory Allowance

Descriptions

For the accounting policy of inventories, please refer to Note 4 (11) of the parent company only financial statements; for the key accounting estimates and assumptions of inventory evaluation, please refer to Note 5 (2) of the parent company only financial statements; for the description of inventory accounting items, please refer to Note 6 (4) to the parent company only financial statements. On December 31, 2023, the cost of inventory and the balance of allowance appraisal losses were NT\$326,617 thousand and NT\$12,041 thousand respectively.

Cryomax Cooling System Corp. mainly manufactures and sells metal water tanks for various vehicles. Considering the service life of vehicles and the small-in-quantity but diverse features of products in the after-sales service market, the Company needs to prepare sufficient inventory in order to gain market share, resulting

in a higher risk of inventory depreciation loss or obsolescence. Its various inventories are measured by costs and net realizable value (whichever is lower), which are assessed for normal wear and tear, obsolescence or changes in sales prices, and the loss of price reduction is provided accordingly. The aforementioned matters also exist in the subsidiaries held by Cryomax Cooling System Corp. and are recorded as investments using the equity method. Because the estimation of the net realizable value of the inventory is considered, and the adjustment of obsolete inventory exceeding the age of the specified period involves the subjectivity of the management level, judging and assessing the amount of inventory allowance appraisal loss has a significant impact on the financial statements, so the CPA lists the inventory allowance appraisal loss as one of the most important matters for the audit of this fiscal year.

Procedures for Auditing

The major audit procedures performed by CPA are as follows:

1. Understand and evaluate the rationality of Cryomax Cooling System Corp.'s inventory evaluation policy.
2. Review Cryomax Cooling System Corp.'s annual inventory plan and participate in the annual inventory actions to evaluate the effectiveness of the management's division and control of obsolete inventory.
3. Obtain the statement used to evaluate the net realizable value of the inventory, verify the completeness of the statement and test the correctness of the net realizable value and related calculations, and then evaluate the rationality of Cryomax Cooling System Corp.'s decision to provide an allowance for price decrease losses.
4. Obtain the inventory age report to check the relevant supporting documents of the date of the inventory change, and confirm that the classification of the inventory age range is correct and consistent with its policy.

Other Matters - Mention of Audit by Other CPAs

For certain investee companies evaluated under the equity method and included in the individual financial statements of Cryomax Cooling System Corp., their financial statements have not been audited by our firm but by other CPAs. Therefore, in the CPA's opinion expressed regarding the individual financial statements mentioned above, the amounts presented in the financial statements of such companies are based on the audit reports of other CPAs. The balance of the equity method investment by the aforementioned company on December 31, 2023 was NT\$344,927 thousand, accounting for 11.47% of total asset. The comprehensive gain and loss recognized for the aforementioned company from January 1 to December 31, 2023, were NT\$6,466 thousand, accounting for 15.22% of the total comprehensive gain and loss.

Responsibilities of Management Level and Governing Units for Parent Company Only Statements

The responsibilities of the management level are to prepare financial statements that are reasonably expressed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to maintain necessary internal control related to preparation of consolidated financial statements related to ensure that there is no material misrepresentation in the consolidated financial statements due to fraud or error.

When preparing the financial statements, the responsibilities of the management level also include assessing the ability of Cryomax Cooling System Corp. in terms of going - concern, the disclosure of related matters, and the adoption of accounting basis for the going - concern, unless the management level intends to

liquidate Cryomax Cooling System Corp. or cease operations, or that except for liquidation or suspension, there is no other alternative practically available.

Governing units (including the Audit Committee) of Cryomax Cooling System Corp. are responsible for supervising the financial reporting process.

Responsibilities of CPAs to Audit Parent Company Only Financial Statements

The purpose of CPA's review and audit of the parent company only financial statements is to obtain reasonable assurance as to whether there are material misrepresentations in the parent company only financial statements as a whole resulting from fraud or error, and to issue an audit report. Reasonable certainty is of high degree of certainty, but the audit work performed in accordance with the ROC Audit Standards do not warrant that it will be able to detect material misrepresentations in parent company only financial statements. Misrepresentation may result from fraud or error. Misrepresentation of individual amounts or aggregate amounts is considered material if it can reasonably be expected to affect economic decisions made by users of the parent company's only financial statements.

The CPA adopts professional judgment and skepticism when auditing in accordance with the ROC Audit Standards. The CPA also performs the following tasks:

1. Identify and assess the risk of material misrepresentation of the parent company's only financial statements due to fraud or error; design and implement appropriate countermeasures for the assessed risks; and obtain sufficient and appropriate audit evidence as the basis for audit opinions. Because fraud may involve collusion, forgery, willful omissions, misrepresentations, or the violation of internal controls, and hence, the risk of failing to detect the material misrepresentation resulting from fraud is higher than those resulting from error.
2. Obtain the necessary understanding of the internal control related to the audit, so as to design the appropriate audit procedures under the circumstances, but the purpose is not to express opinions on the effectiveness of the internal control of Cryomax Cooling System Corp.
3. Assess the appropriateness of the accounting policies adopted by the management level, and the reasonableness of the accounting estimates and relevant disclosures made.
4. Based on the audit evidence obtained reach conclusions on the appropriateness of the management level to adopt the going-concern accounting basis, and whether Cryomax Cooling System Corp. has major uncertainties in events or circumstances that may cast significant doubt on the ability of going concern of the Shares. If the CPA believes that there are major uncertainties in such events or situations, he/she shall remind Only users of the parent company only financial statements to pay additional attention to the relevant disclosures in the parent company only financial statements in the audit report, or revise the audit opinions when the disclosures are inappropriate. The CPA's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause Cryomax Cooling System Corp. to lose the ability of going concern.
5. Assess the overall presentation, structure and content of parent company only financial statements (including relevant notes), and whether parent company only financial statements are appropriate to express relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of the individual constituents of Cryomax Cooling System Corp. to express opinions on the parent company only financial statements. The CPA is responsible for the guidance, supervision and execution of individual audit cases, and is responsible for forming audit opinions on parent company only financial statements.

The matters communicated by the CPA with the governing unit include the planned scope and time of the audit, as well as major audit findings (including significant deficiencies in internal control identified during the

audit).

