

Stock code: 8429

**Jinli Group Holdings Limited
and Subsidiaries
Consolidated Financial Statements
For the years ended December 31, 2024 and 2023
Together with Independent Auditors' Report**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Jinli Group Holdings Limited and Subsidiaries
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Jinli Group Holdings Limited and Subsidiaries
Letter of Representation

For the year ended December 31, 2024, pursuant to “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, the entities that are required to be included in the consolidated financial statements of affiliates, are the same entities required to be included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, “Consolidated Financial Statements”. In addition, the relevant information required to be disclosed in the consolidated financial statements of affiliates is included in the aforementioned consolidated financial statements. Accordingly, it is not required to prepare a separate set of consolidated financial statements of affiliates.

Hereby declare,

Jinli Group Holdings Limited

Chong, Chun Lung
Chairman



March 11, 2025

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, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years 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, 2024. 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, 2024, the balance of cash and cash equivalents of the Group is \$4,783,406 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, 2024, the balance of financial assets at amortized cost of the Group is \$1,343,529 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(23) 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, 2024, 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 on 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)

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 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.

Independent Auditors' Report (Continued)

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, 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.

Independent Auditors' Report (Continued)

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, 2024 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

March 11, 2025

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, 2024 and 2023

(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31,			
		2024	%	2023	%
Current assets					
Cash and cash equivalents	6.(1)	\$ 4,783,406	68	\$ 4,582,929	68
Financial assets at amortized cost - current	6.(2)	1,343,529	19	1,297,875	19
Accounts receivable, net	6.(3)	17,108	-	28,639	-
Other receivables	6.(4)	6,606	-	-	-
Other receivables from related parties	6.(4), 7	1,657	-	1,601	-
Current income tax assets		7,912	-	6,466	-
Prepayments	7	10,107	-	10,409	-
		6,170,325	87	5,927,919	87
Non-current assets					
Property, plant and equipment	6.(6)	1,812	-	2,034	-
Right-of-use assets	6.(7)	118,461	2	150,171	2
Investment property, net	6.(9)	742,657	11	729,317	11
Other non-current assets		28	-	33	-
		862,958	13	881,555	13
Total assets		\$ 7,033,283	100	\$ 6,809,474	100

(Continued on next page)

Jinli Group Holdings Limited and Subsidiaries

Consolidated balance sheets

December 31, 2024 and 2023

(Expressed in thousands of New Taiwan dollars)

(Continued from previous page)

Liabilities and equity	Notes	December 31,			
		2024	%	2023	%
<i>Current liabilities</i>					
Accounts payable		\$ 14,277	-	\$ 8,088	-
Other payables	6.(10)	75,159	1	69,715	1
Other payables to related parties	7	9,218	-	700	-
Current income tax liabilities		237	-	438	-
Current lease liabilities	6.(7)	-	-	3,996	-
		<u>98,891</u>	<u>1</u>	<u>82,937</u>	<u>1</u>
<i>Non-current liabilities</i>					
Deferred tax liabilities	6.(23)	612,877	9	570,150	8
Non-current lease liabilities	6.(7)	-	-	30,788	1
		<u>612,877</u>	<u>9</u>	<u>600,938</u>	<u>9</u>
Total liabilities		<u>711,768</u>	<u>10</u>	<u>683,875</u>	<u>10</u>
<i>Equity attributable to owners of the parent</i>					
Ordinary share	6.(12)	1,857,472	26	1,857,472	27
Capital surplus	6.(13)	1,617,452	23	1,617,452	24
Retained earnings:	6.(14)				
Special reserve		629,620	9	506,082	7
Unappropriated retained earnings		2,646,795	38	2,773,630	41
Other equity interest:					
Exchange differences arising from the translation of the financial statements of foreign operation	6.(15)	(430,351)	(6)	(629,620)	(9)
Equity attributable to the total equity of the owners of the parent company		6,320,988	90	6,125,016	90
Non-controlling interests		<u>527</u>	<u>-</u>	<u>583</u>	<u>-</u>
Total equity		<u>6,321,515</u>	<u>90</u>	<u>6,125,599</u>	<u>90</u>
Total liabilities and equity		\$ 7,033,283	100	\$ 6,809,474	100

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

Jinli Group Holdings Limited and Subsidiaries
Consolidated statement of comprehensive income
For the years ended December 31, 2024 and 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	For the year ended December 31,			
		2024	%	2023	%
Operating revenue	6.(16)	\$ 132,576	100	\$ 209,995	100
Operating costs	6.(5)	(110,087)	(83)	(201,582)	(96)
Gross profit		<u>22,489</u>	<u>17</u>	<u>8,413</u>	<u>4</u>
Operating expenses					
Selling expenses		(1,853)	(1)	(1,428)	(1)
Administrative expenses		(43,240)	(33)	(46,627)	(22)
Research and development expenses		(5,753)	(4)	(2,497)	(1)
		(50,846)	(38)	(50,552)	(24)
Net operating loss		(28,357)	(21)	(42,139)	(20)
Non-operating income and expenses					
Interest income	6.(17)	26,568	20	36,068	17
Other income	6.(18)	23,058	17	19,920	10
Other gains and losses	6.(19)	(23,211)	(18)	(25,127)	(12)
Finance costs	6.(22)	(633)	-	(1,626)	(1)
		<u>25,782</u>	<u>19</u>	<u>29,235</u>	<u>14</u>
Net loss before tax		(2,575)	(2)	(12,904)	(6)
Income tax expenses	6.(23)	(778)	-	(1,579)	(1)
Current net loss		(3,353)	(2)	(14,483)	(7)
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>199,269</u>	<u>150</u>	(123,538)	(59)
Total other comprehensive income (loss) for the year		<u>199,269</u>	<u>150</u>	(123,538)	(59)
Total comprehensive income (loss) for the year		<u>\$ 195,916</u>	<u>148</u>	<u>(\$ 138,021)</u>	<u>(66)</u>
Net loss attributable to					
Owners of the parent company		(\$ 3,297)	(2)	(\$ 13,965)	(7)
Non-controlling interests		(56)	-	(518)	-
		<u>(\$ 3,353)</u>	<u>(2)</u>	<u>(\$ 14,483)</u>	<u>(7)</u>
Total comprehensive income (loss) attributable to					
Owners of the parent company		\$ 195,972	148	(\$ 137,501)	(66)
Non-controlling interests		(56)	-	(520)	(-)
		<u>\$ 195,916</u>	<u>148</u>	<u>(\$ 138,021)</u>	<u>(66)</u>
Earnings per share (In New Taiwan dollars)	6.(24)				
Basic earnings per share		<u>(\$ 0.02)</u>		<u>(\$ 0.08)</u>	

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

Jinli Group Holdings Limited and Subsidiaries
Consolidated statement of changes in equity
For the years ended December 31, 2024 and 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the parent					Total equity attributable to shareholders of the parent	Non-controlling interests	Total equity
	Ordinary share	Capital surplus	Retained earnings		Other equity interest			
			Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations			
Balance, January 1, 2023	\$ 1,857,472	\$ 1,617,452	\$ 576,637	\$ 2,717,038	(\$ 506,082)	\$ 6,262,517	\$ 1,103	\$ 6,263,620
Appropriation of prior year's earnings:								
Reversal of special reserve	-	-	(70,557)	70,557	-	-	-	-
Effect of exchange rate changes	-	-	2	-	(2)	-	-	-
	<u>1,857,472</u>	<u>1,617,452</u>	<u>506,082</u>	<u>2,787,595</u>	<u>(506,084)</u>	<u>6,262,517</u>	<u>1,103</u>	<u>6,263,620</u>
Net loss for the year	-	-	-	(13,965)	-	(13,965)	(518)	(14,483)
Other comprehensive loss for the year	-	-	-	-	(123,536)	(123,536)	(2)	(123,538)
Total comprehensive loss for the year	-	-	-	(13,965)	(123,536)	(137,501)	(520)	(138,021)
Balance, December 31, 2023	1,857,472	1,617,452	506,082	2,773,630	(629,620)	6,125,016	583	6,125,599
Appropriation of prior year's earnings:								
Special reserve appropriated	-	-	123,538	(123,538)	-	-	-	-
	<u>1,857,472</u>	<u>1,617,452</u>	<u>629,620</u>	<u>2,650,092</u>	<u>(629,620)</u>	<u>6,125,016</u>	<u>583</u>	<u>6,125,599</u>
Net loss for the year	-	-	-	(3,297)	-	(3,297)	(56)	(3,353)
Other comprehensive income for the year	-	-	-	-	199,269	199,269	-	199,269
Total comprehensive income (loss) for the year	-	-	-	(3,297)	199,269	195,972	(56)	195,916
Balance, December 31, 2024	\$ 1,857,472	\$ 1,617,452	\$ 629,620	\$ 2,646,795	(\$ 430,351)	\$ 6,320,988	\$ 527	\$ 6,321,515

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

Jinli Group Holdings Limited and Subsidiaries

Consolidated statement of cash flows

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan dollars)

	For the year ended December 31,	
	2024	2023
Cash flows from operating activities		
Loss before income tax for the year	(\$ 2,575)	(\$ 12,904)
Adjustments for:		
Income and expenses having no effect on cash flows		
Depreciation expenses	21,138	23,727
Interest expenses	633	1,626
Interest income	(26,568)	(36,068)
Gain on disposal of property, plant and equipment	(404)	-
Gain on termination of lease	(2,009)	-
Foreign exchange loss	6,835	7,109
Changes in operating assets and liabilities		
Decrease (increase) in accounts receivable	11,531	(9,710)
Decrease in other receivables	-	12,290
Decrease in inventories	-	4,393
Increase (decrease) in prepayments	302	(472)
Increase in accounts payable	6,189	3,440
Increase in other payables	5,444	5,071
Cash generated from (used in) operating activities	20,516	(1,498)
Interest received	19,962	36,068
Interest paid	-	(1,626)
Income taxes paid	(2,205)	(6,196)
Net cash generated from operating activities	38,273	26,748

