

JINLI GROUP HOLDINGS LIMITED
2024 Annual Shareholders Meeting Minutes (Translation)



Time : 09:00 a.m. on Monday, June 24, 2024

Place : No.1, Sec. 3, Zhongxiao E. Rd., Da'an Dist., Taipei City, Taiwan (R.O.C.) (GIS Taipei
Tech Convention Center 203 Conference Room)

Type of Meeting: Physical Meeting

Total number of shares issued by the Company : 185,747,151 shares

Total shares represented by shareholders present in person or by proxy : 117,177,432 shares

Percentage of shares held by shareholders present in person or by proxy : 63.08%

Director present : Yeh Ming

Director via video conference : Chong Chun Lung, the Chairman of the Board of Directors

Chairman : Yeh Ming

Secretary : Chang Tze Fang

The number of representative shares of the shareholders present has reached the statutory number, and the Chairman announced the start of the meeting.

1. Chairman's speech (omitted)

2. Report Items :

Item 1 Proposed by the Board of Directors

Brief of case: The Company 2023 annual business report

Description: The Company 2023 annual business report, as shown in Attachment 1.

Shareholder's speeches and questions: No.

Item 2

Proposed by the Board of Directors

Brief of case: Audit Committee's review report on 2023 Financial Statement

Description: Review report of audit committee of the Company, as shown in Attachment 2.

Shareholder's speeches and questions: No.

Item 3

Proposed by the Board of Directors

Brief of case: The Company 2023 employees' and directors' remuneration distribution report

Description:

- (A) In accordance with the Article 34.1 of the Memorandum and Articles of Association of the Company, the Company shall set aside no less than 0.1% of its annual profits as bonus, distribute to employees in the form of shares and/or cash, to employees of the Company, and set side no more than 2% of its annual profits as bonus to Directors, upon the attendance of more than two-thirds of the Directors of the Board of Directors and the resolution of more than half of the Directors present.
- (B) After approval by the Salary and Remuneration Committee, the employee's and Director's remuneration shall not be distributed.

Shareholder's speeches and questions: No.

Item 4

Proposed by the Board of Directors

Brief of case: Amendment of "Rules of Procedure for Board of Directors Meetings"

Description: .

- (A) For the purpose to cope with the revision of laws and regulations, and the need of the Company 's operations, it is proposed to amend "Rules of Procedure for Board of Directors Meetings" of the Company. Please refer to Attachment 6.

Shareholder's speeches and questions: No.

3. Resolution Items

Item 1

Proposed by the Board of Directors

Brief of case: Ratification of the Company 2023 business report and consolidated financial statements.

Description:

(A) The Company 2023 financial statements have been approved by the resolution of the Board of Directors, and have been audited and completed by certified public account Zoe Chen and Alex C. Y. Kuo of ShineWing Taiwan, and submitted to the audit committee for review together with the business report, and the written audited report has been be put on record.

(B) Please refer to Attachment 1 and Attachment 3.

Shareholder's speeches and questions: No.

Resolution:

The voting results of this proposal - The total voting rights of the shareholders present at the time of voting were 117,177,432, the number of votes in favor were 114,403,887 (including 16,963,776 for electronic voting), accounting for 97.63% of the total voting power, and the number of votes against were 1,105,733 (including 1,105,733 for electronic voting), accounting for the total voting rights were 0.94%, invalidity rights were 0, abstentions and non-voting rights were 1,667,812 rights (including electronic voting 1,602,483 rights), accounting for 1.42% of the total voting rights. This case was passed by the original vote.

Item 2

Proposed by the Board of Directors

Brief of case: Ratification of The Company 2023 profit and deficit appropriation.

Description:

(A) The Company's 2023 net deficit after tax is NT\$ 13,964,667, adding up the beginning retained earnings of NT\$2,787,594,713, less: Special surplus reserve of NT\$123,537,714, and the

distributable net profit is NT\$2,650,092,332.

(B) The Company's 2023 Profit and Deficit Appropriation Statement has been submitted to the Audit Committee for review and approval, and has been approved by the Board of Directors.

(C) According to the Articles of Association of the Company, it is proposed not to distribute cash dividends and stock dividends to shareholders, as shown in Attachment.

Shareholder's speeches and questions: No.