The CPA also provides the governing unit with the statement that the personnel of the accounting firm that is subject to independence regulations have complied with the independence statement in the professional code of ethics for certified public accounts of the Republic of China, and communicates with the governing unit all relationships that may be considered to affect the independence of the CPA and other matters (including relevant protective measures).

From the matters communicated with the governing unit, CPA decided the key audit items of Cryomax Cooling System Corp.'s parent company only financial statements in 2023. The CPA states these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PwC Taiwan

Lai, Chih Wei

CPAs

Wang, Yu-Chuan

FSC

License Number: Jin Guan Zheng Shen Zi No. 1120348565

Jin Guan Zheng Shen Zi No. 1020028992

March 13, 2024

Cryomax Cooling System Corp.
Parent Company Only Balance Sheet
December 31, 2023, December 31, 2022 and January 1, 2022

Unit: NT\$1,000

Assets	Notes	December 31, 2023		(After adjustment) December 31, 2022		(After adjustment) January 1, 2022		
		Amount	%	Amount	%	Amount	%	
Current Assets								
1100	Cash and cash equivalents	6 (1)	\$ 140,211	5	\$ 252,937	9	\$ 149,110	6
1110	Current Financial Assets at Fair Value through Profit or Loss	6 (2)	10,151	-	13,925	1	18,236	1
1150	Net notes receivable	6 (3)	44,229	2	41,111	2	38,331	1
1170	Net accounts receivable	6 (3)	214,740	7	169,735	6	151,470	6
1180	Accounts receivable - Net of related parties	7 (2)	81,256	3	68,827	3	59,975	2
1210	Receivable—Related parties	7 (2)	135,910	5	56,538	2	104,408	4
130X	Inventory	6 (4)	314,576	10	383,396	14	417,493	16
1470	Other current assets		8,774	-	11,094	-	21,101	1
11XX	Total Current Assets		<u>949,847</u>	<u>32</u>	<u>997,563</u>	<u>37</u>	<u>960,124</u>	<u>37</u>
Non-current assets								
1550	Investments accounted for using the equity method	6 (5)	1,573,014	52	1,218,297	44	1,092,679	42
1600	Property, plant and equipment	6 (6), 7(2) and 28	461,194	15	486,374	18	496,705	19
1780	Intangible Assets		723	-	696	-	891	-
1840	Deferred income tax assets	6 (22)	21,299	1	22,653	1	38,072	2
1900	Other non-current assets		1,456	-	952	-	7,849	-
15XX	Total Non-current Assets		<u>2,057,686</u>	<u>68</u>	<u>1,728,972</u>	<u>63</u>	<u>1,636,196</u>	<u>63</u>
1XXX	Total Assets		<u>\$ 3,007,533</u>	<u>100</u>	<u>\$ 2,726,535</u>	<u>100</u>	<u>\$ 2,596,320</u>	<u>100</u>

(Continued to Next Page)

Cryomax Cooling System Corp.
Parent Company Only Balance Sheet
December 31, 2023, December 31, 2022 and January 1, 2022

Unit: NT\$1,000

Liabilities and Equity	Notes	December 31, 2023		(After adjustment) December 31, 2022		(After adjustment) January 1, 2022		
		Amount	%	Amount	%	Amount	%	
Current Liabilities								
2100	Short-term loan	6 (7) and 8	\$ 828,249	28	\$ 876,000	32	\$ 744,866	29
2110	Short-term notes payable	6 (8)	59,923	2	49,852	2	135,945	5
2130	Current contract liabilities	6 (16)	3,406	-	7,426	-	6,244	-
2150	Notes payable		120	-	-	-	240	-
2170	Accounts payable		62,584	2	34,593	1	45,423	2
2180	Accounts payable-Related parties	7 (2)	163,142	5	72,695	3	43,986	2
2200	Other accounts payable	6 (9)	59,285	2	82,735	3	86,280	3
2220	Other accounts payable-Related parties	7 (2)	3,246	-	10,017	-	6,497	-
2230	Current tax liabilities		3,239	-	2,605	-	16,799	1
2320	Long term liabilities due within one year	6 (11)	47,874	2	22,183	1	22,187	1
2399	Other current liabilities	6 (10)(16)	12,351	-	20,148	1	36,875	1
21XX	Total Current Liabilities		<u>1,243,419</u>	<u>41</u>	<u>1,178,254</u>	<u>43</u>	<u>1,145,342</u>	<u>44</u>
Non-current liabilities								
2540	Long-term Loan	6 (11) and 8	324,777	11	91,246	4	113,441	4
2570	Deferred income tax liabilities	6 (22)	64,692	2	53,878	2	38,588	1
2600	Other non-current liabilities	6 (12)	2,639	-	4,999	-	13,143	1
25XX	Total Non-current Liabilities		<u>392,108</u>	<u>13</u>	<u>150,123</u>	<u>6</u>	<u>165,172</u>	<u>6</u>
2XXX	Total Liabilities		<u>1,635,527</u>	<u>54</u>	<u>1,328,377</u>	<u>49</u>	<u>1,310,514</u>	<u>50</u>
Shareholder equity								
Share capital								
3110	Capital - common stock	6 (13)	686,244	23	686,244	25	686,244	26
Capital surplus								
3200	Capital surplus	6 (14)	376,078	13	376,078	14	376,078	15
Retained Earnings								
3310	Legal reserve	6 (15)	133,847	4	119,582	4	109,230	4
3320	Special reserve		50,296	2	89,317	3	78,087	3
3350	Undistributed surplus earnings		176,011	6	177,233	7	125,484	5
Other Equity								
3400	Other Equity		(50,470)	(2)	(50,296)	(2)	(89,317)	(3)
3XXX	Total Equity		<u>1,372,006</u>	<u>46</u>	<u>1,398,158</u>	<u>51</u>	<u>1,285,806</u>	<u>50</u>
Significant subsequent matters 11								
3X2X	Total Liabilities and Equity		<u>\$ 3,007,533</u>	<u>100</u>	<u>\$ 2,726,535</u>	<u>100</u>	<u>\$ 2,596,320</u>	<u>100</u>

The notes attached to the parent company only financial statements constitute a part of this parent company only financial statements for overall reference.