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Jinli Group Holdings Limited and Subsidiaries

Consolidated statement of cash flows

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan dollars)

(Continued from previous page)

	For the year ended December 31,	
	2024	2023
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	407	-
Acquisition of investment properties	(3,920)	(4,763)
Decrease in refundable deposits	5	8
Net cash used in investing activities	(3,508)	(4,755)
Cash flows from financing activities		
Increase in other payables to related parties	8,518	-
Payments of lease liabilities	-	(3,884)
Net cash generated from (used in) financing activities	8,518	(3,884)
Effect of exchange rate changes on cash and cash equivalents	157,194	(90,847)
Net increase (decrease) in cash and cash equivalents	200,477	(72,738)
Cash and cash equivalents at beginning of year	4,582,929	4,655,667
Cash and cash equivalents at end of year	\$ 4,783,406	\$ 4,582,929

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

Jinli Group Holdings Limited and Subsidiaries

Notes to the consolidated financial statements

(Expressed in thousands of New Taiwan dollars, except as otherwise specified)

1. History and organization

Jinli Group Holdings Limited (the “Company”) was incorporated as a company in Cayman Island in December 2010. The Company was established as part of an organizational restructuring implemented for the purpose of applying for listing on the Taiwan Stock Exchange. The Company and subsidiaries are primarily engaged in manufacture, processing and sale of clothing and footwear. The Company was listed on the Taiwan Stock Exchange starting from December 20, 2012.

2. The date of authorization for issuance of the consolidated financial statements and procedures for authorization

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on March 11, 2025.

3. Application of new standards, amendments and interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IAS”) and interpretations as endorsed and announced by the Financial Supervisory Commission (“FSC”).

A. IFRSs, IAS and interpretations endorsed and announced by the FSC effective from 2024 are as follows:

New standards, interpretations and

amendments	Main amendments	IASB effective date
Lease Liability in a Sale and Leaseback (amendments to IFRS 16)	This amendment clarifies how a seller-lessee applied its subsequent measurement for the related right-of-use assets and lease liabilities arising from a sale and leaseback transaction, where the lease payments are variable lease payments that do not depend on an index or rate; and the seller-lessee	January 1, 2024

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should determine the lease payments or revised lease payments such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee. And the new sample is provided for reference.

Classification of Liabilities as
Current or Non-current
(amendments to IAS 1)

This amendment clarifies that the classification of liabilities is based on the rights existing at the end of the reporting period. At the end of the reporting period, the enterprise does not have the right to defer the settlement period of liabilities for at least 12 months after the reporting period, and the liabilities should be classified as current. In addition, this amendment defines the "settlement" of a liability as the extinguishment of the liability with cash or other economic resources or the enterprise's own equity instruments. The terms of the liability may result in the settlement of the liability by transferring the company's own equity instruments, only if the enterprise has the right to classify an equity instrument as an equity component of a compound financial instrument. These terms do not affect the classification of the liability as current or non-current.

January 1, 2024

Non-current Liabilities with
Covenants (amendments to IAS 1)

This amendment clarifies that the contractual terms to which an entity is bound after the end of the reporting period do not affect the classification

January 1, 2024

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	of liabilities as current or non-current.	
	In addition, this amendment increases the disclosure of non-current liabilities subject to terms.	
Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)	This amendment adds new disclosures on supplier finance arrangements, including their impact on changes in liabilities arising from financing activities and quantitative disclosures on liquidity risk.	January 1, 2024

B. The Group assessed the above standards and interpretations and there is no significant impact to the Group's financial position and financial performance.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group.

A. New standards, interpretations and amendments as endorsed by the FSC effective from 2025 are as follows:

amendments	Main amendments	IASB effective date
Lack of Exchangeability (amendments to IAS 21)	This amendment defines exchangeability and provides guidance on how entities determine the exchange rate on the measurement date when a currency lacks exchangeability. The amendment also requires companies to provide more useful information in their financial statements when a currency is not exchangeable into another currency.	January 1, 2025

B. The Group assessed the above standards and interpretations and there is no significant impact on the Group's financial position and financial performance.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

A. The following new standards and amendments issued by IASB but not yet endorsed by the FSC:

New standards, interpretations and

amendments	Main amendments	IASB effective date
Amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)	The amendments are explained as follows: (1) Clarify the recognition and derecognition dates of certain financial assets and liabilities, and added that when settling financial liabilities (or part of a financial liability) in cash using an electronic payment system, an entity is permitted to consider the financial liability as extinguished before the settlement date if and only if the initiation of the payment instruction results in the following conditions: A. The enterprise does not have the ability to revoke, stop or cancel the payment order; B. The enterprise does not have the actual ability to obtain cash for settlement due to the payment instruction; C. The settlement risk associated with the electronic payment system is not significant. (2) Clarifying and providing additional guidance on assessing whether a financial asset meets the Solely Payments of Principal and Interest (SPPI) criterion. The scope includes contractual terms	January 1, 2026

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contingent events (e.g., interest rates linked to ESG targets), non-recourse features of instruments, and contractually linked instruments.

(3) Adding disclosure requirements for instruments with contractual terms that modify cash flows (e.g., instruments with features linked to the achievement of environmental, social, and governance (ESG) targets). These include a qualitative description of the contingent nature of such terms, quantitative information on the potential range of contractual cash flow variations arising from these terms, and the total carrying amount of financial assets and the amortized cost of financial liabilities subject to such terms.

(4) Updating disclosure requirements for equity instruments designated as fair value through other comprehensive income (FVOCI) under an irrevocable election. Fair value disclosure is now required by category rather than for each individual instrument. Additionally, entities must disclose the fair value gains or losses recognized in other comprehensive income during the reporting period, separately presenting the fair value gains or losses related to investments derecognized during

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the reporting period and those related to investments still held at the end of the reporting period. Furthermore, the cumulative gains or losses transferred to equity upon derecognition of investments during the reporting period should also be disclosed.

Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7)	This amendment pertains to contracts involving power generation that depends on uncontrollable natural conditions (e.g., weather), leading to variations in electricity production. The details are as follows: (1) Clarification on the application of the “self-use” requirement for contracts where a company purchases or sells natural electricity: When a contract requires a company to purchase and receive electricity when generated, and the design and operation of the electricity trading market mandate that the company sell any unused electricity within a specified timeframe, the company must consider reasonable and well-supported information regarding its past, current, and expected future electricity transactions within a reasonable period not exceeding 12 months. If the company purchases enough electricity to offset any unused electricity sold in the same market,	January 1, 2026
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it is considered a net purchaser of electricity. Newly added amendment for contracts involving natural electricity for self-use, requires disclosure of:

- A. The company faces the risk of changes in the base electricity supply and the company may be required to purchase electricity during the delivery interval when electricity is not available;
- B. Unrecognized contractual commitments, including expected future cash flows for electricity purchases under these contracts; and
- C. The impact of these contracts on the company's financial performance during the reporting period.

- (2) Clarify how hedge accounting can be applied to contracts involving natural electricity designated as hedging instruments:

The hedged item must be designated as the variable notional amount of the forecasted electricity transaction, which matches the variable amount of natural electricity expected to be delivered by the generation facility mentioned in the hedging instrument. Additionally, when the cash flows of a hedging instrument are part of a cash flow hedge relationship, and a contract

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	involving natural electricity is designated as the hedging instrument based on the occurrence of a specified forecasted transaction, that forecasted transaction is presumed to be highly probable. For entities designating contracts involving natural electricity as hedging instruments, the terms and conditions of the hedging instruments should be disclosed by risk category in accordance with IFRS 7.	
Sale or Contribution of Assets Between An Investor and Its Associate or Joint Venture (amendments to IFRS 10 and IAS 28)	This amendment addresses inconsistencies between the current IFRS 10 and IAS 28. When an investor sells (invests) assets to its affiliates or joint ventures, it is determined to recognize all or part of the disposal gains or losses depending on the nature of the assets sold (invested): (1) When the assets sold (invested) meet the “business”, all disposal gains and losses shall be recognized; (2) When the assets sold (invested) do not qualify as “business”, non-related investors can only recognize partial disposal of gains and losses within the scope of interests in affiliated companies or joint ventures.	To be determine by IASB

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IFRS 17 “Insurance Contracts”

This Standard replaces IFRS 4 “Insurance Contracts” and establishes the principles for the recognition, measurement, presentation and disclosure of Insurance and reinsurance contracts that it issues by the entities. This standard applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds; and investment contracts with discretionary participation features it issues, provided that the entity also issues insurance contracts. Embedded derivatives, distinct investment components and distinct performance obligations should be separated from insurance contracts. On initial recognition, each portfolio of insurance contracts issued shall be divided into a minimum of three groups by the entities: onerous, no significant possibility of becoming onerous and the remaining contracts in the portfolio. This Standard requires a current measurement model where estimates are re-measured at each reporting period. Measurements are based on discounted contract and probability-weighted cash flows, risk adjustments, and the expected profit from the unearned portion of the contract (contractual service margins). An entity may apply a simplified approach to the measurement for

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some of insurance contracts (premium allocation approach). The entity should recognize the revenue generated by a group of insurance contract during the period when the entity provides insurance coverage and when the entity releases the risk. The entity should recognize the loss immediately, if a group of insurance contracts becomes onerous. The entity should present insurance income, insurance service fees, and insurance finance income and expenses separately and its shall also disclose the amount, judgment and risk information from the insurance contract.