Resolution:

The voting results of this proposal - The total voting rights of shareholders present at the time of voting were 117,177,432, the number of votes in favor were 114,523,899 (including 17,083,788 for electronic voting), accounting for 97.73% of the total voting power, and the number of votes against were 1,113,350 (including 1,113,350 for electronic voting), accounting for the total voting rights were 0.95%, invalidity rights were 0, abstentions and non-voting rights were 1,540,183 rights (including electronic voting 1,474,854 rights), accounting for 1.31% of the total voting rights, and this case was passed by the original vote.

4. Discussion Items

Item 1

Proposed by the Board of Directors

Brief of case: Amendment to the Company's "Rules of Procedure for Shareholders Meetings".

Description:

(A) For the purpose to cope with the revision of laws and regulations, and the need of the Company's operations, it is proposed to amend "Rules of Procedure for Shareholders Meetings" of the Company. Please refer to Attachment 5

(B) Proposed for discussion.

Shareholder's speeches and questions: No.

Resolution:

The voting results of this proposal - The total voting rights of the shareholders present at the time of voting 117,177,432, the number of votes in favor were 114,525,492 (including 17,085,381 electronic voting rights), accounting for 97.73% of the total voting rights, and the number of votes against were 1,107,567 (including electronic voting 1,107,567 rights), accounting for the total voting rights were 0.94%, invalidity rights were 0, and abstentions and non-voting rights were 1,544,373 rights (including electronic voting 1,479,044 rights), accounting for 1.31% of the total voting rights. This case was passed by the original vote.

5. Extempore Motion

There were no questions from shareholders at this shareholders' meeting.

6. Adjournment:

(The minutes of the general meeting of shareholders record the proceedings and results in accordance with Article 6, 10, 3 of the Company's "Rules of Procedure for Shareholders Meetings". The content, procedures and shareholder speeches shall be subject to the video recording of the meeting.)



Chairman : Yeh Ming



Recorder : Chang Tze Fang

**Jinli Group Holdings Limited
2023 Business Report****1. 2023 Annual operating performance**

In 2023, the overall economic environment in China grew slowly. According to the "2023 National Economic and Social Development Statistical Bulletin" released by the National Bureau of Statistics, the income of urban and rural residents of 2023 continued to increase. The per capita disposable income of residents in the country for the whole year was RMB39,218, an increase of 6.3% from the previous year. After deducting price factors, the actual growth was 6.1%. The per capita consumption expenditure of residents in the country was RMB26,796, which was an increase of 9.2% from the previous year. After deducting price factors, the actual increase was 9.0%. The total retail sales of consumer goods in the society for the whole year of 2023 reached RMB47.1495 trillion, an increase of 7.2% from the previous year. Looking around 2023, due to the new coronavirus epidemic and widespread vaccination, countries have adopted strategies to coexist with the virus, and economic activities around the world have begun to recover. In 2023, various data indicators such as China's economy and people's consumption demand have gradually stabilized due to the recovery of the epidemic. However, they have been unable to get rid of the impact of the epidemic and return to normalcy, which has become a haze hanging over the Chinese economy. The atmosphere of poor operation diffused in China's branded shoes and apparel market. The company's long-term cooperation with offline agents in various provinces and the situation of European and American foreign trade shoe orders have not yet recovered significantly. In financial performance, the Company's consolidated revenue in 2023 was NT\$210 million, a decline of 1.4% from the consolidated revenue of NT\$213 million in 2022. The pre-tax net loss in 2023 was NT\$13 million, a significant decline from the pre-tax net loss of NT\$220 million in 2022. The after-tax loss per share for 2023 was NT\$0.08..

2. 2024 Summary of annual operating plan

In 2024, the global economy will continue to be in a period of deep adjustment, with slow and uneven recovery, increasing uncertainty, new growth momentum to be accumulated, economic growth and confidence urgently to be restored and rebuilt. Looking back in 2023, China's recovery from the epidemic will be slower than expected, and it will still face different challenges in 2024 due to the weakness of the real estate industry, weakening external demand, and trade tensions. The Chinese National People's Congress also mentioned that this year's GDP growth target is set at around 5%, consistent with 2023. CHINA TOP THINK TANKS or international institutions believe that GDP growth will be between 4.6% and 5%. In addition, the International Monetary Fund (IMF)

predicts that global economic growth will continue to remain resilient in 2024. Global economic growth is expected to be 3.1% but China's GDP growth rate is expected to reach 4.6%. It shows that China's economic market will operate smoothly. This year, the company will focus on online e-commerce, while rectifying and adjusting brand sales channels, and strengthening the development of potential agents in order to build up the company's long-term competitiveness.