Chairman: Liu Yen Ti

General Manager: Liu Yen Ti

Accounting Supervisor: Hsu Nai Lung

Cryomax Cooling System Corp.
Parent Company Only Comprehensive Income Statement
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000
(NT\$1 for EPS)

Items	Notes	(After adjustment)			
		For the Year Ended December 31, 2023		For the Year Ended December 31, 2022	
		Amount	%	Amount	%
4000 Operating Revenue	6 (16) and 7 (2)	\$ 1,493,762	100	\$ 1,800,057	100
5000 Operating costs	6 (4)(21) and 7 (2)	(1,360,232)	(91)	(1,600,440)	(89)
5900 Gross profit		133,530	9	199,617	11
5910 Unrealized Loss (gain) from sale		451	-	(7,610)	-
5950 Net gross profit		133,981	9	192,007	11
Operating expenses	6 (21) and 7(2)				
6100 Selling and marketing expenses		(42,939)	(3)	(52,504)	(3)
6200 Administrative expenses		(64,907)	(4)	(66,361)	(4)
6300 Research and development expenses		(9,450)	(1)	(15,057)	(1)
6000 Total operating expenses		(117,296)	(8)	(133,922)	(8)
6900 Operating income		16,685	1	58,085	3
Non-operating income and expense					
7100 Interest revenue	6 (17)	3,348	-	2,378	-
7010 Other revenue	6 (18)	1,392	-	4,144	1
7020 Other gains and losses	6 (19)	7,615	1	37,098	2
7050 Financial costs	6 (20)	(24,204)	(2)	(14,403)	(1)
7070 Share of profit (loss) of associates and joint ventures accounted for using equity method	6 (5)	52,655	4	83,081	5
7000 Total non-operating income and expenses		40,806	3	112,298	7
7900 Pre-tax income		57,491	4	170,383	10
7950 Income tax expense	6 (22)	(15,430)	(1)	(33,478)	(2)
8200 Net profit for the period		\$ 42,061	3	\$ 136,905	8
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Defined benefits plans remeasured	6 (12)	\$ 731	-	\$ 6,313	-
8349 Income tax relating to items that will not be reclassified	6 (22)	(146)	-	(1,263)	-
8310 Total items that will not be reclassified to profit or loss		585	-	5,050	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Exchange differences in the translation of foreign financial statements		(16,019)	(1)	37,471	2
8380 Share of other comprehensive profit or loss of subsidiaries, affiliates and joint ventures recognized using the equity method - Items that may be reclassified to profit or loss		15,801	1	11,305	1
8399 Income tax related to components of other comprehensive income that will be reclassified	6 (22)	44	-	(9,755)	(1)
8360 Components of other comprehensive income that will be reclassified to profit or loss		(174)	-	39,021	2
8300 Other comprehensive income		\$ 411	-	\$ 44,071	2
8500 Comprehensive income of the current period		\$ 42,472	3	\$ 180,976	10
Earnings per share					
9750 Basic		\$ 0.61		\$ 2.00	
9850 Diluted		\$ 0.61		\$ 1.99	

The notes attached to the parent company only financial statements constitute a part of this parent company only financial statements for overall reference.

Chairman: Liu Yen Ti

General Manager: Liu Yen Ti

Accounting Supervisor: Hsu Nai Lung

Cryomax Cooling System Corp.
Parent Company Only Statement of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000

Notes	Capital surplus				Retained Earnings			Earnings Exchange on Translation of Foreign Financial Statements Exchange Difference	Total
	Capital - common stock	Common Stock in Excess of Par	Treasury Stock Trading	Others	Legal reserve	Special reserve	Undistributed surplus earnings		
<u>For the Year Ended December 31, 2022</u>									
Balance as of January 1, 2022	\$ 686,244	\$ 353,570	\$ 4,790	\$ 17,718	\$ 109,230	\$ 78,087	\$ 126,066	(\$ 89,317)	\$ 1,286,388
Retrospective impact of IAS 12	-	-	-	-	-	-	(582)	-	(582)
Adjustments After the Balance as of January 1, 2022	686,244	353,570	4,790	17,718	109,230	78,087	125,484	(89,317)	1,285,806
Net profit for the period	-	-	-	-	-	-	136,905	-	136,905
Other comprehensive income (loss) in the period	-	-	-	-	-	-	5,050	39,021	44,071
Comprehensive income of the current period	-	-	-	-	-	-	141,955	39,021	180,976
Surplus earnings distribution for 2021: 6 (15)									
Legal reserve	-	-	-	-	10,352	-	(10,352)	-	-
Special reserve	-	-	-	-	-	11,230	(11,230)	-	-
Cash dividend	-	-	-	-	-	-	(68,624)	-	(68,624)
Balance as of December 31, 2022	\$ 686,244	\$ 353,570	\$ 4,790	\$ 17,718	\$ 119,582	\$ 89,317	\$ 177,233	(\$ 50,296)	\$ 1,398,158
<u>For the Year Ended December 31, 2023</u>									
Balance as of January 1, 2023	\$ 686,244	\$ 353,570	\$ 4,790	\$ 17,718	\$ 119,582	\$ 89,317	\$ 177,233	(\$ 50,296)	\$ 1,398,158
Net profit for the period	-	-	-	-	-	-	42,061	-	42,061
Other comprehensive income (loss) in the period	-	-	-	-	-	-	585	(174)	411
Comprehensive income of the current period	-	-	-	-	-	-	42,646	(174)	42,472
Surplus earnings distribution For the Year Ended December 31, 2022 6 (15)									
Legal reserve	-	-	-	-	14,265	-	(14,265)	-	-
Special reserve	-	-	-	-	-	(39,021)	39,021	-	-
Cash dividend	-	-	-	-	-	-	(68,624)	-	(68,624)
Balance as of December 31, 2023	\$ 686,244	\$ 353,570	\$ 4,790	\$ 17,718	\$ 133,847	\$ 50,296	\$ 176,011	(\$ 50,470)	\$ 1,372,006

The notes attached to the parent company only financial statements constitute a part of this parent company only financial statements for overall reference.

