

WEBLINK INTERNATIONAL INC.
MINUTES OF 2024 ANNUAL SHAREHOLDERS' MEETING

(Translation)

The translation is intended for reference only and nothing else. The Chinese text of the Minutes of 2024 Annual Shareholders' Meeting shall govern any and all matters related to the interpretation of the subject matter stated herein.

Time: 9:00 a.m., Thursday, May 30, 2024

Venue: Acer Building (1F, No. 88, Sec. 1, Xin Tai 5th Rd., Xizhi District, New Taipei City)

Type: Hybrid shareholders' meeting

Video conferencing platform: The eMeeting Platform

([https:// stockservices.tdcc.com.tw](https://stockservices.tdcc.com.tw)) provided by TDCC

Total outstanding shares of Weblink International Inc.: 81,581,430 shares

Total shares represented by shareholders present in person or proxy: 51,355,744 shares

Percentage of shares held by shareholders present in person or proxy: 62.95%

The attendance list of the directors: Acer Inc. Legal Representative: Jason Chen, Dave Lin, Meggy Chen, and independent directors of Ming-Zhi, Jia-Lin Jin

Chairman: Jason Chen, the Chairman of the Board of Directors.

Recorder: Cathy Wang

The aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The Chairman called the meeting to order.

1. Report Items

(1) Business Report for the Year 2023 :

Explanatory Notes: Please refer to Attachment 1

(2) Audit Committee's Review Report :

Explanatory Notes: Please refer to Attachment 2

(3) To Report the Execution of Employees' Profit Sharing Bonus and Board Directors' Compensation for the Year 2023

Explanatory Notes:

i. The Board of Directors approved the proposal of employees' 2023 profit-sharing bonus and Board Directors' compensation on March 13, 2024. The employees' profit-sharing bonus and Board Directors' compensation are to be distributed in cash.

ii. The total amount of employees' 2023 profit-sharing bonus is NT\$53,000,000.

iii. The total amount of Board Directors' 2023 compensation is NT\$920,000.

(4) To Report the Remuneration to Directors for the Year 2023

Explanatory Notes:

Please refer to Attachment 3 for the policy of the remuneration to Weblink's directors and the remuneration paid to directors for the year 2023.

2. Proposed Items for Ratification and Discussion

Item 1

Proposal: Ratification Proposal of the Financial Statements and Business Report for the Year 2023. (Proposed by the Board of Directors)

Explanatory Notes:

(1) Weblink's Financial Statements for the year 2023, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flow have been audited by CPA Min-Ru Zhao and CPA Chia-Chi Chiang of KPMG.

(2) The Business Report for the year 2023 and the aforementioned financial statements are attached hereto as Attachment 1 and 4 which have been approved by the Audit Committee and by the Board of Directors via resolution.

(3) Please discuss.

Resolution:

Shares present at the time of voting: 51,355,744 (votes casted electronically: 51,163,244)

Voting Results*		% of the total represented share present
Votes in favor:	50,260,207 votes (50,260,207 votes)	97.87%
Vote against:	16,495 votes (16,495votes)	0.03%
Votes invalid or abstained:	1,079,042 votes (886,542 votes)	2.10%

*including votes casted electronically (number in brackets)

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

(Note: No statements be made by any shareholders in Item 1)

Item 2

Proposal: Discussion Proposal of Profit & Loss Appropriation for the Year 2023.

(Proposed by the Board of Directors)

Explanatory Notes :