Insurance Contracts (amendments to IFRS 17)	This amendment includes the deferral of effective date, the expected recovery of the cash flow obtained by insurance, the contractual service margin attributable to investment services, the reinsurance contract held, the recovery of losses and other amendments. These amendments have not changed the basics of the standard in principle.	January 1, 2023
Initial Application of IFRS 17 and IFRS 9 - Comparative Information (amendment to IFRS 17)	This amendment allows enterprise to choose to apply the classification overlay approach for each comparative period reported in the initial application of IFRS 17. This option allows the financial assets held by an entity, including those held in activities that are not linked to contracts within the scope of IFRS 17,	January 1, 2023

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	on an instrument-by-instrument basis, based on how they expect to classify these financial assets in the comparative period when IFRS 9 is initially applied. Entities that have applied IFRS 9 or will apply both IFRS 9 and IFRS 17 for the first time may choose to apply the classification overlay approach.	
IFRS 18 "Presentation and Disclosure in Financial Statements"	Replace IAS 1 and update the structure of the statement of comprehensive income, introduce new disclosures on management performance measures, and enhance the principles of aggregation and disaggregation applied to the primary financial statements and notes.	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	This standard allows eligible subsidiaries to apply the reduced disclosure requirements of IFRS accounting standards.	January 1, 2027
Annual Improvements to IFRS Accounting Standards - Volume 11	This primarily involves modifying references or terminology in the standards to avoid confusion, which typically has no substantive impact in practice.	January 1, 2026

B. The Company assessed the above standards and interpretations and there is no significant impact to the Company's financial position and financial performance.

4. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the IFRSs, IAS, IFRIC interpretations, and SIC Interpretations as endorsed by the FSC.

(2) Basis of preparation

- A. Except for the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are measured by financial instruments measured at fair value, the accompanying consolidated financial statements have been prepared under the historical cost basis.
- B. The following significant accounting policies applied consistently to all periods of coverage of the consolidated financial statements.
- C. The preparation of financial statements that comply with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the IFRSs, IAS, IFRIC interpretations, and SIC Interpretations as endorsed by the FSC requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements

- (A) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement

with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

- (B) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (C) Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (D) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- (E) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would

be reclassified to profit or loss when the related assets or liabilities are disposed of. The gains or losses should transfer directly to retained earnings if the gain or loss from disposal of underlying assets is transferred to retained earnings at disposal.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		
			December 31,		
			2024	2023	Note
The Company	Jinli Group Holdings Limited (“Jinli Bermuda”)	Investment holdings	100	100	-
The Company	Leads Bio Co., Ltd (“Leads Bio”)	Manufacture and sales of cosmetics	51	51	1
Jinli Bermuda	Topoint Group Limited (“Topoint”)	Investment holdings	100	100	-
Jinli Bermuda	Dragon Flair Limited (“Dragon”)	Investment holdings	100	100	-
Topoint	Gold Apple (HK) Int'l Trading Co., Limited (“Gold Apple (HK)”)	Investment holdings	100	100	-
Dragon Flair	Million Win Creation Limited (“Million Win”)	Investment holdings	100	100	-
Gold Apple (HK)	Gold Apple (China) Co., Ltd (“Gold Apple (China)”)	Manufacture and sales of clothing and footwear	100	100	-
Gold Apple (HK)	Changtai Gold Apple Industry Co., Ltd (“Gold Apple (Changtai)”)	Manufacture and sales of clothing and footwear	100	100	-
Million Win	Aiqi (Fujian) Shoes Model Co., Ltd (“Aiqi (Fujian)”)	Manufacture and sales of clothing and footwear	100	100	-

Note 1: The Company's board of directors decided to dissolve and liquidate its subsidiary, Leads Bio, on June 30, 2023. However, on November 13, 2023, considering Leads Bio's future development, the board of directors decided to suspend the business of Leads Bio

for one year instead of putting it into dissolution and liquidation. On August 28, 2024, the board of directors resolved to extend the suspension of business for one year, from August 31, 2024 to August 30, 2025.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions

Cash and bank deposits of \$4,782,064 deposited in Mainland China are under local foreign exchange control which restricts the capital to be remitted outside the borders (except for normal dividend distribution).

F. Subsidiaries that have non-controlling interests that are material to the Group: None

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is US dollars, in order to comply with local filing requirements and regulations, the consolidated financial statements are presented in New Taiwan dollars, which is the Group's presentation currency.

A. Foreign currency translation and balances

(A) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction or valuation where items are re-measured, except for those that comply with cash flow hedging and net investment hedging and are deferred to other comprehensive gains and losses. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

- (B) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (C) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss; for the non-monetary assets and liabilities held at fair value through other comprehensive income or loss, their translation differences are recognized in other comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (D) All exchange gains and losses are reported in the income statement under “Other gains and losses”.

B. Translation of foreign operations

- (A) The operating results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - (a) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - (b) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - (c) All resulting exchange differences are recognized in other comprehensive income.
- (B) When the foreign operation partially disposed of or sold as a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Group retains partial interest in the former foreign subsidiary after losing

control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets:

- (A) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
- (B) Assets held mainly for trading purposes;
- (C) Assets that are expected to be realized within twelve months from the balance sheet date; or
- (D) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

The Group classified its assets that do not meet above criteria as non-current assets.

B. Liabilities that meet one of the following criteria are classified as current liabilities:

- (A) Liabilities that are expected to be paid off within the normal operating cycle;
- (B) Liabilities arising mainly from trading activities;
- (C) Liabilities that are to be paid off within twelve months from the balance sheet date; or
- (D) Does not have the right to defer repayment of liabilities for at least twelve months after the reporting period.

The Group classified its liabilities that do not meet above criteria as non-current liabilities.

(6) Cash and cash equivalents

- A. For the purpose of the statements of cash flows, cash and cash equivalents consists of cash on hand, cash in bank, short-term, highly liquid investments, which were within three months of maturity when acquired, and repayable bank overdraft, as part of the cash management. Bank overdraft items listed under short-term borrowings in current liabilities on the balance sheet.
- B. Cash equivalents refer to short-term, highly liquid investments that also meet the following conditions:
 - (A) Readily convertible to known amount of cash.
 - (B) Subject to an insignificant risk of changes in interest rates.

(7) Financial assets at amortized cost

- A. Financial assets at amortized cost are those that meet all of the following criteria:
 - (A) The aim of the Group's business model is achieved by collecting contractual cash flows.
 - (B) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way of purchase or sales, financial assets at amortized cost are recognized and derecognized using trade date accounting.
- C. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts receivable

- A. In accordance with terms and conditions of the contracts, entitle a legal right to unconditionally receive consideration in exchange of receivables for transferred goods or rendered services.

B. Short-term accounts receivable without bearing interest are measured at initial invoice amount by the Group as effect of discounting is immaterial.

(9) Impairment of financial assets

On each balance sheet date, the Group's investment in debt instruments measured at fair value through other comprehensive income and financial assets measured at amortized cost, and accounts receivable or contractual assets, lease receivables, loan commitments and financial guarantee contracts with significant financial components, after considering all reasonable and corroborative information (including forward-looking), the loss allowance is measured on the 12-month expected credit losses for those who have not significantly increased the credit risk since the initial recognition. For those who have significantly increased the credit risk since the initial recognition, the loss allowance is measured by the expected credit losses during the period of existence; the accounts receivable or contract assets that do not contain significant financial components are measured by the lifetime expected credit loss.

(10) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Leasing Arrangements as lessor-operating Leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories primarily consist of merchandise. Inventories are measured at the lower of cost and net realizable value. When comparing cost and net realizable value, the assessment is made on an item-by-item basis except for inventories of the same category. Net realizable value refers to the estimated selling price under normal circumstances, less the estimated costs necessary to complete the sale. Inventory costs are calculated using the weighted average method.

(13) *Property, plant and equipment*

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives.

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3 ~ 20 years
Machinery and equipment	5 ~ 10 years
Transportation equipment	5 ~ 10 years
Office equipment	5 years
Other equipment	5 ~ 10 years

(14) Leasing arrangements (lessee) - right-of-use assets/lease liabilities

- A. Lease assets are recognized as a right-of-use asset and lease liabilities at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is recognized at cost, includes:
 - (A) The initial measured amount of the lease liability; and
 - (B) Any lease payments made at or before the commencement date.
 - (C) Any initial direct costs incurred by the lessee.

The right-of use assets is measured using the cost model subsequently and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognize the difference between remeasured lease liability in profit or loss.

(15) *Investment properties*

Investment properties are initially recorded at cost, and is subsequently measured using the cost model. Except for land, depreciation is provided on a straight-line basis based on the estimated useful life, which is 10~50 years.

(16) *Impairment of non-financial assets*

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to dispose or value in use. The circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(17) *Accounts payable*

A. Accounts payable refer to debts arising from purchase of raw materials, goods or services and notes due to operation and non-operation.

B. Short-term accounts payable without bearing interest are measured at initial invoice amount by the Group as effect of discounting is immaterial.

(18) *Derecognition of financial liabilities*

The Group derecognizes financial liabilities when the obligations specified in the contract are fulfilled, canceled, or expired.

(19) *Employee benefits*

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' compensation and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the shareholders at their shareholders' meeting subsequently, the differences should be recognized based on the accounting for changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(20) *Income tax*

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operated and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriated based on the amounts expected to be paid

to the tax authorities.

- C. Deferred income tax is recognized, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(21) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(22) Dividend Distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the distribution is approved by the Company's shareholders' meeting. Cash dividends are recognized as liabilities, while share dividends are recognized as dividends to be distributed. At the base date of issuing new shares, they are transferred to ordinary share.

(23) Revenue recognition

A. The Group manufactures and sells a range of clothing and footwear in the wholesale market. Sales are recognized when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Sales of clothing and footwear is recognized based on the price specified in the contract, net of the estimated sales returns and discounts. A refund liability is recognized for expected sales returns and discounts payable to customers in relation to sales made until the end of the reporting period. The sales usually are made with a credit term of 90 days, which is in agreement with the market practice. Therefore, the contract does not include a significant financing component.

C. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(24) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the strategic business unit. The strategic business unit, who is responsible for allocating resources and assessing performance of the operation segments, has been identified as the board of directors that makes strategic decisions.