Chairman: Liu Yen Ti

General Manager: Liu Yen Ti

Accounting Supervisor: Hsu Nai Lung

Cryomax Cooling System Corp.
Parent Company Only Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000
January 1 to
December 31, 2022

Operating Cash Flow

	Notes	January 1 to December 31, 2023		December 31, 2022
Pre-tax income of the current period		\$ 57,491		\$ 170,383
Adjusted items				
Adjustments to reconcile profit (loss)				
Depreciation Expense	6 (6)(21)	27,737		28,412
Amortization Expense	6 (21)	243		213
Net gain on financial assets at FVTPL	6 (2)(19)	(4,203 )	(	11,649)
Interest rate expense	6 (20)	24,204		14,403
Interest revenue	6 (17)	(3,348 )	(	2,378)
Dividend income	6 (18)	-	(	174)
Share of profit (loss) of associates, affiliates and joint ventures accounted for using equity method	6 (5)		(
		52,655 )	(	83,081)
Disposal of interests in property, plant and equipment	6 (19)		(
		520 )	(	1,415)
Unrealized Profit on Intercompany Sales		(452)		7,610
Gains and losses of unrealized foreign currency exchange		2,275		3,718
Changes in assets/liabilities related to operating activities				
Net change in assets related to operating activities				
Financial assets mandatorily at FVTPL		7,977		15,960
Net notes receivable		(3,118 )	(	2,780)
Net accounts receivable		(56,957 )	(	36,678)
Accounts receivable - Net of related parties			(
		14,272 )	(	10,046)
Other accounts receivable - Net of related parties		3,018		708
Inventory		68,820		34,097
Other current assets		2,279		10,046
Other non-current assets		-		494
Net change in liabilities related to operating activities				
Contract liabilities		(4,020 )	(	1,182
Notes payable		120	(	240)
Accounts payable		27,754	(	10,264)
Accounts payable-Related parties		95,177		29,691
Other accounts payable		(25,192 )	(	1,325)
Other Accounts payable-related party		(2,263 )	(	2,708
Other non-current liabilities		(1,629 )	(	1,830)
Cash inflow generated from operations		148,466		157,765
Interest received		3,313		2,339
Dividend received		-		174
Interest paid		(22,515 )	(	14,554)
Income tax paid		(2,730)	(27,982)
Net cash flows from operating activities		126,534		117,742

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Cryomax Cooling System Corp.
Parent Company Only Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000
January 1 to
December 31, 2022

Cash flows from investment activities

	<u>Notes</u>	<u>January 1 to December 31, 2023</u>	<u>December 31, 2022</u>
Investments accounted for using equity method		(\$ 304,569)	(\$ 76)
Acquisition of property, plant and equipment	6 (24)	(10,191)	(18,666)
Disposal of property, plant and equipment		6,172	5,470
Increase in refundable deposit		(205)	(277)
Decrease in refundable deposit		40	565
Other receivables - Decrease in related parties		61,153	169,287
Other receivables - Increase in related parties		(146,656)	(121,417)
Acquisition of intangible assets		(270)	(18)
Net cash (outflow) inflow from			
Investing activities		(394,526)	34,868

Cash flow from finance activities

Increase in short-term loan	6 (25)	364,372	367,075
Decrease in short-term loan	6 (25)	(411,165)	(237,081)
(Decrease) increase in Short-term notes payable	6 (25)	10,000	(86,000)
Borrowing long-term loan	6 (25)	360,000	-
Repayments of long-term Loan	6 (25)	(100,778)	(22,199)
Cash dividends paid	6 (15)	(68,624)	(68,624)
Net cash inflows (outflows) in financing			
activities		153,805	(46,829)
Effect of exchange rate changes on cash and cash			
equivalents		1,461	(1,954)
Net increase (decrease) in cash and cash equivalents		(112,726)	103,827
Cash and cash equivalents at beginning of period	6 (1)	252,937	149,110
Cash and cash equivalents at end of period	6 (1)	\$ 140,211	\$ 252,937

The notes attached to the parent company only financial statements constitute a part of this parent company only financial statements for overall reference.

Chairman: Liu Yen Ti

General Manager: Liu Yen Ti

Accounting Supervisor: Hsu Nai Lung

To: Cryomax Cooling System Corp.

Audit Opinions

Cryomax Cooling System Corp. and subsidiaries (the Cryomax Group) financial statement of December 31 of 2023 and 2022, the comprehensive income statement, statement of changes of equity, and cash flow statement from January 1 to December 31 of 2023 and 2022, and the notes to the financial statements (including the summary of major accounting policies) have been audited by the CPA of the Firm.

According to the opinions of the CPA, based on the audit results of our accountant and the audit reports of other accountants (please refer to the Other Matters section), the above-mentioned parent company only financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material aspects, which are sufficient to express the financial status of the Cryomax Group on December 31, 2023 and 2022, and financial performance and cash flow from January 1 to December 31 in 2023 and 2022.

Basis for Audit Opinions

The CPA performs the audit work in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The CPA's responsibilities under these standards will be further explained in the section of the CPA's responsibilities for reviewing and auditing financial statements. The personnel of the accounting firm the CPA affiliates have maintained detached independence from the Cryomax Group in accordance with the professional code of ethics for CPA of the Republic of China, and have fulfilled other responsibilities of the code. The CPA believes that sufficient and appropriate audit evidence as a basis for expressing the audit opinions has been obtained.

Emphasized Matters

As stated in Note 3(1) of the financial statements, Cryomax Cooling System Corp. and its subsidiaries have been affected by the amendments to IAS 12, "Deferred income tax relating to assets and liabilities arising from a single transaction", effective from January 1, 2023. Consequently, retrospective application of this accounting standard has been made, adjusting the affected items in the prior financial statements. The CPA has not amended the audit opinion due to this matter.

Key Items for Auditing

Key audit items refer to the most important items in the audit of the 2023 financial statements of the Cryomax Group based on the professional judgment of the CPA. These matters have been treated in the process of reviewing and auditing the financial statements as a whole and forming audit opinions, and the CPA does not

express independent opinions on these matters.

The key audit items of the Cryomax Group's financial statements in 2023 are as follows:

Correctness of Sales Revenue Cut-off

Descriptions

For the accounting policy of sales revenue, please refer to Note 4(25) of the parent company only financial statements; for the description of accounting items for sales revenue, please refer to Note 6(17) of the parent company only financial statements, and the daily operating revenue in the parent company only financial statement from January 1 to December 31, 2023, is NT\$2,122,061 thousand.