The Company will uphold a steady pace of sustainable operation and continuously develop new customers, design new products, improve production processes, and create maximum benefits for shareholders. We believe that with the support of our shareholders, our operational performance will surely create new achievements again.

Chairman	: Chong, Chun-Lung
General Manager	: Chen, Honglin
Finance/Accounting supervisor:	Poon, Chit-Lun

Attachment 2

Audit Committee's Review Report

The Company's 2023 Business Report, Consolidated Financial Statements, Profit and Deficit Appropriation have been approved by the Audit Committee and resolved by the Board of Directors. The CPAs Zoe Chen and Alex C. Y. Kuo of ShineWing Taiwan have audited the 2023 financial statements and issued an audit report accordingly. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To:

Jinli Group Holdings Limited

Chairman of Audit committee:



March 12, 2024



Independent Auditors' Report

Jinli Group Holdings Limited

Opinion

We have audited the accompanying consolidated balance sheets of Jinli Group Holdings Limited (the "Company") and its subsidiaries (collectively referred as the "Group") as of December 31, 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with the "Regulations Governing the Preparations 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.

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the **Independent auditors' responsibilities for the audit of the consolidated financial statements** section of our report. We are independent of the Group in accordance with the Code of professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with this Code. Based on our audits, we believe that our audits provide a reasonable basis for our opinion.

Independent Auditors' Report (Continued)

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. 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. We determined the key audit matters should be communicated in our audit report are as follows:

Cash and cash equivalents

Please refer to Note 4(6) to the consolidated financial statements for the accounting policies of evaluation of cash and cash equivalents; and please refer to Note 6(1) to the consolidated financial statements for the details of cash and cash equivalents accounts.

As of December 31, 2023, the balance of cash and cash equivalents of the Group is \$4,582,929 thousand, accounting for 68% of the total consolidated assets, due to the significant proportion of balances and the inherent risks; we therefore considered the cash and cash equivalents as the key audit matters for the year.

Our audit procedures included, but are not limited to, obtaining the list of bank deposits balances in the account of the Group, and verifying them to the bank statements; checking the receipt and payment vouchers of major cash and cash equivalents transaction; to check all bank confirmations whether it matches the bank deposit balance in the account, and check whether there are restrictions on bank deposits.

Financial assets at amortized cost

Please refer to Note 4(7) to the consolidated financial statements for the accounting policies of evaluation of financial assets at amortized cost; and please refer to Note 6(2) to the consolidated financial statements for the details of financial assets at amortized cost.

Independent Auditors' Report (Continued)

As of December 31, 2023, the balance of financial assets at amortized cost of the Group is \$1,297,875 thousand, accounting for 19% of the total consolidated assets, due to the significant proportion of balance and the inherent risks; we therefore considered the financial assets at amortized cost as the key audit matter for the year.

Our audit procedures included, but were not limited to, obtaining details of the balance of financial assets amortized at cost (time deposits) in the accounts of the Group, checking to the certificate of deposits, and checking to the bank confirmation; to assess whether it is consistent with the balance of the time deposit in the account, and check whether the time deposit is restricted.

Revenue recognition

Please refer to Note 4(21) to the consolidated financial statements for the accounting policies of revenue recognition; and please refer to Note 6(16) to the consolidated financial statements for the details of revenue.

The main operating income of the Group is manufacturing and selling a range of clothing and footwear in the wholesale market. The Group mainly fulfill the performance obligations at the point of time when the goods are delivered, and the sales revenue will be recognized at that point of time. As of December 31, 2023, the portion of operating income which is outstanding for collection as the key audit matter for the year.