5. Critical accounting judgments, estimates and key sources of assumption uncertainty

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The information is addressed below:

(1) Critical judgments in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

The Group makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the reporting period. The resulting accounting estimates might be different from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Valuation of allowance for uncollectible accounts

The Group manages collection and monitoring of receivables as well as bore relevant credit risk. The management periodically assesses the credit quality

and collection of customers to properly adjust the credit policy on customers. Additionally, the valuation of impairment on accounts receivable is based on IFRS 9 “Financial Instruments” to estimate expected credit loss. The management uses ageing of receivables as of the balance sheet date and the payment history of individual customers, financial status and economic situation of customers and many other factors that would affect the payment ability of customers as well as the forecast ability to assess the default possibility of accounts receivable.

As of December 31, 2024, the carrying amount of accounts receivable that the Group recognized was \$17,108 thousand.

6. Details of significant accounts

(1) Cash and cash equivalents

	December 31,	
	2024	2023
Cash on hand and working capital	\$ 237	\$ 1
Checking accounts and demand deposits	4,783,169	4,582,928
Total	<u>\$ 4,783,406</u>	<u>\$ 4,582,929</u>

The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, therefore the probability of counterparty default is remote. The Group’s maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

(2) Financial assets at amortized cost

	December 31,	
	2024	2023
<u>Current</u>		
Time deposits with original maturities of more than 3 months	<u>\$ 1,343,529</u>	<u>\$ 1,297,875</u>

A. The interest rate for time deposits with original maturities of more than 3 months was 1.60% and 1.45% as of December 31, 2024 and 2023 respectively.

B. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(3) *Accounts receivable*

	December 31,	
	2024	2023
Accounts receivable	\$ 17,114	\$ 28,645
Less: allowance for doubtful accounts	(6)	(6)
Total	<u>\$ 17,108</u>	<u>\$ 28,639</u>

A. The Group grants an interest free and average credit term of 90 days to its customer accounts.

B. The Group's maximum exposure to credit risk at December 31, 2024 and 2023 was the carrying amount of each class of accounts receivable.

C. The Group's aging analysis of accounts receivable is as follows:

	December 31,	
	2024	2023
Not past due	\$ 17,114	\$ 28,645
Up to 29 days past due	-	-
30 to 59 days past due	-	-
60 to 89 days past due	-	-
Over 90 days past due	-	-
Total	<u>\$ 17,114</u>	<u>\$ 28,645</u>

D. The provision matrix for measuring the allowance for doubtful accounts receivable by the Group is as follows:

December 31, 2024	Expected credit loss rate	Total carrying amount	Allowance for doubtful accounts (Lifetime expected credit loss)	Amortized cost
Not past due	0.03%	\$ 17,114	(\$ 6)	\$ 17,108
Up to 29 days past due	0.07%	-	-	-
30 to 59 days past due	0.07%	-	-	-
60 to 89 days past due	0.07%	-	-	-
Over 90 days past due	100.00%	-	-	-
Total		<u>\$ 17,114</u>	<u>(\$ 6)</u>	<u>\$ 17,108</u>

December 31, 2023	Expected credit loss rate	Total carrying amount	Allowance for doubtful accounts	
			(Lifetime expected credit loss)	Amortized cost
Not past due	0.03%	\$ 28,645	(\$ 6)	\$ 28,639
Up to 29 days past due	0.07%	-	-	-
30 to 59 days past due	0.07%	-	-	-
60 to 89 days past due	0.07%	-	-	-
Over 90 days past due	100.00%	-	-	-
Total		\$ 28,645	(\$ 6)	\$ 28,639

E. Information relating to credit risk, please refer to Note 12(2).

(4) *Other receivables*

	December 31,	
	2024	2023
Other receivables	\$ 6,606	\$ -
Other receivables to related parties	1,657	1,601
Less: allowance for doubtful accounts	-	-
Total	\$ 8,263	\$ 1,601

(5) *Inventories*

	December 31,	
	2024	2023
Merchandise	\$ -	\$ -

The cost of inventories recognized as expense is as follows:

	For the year ended December 31,	
	2024	2023
Cost of sales	\$ 110,087	\$ 201,582
Impairment losses (reversal)	-	-
Total	\$ 110,087	\$ 201,582

(6) *Property, plant and equipment*

	Buildings	Machinery and equipment	Transportation equipment	Total
Cost				
At January 1, 2024	\$ 130,868	\$ 5,859	\$ 14,701	\$ 151,428
Disposals	-	(5,644)	-	(5,644)
Net exchange differences	4,604	176	517	5,297
At December 31, 2024	\$ 135,472	\$ 391	\$ 15,218	\$ 151,081

	Buildings	Machinery and equipment	Transportation equipment	Total
At January 1, 2023	\$ 133,398	\$ 5,972	\$ 14,985	\$ 154,355
Net exchange differences	(2,530)	(113)	(284)	(2,927)
At December 31, 2023	<u>\$ 130,868</u>	<u>\$ 5,859</u>	<u>\$ 14,701</u>	<u>\$ 151,428</u>
Accumulated depreciation and impairment				
At January 1, 2024	\$ 130,868	\$ 5,675	\$ 12,851	\$ 149,394
Disposals	-	(5,641)	-	(5,641)
Depreciation	-	22	266	288
Net exchange differences	4,604	170	454	5,228
At December 31, 2024	<u>\$ 135,472</u>	<u>\$ 226</u>	<u>\$ 13,571</u>	<u>\$ 149,269</u>
At January 1, 2023	\$ 133,398	\$ 5,763	\$ 12,052	\$ 151,213
Depreciation	-	22	1,044	1,066
Net exchange differences	(2,530)	(110)	(245)	(2,885)
At December 31, 2023	<u>\$ 130,868</u>	<u>\$ 5,675</u>	<u>\$ 12,851</u>	<u>\$ 149,394</u>
Net book value				
At December 31, 2024	<u>\$ -</u>	<u>\$ 165</u>	<u>\$ 1,647</u>	<u>\$ 1,812</u>
At December 31, 2023	<u>\$ -</u>	<u>\$ 184</u>	<u>\$ 1,850</u>	<u>\$ 2,034</u>

(7) *Leasing arrangements as lessee*

A. The leased assets by the Group are land and buildings with the length of lease usually ranges from ten to fifty years. Lease contracts are negotiated individually and contain a variety of terms and conditions. The leased assets are not to be used as security for borrowing purposes, and no other restrictions are imposed.

B. The carrying amounts of the right-of-use asset and the depreciation expense recognized are as follows:

	December 31, 2024	For the year ended December 31, 2024
	Carrying amount	Depreciation
Land	\$ 118,461	\$ 2,793
Building and structures	-	1,889
	<u>\$ 118,461</u>	<u>\$ 4,682</u>

	December 31, 2023	For the year ended December 31, 2023
	Carrying amount	Depreciation
Land	\$ 117,148	\$ 2,756
Building and structures	33,023	4,474
	<u>\$ 150,171</u>	<u>\$ 7,230</u>

C. Movements of the rights-of-use assets of the Group for the year 2024 and 2023 were as follows:

	Land	Building and structures	Total
At January 1, 2024	\$ 117,148	\$ 33,023	\$ 150,171
Disposals	-	(32,234)	(32,234)
Depreciation	(2,793)	(1,889)	(4,682)
Net exchange differences	4,106	1,100	5,206
At December 31, 2024	<u>\$ 118,461</u>	<u>\$ -</u>	<u>\$ 118,461</u>

	Land	Building and structures	Total
At January 1, 2023	\$ 122,178	\$ 38,150	\$ 160,328
Depreciation	(2,756)	(4,474)	(7,230)
Net exchange differences	(2,274)	(653)	(2,927)
At December 31, 2023	<u>\$ 117,148</u>	<u>\$ 33,023</u>	<u>\$ 150,171</u>

D. In 2024 and 2023, the addition of the Group's right-of-use assets were both \$0.

E. The income and expenses related to the lease contracts are recognized as follows:

	For the year ended December 31,	
Items affecting profit or loss	2024	2023
Interest expense on lease liabilities	<u>\$ 633</u>	<u>\$ 1,626</u>
Expense on short-term lease	<u>\$ 734</u>	<u>\$ 4,633</u>
Expense on lease of low-value assets	<u>\$ -</u>	<u>\$ -</u>

F. The total cash outflow for the leases of the Group in 2024 and 2023 amounted to \$734 thousand and \$ 5,510 thousand respectively.

(8) *Leasing arrangements as lessor*

A. The leased assets of the Group are buildings. Rental contracts are typically made for period of 3 years. Lease contracts are negotiated individually and contain various terms and conditions.

B. The Group respectively recognized the rental income from operating lease contracts of \$19,775 thousand and \$18,587 thousand in 2024 and 2023, respectively, of which none of variable lease payments was recognized as rental income

C. The lease receipts due under an operating lease of the Group are analyzed as follows:

	December 31,	
	2024	2023
At December 31, 2024	\$ -	\$ 8,131
At December 31, 2025	19,777	-
After December 31, 2025	265,343	-
Total	<u>\$ 285,120</u>	<u>\$ 8,131</u>

(9) *Investment properties*

Cost	Buildings and structures	
At January 1, 2024	\$	812,879
Additions		3,920
Net exchange differences		28,615
At December 31, 2024	<u>\$</u>	<u>845,414</u>
At January 1, 2023	\$	823,813
Additions		4,763
Net exchange differences	(	15,697)
At December 31, 2023	<u>\$</u>	<u>812,879</u>

	<u>Buildings and structures</u>	
<u>Accumulated depreciation and impairment</u>		
At January 1, 2024	\$	83,562
Depreciation		16,168
Net exchange differences		3,027
At December 31, 2024	\$	<u>102,757</u>
At January 1, 2023	\$	69,695
Depreciation		15,431
Net exchange differences	(	1,564)
At December 31, 2023	\$	<u>83,562</u>
<u>Net book value</u>		
At December 31, 2024	\$	<u>742,657</u>
At December 31, 2023	\$	<u>729,317</u>

A. Rental income and direct operating expenses of investment properties

	<u>For the year ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Rental income from investment properties	<u>\$ 19,775</u>	<u>\$ 18,587</u>
Direct operating expenses arising from the investment properties that generated rental income during the year	<u>\$ 18,789</u>	<u>\$ 18,018</u>
Direct operating expenses arising from the investment properties that did not generate rental income during the year	<u>\$ -</u>	<u>\$ -</u>

B. The fair value of the investment properties held by the Group as of December 31, 2024 and 2023 were \$771,641 thousand and \$755,264 thousand. The fair value is based on the evaluation results of independent appraiser. The evaluation adopted the cost approach and belongs to the level 3 of fair value.