Cryomax Group's revenue comes from manufacturing and selling metal water tank-related products for various vehicles, the sales to customers involve different types of transaction conditions. The sales to customers are based on the transaction conditions agreed by individual customers and the transfer of control of the products is confirmed after shipment, and revenue is recognized. In particular, whether the control of the shipped products has been transferred to the buyer in accordance with the agreed transaction conditions before the end of the reporting period will affect the financial statement period to which the sales revenue belongs. Therefore, the CPA believes that the correctness of the cut-off of sales revenue is one of the most important matters in the audit of this fiscal year.

Procedures for Auditing

The major audit procedures performed by CPA are as follows:

3. The internal control of the Group at the time of recognition of sales revenue has been understood and evaluated, and the effectiveness of such control has been tested.
4. Perform cut-off test for sales transactions within a certain period before and after the end date of the financial reporting period to evaluate the correctness of the timing of revenue recognition.
5. Appraisal of Loss from Valuation of Inventory Allowance

Descriptions

For the accounting policy of inventories, please refer to Note 4(12) of the Consolidated financial statements; for the key accounting estimates and assumptions of inventory evaluation, please refer to Note 5(2) of the consolidated financial statements; for the description of inventory accounting items, please refer to Note 6 (4) to the consolidated financial statements. On December 31, 2023, the cost of inventory and the balance of allowance appraisal losses were NT\$768,994 thousand and NT\$40,327 thousand respectively.

Considering the service life of vehicles and the small-in-quantity but diverse features of products in the after-sales service market, the Company needs to prepare sufficient inventory in order to gain market share,

resulting in higher risk of inventory depreciation loss or obsolescence. Its various inventories are measured by costs and net realizable value (whichever is lower), which are assessed for normal wear and tear, obsolescence or changes in sales prices, and the loss of price reduction is provided accordingly. Because the estimation of the net realizable value of the inventory is considered, and the adjustment of obsolete inventory exceeding the age of the specified period involves the subjectivity of the management level, judging and assessing the amount of inventory allowance appraisal loss has a significant impact on the financial statements, so the CPA lists the inventory allowance appraisal loss as one of the most important matters for the audit of this fiscal year.

Procedures for Auditing

The major audit procedures performed by CPA are as follows:

5. Understand and evaluate the rationality of the Group's inventory evaluation policy.
6. Review the Group's annual inventory plan and participate in the annual inventory actions to evaluate the effectiveness of the management's division and control of obsolete inventory.
7. Obtain the statement used to evaluate the net realizable value of the inventory, verify the completeness of the statement and test the correctness of the net realizable value and related calculations, and then evaluate the rationality of the Cryomax Group's decision to provide an allowance for price decrease losses.
8. Obtain the inventory age report to check the relevant supporting documents of the date of the inventory change, and confirm that the classification of the inventory age range is correct and consistent with its policy.

Other Matters— Mention of Audit by Other CPAs

Subsidiary and included in the individual financial statements of Cryomax Cooling System Corp., their financial statements have not been audited by our firm but by other CPAs. Therefore, in the CPA's opinion expressed regarding the consolidated financial statements mentioned above, the amounts presented in the financial statements of such companies and related information disclosed in Note 13 are based on the audit reports of other CPAs. The total assets of the investee as of December 31, 2023 were NT\$565,374 thousand, accounting for 16.96% of the total assets. The operating income from January 1 to December 31, 2023 was NT \$0 thousand, accounting for 0.00% of the net consolidated operating income.

Miscellaneous— Parent Company Only Financial Statements

Cryomax Cooling System Corp. has prepared parent company only financial statements for 2023 and 2022, and the audit reports issued by CPA with unqualified opinion and other matters, as well as an unqualified opinion, are on file and are prepared for reference.

Responsibilities of Management Level and Governing Units for Financial Statements

The responsibilities of the management level are to prepare financial statements that are reasonably expressed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations

and Notes approved and issued by the Financial Supervisory Commission, and to maintain necessary internal control related to preparation of consolidated financial statements related to ensure that there is no material misrepresentation in the consolidated financial statements due to fraud or error.

When preparing the financial statements, the responsibilities of the management level also include assessing the ability of the Group in terms of going concern, the disclosure of related matters, and the adoption of an accounting basis for the going concern, unless the management level intends to liquidate the Cryomax Group or cease operations, or that except for liquidation or suspension, there is no other alternative practically available.

Governing units(including the Audit Committee) of the Cryomax Group are responsible for supervising the financial reporting process.

Responsibilities of CPAs to Audit Financial Statements

The purpose of CPA's review and audit of the financial statements is to obtain reasonable assurance as to whether there are material misrepresentations in the financial statements as a whole resulting from fraud or error, and to issue an audit report. Reasonable certainty is of high degree of certainty, but the audit work performed in accordance with the ROC Audit Standards do not warrant that it will be able to detect material misrepresentations in financial statements. Misrepresentation may result from fraud or error. Misrepresentation of individual amounts or aggregate amounts is considered material if it can reasonably be expected to affect economic decisions made by users of financial statements.

The CPA adopts professional judgment and skepticism when auditing in accordance with the ROC Audit Standards. The CPA also performs the following tasks:

1. Identify and assess the risk of material misrepresentation of financial statements due to fraud or error; design and implement appropriate countermeasures for the assessed risks; and obtain sufficient and appropriate audit evidence as the basis for audit opinions. Because fraud may involve collusion, forgery, willful omissions, misrepresentations, or the violation of internal controls, and hence, the risk of failing to detect the material misrepresentation resulting from fraud is higher than those resulting from error.
2. Obtain the necessary understanding of the internal control related to the audit, so as to design the appropriate audit procedures under the circumstances, but the purpose is not to express opinions on the effectiveness of the internal control of the Group
3. Assess the appropriateness of the accounting policies adopted by the management level, and the reasonableness of the accounting estimates and relevant disclosures made.
4. Based on the audit evidence obtained reach conclusions on the appropriateness of the management level to adopt the going-concern accounting basis, and whether there are major uncertainties in events or circumstances that may cast significant doubt on the ability of going concern of the Group. If the CPA believes that there are major uncertainties in such events or situations, he/she shall remind the users of parent company only financial statements to pay additional attention to the relevant disclosures in the parent company only financial statements in the audit report, or revise the audit opinions when the disclosures are inappropriate. The CPA's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Cryomax Group to lose the

ability to go concerned.