The audit procedures performed by us include the understanding of recognition process of sales revenue transaction of the Group, and the assessment of whether the revenue recognition meets the requirements of the International Financial Reporting Standard No. 15 "Revenue from Contracts with Customer"; and execute the test whether the relevant control points of the sales and collection cycle are valid; obtain the sales details and check the general ledger, and select the vouchers of relevant sales transaction; obtain the audit confirmation letter and review the subsequent collection of payment after balance sheet date, in order to confirm whether there are major abnormalities in sales revenue.

Independent Auditors' Report (Continued)

Other Matters

The consolidated financial statements of Jinli Group Holdings Limited and its subsidiaries in 2022 was audited by other accountants, who issued unqualified opinion on March 30, 2023.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparations 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 charges with governance, including members of the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Independent auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit

Independent Auditors' Report (Continued)

conducted in accordance with the auditing standards 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 auditing standards, 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 risks of not detecting a material misstatement resulting from fraud is higher than for the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
2. Obtain an understanding of internal controls 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 controls.
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 going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 report. However,

Independent Auditors' Report (Continued)

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 footnote disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentations.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of audit of the Group. We remain solely responsible for our audit opinion.

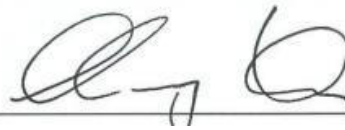
We communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our 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.



Chen, Kuang-Hui



Kuo, Chenyu

For and on behalf of ShineWing CPAs

April 1, 2024

Taipei, Taiwan

Republic of China

Notice to Readers

The accompanying consolidated financial statements are not intended to present the financial position, results of financial operations and cash flows in accordance with accounting principles and practice generally accepted in countries and jurisdictions other than the Republic of China. The standard, 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 accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, ShineWing CPAs 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.

Jinli Group Holdings Limited and Subsidiaries

Consolidated balance sheets

December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31,			
		2023	%	2022	%
Current assets					
Cash and cash equivalents	6.(1)	\$ 4,582,929	68	\$ 4,655,667	68
Financial assets at amortized cost - current	6.(2)	1,297,875	19	1,322,964	19
Accounts receivable, net	6.(3)	28,639	-	18,929	-
Other receivables	6.(4)	-	-	12,228	-
Other receivables from related parties	6.(4), 7	1,601	-	1,632	-
Current income tax assets		6,466	-	1,533	-
Inventories	6.(5)	-	-	4,393	-
Prepayments		10,409	-	9,937	-
		5,927,919	87	6,027,283	87
Non-current assets					
Property, plant and equipment	6.(6)	2,034	-	3,142	-
Right-of-use assets	6.(7)	150,171	2	160,328	2
Investment property, net	6.(9)	729,317	11	754,118	11
Other non-current assets		33	-	41	-
		881,555	13	917,629	13
Total assets		\$ 6,809,474	100	\$ 6,944,912	100

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Jinli Group Holdings Limited and Subsidiaries

Consolidated balance sheets

December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

(Continued from previous page)

Liabilities and equity	Notes	December 31,			
		2023	%	2022	%
Current liabilities					
Accounts payable		\$ 8,088	-	\$ 4,648	-
Other payables	6.(10)	69,715	1	64,644	1
Other payables to related parties	7	700	-	700	-
Current income tax liabilities		438	-	122	-
Current lease liabilities	6.(7)	3,996	-	3,896	-
		82,937	1	74,010	1
Non-current liabilities					
Deferred tax liabilities	6.(23)	570,150	8	571,825	8
Non-current lease liabilities	6.(7)	30,788	1	35,457	1
		600,938	9	607,282	9
Total liabilities		683,875	10	681,292	10
Equity attributable to owners of the parent					
Ordinary share	6.(12)	1,857,472	27	1,857,472	27
Capital surplus	6.(13)	1,617,452	24	1,617,452	23
Retained earnings:	6.(14)				
Special reserve		506,082	7	576,637	8
Unappropriated retained earnings		2,773,630	41	2,717,038	39
Other equity interest					
Exchange differences arising from the translation of the financial statements of foreign operation attributable to the total equity of the owners of the parent company	6.(15)	(629,620)	(9)	(506,082)	(7)
		6,125,016	90	6,262,517	90
Non-controlling interests		583	-	1,103	-
Total equity		6,125,599	90	6,263,620	90
Total liabilities and equity		\$ 6,809,474	100	\$ 6,944,912	100