(10) *Other payable*

	December 31,	
	2024	2023
Employee benefits payable	\$ 69,851	\$ 64,927
Payables for service fees	3,597	621
Taxes payable	1,463	4,153
Other	248	14
Total	<u>\$ 75,159</u>	<u>\$ 69,715</u>

(11) *Retirement benefit plans*

- A. The Company and its domestic subsidiaries in R.O.C. have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries in R.O.C. contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- B. The Company’s Mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (“PRC”) are based on certain percentage of employees’ monthly salaries and wages. For the years ended December 31, 2024 and 2023, the contribution percentage was 16%. Other than the monthly contributions, the Company and subsidiaries has no further obligations.
- C. Jinli Bermuda, Topoint, Dragon Flair Limited, Gold Apple (HK) and Million Win, have no related employee pension plan.
- D. The pension costs under defined contribution pension plans of the Company and subsidiaries for the years ended December 31, 2024 and 2023 were \$2,492 thousand and \$8,455 thousand, respectively.

(12) *Ordinary shares*

As of December 31, 2024 and 2023, the Company's authorized capital was \$3,000,000 thousand, and the paid-in capital was \$1,857,472 thousand, consisting of 185,747 thousand shares of ordinary stock and with a par value of \$10 (in dollars) per share.

(13) *Capital surplus*

Pursuant to the ROC Company Act, capital surplus arising from paid-up capital in excess of par value on the issuance of ordinary shares and donations can be used to cover accumulated deficit or to issue new shares or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act of ROC requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. The capital surplus should not be used to cover the accumulated deficit unless the legal reserve is insufficient.

(14) *Retained earnings*

A. Legal reserve

Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses. Set aside an amount as special reserve in accordance with regulations for publicly traded companies or as requested by the competent authority. The remainder ("distributable earnings"), if any, to be appropriated shall be resolved by the stockholders at the stockholders' meeting.

B. Special reserve

(A) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(B) The Company provides and reverses the special reserve pursuant to the Letter Jin-Guan-Zheng-Fa-Zi No. 1090150022 and “Q&A for Applications of Providing Special Reserve after IFRSs”.

C. Distribution of retained earnings

The Company’s dividend policy is summarized below: the remaining earnings can be distributed as dividends after taking into consideration related regulations for publicly traded companies or as requested by the competent authority, profitability of the current year and the Company’s capital structure. Unless otherwise resolved by the Board of Directors or the shareholders’ meeting, earnings distributed to shareholders shall not be lower than 10% of the current earnings (net of tax), and the cash dividends shall not be lower than 10% of current distributable earnings.

D. On June 24, 2024, the Company resolved at the shareholders’ meeting not to distribute profits for the year 2023 due to losses, and in accordance with the law, set aside \$123,538 thousand to the special reserve. Additionally, on June 21, 2023, the Company resolved at the shareholders’ meeting not to distribute profits for the year 2022 due to losses, and in accordance with the law, reversed \$70,557 thousand from the special reserve.

E. For details of information on employee’s compensation and directors and supervisors’ remuneration, please refer to Note 6(21).

(15) *Other equity items*

Exchange differences on translating the financial statements of foreign operations

	For the year ended December 31,	
	2024	20223
At January 1	(\$ 629,620)	(\$ 506,082)
Exchange differences arising on translation to the presentation currency	199,269	(123,538)
At December 31	(\$ 430,351)	(\$ 629,620)

(16) *Revenue*

	<u>For the year ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Revenue from customer contracts		
Sales revenue - merchandise	<u>\$ 132,576</u>	<u>\$ 209,995</u>

Breakdown information of the Group's revenue from customer contracts in 2024 and 2023:

	<u>For the year ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
<u>Primary geographical markets</u>		
China	<u>\$ 132,576</u>	<u>\$ 209,995</u>
<u>Major merchandise</u>		
Clothing and footwear	\$ 132,576	\$ 209,995
Cosmetics	-	-
	<u>\$ 132,576</u>	<u>\$ 209,995</u>
<u>Timing of revenue recognition</u>		
At a point in time	<u>\$ 132,576</u>	<u>\$ 209,995</u>

(17) *Interest income*

	<u>For the year ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Interest income from bank deposits	\$ 10,436	\$ 14,311
Interest income from financial assets measured at amortized cost	<u>16,132</u>	<u>21,757</u>
Total	<u>\$ 26,568</u>	<u>\$ 36,068</u>

(18) *Other income*

	<u>For the year ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Rental revenue	\$ 19,775	\$ 18,587
Other income	<u>3,283</u>	<u>1,333</u>
Total	<u>\$ 23,058</u>	<u>\$ 19,920</u>

(19) *Other gains and losses*

	For the year ended December 31,	
	2024	2023
Gain on disposal of property, plant and equipment, net	\$ 404	\$ -
Gain on termination of lease	2,009	-
Net currency exchange loss	(6,835)	(7,109)
Depreciation for investment property	(16,168)	(15,431)
Depreciation charges on right-of-use assets	(2,621)	(2,587)
Total	(\$ 23,211)	(\$ 25,127)

(20) *Additional disclosures related to cost of revenues and operating expenses are as follows:*

	For the year ended December 31,					
	2024			2023		
	Cost of revenue	Operating expenses	Total	Cost of revenue	Operating expenses	Total
Employee benefit expenses	\$ -	\$ 30,477	\$ 30,477	\$ 43,842	\$ 32,801	\$ 76,643
Depreciation	-	2,349	2,349	4,496	1,213	5,709

(21) *Employee benefit expenses*

	For the year ended December 31,	
	2024	2023
Wages and salaries	\$ 17,700	\$ 56,104
Severance pay	6,643	-
Pension costs	2,492	8,455
Other personnel expenses	3,642	12,084
Total	\$ 30,477	\$ 76,643

A. In accordance with the Articles of Association, the current year's earnings, of the Company, shall be allocated no less than 0.1% as employees' compensation, and no more than 2% shall be paid as directors' remuneration. However, if the Company still has accumulated losses, it should reserve the earnings to make up for the losses.

B. The Company had a deficit in 2024 and 2023, therefore the remuneration payable to employees and director was not accrued.

If there is a change in the amount after publication of the annual consolidated financial statements, the differences are adjusted and

recorded as change in accounting estimates next year.

C. Please refer to Market Observation Post System for more information on the resolution related to the appropriation of distributable earnings as employees' compensation and directors' remuneration of the Company's board of directors and shareholders' meeting.

(22) *Finance costs*

	For the year ended December 31,	
	2024	2023
Interest expense	\$ 633	\$ 1,626

(23) *Income tax*

A. Income tax expense

Components of income tax expense:

	For the year ended December 31,	
	2024	2023
Current income tax for the year		
Current income tax for the year	\$ 778	\$ 1,579
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense	\$ 778	\$ 1,579

B. Reconciliation between income tax expense and income (loss) before income tax:

	For the year ended December 31,	
	2024	2023
Loss before income tax	(\$ 2,575)	(\$ 12,904)
Income tax expense at statutory rate	4,953	1,845
Tax effect of adjusting items		
Unrecognized temporary differences	651	2,458
Loss on unrecognized deferred tax assets	(4,732)	(2,724)
Loss carryforward	(94)	-
Income tax expense	\$ 778	\$ 1,579

C. Deferred income tax assets and liabilities are as follows:

For the year ended December 31, 2024				
	At January 1	Recognized in profit or loss	Exchange differences	At December 31
Deferred tax liabilities				
Income tax on				
overseas				
earnings	(\$ 570,133)	\$ -	(\$ 42,507)	(\$ 612,640)
Unrealized				
exchange gain	(17)	-	(220)	(237)
	(\$ 570,150)	\$ -	(\$ 42,727)	(\$ 612,877)
For the year ended December 31, 2023				
	At January 1	Recognized in profit or loss	Exchange differences	At December 31
Deferred tax liabilities				
Income tax on				
overseas				
earnings	(\$ 571,807)	\$ -	\$ 1,674	(\$ 570,133)
Unrealized				
exchange gain	(18)	-	1	(17)
	(\$ 571,825)	\$ -	\$ 1,675	(\$ 570,150)

D. The details of unrecognized deferred tax assets were as follow: (in CNY thousands)

	December 31,	
	2024	2023
Loss carryforward		
Expired in 2024	\$ -	\$ 32,759
Expired in 2025	272,320	272,320
Expired in 2026	1,078	1,078
Expired in 2027	42,111	42,111
Expired in 2028	608	819
Expired in 2029	500	-
	<u>316,617</u>	<u>349,087</u>
Deductible temporary differences		
Unrealized insurance expenses	<u>2,822</u>	<u>2,237</u>
Total	<u>\$ 319,439</u>	<u>\$ 351,324</u>

E. The Company is a registered company in the British Cayman Islands, Jinli Bermuda is a registered company in the Bermuda Islands, and Topoint and Dragon Flair are registered companies in the British Virgin Islands. All

these companies are exempt from business income tax under local laws and regulations.