- (1) The unappropriated retained earnings at the beginning of 2023 are NT\$60,807,949. Adding the net income after tax and deducting from legal reserve, the accumulated earnings available for appropriation are NT\$ 412,702,828, and the proposed dividend distribution to shareholders is NT\$ 285,535,005. The unappropriated retained earnings of NT\$146,705,490 are reserved for future distribution.
- (2) The dividend will be paid in cash. The dividends described above to the shareholders whose names and respective shares are in the shareholders' register on the Ex-rights (ex-dividend) record date, at a ratio of NT\$3.5 per share. (Rounded down to NT\$1, and the residue will be calculated and booked as the Company's other income)
- (3) In case of share capital change which causes an impact on the number of outstanding shares and thus impacts the dividend payout ratio, it is proposed that the shareholders' meeting authorizes the Chairman of the Board to handle related matters in complying with the Company Law or related laws and regulations.
- (4) The ex-dividend base date for the abovementioned dividends is expected to be July 11, 2024, with a distribution date of August 1, 2024. In the event of legislative and regulatory changes, the exercise of authority by the competent authority, or a change request, the abovementioned changes must be made. It is proposed that the Shareholders' meeting authorize the Chairman of the Board to adjust it.
- (5) The Statement of Profit & Loss Appropriation hereby is as follows.
- (6) Please discuss.

Weblink International Inc.
2023 Statement of Profit & Loss Appropriation

	Unit: NT\$
Beginning Balance of Un-appropriated Retained Earnings	60,807,949
Plus: 2023 Net Income after Tax	412,702,828
Deduct: Legal Reserve	41,270,282
Accumulative earnings available for appropriation	432,240,495
Appropriation Items:	
Cash dividends to shareholders	285,535,005
Ending Balance of Un-appropriated Retained Earnings	146,705,490

Chairman of Board:	President:	Accounting Officer:
Jason Chen	Dave Lin	Cathy Wang

Resolution :

Shares present at the time of voting: 51,355,744 (votes casted electronically: 51,163,244)

Voting Results*		% of the total represented share present
Votes in favor:	50,396,207 votes (50,396,207 votes)	98.14%
Vote against:	18,495 votes (18,495 votes)	0.03%
Votes invalid or abstained:	941,042votes (748,542 votes)	1.83%

*including votes casted electronically (number in brackets)

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

(Note: No statements be made by any shareholders in Item 2)

4. Extemporary Motion: None

5. Meeting Adjourned: 9:16 am

Note: This document is extracted from the meeting; the details are subject to the audio and video recording.

Attachment 1

Business Report

The pandemic created business opportunities or the so-called stay-at-home economy, in the past three years of people's excessive spending, we have faced the reverse in 2023. In addition, the surge in people going abroad after the lifting of the lockdown has suppressed the consumption of products for non-rigid demands and further led to lower sales in the household market. However, there were still different demands in 2023, including the business opportunities resulting from the expansion of AI applications, the demand for cybersecurity, and the increase in data center equipment and government investment; these contributed to the growth of the overall commercial market. Weblink is a professional agent of multiple product lines; in the face of the sluggish consumer market in 2023, the sales of household and commercial product lines were complementary to each other, so there was only a slight decrease by 2.1% in the overall sales compared to that in 2022. In particular, the sales of commercial software, computer systems, and industrial control products grew significantly in 2023. Meanwhile, due to the ongoing Russian-Ukrainian war and the weaker-than-expected economic recovery in China in 2023, the demand for petrochemical raw materials was not as high as we had thought, making the sales of the subsidiary, Protrade Applied Materials Corp., fall by around 3% as well.

Under the pressure of the tight market, all employees of the Company mitigated the downturn in the consumer market in 2023 with the operation mode of digital marketing and virtual-reality integration. In 2023, the annual growth rate was -2.1%, the consolidated revenue was NT\$22.79 billion, the net operating profit was NT\$494 million, the net income after tax reached NT\$413 million, year-to year -0.6%, and the profit margin was 1.81%; the earnings per share (EPS) was NT\$5.06.

Operating results

(1) Computer hardware shipments returning to pre-pandemic levels.

Compared to the performance in 2022, the commercial market in 2023 grew due to the promotion of AI applications, demand for cybersecurity, increased purchase of cloud equipment, and requirements by government projects. Although the demand for VGA cards didn't rise at the time of crypto currency appreciation, and the demand for VGA cards was low as there are no big games in 2023, the strong demand in the AI-related markets has resulted in increasing shipments of high-end graphics cards, with an even better future performance expected. Meanwhile, Weblink has set up more commercial product lines of TPLINK, etc., further expanding the Company's commercial market share.