Jinli Group Holdings Limited and Subsidiaries
Consolidated statement of comprehensive income
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	For the year ended December 31,			
		2023	%	2022	%
Operating revenue	6.(16)	\$ 209,995	100	\$ 212,674	100
Operating costs	6.(5)	(201,582)	(96)	(263,057)	(124)
Gross profit (loss)		<u>8,413</u>	<u>4</u>	<u>(50,383)</u>	<u>(24)</u>
Operating expenses					
Selling expenses		(1,428)	(1)	(7,109)	(3)
Administrative expenses		(46,627)	(22)	(148,866)	(70)
Research and development expenses		(2,497)	(1)	(26,290)	(12)
Expected credit losses		<u>-</u>	<u>-</u>	<u>(8,132)</u>	<u>(4)</u>
		<u>(50,552)</u>	<u>(24)</u>	<u>(190,397)</u>	<u>(89)</u>
Net operating loss		<u>(42,139)</u>	<u>(20)</u>	<u>(240,780)</u>	<u>(113)</u>
Non-operating income and expenses					
Interest income	6.(17)	36,068	17	36,875	17
Other income	6.(18)	19,920	10	18,740	9
Other gains and losses	6.(19)	(25,127)	(12)	(32,964)	(15)
Finance costs	6.(22)	(1,626)	(1)	(1,852)	(1)
		<u>29,235</u>	<u>14</u>	<u>20,799</u>	<u>10</u>
Net loss before tax		<u>(12,904)</u>	<u>(6)</u>	<u>(219,981)</u>	<u>(103)</u>
Income tax benefit (expenses)	6.(23)	<u>(1,579)</u>	<u>(1)</u>	<u>18,721</u>	<u>8</u>
Current net loss		<u>(14,483)</u>	<u>(7)</u>	<u>(201,260)</u>	<u>(95)</u>
Other comprehensive income (loss)					
Component of other comprehensive income that will not be reclassified to profit or loss					
Exchange differences arising on translation to the presentation currency		<u>(123,538)</u>	<u>(59)</u>	<u>69,558</u>	<u>33</u>
Total other comprehensive income (loss) for the year		<u>(123,538)</u>	<u>(59)</u>	<u>69,558</u>	<u>33</u>
Total comprehensive loss for the year		<u>(\$ 138,021)</u>	<u>(66)</u>	<u>(\$ 131,702)</u>	<u>(62)</u>
Net loss attributable to					
Owners of the parent company		<u>(\$ 13,965)</u>	<u>(7)</u>	<u>(\$ 201,260)</u>	<u>(95)</u>
Non-controlling interests		<u>(518)</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>(\$ 14,483)</u>	<u>(7)</u>	<u>(\$ 201,260)</u>	<u>(95)</u>
Total comprehensive loss attributable to					
Owners of the parent company		<u>(\$ 137,501)</u>	<u>(66)</u>	<u>(\$ 130,705)</u>	<u>(61)</u>
Non-controlling interests		<u>(520)</u>	<u>-</u>	<u>(997)</u>	<u>(1)</u>
		<u>(\$ 138,021)</u>	<u>(66)</u>	<u>(\$ 131,702)</u>	<u>(62)</u>
Earnings per share (In New Taiwan dollars)	6.(24)				
Basic earnings per share		<u>(\$ 0.08)</u>		<u>(\$ 1.08)</u>	