F. Gold Apple (HK) and Million Win are registered companies in the Hong Kong Special Administrative Region of the People's Republic of China. Under the rules of Hong Kong's Inland Revenue Ordinance, only income sourced in Hong Kong is taxable. The aforementioned subsidiaries did not generate taxable income for the years ended December 31, 2024 and 2023.

G. Gold Apple (China) and Aiqi (Fujian) were established in People's Public of China, and their applicable income tax rate were both 25% effective from 2013.

H. The profit-seeking enterprise income tax returns of Leads Bio through 2022 have been assessed and approved by the Tax Authority.

(24) *Earnings per share*

A. The calculation of earnings per share and weighted average number of ordinary share is as follows:

For the year ended December 31, 2024			
	Amount after tax	Weighted average number of ordinary shares used in computation of basic earnings (in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Loss attributable to the Company	(\$ 3,297)	185,747	(\$ 0.02)
<u>Diluted earnings per share</u>			
None			

For the year ended December 31, 2023			
	Amount after tax	Weighted average number of ordinary shares used in computation of basic earnings (in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Loss attributable to the Company	(\$ 13,965)	185,747	(\$ 0.08)
<u>Diluted earnings per share</u>			
None			

(25) *Changes in liabilities from financing activities*

The reconciliation of the Group's liabilities from financing activities is as follows:

	January 1, 2024	Cash flow	Other non-cash	Effect of exchange rate changes	December 31, 2024
Lease liability	\$ 34,784	\$ -	(\$ 35,949)	\$ 1,165	\$ -
Other payables to related parties	700	8,518	-	-	9,218
Total	<u>\$ 35,484</u>	<u>\$ 8,518</u>	<u>(\$ 35,949)</u>	<u>\$ 1,165</u>	<u>\$ 9,218</u>

	January 1, 2023	Cash flow	Other non-cash	Effect of exchange rate changes	December 31, 2023
Lease liability	\$ 39,353	(\$ 5,510)	\$ 1,626	(\$ 685)	\$ 34,784
Other payables to related parties	700	-	-	-	700
Total	<u>\$ 40,053</u>	<u>(\$ 5,510)</u>	<u>\$ 1,626</u>	<u>(\$ 685)</u>	<u>\$ 35,484</u>

7. Related party transactions

Balances and amounts of transaction between the Company and subsidiaries had been eliminated upon consolidation and were not disclosed in this note. Details of transactions between the Group and other related parties were disclosed as follows:

(1) Related party name and category

Related party name	Related party category
Longfei Plastic Products Co., Ltd. ("Jinjiang Longfei")	The Company's chairman and the chairman of the company are within first degree of kinship
Aiqi Plastic Product Co., Ltd. ("Jinjiang Aiqi")	The Company's chairman and the chairman of the company are within first degree of kinship
Leads (China) Bio Co., Ltd. ("Leads China")	The Company's chairman is the chairman of the company
Advance Beauty International Company Limited ("Advance Beauty")	The Company's chairman is the chairman of the company
Mr. Chong Chun Lung	The Company's chairman

(2) Lease arrangements - Group as a lessee

A. The Group lease land and plant from Jinjiang Longfei and Jinjiang Aiqi. These leases have terms expiring between 2021 and 2031. Rents are paid at the beginning of each quarter. On May 31, 2024, the contract was terminated early, and the unpaid rent was recognized as other income amounting to \$2,327 thousand.

B. Lease liability is as follows:

Name	For the year ended December 31,	
	2024	2023
Jinjiang Longfei	\$ -	\$ 27,113
Jinjiang Aiqi	-	7,671
	<u>\$ -</u>	<u>\$ 34,784</u>

C. Interest expenses are as follows:

Name	December 31,	
	2024	2023
Jinjiang Longfei	\$ 493	\$ 1,268
Jinjiang Aiqi	140	358
	<u>\$ 633</u>	<u>\$ 1,626</u>

(3) *Lease arrangements – operating lease*

A. Rental expense is as follows:

Name	For the year ended December 31,	
	2024	2023
Advance Beauty	\$ 550	\$ 4,392

B. Total future lease payments to be made is summarized as follows:

Name	For the year ended December 31,	
	2024	2023
Advance Beauty	\$ -	\$ 471

The Group rents office space from related parties, and the rent is based on local market rates as agreed by both parties. The rent is payable monthly based on the lease agreement.

(4) *Lease arrangements - Group as a lessor*

Rental income is as follows:

Name	For the year ended December 31,	
	2024	2023
Leads China	\$ 19,775	\$ 18,587

Future payments of lease receivable are as follows:

Name	December 31,	
	2024	2023
Leads China	\$ 285,120	\$ 8,131

The Group lease plants to related parties, and the rent is based on local market rates as agreed by both parties. The rent is payable monthly based on the lease agreement.

(5) *Other receivables*

Name	December 31,	
	2024	2023
Leads China	\$ 1,657	\$ 1,601

(6) *Prepaid rent*

Name	December 31,	
	2024	2023
Advance Beauty	\$ -	\$ 519

(7) *Loans from related parties*

Other payables

Name	December 31,	
	2024	2023
Mr. Chong Chun Lung	\$ 9,218	\$ 700

The principal must be repaid within 1 year, and the interest rate of the loan is 0%.

(8) *Compensation of key management personnel*

	For the year ended December 31,	
	2024	2023
Short-term employee benefits	\$ 15,076	\$ 15,924
Post-employment benefits	1,174	1,249
	\$ 16,250	\$ 17,173

8. Pledged of assets

None.

9. Significant contingent liabilities and unrecognized commitments

None.

10. Significant disaster loss

None.

11. Significant events after the balance sheet date

None.

12. Others

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts to adjust the most appropriate capital structure. The Group monitors capital on the basis of the gearing ratio. The Group's gearing ratios as of December 31, 2024 and 2023 are as follows:

	December 31,	
	2024	2023
Total liabilities	\$ 711,768	\$ 683,875
Total assets	\$ 7,033,283	\$ 6,809,474
Gearing ratio	10%	10%

In reviewing the current gearing ratio, as of December 31, 2024 and 2023 debt-to-equity ratios are the same.

(2) Financial instruments

A. Financial instruments by category

<u>Financial assets</u>	December 31,	
	2024	2023
Financial assets at amortized cost		
Cash and cash equivalents	\$ 4,783,406	\$ 4,582,929
Financial assets at amortized cost -		
current	1,343,529	1,297,875
Accounts receivables	17,108	28,639
Other receivable (including related parties)	8,263	1,601
Total	\$ 6,152,306	\$ 5,911,044

<u>Financial liabilities</u>	December 31,	
	2024	2023
Financial liabilities at amortized cost		
Accounts payable	\$ 14,277	\$ 8,088
Other payable (includes related parties)	84,377	70,415
Total	<u>\$ 98,654</u>	<u>\$ 78,503</u>
Lease liability (expires within 1 year)	<u>\$ -</u>	<u>\$ 34,784</u>

B. Financial risk management objectives and policies

The Group's financial instruments include equity and accounts receivables, other receivables, refundable deposits, accounts payable and other payables. Risk management is coordinated by the Group's finance department by entering domestic and international financial market operations and responsible to monitor and manage the financial risk according to the degree of risk and evaluating the breadth analysis of risk exposure. Such risk includes market risk (including exchange rate risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to reduce the risk by employing a risk management and to analyze, identify and evaluate the related financial risk that potentially poses adverse effects on the Group. The Group has a relevant plan to hedges the adverse factors of financial risk.

(A) Market risk

Market risk is arising from movements in market prices, such as foreign exchange risk and interest rate risk that affecting the Group's earning or financial instruments held by the Group. The objective of market risk management is to control the market risk exposure within affordable range and to optimize the return on investment.

The major markets risks undertake by the Group's operation are foreign exchange risk, interest rate risk and equity price risk. In practice, a movement by a single change in risk variables is rare, hence change in risk variables are always interrelated. The following sensitivity analysis did not consider the interaction of related risks variables.

a. Exchange risk

The exchange rate risk of the Group is mainly related to business activities (when the currency used for income or expenses is different from the functional currency of the Group) and the net investment of foreign operating entities. The Group's exchange risk is mainly arising from translation of the cash and cash equivalents, accounts receivable, other receivables, other receivables from related parties, accounts payable, other payable and other payables to related parties that are dominated in foreign currency

Details of the unrealized exchange gains and losses of the Group's monetary items whose value would significant affected by exchange rate fluctuation are as follows:

For the year ended December 31, 2024			
	Foreign currency amount (in thousands)	Exchange rate	Unrealized exchange gains and losses (NT\$)
<u>Financial assets</u>			
US\$: NT\$	\$ 1	32.785	\$ -
NT\$: US\$	317	0.0305	-
HK\$: CNY	5	0.9428	-

For the year ended December 31, 2023			
	Foreign currency amount (in thousands)	Exchange rate	Unrealized exchange gains and losses (NT\$)
<u>Financial assets</u>			
US\$: NT\$	\$ 1	30.705	\$ -
HK\$: US\$	1	0.128	-
NT\$: US\$	424	1	6
HK\$: CNY	6	0.9080	1

The sensitivity analysis of the Group's exchange risk mainly focuses on the relevant foreign currency appreciation or depreciation of main foreign currency items at the closing date of financial reporting period, and its impact of appreciation/devaluation on the Group's profit and loss and equity.