5. Assess the overall presentation, structure and content of financial statements (including relevant notes), and whether financial statements are appropriate to express relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of the individual constituents of the Group to express opinions on the financial statements. The CPA is responsible for the guidance, supervision and execution of individual audit cases, and is responsible for forming audit opinions on financial statements.

The matters communicated by the CPA with the governing unit include the planned scope and time of the audit, as well as major audit findings (including significant deficiencies in internal control identified during the audit).

The CPA also provides the governing unit with the statement that the personnel of the accounting firm that is subject to independence regulations have complied with the independence statement in the professional code of ethics for certified public accounts of the Republic of China, and communicates with the governing unit all relationships that may be considered to affect the independence of the CPA and other matters (including relevant protective measures).

From the matters communicated with the governing unit, the CPA hereby decided the key items for auditing the 2023 financial statements of the Cryomax Group. The CPA states these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PwC Taiwan

Lai, Chih Wei

CPAs

Wang, Yu-Chuan

FSC

License Number: Jin Guan Zheng Shen Zi No. 1120348565

Jin Guan Zheng Shen Zi No. 1020028992

March 13, 2024

Cryomax Cooling System Corp. and Its Subsidiaries
Consolidated Balance Sheet
December 31, 2023, December 31, 2022 and January 1, 2022

Unit: NT\$1,000

Assets	Notes	December 31, 2023		(After adjustment) December 31, 2022		(After adjustment) January 1, 2022		
		Amount	%	Amount	%	Amount	%	
Current Assets								
1100	Cash and cash equivalents	6 (1)	\$ 553,889	17	\$ 544,846	17	\$ 379,997	12
1110	Current Financial Assets at Fair Value through Profit or Loss	6 (2)	10,151	-	13,925	-	18,236	-
1150	Net notes receivable	6 (3)	52,127	2	49,998	2	50,130	2
1170	Net accounts receivable	6 (3)	306,996	9	281,919	9	275,356	9
1180	Accounts receivable - Net of related parties	7 (2)	49,924	1	81,011	3	61,779	2
130X	Inventory	6 (4)	728,667	22	920,269	29	952,711	31
1470	Other current assets	6 (5)	90,313	3	38,728	1	53,917	2
11XX	Total Current Assets		<u>1,792,067</u>	<u>54</u>	<u>1,930,696</u>	<u>61</u>	<u>1,792,126</u>	<u>58</u>
Non-current assets								
1600	Property, plant and equipment	6 (6) and 8	1,296,742	39	982,674	31	979,243	32
1755	Right-of-use assets	6 (7) and 8	154,554	5	147,071	5	177,770	6
1840	Deferred income tax assets	6 (23)	71,781	2	79,455	2	101,775	3
1900	Other non-current assets		19,205	-	22,311	1	16,577	1
15XX	Total Non-current Assets		<u>1,542,282</u>	<u>46</u>	<u>1,231,511</u>	<u>39</u>	<u>1,275,365</u>	<u>42</u>
1XXX	Total Assets		<u>\$ 3,334,349</u>	<u>100</u>	<u>\$ 3,162,207</u>	<u>100</u>	<u>\$ 3,067,491</u>	<u>100</u>

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Cryomax Cooling System Corp. and Its Subsidiaries
Consolidated Balance Sheet
December 31, 2023, December 31, 2022 and January 1, 2022

Unit: NT\$1,000

Liabilities and Equity	Notes	December 31, 2023		(After adjustment) December 31, 2022		(After adjustment) January 1, 2022		
		Amount	%	Amount	%	Amount	%	
Current Liabilities								
2100	Short-term loan	6 (8) and 8	\$ 871,519	26	\$ 926,475	29	\$ 800,258	26
2110	Short-term notes payable	6 (9)	59,923	2	49,852	2	135,945	5
2130	Current contract liabilities	6 (17)	4,733	-	13,727	1	14,928	1
2150	Notes payable		120	-	3,273	-	5,948	-
2170	Accounts payable		241,564	7	226,765	7	187,738	6
2180	Accounts payable-Related parties	7 (2)	451	-	3,646	-	5,470	-
2200	Other accounts payable	6 (10)	153,598	5	162,452	5	159,642	5
2220	Other accounts payable-Related parties	7 (2)	6,059	-	9,078	-	4,066	-
2230	Current tax liabilities		5,949	-	5,275	-	32,213	1
2280	Lease liabilities – Current		40,519	1	37,952	1	34,457	1
2320	Long term liabilities due within one year	6 (12)	47,874	1	31,393	1	28,419	1
2399	Other current liabilities	6 (11) (17)	14,920	1	21,990	1	38,432	1
21XX	Total Current Liabilities		<u>1,447,229</u>	<u>43</u>	<u>1,491,878</u>	<u>47</u>	<u>1,447,516</u>	<u>47</u>
Non-current liabilities								
2540	Long-term loan	6 (12) and 8	324,777	10	93,548	3	123,827	4
2570	Deferred income tax liabilities		90,515	3	83,214	3	75,611	3
2580	Non-current lease liabilities		97,183	3	90,410	3	121,588	4
2600	Other non-current liabilities	6 (13)	2,639	-	4,999	-	13,143	-
25XX	Total Non-current Liabilities		<u>515,114</u>	<u>16</u>	<u>272,171</u>	<u>9</u>	<u>334,169</u>	<u>11</u>
2XXX	Total Liabilities		<u>1,962,343</u>	<u>59</u>	<u>1,764,049</u>	<u>56</u>	<u>1,781,685</u>	<u>58</u>
Shareholder equity								
Share capital								
3110	Capital - common stock	6 (14)	686,244	21	686,244	22	686,244	22
Capital surplus								
3200	Capital surplus	6 (15)	376,078	12	376,078	11	376,078	12
Retained Earnings								
3310	Legal reserve	6 (16)	133,847	4	119,582	4	109,230	4
3320	Special reserve		50,296	1	89,317	3	78,087	3
3350	Undistributed surplus earnings		176,011	5	177,233	6	125,484	4
Other Equity								
3400	Other Equity		(50,470)	(2)	(50,296)	(2)	(89,317)	(3)
3XXX	Total Equity		<u>1,372,006</u>	<u>41</u>	<u>1,398,158</u>	<u>44</u>	<u>1,285,806</u>	<u>42</u>
Significant contingent liability and unrecognized contractual commitments								
Significant subsequent matters								
3X2X	Total Liabilities and Equity		<u>\$ 3,334,349</u>	<u>100</u>	<u>\$ 3,162,207</u>	<u>100</u>	<u>\$ 3,067,491</u>	<u>100</u>