Jinli Group Holdings Limited and Subsidiaries
Consolidated statement of changes in equity
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity
	Retained earnings			Other equity interest		Total equity attributable to shareholders of the parent			
	Ordinary share	Capital surplus	Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations				
Balance, January 1, 2022	\$ 1,857,472	\$ 1,617,452	\$ 549,614	\$ 2,945,321	(\$ 576,637)	\$ 6,393,222	\$ 2,100	\$ 6,395,322	
Appropriation of prior year's earnings:									
Special reserve appropriated	-	-	27,023	(27,023)	-	-	-	-	
Net loss for the year	1,857,472	1,617,452	576,637	2,918,298	(576,637)	6,393,222	2,100	6,395,322	
Other comprehensive income for the year	-	-	-	(201,260)	-	(201,260)	-	(201,260)	
Total comprehensive income (loss) for the year	-	-	-	-	70,555	70,555	997	69,558	
Balance, December 31, 2022	1,857,472	1,617,452	576,637	(201,260)	70,555	(130,705)	997	(131,702)	
Appropriation of prior year's earnings:									
Reversal of special reserve	-	-	(70,557)	70,557	-	-	-	-	
Effect of exchange rate changes	-	-	2	-	(2)	-	-	-	
Net loss for the year	1,857,472	1,617,452	506,082	2,787,595	(506,084)	6,262,517	1,103	6,263,620	
Other comprehensive loss for the year	-	-	-	(13,965)	-	(13,965)	518	(14,483)	
Total comprehensive loss for the year	-	-	-	-	123,536	123,536	2	123,538	
Balance, December 31, 2023	\$ 1,857,472	\$ 1,617,452	\$ 506,082	\$ 2,773,630	(\$ 629,620)	\$ 6,125,016	583	\$ 6,125,599	

Jinli Group Holdings Limited and Subsidiaries

Consolidated statement of cash flows

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

	For the year ended December 31,	
	2023	2022
Cash flows from operating activities		
Loss before income tax for the year	(\$ 12,904)	(\$ 219,981)
Adjustments for:		
Income and expenses having no effect on cash flows		
Depreciation expenses	23,727	32,981
Expected credit loss	-	8,132
Interest expenses	1,626	1,852
Interest income	(36,068)	(36,875)
Gain on disposal of property, plant and equipment	-	(3,213)
Foreign exchange loss	7,109	17,962
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	(9,710)	44,601
Decrease (increase) in other receivables	12,290	(12,229)
Decrease in inventories	4,393	13,424
Increase in prepayments	(472)	(2,408)
Increase (decrease) in accounts payable	3,440	(33,402)
Increase in other payables	5,071	14,813
Cash used in operating activities	(1,498)	(174,343)
Interest received	36,068	36,875
Interest paid	(1,626)	(1,852)
Income taxes paid	(6,196)	(777)
Net cash generated from (used in) operating activities	26,748	(140,097)

(Continued on next page)

Jinli Group Holdings Limited and Subsidiaries

Consolidated statement of cash flows

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

(Continued from previous page)

	For the year ended December 31,	
	2023	2022
Cash flows from investing activities		
Acquisition of property, plant and equipment	- (	1,037)
Proceeds from disposal of property, plant and equipment	-	9,725
Acquisition of investment properties	(4,763)	-
Decrease (increase) in refundable deposits	8 (	35)
Net cash (used in) generated from investing activities	(4,755)	8,653
Cash flows from financing activities		
Payments of lease liabilities	(3,884) (	3,737)
Net cash used in financing activities	(3,884)	3,737
Effect of exchange rate changes on cash and cash equivalents	(90,847)	40,418
Net decrease in cash and cash equivalents	(72,738)	(94,763)
Cash and cash equivalents at beginning of year	4,655,667	4,750,430
Cash and cash equivalents at end of year	\$ 4,582,929	\$ 4,655,667

Attachment 4

JINLI GROUP HOLDINGS LIMITED

Profit and Deficit Appropriation Statement

Unit: NT\$

Beginning retained earnings	2,787,594,713
Less: Deficit after tax of 2023	(13,964,667)
Less: Special surplus reserve	(123,537,714)
Unappropriated retained earnings as of the end of the period	2,650,092,332

Chairman : Chong, Chun-Lung

General Manager : Chen, Honglin

Finance/Accounting supervisor: Poon, Chit-Lun

Attachment 5

Jinli Group Holdings Limited
Comparison Table for Rules of Procedure for Shareholders Meetings