(2) Constantly expanding the overall business of home appliances

Despite the recession of the Stay-at-home economy and the falling sales of home appliances in 2023, our investment in home appliances businesses continued, including the expansion of physical stores and online stores. In addition, we became the agent and

dealer of more and more well-known brands, especially the home appliances of Japanese brands, to ensure the vigorous development of our home appliance business.

(3) Focusing on cloud and cybersecurity software

In 2023, with the increasing ratio of cloud applications by enterprises, companies had to improve their competitiveness through digital transformation more than ever, and their operation processes should be more flexible and quickly responsive to market changes. Cloud and data center applications have become the backbone of corporate transformation, and the demand for cloud threat detection, response solutions and cybersecurity products have accordingly risen.

(4) Slowing down the sales decline of game consoles

It has been six years since the Switch was released to the Taiwan market, with the market reaching near saturation. In the future, we will develop an applicable marketing strategy based on the launch of new consoles or software and the supporting digital marketing strategy of virtual-reality integration to continuously stimulate new customers to buy or encourage old customers to make their second purchase for replacement. As for accessories and software, since there are already a lot of consoles in the market, the launch of powerful new products can also bring more sales.

(5) Introducing industrial control network communication products

In response to the impacts of global supply chain instability, diversified production in small volumes, declining birthrates, and labor shortages, the manufacturing industry's demand for rapid response, flexibility, and high-level automation is increasing. Weblink has introduced industrial control networking products, entering the industrial control market.

Financial performance

Item	Fiscal year	2023	2022	Rate of change
Revenue		22,788,997	23,281,994	-2.1%
Operating income		493,818	522,879	-5.6%
Non-operating income and expenses		12,326	20,237	-39.1%
Profit before income tax		506,144	441,450	-6.8%
Net income after tax		412,703	415,049	-0.6%

Item	Fiscal year	2023	2022
Debt ratio		64.7%	66.8%
Return on equity		17.6%	21.3%
Net profit margin		1.81%	1.78%
Earnings per share (EPS)		5.06	5.09

In 2024, the elections around the world render the political and economic environment unpredictable, which will, together with the inflation, the Russian-Ukrainian war, the Israel-Hamas conflict, China's economic recovery degree, and the issues of AI development and cybersecurity, affect Taiwan's economic development. In



the face of the challenges concerning so many aspects, Weblink intends to adopt a more positive and innovative attitude as well as the operation mode combining digital marketing and virtual-reality integration to stimulate the purchase intention in the market, create various new opportunities, quickly adjust the Company's market strategies and marketing mix, actively introduce new products, develop new business opportunities, and strengthen the relationship with suppliers and customers; the purpose is to keep the Company operating in a highly effective manner and further achieve the business goals.

Chairman of Board:
Jason Chen

President:
Dave Lin

Accounting Officer:
Cathy Wang

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and the Proposal for Profit & Loss Appropriation. The CPA Min-Ru Zhao and Chia-Chi Chiang from KPMG was retained to audit Weblink's Financial Statements and have issued an audit report relating to the Financial Statements. The said Business Report, Financial Statements, and Proposal for Profit & Loss Appropriation have been reviewed and determined to be correct and accurate by the Audit Committee of Weblink International Inc. by Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this Report.

Weblink International Inc.

Convener of the Audit Committee: Ming - Zhi, Wang

March 13th, 2024

Attachment 4

Independent Auditors' Report

To the Board of Directors of Weblink International Inc.:

Opinion

We have audited the consolidated financial statements of Weblink International Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(n) "Recognition of Revenue" for accounting policy related to revenue recognition and note 6(t) for the information related to revenue of the consolidated financial statements.

Description of key audit matter

The Group's operating revenues is the main indicator for investors and management to assess their financial or business performance. Since Weblink International Inc. is a listed company, it has a high risk of false representation. Therefore, revenue recognition is one of our key audit matters.