Cryomax Cooling System Corp. and Its Subsidiaries
Consolidated Comprehensive Income Statement
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000
(NT\$1 for EPS)

Items	Notes	For the Year Ended December 31,		(After adjustment) For the Year Ended December 31,	
		2023		2022	
		Amount	%	Amount	%
4000 Operating revenue	6 (17) and 7 (2)	\$ 2,122,061	100	\$ 2,535,296	100
5000 Operating costs	6 (4)(22) and 7 (2)	(1,677,394)	(79)	(1,945,906)	(77)
5900 Gross profit		<u>444,667</u>	<u>21</u>	<u>589,390</u>	<u>23</u>
Operating expenses	6 (22) and 7(2)				
6100 Selling and marketing expenses		(212,725)	(10)	(245,777)	(10)
6200 Administrative expenses		(133,003)	(6)	(116,529)	(4)
6300 Research and development expenses		(44,027)	(2)	(60,726)	(2)
6000 Total operating expenses		(389,755)	(18)	(423,032)	(16)
6900 Operating income		<u>54,912</u>	<u>3</u>	<u>166,358</u>	<u>7</u>
Non-operating income and expense					
7100 Interest revenue	6 (18)	9,735	-	1,673	-
7010 Other revenue	6 (19)	11,040	-	14,811	1
7020 Other gains and losses	6 (20)	13,524	1	34,341	1
7050 Financial costs	6 (21)	(31,054)	(1)	(21,212)	(1)
7000 Total non-operating income and expenses		<u>3,245</u>	<u>-</u>	<u>29,613</u>	<u>1</u>
7900 Pre-tax income		<u>58,157</u>	<u>3</u>	<u>195,971</u>	<u>8</u>
7950 Income tax expense	6 (23)	(16,096)	(1)	(59,066)	(3)
8200 Net profit for the period		<u>\$ 42,061</u>	<u>2</u>	<u>\$ 136,905</u>	<u>5</u>
Other comprehensive income					
8311 Defined benefits plans remeasured	6 (13)	\$ 731	-	\$ 6,313	-
8349 Income tax relating to items that will not be reclassified	6 (23)	(146)	-	(1,263)	-
8310 Total items that will not be reclassified to profit or loss		<u>585</u>	<u>-</u>	<u>5,050</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Exchange differences in the translation of foreign financial statements		(218)	-	48,776	2
8399 Income tax related to components of other comprehensive income that will be reclassified	6 (23)	<u>44</u>	<u>-</u>	<u>(9,755)</u>	<u>-</u>
8360 Components of other comprehensive income that will be reclassified to profit or loss		(174)	-	39,021	2
8300 Other comprehensive income		<u>\$ 411</u>	<u>-</u>	<u>\$ 44,071</u>	<u>2</u>
8500 Comprehensive income of the current period		<u>\$ 42,472</u>	<u>2</u>	<u>\$ 180,976</u>	<u>7</u>
Net profit attributable to:					
8610 Parent company owner		<u>\$ 42,061</u>	<u>2</u>	<u>\$ 136,905</u>	<u>5</u>
Total comprehensive income attributable to:					
8710 Parent company owner		<u>\$ 42,472</u>	<u>2</u>	<u>\$ 180,976</u>	<u>7</u>
Earnings per share	6 (24)				
9750 Basic		<u>\$ 0.61</u>		<u>\$ 2.00</u>	
9850 Diluted		<u>\$ 0.61</u>		<u>\$ 1.99</u>	

Cryomax Cooling System Corp. and Its Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000

	Equity attributable to Parent Company									
	Notes	Capital surplus				Retained Earnings			Earnings Exchange Differences on Translation of Foreign Financial Statements Exchange differences	Total Equity
		Capital - common stock	Common Stock in Excess of Par	Treasury Stock Trading	Others	Legal reserve	Special reserve	Undistributed surplus earnings		
<u>For the Year Ended December 31, 2022</u>										
Balance as of January 1, 2022		\$ 686,244	\$ 353,570	\$ 4,790	\$ 17,718	\$ 109,230	\$ 78,087	\$ 126,066	(\$ 89,317)	\$ 1,286,388
Retrospective applied to impact of IAS 12		-	-	-	-	-	-	(582)	-	(582)
Adjustments After the Balance as of January 1		686,244	353,570	4,790	17,718	109,230	78,087	125,484	(89,317)	1,285,806
Net profit for the period		-	-	-	-	-	-	136,905	-	136,905
Other comprehensive income (loss) in the period		-	-	-	-	-	-	5,050	39,021	44,071
Comprehensive income of the current period		-	-	-	-	-	-	141,955	39,021	180,976
Surplus earnings distribution for 2021	6 (16)									
Legal reserve		-	-	-	-	10,352	-	(10,352)	-	-
Special reserve		-	-	-	-	-	11,230	(11,230)	-	-
Cash dividend		-	-	-	-	-	-	(68,624)	-	(68,624)
Balance as of December 31, 2022		<u>\$ 686,244</u>	<u>\$ 353,570</u>	<u>\$ 4,790</u>	<u>\$ 17,718</u>	<u>\$ 119,582</u>	<u>\$ 89,317</u>	<u>\$ 177,233</u>	<u>(\$ 50,296)</u>	<u>\$ 1,398,158</u>
<u>For the Year Ended December 31, 2023</u>										
Balance as of January 1, 2023		\$ 686,244	\$ 353,570	\$ 4,790	\$ 17,718	\$ 119,582	\$ 89,317	\$ 177,233	(\$ 50,296)	\$ 1,398,158
Net profit for the period		-	-	-	-	-	-	42,061	-	42,061
Other comprehensive income (loss) in the period		-	-	-	-	-	-	585	(174)	411
Comprehensive income of the current period		-	-	-	-	-	-	42,646	(174)	42,472
Surplus earnings distribution for 2022:	6 (16)									
Legal reserve		-	-	-	-	14,265	-	(14,265)	-	-
Special reserve		-	-	-	-	-	(39,021)	39,021	-	-
Cash dividend		-	-	-	-	-	-	(68,624)	-	(68,624)
Balance as of December 31, 2023		<u>\$ 686,244</u>	<u>\$ 353,570</u>	<u>\$ 4,790</u>	<u>\$ 17,718</u>	<u>\$ 133,847</u>	<u>\$ 50,296</u>	<u>\$ 176,011</u>	<u>(\$ 50,470)</u>	<u>\$ 1,372,006</u>