The determination of below sensitivity analysis is based on the Group's non-functional currency assets and liabilities with significant exchange rate exposure at the balance date. The relevant information is as follows:

December 31, 2024						
	Foreign currency amount	Exchange rate	Carrying amount (NT\$)	Variation	Effect on profit or loss	Effect on equity
<u>Financial assets</u>						
<u>Monetary items</u>						
US\$: NT\$	\$	1	32.785	\$ 35	1%	\$ - \$ -
NT\$: US\$		317	0.0305	317	1%	3 -
HK\$: CNY		5	0.9428	20	1%	- -

December 31, 2023						
	Foreign currency amount	Exchange rate	Carrying amount (NT\$)	Variation	Effect on profit or loss	Effect on equity
<u>Financial assets</u>						
<u>Monetary items</u>						
US\$: NT\$	\$	1	30.705	\$ 32	1%	\$ - \$ -
HK\$: US\$		1	0.1280	2	1%	- -
NT\$: US\$		424	1	424	1%	4 -
HK\$: CNY		6	0.9080	24	1%	- -

b. Cash flow and fair value interest rate risk

Because the Group do not hold long-term and short-term borrowings reclassified as financial liabilities in the consolidated balance sheets, therefore, the Group have no significant cash flow and fair value interest rate risk.

(B) Credit risk

- a. Credit risk refers to the risk of financial loss to the Group arising from default by the clients on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortized cost.

- b. The Group manage their credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with an optimized crediting rating are accepted. According to the Group's credit policy, each local entity in the Group are responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
- c. The Group adopt following assumptions under IFRS 9 to assess whether there have been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition. The default occurs when the contract payments are past due over 90 days.
- d. The Group apply the modified approach using provision matrix to estimate expected credit loss under the provision matrix basis.
- e. The Group used the forecast ability of manufacturing purchasing managers' index released by the National Bureau of Statistics of China to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2024 and 2023, the provision matrix is as follows:

(i) Domestic customers

		Up to 29	30 to 59	60 to 89	Over 90	
	Not past	days past	days past	days	days past	
	due	due	due	past due	due	Total
At December 31, 2024						
Expected loss rate	0.03%	0.07%	0.07%	0.07%	100%	
Total book value	\$ 17,114	-	-	-	-	\$ 17,114
Loss allowance	6	-	-	-	-	6

	Not past due	Up to 29 days past due	30 to 59 days past due	60 to 89 days past due	Over 90 days past due	Total
At December 31, 2023						
Expected loss rate	0.03%	0.07%	0.07%	0.07%	100%	
Total book value	\$ 7,733	-	-	-	-	\$ 7,733
Loss allowance	2	-	-	-	-	2

(ii)Export customers

	Not past due	Up to 29 days past due	30 to 59 days past due	60 to 89 days past due	Over 90 days past due	Total
At December 31, 2024						
Expected loss rate	0.03%	0.07%	0.07%	0.07%	100%	
Total book value	\$ -	-	-	-	-	\$ -
Loss allowance	-	-	-	-	-	-

	Not past due	Up to 29 days past due	30 to 59 days past due	60 to 89 days past due	Over 90 days past due	Total
At December 31, 2023						
Expected loss rate	0.03%	0.07%	0.07%	0.07%	100%	
Total book value	\$ 20,912	-	-	-	-	\$ 20,912
Loss allowance	4	-	-	-	-	4

- f. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	For the year ended December 31, 2024
At January 1	\$ 6
Provision of impairment loss	-
Written off as uncollectible	-
Effect of exchange rate changes	-
At December 31	\$ 6

	For the year ended December 31, 2023	
At January 1	\$	6
Provision of impairment loss		-
Written off as uncollectible		-
Effect of exchange rate changes		-
At December 31	\$	6

(C) Liquidity risk

- a. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs and to maintain it has sufficient cash to meet capital needs at all times so that the Group do not breach covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements, for example, currency restrictions.
- b. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group treasury. Group treasury invests surplus cash in interest bearing current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. As of December 31, 2024 and 2023, the Group held money market position of \$4,783,406 thousand and \$4,582,929 thousand, respectively and current financial assets at amortized cost of \$1,343,529 thousand and \$1,297,875 thousand, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

c. Table of liquidity and interest rate risk

The table below analyses the Group's non-derivative financial liabilities based on remaining period to the contractual maturity date during the agreed repayment period and in accordance to the possible earliest required date of repayment. The financial liabilities in below table prepared by undiscounted cash flows.

December 31, 2024				
	Less than 3 months	Between 3 and 12 months	Over 1 years	Total of undiscounted cash flows
<u>Non-derivative</u>				
<u>financial</u>				
<u>liabilities</u>				
Accounts payable	\$ 14,277	\$ -	\$ -	\$ 14,277
Other payables (include related parties)	84,377	-	-	84,377
Total	<u>\$ 98,654</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,654</u>

December 31, 2023				
	Less than 3 months	Between 3 and 12 months	Over 1 years	Total of undiscounted cash flows
<u>Non-derivative</u>				
<u>financial</u>				
<u>liabilities</u>				
Accounts payable	\$ 8,088	\$ -	\$ -	\$ 8,088
Other payables (include related parties)	70,415	-	-	70,415
Lease liability	983	3,013	30,788	34,784
Total	<u>\$ 79,486</u>	<u>\$ 3,013</u>	<u>\$ 30,788</u>	<u>\$ 113,287</u>

The amount of above non-derivative financial assets and liabilities instruments with floating interest rate will be varied when the estimated rate became different at the end of reporting period.

(3) Fair value information

A. The different levels of valuation techniques which are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: The input value of this level is the public quotation (unadjusted) of the identical asset or liability in the active market. A market is regarded as active when the goods in the market are in the same nature and the price information is readily available in the public market for both buyers and sellers. The fair values of the Group's investments in publicly listed securities and beneficiary certificates are included in this level.

Level 2: Inputs other than the observable publicly quoted prices included within Level 1 for assets and liabilities, either directly (such as price) or indirectly (such as derived from the price).

Level 3: Unobservable inputs for the asset or liability.

B. Please refer to Note 6(9) for the details description of fair value of investment property measured at cost.

C. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, accounts receivable, other receivables, refundable deposits, accounts payable and other payables are reasonable approximations of fair values.

(4) Other

At the end of December 2023, the Group ceased the operation of its production line. Starting January 2024, the business model was transformed from self-production and sales, to outsourced production and sales.

13. Supplementary disclosures

(1) Significant transactions information:

No.	Items	Footnote
1	Loans to others	Table 1
2	Provision of endorsements and guarantees to others	None
3	Holding of marketable securities at the end of the period (excluding investment in subsidiaries, associates and joint ventures)	None
4	Purchase or sale of the same security with the accumulated cost exceeding \$300 million or 20% of paid-in capital or more	None
5	Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more	None
6	Disposal of real estate reaching \$300 million or 20% of paid-in capital or more	None
7	Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more	None
8	Receivables from related parties reaching \$100 million or 20% of paid-in capital or more	Table 2
9	Derivative financial instruments undertaken	None
10	Significant inter-company transactions between the Company and subsidiaries	Table 3

(2) Information on investments: Table 4

(3) Information on investments in Mainland China: Table 5

(4) Information of major shareholders: Table 6

Table 1

Jinli Group Holdings Limited and Subsidiaries

Loans to others

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise specified)

No. (Note 1)	Lender	Borrower	Financial statement account	Related party	Maximum balance for the period	Ending balance	Actual borrowing amount	Interest rate (%)	Nature of financing (Note 2)	Business transaction amount	Reasons for short-term financing	Allowance for impairment loss	Collateral		Financing limit for each borrower (Note 3)	Aggregate financing limit (Note 3)	Note
													Item	Value			
0	The Company	Gold Apple (HK)	Other receivables from related parties	Yes	\$ 400,000	\$ 400,000	\$ 217,902 (CNY 48,661)	1.38%	(2)	\$ -	Working capital	\$ -	-	-	\$ 2,528,395	\$ 2,528,395	-
1	Gold Apple (HK)	Gold Apple (China)	Other receivables from related parties	Yes	400,000	400,000	217,902 (CNY 48,661)	1.38%	(2)	-	Working capital	-	-	-	2,390,739	4,781,478	-
2	Gold Apple (China)	Gold Apple (Changtai)	Other receivables from related parties	Yes	400,000	450,000	336,074 (CNY 70,050)	1.07%	(2)	-	Working capital	-	-	-	2,429,864	4,859,727	-

Note 1: The intercompany transactions between the companies are identified and numbered as follows for indication:

- (1) Parent company: 0
- (2) Subsidiaries start from 1 consecutively.

Note 2: The types of transactions between related parties are as follows:

- (1) Have business dealings
- (2) Those who need short-term financings.

Note 3: According to the lending policies of the Company and subsidiaries, the Company's limit on loans granted to a single party is 40% of the Company's net value, and the Company's ceiling on total loans granted is 40% of the Company's net value. The subsidiary's limit on loans granted to a single party is 40% of the company's net value, and the subsidiary's ceiling on total loans granted is 80% of the company's net value.

Note 4: Transactions between the Company and its subsidiaries were eliminated on consolidation.

Table 2

Jinli Group Holdings Limited and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
December 31, 2024
(Expressed in thousands of New Taiwan dollars)

Company name	Transaction party	Relationship	Ending balance of receivables from related parties	Turnover rate	Overdue		Amount received in subsequent period	Allowance for doubtful accounts
					Amount	Actions taken		
The Company	Gold Apple (HK)	Subsidiary	\$ 217,902	-	\$ -	-	\$ -	\$ -
Gold Apple (HK)	Gold Apple (China)	Subsidiary	217,902	-	-	-	-	-
Gold Apple (China)	Gold Apple (Changtai)	Affiliate with same parent company	336,074	-	-	-	-	-

Note: Transactions between the Company and its subsidiaries were eliminated on consolidation.