Proposed Amendments	Current Provisions	Explanations
6.1.1 The Company's shareholders' meeting shall be convened by the Board of Directors, except as otherwise provided by laws or regulations. The Board of Directors or other persons with the power to convene a meeting may request the Company or its share registrar to provide a list of shareholders. <u>Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a Company that will convene a shareholders' meeting by means of video conference call shall expressly provide for such method in its Memorandum and Articles of Association and obtain a resolution of its Board of Directors. Furthermore, convening a shareholders' meeting by means of video conference call shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors.</u>	6.1.1 The Company's shareholders' meeting shall be convened by the Board of Directors, except as otherwise provided by laws or regulations. The Board of Directors or other persons with the power to convene a meeting may request the Company or its share registrar to provide a list of shareholders.	Whenever the Company convenes shareholders' meeting by means of video conference call, it is more restrictive to shareholders' rights and interests because the shareholders can only participate in shareholders' meetings by means of video conference call and physical participation is unavailable. In order to protect shareholders' rights and interests, the second paragraph is added to this Article stipulating that unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, if the Company convenes a shareholders' meeting by means of video conference call, such method shall be expressly provided for in its Memorandum and Articles of Association and obtain a resolution of its Board of Directors. Furthermore, convening a shareholders' meeting by means of video conference call shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors (namely a special resolution).
6.1.2 Any change in the method of	6.1.2 Any change in the method	1. Considering the shareholders can only take video

Proposed Amendments	Current Provisions	Explanations
convening a regular shareholders' meeting shall be resolved by the Board of Directors and implemented no later than the issuance of the notice of the shareholders' meeting. The Company shall prepare electronic files of the notice of the shareholders' meeting, proxy forms, relevant recognition cases, discussion items, election or removal of directors and supervisors, and other agenda items and explanatory materials, and transmit them to the Public Information Observation System ("PIOS") no later than 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall also prepare electronic files of the shareholders' meeting manual and supplemental materials and transmit them to the PIOS no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting, provided that if the Company's paid-in capital as of the end of the most recent fiscal year is NT\$10 billion or more, or the aggregate foreign and Mainland China ownership percentage listed in the shareholder registry for the most recent fiscal year's regular shareholders' meeting is 30% or more, the Company shall complete the transmission of the aforementioned electronic files no later than 30 days before the regular shareholders' meeting. The shareholders' meeting manual and	of convening a regular shareholders' meeting shall be resolved by the Board of Directors and implemented no later than the issuance of the notice of the shareholders' meeting. The Company shall prepare electronic files of the notice of the shareholders' meeting, proxy forms, relevant recognition cases, discussion items, election or removal of directors and supervisors, and other agenda items and explanatory materials, and transmit them to the Public Information Observation System ("PIOS") no later than 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall also prepare electronic files of the shareholders' meeting manual and supplemental materials and transmit them to the PIOS no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting, provided that if the Company's paid-in capital as of the end of the most recent fiscal year is NT\$10 billion or more, or the aggregate foreign and Mainland China ownership percentage listed in the shareholder registry for the most recent fiscal year's regular shareholders' meeting is 30% or more, the Company shall complete the transmission of the aforementioned electronic files	conference call to join the shareholders' meeting whenever the Company convenes a shareholders' meeting by means of video conference call and in order to provide the shareholders with appropriate alternative measures and to assist them by using the connecting facilities to join shareholders' meeting by means of video conference call, it is added in the later part of Subparagraph 4, stating that the Company shall at least provide the shareholders with connection facilities and venue, assign related personnel to provide shareholders with necessary assistance, and specify the period during which shareholders may apply to the Company for and other related matters requiring attention. 2. In addition, Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies provides that the Ministry of Economic Affairs may, at the occurrence of a natural disaster, unforeseen event, or other force majeure event, announce that within a certain period of time the Company may hold its shareholders' meetings by means of video conference call. Given it may

Proposed Amendments	Current Provisions	Explanations
supplemental materials for the current meeting shall be made available for shareholders to access at any time and displayed at the Company and its appointed professional share registrar. The aforementioned meeting manual and supplemental materials shall be made available to shareholders on the day of the shareholders' meeting as follows: (1), (2), (3) are omitted <u>(4) Whenever the Company convenes a shareholders' meeting by means of video conference call, it shall further specify appropriate alternative measures available to shareholders who have difficulty taking part in the shareholders' meeting by means of video conference call. Except in the circumstances set out in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide the shareholders with connection facilities and necessary assistance, and specifying the period during which shareholders may apply to the Company for and other related matters requiring attention.</u> The following is omitted.	no later than 30 days before the regular shareholders' meeting. The shareholders' meeting manual and supplemental materials for the current meeting shall be made available for shareholders to access at any time and displayed at the Company and its appointed professional share registrar. The aforementioned meeting manual and supplemental materials shall be made available to shareholders on the day of the shareholders' meeting as follows: (1), (2), (3) are omitted The following is omitted	be required to provide corresponding measures depending on the situation of that time, it is added in the middle part of Subparagraph 4 of that in the circumstances set out in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the rule in the later part of Subparagraph 4 does not apply.
6.3.8 When holding a shareholders' meeting via video conference, the Company must include the following information in the notice of the shareholders' meeting: (1) The methods for shareholders to	6.3.8 When holding a shareholders' meeting via video conference, the Company must include the following information in the notice of the shareholders' meeting:	The reason for the amendment is the same as above.