How the matter was addressed in our audit:

Our audit procedures included:

- Understanding the operation and industry characteristics of the Group and reviewing sales contracts to confirm whether the time point of revenue recognition and accounting treatment were appropriate.
- Assessing and testing the design, and the effectiveness of the internal controls over revenue recognition.
- Performing trend analysis on operating income generated from each top ten customer in current period versus that in latest quarter and last year to assess the occurrence of any significant variation and the rationale for the variation.
- Performing test-of-details on transactions to assess the existence of the transactions and the accuracy of the recognized sales as well as the timing of the recognition.
- Performing sales cut-off test over a period prior and post to the balance sheet date by vouching relevant documents of sales transactions to determine whether the revenue have been recognized in proper period.

2. Valuation of inventories

Please refer to note 4(h) "Inventories" for accounting policy related to valuation of inventories, note 5(a) for accounting assumptions and estimation uncertainties of inventories and note 6(f) for information related to impairment of inventories of the consolidated financial statements.

Description of key audit matter:

The Group is principally engaged in the distribution and sales of IT consumer products and other products. As a result of rapid technological changes, innovative products may significantly change consumers' needs and shorten products' life cycles. Additionally, intense competition and market saturation lead to the risk of inventory write-down. As of December 31, 2023, the inventory balance of \$2,364,229 thousands consisted of 35% of the total consolidated assets. Valuation of inventory relies on past experience and future sales forecast, which involved the subjective judgment from the top management. Therefore, the subsequent measurement of inventories was considered to be one of our key audit matters.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing whether provision policies for inventories are applied.
- Assessing the appropriateness of the aging movement by examining the aging analysis of inventories.
- Assessing whether the Group's subsequent measurement of inventories has been evaluated in accordance with the Group's provision policy on a consistent basis.
- Understanding the reasonableness of sales prices adopted by the Group's top management and the changes of the market prices after the reporting date, as well as verifying the sales prices and the calculation of net realizable value by vouching the source documents of samples; then, determining whether the provision for net realizable value has been appropriately valued.
- For inventories with low turnover, examining the sales after the reporting date and assessing the basis on net realizable value that was adopted to verify the appropriateness of the Group's valuation on provision on obsolete stock.

3. Business combination

Please refer to note 4(m) "Impairment of Non-financial Assets" in the consolidated financial statements for accounting policies on goodwill impairment, note 5(b) for uncertainties over accounting assumptions and estimation regarding goodwill impairment, and note 6(k) " Intangible Assets" for estimate of goodwill impairment.

Description of key audit matter:

The Weblink Group has generated goodwill through merger. Assessing impairment of goodwill involves assumptions regarding the Company's estimates of future cash flows and the discounted value thereof. Besides, such assumptions and assessment not only involve management' s subjective judgment and but also have a high degree of uncertainty. Therefore, we considered impairment of goodwill to be a key audit matter.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing cash generating units (CGUs) identified by management.
- Ascertaining the completeness of the book values attributable to assets of CGUs.
- Evaluating both the estimation basis and key assumptions adopted by management in the measurement of recoverable amounts, including the reasonableness of discount rates, projected revenue growth rates and forecasted future cash flows;
- appointing internal experts to assess the reasonableness of important assumptions; and
- reviewing whether the Group had disclosed information about assessment of goodwill impairment appropriately.

Other Matter

Weblink International Inc. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

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 Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chao, Min-Ju and Chiang, Chia-Chi.