Table 3

Jinli Group Holdings Limited and Subsidiaries
Significant inter-company transactions between the Company and subsidiaries
For the year ended December 31, 2024
(Expressed in thousands of New Taiwan dollars and Chinese Yuan)

No.	Transaction party	Counterparty	Type of transactions (Note 1)	Transaction details			
				Financial statement accounts	Amount	Payment terms	% to total sales or total assets
0	The Company	Gold Apple (HK)	1	Interest income	\$ 2,973 (CNY 667)	Loan to	2%
0	The Company	Gold Apple (HK)	1	Other receivables	217,902 (CNY 48,661)	Loan to (principal)	3%
0	The Company	Gold Apple (HK)	1	Other receivables	1,030 (CNY 230)	Loan to (interest)	-
0	The Company	Leads Bio	1	Other receivables	60	Reimbursement	-
1	Gold Apple (HK)	Gold Apple (China)	3	Interest income	2,973 (CNY 667)	Loan to	2%
1	Gold Apple (HK)	Gold Apple (China)	3	Other receivables	217,902 (CNY 48,661)	Loan to (principal)	3%
1	Gold Apple (HK)	Gold Apple (China)	3	Other receivables	1,030 (CNY 230)	Loan to (interest)	-
2	Gold Apple (China)	Gold Apple (Changtai)	3	Interest income	3,681 (CNY 826)	Loan to	3%
2	Gold Apple (China)	Gold Apple (Changtai)	3	Other receivables	336,074 (CNY 75,050)	Loan to (principal)	5%
2	Gold Apple (China)	Gold Apple (Changtai)	3	Other receivables	2,728 (CNY 609)	Loan to (interest)	-
3	Aiqi (Fujian)	Gold Apple (China)	3	Rental revenue	4,726 (CNY 1,061)	Note 2	4%
3	Aiqi (Fujian)	Gold Apple (China)	3	Loss from lease modification	1,418 (CNY 318)	Note 2	-

Note 1: The types of transactions between related parties are as follows for indication:

- (1) From parent company to subsidiary: 1
- (2) From subsidiary to parent company: 2

(3) Between subsidiaries: 3

Note 2: Provided buildings and structures for operation use, rental is mutual agreement and collected monthly. On May 31, 2024, the lease agreement was modified to reduce both rent and the leased area.

Note 3: Transaction between the Company and its subsidiaries were eliminated on consolidation.

Table 4

Jinli Group Holdings Limited and Subsidiaries

Information on investments

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan dollars)

Investor company	Investee company	Location	Main business and products	Original investment amount		As of December 31, 2024			Net income (loss) of the investee	Share of profit (loss)	Note
				December 31, 2024	December 31, 2023	Number of shares	%	Carrying amount			
The Company	Jinli Bermuda	Bermuda Island	Investment holdings	\$ 1,858,875	\$ 1,858,875	825,458,519	100	\$ 6,119,936	\$ 16,884	\$ 16,884	-
The Company	Leads Bio	Taiwan	Manufacture and sales of cosmetics	13,260	13,260	1,326,000	51	549	(114)	(58)	-
Jinli Bermuda	Topoint	BVI	Investment holdings	963,079	963,079	41,100	100	5,977,063	16,428	16,428	-
Jinli Bermuda	Dragon Flair	BVI	Investment holdings	37,501	37,501	20,000	100	142,102	2,334	2,334	-
Topoint	Gold Apple (HK)	Hong Kong	Investment holdings	980,586	980,586	254,217,784	100	5,976,847	16,429	16,429	-
Dragon Flair	Million Win	Hong Kong	Investment holdings	37,320	37,320	10,000,000	100	142,104	2,334	2,334	-

Note 1: Net income of investees, investments accounted for using the equity method of investor and net assets of investee company between the investor and investee company have been eliminated on consolidation.

Note 2: Refer to Table 5 for information relating to investees in Mainland China.

Table 5

Jinli Group Holdings Limited and Subsidiaries
Information on investments in Mainland China
For the year ended December 31, 2024
(Expressed in thousands of New Taiwan dollars and Chinese Yuan)

Investee company in Mainland China	Main businesses activities	Paid-in capital	Method of investments (Note 1)	Accumulated outward remittance for investment from Taiwan as of January 1, 2024	Remittance of funds		Accumulated outward remittance for investment from Taiwan as of December 31, 2024	Net Income (loss) of the investee	% Ownership of direct or indirect investment	Investment gain (loss) (Note 2)	Carrying amount as of December 31, 2024	Accumulated repatriation of investment income as of December 31, 2024
					Outward	Inward						
Gold Apple (China)	Clothing and footwear manufacturing	\$ 949,186	(2)	\$ -	\$ -	\$ -	\$ -	\$ 19,019 (CNY 4,270)	100	\$ 19,019 (CNY 4,270)	\$ 6,074,659 (CNY 1,356,556)	\$ -
Aiqi (Fujian)	Clothing and footwear manufacturing	37,283	(2)	-	-	-	-	2,334 (CNY 524)	100	2,334 (CNY 524)	142,104 (CNY 31,734)	-
Gold Apple (Changtai)	Clothing and footwear manufacturing	521,566	(2)	-	-	-	-	(2,228 (CNY (500)))	100	(2,228 (CNY (500)))	519,803 (CNY 116,079)	-

Accumulated outward remittance for investment in Mainland China as of December 31, 2024	Investment amount authorized by Investment Commission, Ministry of Economic Affairs (Note 4)	Upper limit on the amount of investment stipulated by Investment Commission, Ministry of Economic Affairs
Not applicable	Not applicable	Not applicable

Note 1: Three types of investment methods are as follows for indication:

- (1) Invest directly in Mainland China.
- (2) Invest in Mainland China through third-region companies.
- (3) Other methods: Invest in Mainland through Chinese subsidiary

Note 2: The amount is recognized based on the audited financial statements. .

Note 3: Net income of investees, investments accounted for using the equity method of investor and net assets of investee company between the investor and investee company have been eliminated on consolidation.

Note 4: The Company was established in Cayman, thus, the approval from Ministry of Economic Affairs for the Company's investments in Mainland China was not applicable.

Table 6

Jinli Group Holdings Limited and Subsidiaries
Information of major shareholders
For the year ended December 31, 2024

No.	Name of major shareholder	Number of shares held	Percentage of shareholding (%)
1	Chong, Chun Lung	31,818,883	17.13
2	KGI Bank Entrust Dragon Million (Asia) Limited Investment Account	12,160,544	6.54
3	Li, Chun Fei	9,808,652	5.28

Note 1: The information of major shareholders in the above table was calculated by the Taiwan Depository and Clearing Corp. based on the information of shareholders of the Company who hold more than 5% of ordinary shares and special shares and has been completed the non-physical registration and delivery (including treasury shares) on the last business day of the end of each quarter. As for the shares capital recorded in the Company’s financial statements may vary from the Company’s actual number of shares which has completed the non-physical registration and delivery due to different calculation basis or differences.

Note 2: In the above table, if the shareholder entrusts its shares to the trust, disclosure is made by the individual accounts of the trustee who opened the trust account by the grantor. As for the shareholders’ declarations for insider equity holdings exceeding 10% in accordance with the Securities and Exchange Act, his shareholding includes his own shares plus the shares entrusted to the trust with voting rights, etc. For information on the declaration for insider equity, please refer to Market Observatory Post System.

14. Segment information

(1) General information

The management of the Group has identified the reportable segment based on the reported information used by the board of directors in decisions making.

The Group is divided by operating business, and its reportable segments include clothing and footwear and cosmetics.

(2) Segment information

The Group's segment profit (loss) of the operating segments is measured with the profit before tax, which is used as a basis for the Group in assessing the performance.

The revenue from external customers, segment income (loss) reported to the chief operating decision-maker are measured in a manner consistent with revenue and profit before tax in the financial statements. Therefore, such reconciliation is not required.

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the year ended December 31, 2024		
	Clothing and footwear	Cosmetics	Total
Revenue from external customers	\$ 132,576	\$ -	\$ 132,576
Inter-segment revenue	-	-	-
Segment revenue	<u>\$ 132,576</u>	<u>\$ -</u>	<u>\$ 132,576</u>
 Segment net income (loss)	 (\$ 2,461)	(\$ 114)	(\$ 2,575)
Segment assets	<u>\$ 7,032,130</u>	<u>\$ 1,153</u>	<u>\$ 7,033,283</u>
Segment liabilities	<u>\$ 711,691</u>	<u>\$ 77</u>	<u>\$ 711,768</u>

	For the year ended December 31, 2023		
	Clothing and footwear	Cosmetics	Total
Revenue from external customers	\$ 209,995	\$ -	\$ 209,995
Inter-segment revenue	-	-	-
Segment revenue	<u>\$ 209,995</u>	<u>\$ -</u>	<u>\$ 209,995</u>
Segment net income (loss)	<u>(\$ 11,846)</u>	<u>(\$ 1,058)</u>	<u>(\$ 12,904)</u>
Segment assets	<u>\$ 6,808,244</u>	<u>\$ 1,230</u>	<u>\$ 6,809,474</u>
Segment liabilities	<u>\$ 683,834</u>	<u>\$ 41</u>	<u>\$ 683,875</u>

(3) *Products information*

Revenue from external customers is mainly from footwear manufacturing and sales, clothing wholesale and cosmetics sales. Revenue of footwear manufacturing and sales and clothing wholesale is primarily from the Company's own brand "Gold Apple", revenue of cosmetics sales is primarily from the subsidiary, Leads Bio, of the Company.

	For the year ended December 31,	
	2024	2023
Footwear sales	\$ 132,576	\$ 208,143
Clothing sales	-	-
Other sales	-	1,852
	<u>\$ 132,576</u>	<u>\$ 209,995</u>

(4) *Geographical information*

Geographical information for the years ended December 31, 2024 and 2023 is as follows:

	For the year ended December 31,			
	2024		2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Mainland China	\$ 132,576	\$ 862,958	\$ 209,995	\$ 881,550
Taiwan	-	-	-	5
	<u>\$ 132,576</u>	<u>\$ 862,958</u>	<u>\$ 209,995</u>	<u>\$ 881,555</u>

(5) *Information about major customers*

For the years ended December 31, 2024 and 2023, the Group's revenue from one single customer which exceeds 10% of total operating revenue is as of the followings:

Customer	For the year ended December 31,			
	2024	%	2023	%
Customer L	\$ -	-	\$ 142,824	68
Customer A	132,576	100	65,317	31