Proposed Amendments	Current Provisions	Explanations
participate in the video conference and exercise their rights. (2) The handling method for obstacles to the video conferencing platform or video conferencing participation caused by natural disasters, incidents, or other force majeure events, including at least the following: (i) If the obstacles cannot be resolved before the meeting, and the meeting needs to be postponed or continued, the date of the postponed or continued meeting. (ii) Shareholders who did not register to participate in the original video conference may not participate in the postponed or continued meeting. (iii) If a video-assisted shareholders' meeting cannot continue, after deducting the number of shares represented by shareholders who participated via video conference, if the total number of shares represented at the meeting reaches the statutory quorum required to hold the meeting, the shareholders' meeting should continue, and the shares represented by shareholders participating via video conference should be counted towards the total number of shares represented. For all the resolutions of the shareholders' meeting, the shares represented by shareholders participating via video conference shall be deemed as abstentions. (iv) The handling method if all resolutions have been announced before any temporary motions.	(1) The methods for shareholders to participate in the video conference and exercise their rights. (2) The handling method for obstacles to the video conferencing platform or video conferencing participation caused by natural disasters, incidents, or other force majeure events, including at least the following: (i) If the obstacles cannot be resolved before the meeting, and the meeting needs to be postponed or continued, the date of the postponed or continued meeting. (ii) Shareholders who did not register to participate in the original video conference may not participate in the postponed or continued meeting. (iii) If a video-assisted shareholders' meeting cannot continue, after deducting the number of shares represented by shareholders who participated via video conference, if the total number of shares represented at the meeting reaches the statutory quorum required to hold the meeting, the shareholders' meeting should continue, and the shares represented by shareholders participating via video conference should be counted towards the total number of shares represented. For all the resolutions of the shareholders' meeting, the shares represented by shareholders participating via video conference shall be	

Proposed Amendments	Current Provisions	Explanations
(3) The notice of the video conference shareholders' meeting should also include appropriate alternative measures for shareholders who have difficulty participating in the meeting via video conference. <u>Except in the circumstances set out in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide the shareholders with connection facilities and necessary assistance specifying the period during which shareholders may apply to the Company for and other related matters requiring attention.</u>	deemed as abstentions. (iv) The handling method if all resolutions have been announced before any temporary motions. (3) The notice of the video conference shareholders' meeting should also include appropriate alternative measures for shareholders who have difficulty participating in the meeting via video conference.	

Attachment 6

Jinli Group Holdings Limited

Comparison Table for Rules of Procedure for Board of Directors Meetings

Proposed Amendments	Current Provisions	Explanations
6.3.6 If one-half of all directors are not in attendance at the appointed meeting time, the chair may announce <u>that the meeting time will be postponed on the same day</u>, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 6.1.2.	6.3.6 If one-half of all directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 6.1.2.	To avoid disputes arising from uncertainty as to when a meeting of the board will be held when postponed, the amended provision expressly provides in the event quorum is not constituted, the chairman may declare the meeting to be postponed on the same day.
6.6.1.4 During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in Article 6.6.1.2, the provisions of Article 6.3.2 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.	6.6.1.4 N/A	For practical considerations and to avoid disrupting the operation of the board of directors, if the chairman is unable to preside over the board meeting or does not adjourn the board meeting in accordance with the regulations, the newly added provision stipulates the method of selecting a deputy whereby the chairman shall designate one of the managing directors to act as a deputy; if there is no managing director, one of the directors shall be designated to act as a deputy; and if the chairman has not designated a deputy, the managing directors or directors shall select one person from among themselves to serve as a deputy.