Cryomax Cooling System Corp. and Its Subsidiaries
Consolidated Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000

	Notes	January 1 to December 31 2023		January 1 to December 31 2022
<u>Operating Cash Flow</u>				
Pre-tax income of the current period		\$ 58,157	\$	195,971
Adjusted items				
Adjustments to reconcile profit (loss)				
Depreciation Expense	6 (6)(22)	137,093		140,825
Depreciation Expense-Right-of-use asset	6 (7)(22)	40,335		39,280
Amortization Expense	6 (22)	264		235
Net gain on financial assets at FVTPL	6 (2)(20)	(4,203 )	(	11,649)
Interest rate expense	6 (21)	26,999		16,197
Interest expense - Lease liability	6 (7)(21)	4,055		5,015
Interest revenue	6 (18)	(9,735 )	(	1,673)
Dividend income	6 (19)	-	(	174)
Disposal of interests in property, plant and equipment	6 (20)	(704 )	(	226)
Gains and losses of unrealized foreign currency exchange		8,372		1,643
Changes in assets/liabilities related to operating activities				
Net change in assets related to operating activities				
Financial assets mandatorily at FVTPL		7,977		15,960
Notes Receivable		(2,129 )	(	132
Account Receivable		(30,925 )	(	8,249)
Accounts receivable - Net of related parties		27,984	(	21,035)
Inventory		191,602		32,442
Other current assets		(27,949 )	(	15,189
Other non-current assets		138		482
Net change in liabilities related to operating activities				
Contract liabilities		(8,994 )	(	1,201)
Notes payable		(3,153 )	(	2,675)
Accounts payable		14,420		38,461
Accounts payable-Related parties		(3,195 )	(	1,824)
Other accounts payable		(25,103 )	(	13,601
Other accounts payable-Related parties		(3,019 )	(	5,012
Other current liabilities		(7,070 )	(	16,442)
Other non-current liabilities		(1,629 )	(	1,831)
Cash inflow generated from operations		389,588		453,466
Interest received		9,735		1,673
Dividend received		-		174
Interest paid		(29,666 )	(	21,153)
Income tax paid		(24,185 )	(	67,441)
Net cash flows from operating activities		345,472		366,719

(Continued to Next Page)

Cryomax Cooling System Corp. and Its Subsidiaries
Consolidated Cash Flow Statement
January 1 to December 31, 2023 and 2022

Unit: NT\$1,000

	<u>Notes</u>	<u>January 1 to December 31 2023</u>	<u>January 1 to December 31 2022</u>
<u>Cash flows from investment activities</u>			
Acquisition of property, plant and equipment	6 (25)	(\$ 457,504)	(\$ 161,617)
Disposal of property, plant and equipment		29,516	16,995
Increase in refundable deposit		(528)	(1,521)
Decrease in refundable deposit		40	-
Acquisition of intangible assets		(270)	(18)
Cash flows from investing activities		<u>(428,746)</u>	<u>(146,161)</u>
<u>Cash flow from finance activities</u>			
Increase in short-term loan	6 (26)	408,326	447,390
Decrease in short-term loan	6 (26)	(461,496)	(323,378)
Increase in short-term notes and bills payable	6 (26)	10,000	-
Decrease in short-term bills payable	6 (26)	-	(86,000)
Borrowing long-term loan	6 (26)	360,000	-
Repayments of long-term loan	6 (26)	(112,053)	(29,004)
Payments of lease liabilities	6 (7)(26)	(38,852)	(36,124)
Cash dividends paid	6 (16)	(68,624)	(68,624)
Net cash inflows (outflows) in financing activities		<u>97,301</u>	<u>(95,740)</u>
Effects of exchange rate changes		(4,984)	40,031
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of period	6 (1)	<u>544,846</u>	<u>379,997</u>
Cash and cash equivalents at end of period	6 (1)	<u>\$ 553,889</u>	<u>\$ 544,846</u>

Cryomax Cooling System Corp.
Table for Distribution of Surplus Earnings
FY2023

Unit: NT\$

Undistributed surplus earnings at the beginning	\$134,646,887
Adjustment for 2023 retained earnings	(696,303)
Adjusted undistributed surplus earnings	133,950,584
Add: net income for the year	42,061,252
Less: Provision of legal reserve	(4,136,495)
Less: Provision of special reserve	(174,514)
Surplus earnings for distribution	<u>\$ 171,700,827</u>

Items for Distribution:

Shareholder Bonus:

Cash Dividend (NT\$0.5 per share)	(34,312,225)
Stock Dividend (NT\$0.5per share)	(34,312,230)

	(68,624,455)
Undistributed surplus earnings at the end of the period	<u>\$ 103,076,372</u>

Notes;

1. Pension actuarial expenses, IAS12 adjustments.
2. As of December 31, 2023, the number of shares eligible for rights distribution was 68,624,449.
3. The cash dividends are calculated according to the distribution ratio up to NT\$1, rounded up any amount less than NT\$1, and the total fractional amount less than NT\$1 will be included in other income of the Company.
4. In the event of relevant matters requiring to be changed due to actual needs, amended laws or necessary changes approved by the competent authority, it is proposed to authorize the board of directors to solely handle such changes.
5. If number of outstanding common stock shares are changed due to transfer or cancellation of treasury stocks causing dividend payout ratio to change and requires amendments, the Board of Directors have full authority to make amendments.

Chairman: LIU, YEN-TI Manager: LIU, YEN-TI Accounting Chief:
HSU, NAI-LUNG