KPMG

Taipei, Taiwan (Republic of China)

March 13, 2024

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WEBLINK INTERNATIONAL INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	December 31,2023		December 31,2022			December 31,2023		December 31,2022	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets						Liabilities and Equity			
11xx Current assets :					21xx Current liabilities:				
1100 Cash and cash equivalents(note6(a))	\$ 336,941	5	579,668	8	2100 Short-term borrowings (notes 6(i), (l), 8 and 9)	\$ 494,752	7	1,208,485	18
1110 Financial assets at fair value through profit or loss-current (note6(b))	137	-	-	-	2120 Financial liabilities at fair value through profit or loss— current (note6(b))	1,285	-	3,582	-
1150 Notes receivable, net (notes 6(d) and (t))	182,475	3	217,385	3	2130 Contract liabilities— current (notes 6(t) and 7)	34,957	1	31,448	-
1170 Accounts receivable, net (notes 6(d) and (t))	2,480,500	37	2,518,986	37	2150 Notes payable	14,687	-	10,324	-
1180 Accounts receivable— related parties (notes 6(d), (t) and 7)	124,152	2	105,599	2	2170 Accounts payable	2,208,842	33	2,053,163	30
1200 Other receivables (note 6(e))	24,718	-	15,330	-	2180 Accounts payable— related parties (note 7)	326,441	5	275,512	4
1210 Other receivables— related parties (notes 6(e) and 7)	190	-	-	-	2200 Other payables (notes 6(p) and (u))	603,985	9	734,973	11
1220 Current income tax asset	1,135	-	8	-	2220 Other payables— related parties (note 7)	371,327	5	1,424	-
130x Inventories (note 6(f))	2,364,229	35	2,327,538	34	2230 Current tax liabilities	58,323	1	46,875	1
1410 Prepayments	176,140	3	98,400	2	2280 Lease liabilities— current (notes 6(m) and 7)	23,075	-	31,748	-
1479 Other current assets	11,810	-	19,946	-	2365 Refund liabilities— current	44,728	1	43,251	1
Total current assets	5,702,427	85	5,882,860	86	2399 Other current liabilities	3,161	-	802	-
15xx Non-current assets:					25xx Non-Current liabilities:				
1517 Financial assets at fair value through other comprehensive income— non-current (note 6(g))	21,832	-	22,719	-	2570 Deferred tax liabilities (note 6(o))	10,845	-	10,042	-
1550 Investments accounted for using equity method (note 6(g))	347,901	5	334,401	5	2580 Lease liabilities— non-current (notes 6(m) and 7)	59,004	1	38,222	1
1600 Property, plant and equipment (notes 6(i), (l) and 8)	157,630	2	141,648	2	2640 Defined benefit liabilities— non-current (note 6(n))	72,684	1	69,987	1
1755 Right-of-use assets (notes 6(j), (m) and 7)	78,871	1	67,871	1	2645 Guarantee deposits received	30,150	1	30,150	-
1780 Intangible assets (note 6(k))	314,208	5	332,710	5	2670 Other non-current liabilities	3,048	-	3,048	-
1840 Deferred tax assets (note 6(o))	85,152	1	62,051	1	Total non-current liabilities	175,731	3	151,449	2
1920 Refundable deposits (note 7)	36,436	1	31,970	-	Total liabilities	4,361,294	65	4,593,036	67
Total non-current assets	1,042,030	15	993,370	14	2xxx Equity attributable to owners of parent (notes 6(n), (o), (q) and (r)):				
					31xx Common stock	815,814	12	815,814	12
					3110 Capital surplus	629,750	9	629,750	9
					3200 Retained earnings:				
					3300 Legal reserve	217,966	3	179,667	3
					3310 Special reserve	54,882	1	54,882	1
					3320 Unappropriated retained earnings	473,510	7	384,641	5
					3350 Other equity	746,358	11	619,190	9
					3400 Total equity attributable to owners of parent	(50,659)	(1)	(38,908)	(1)
					Total equity attributable to owners of parent	2,141,263	32	2,025,846	29
					36XX Non-controlling interests (note 6(h))	241,900	4	257,348	4
					3xxx Total equity	2,383,163	35	2,283,194	33
1xxx Total assets	\$ 6,744,457	100	6,876,230	100	2-3xx Total liabilities and equity	\$ 6,744,457	100	6,876,230	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WEBLINK INTERNATIONAL INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	2023		2022	
	Amount	%	Amount	%
4000 Operating revenues (notes 6(t) and 7)	\$22,788,997	100	23,281,994	100
5000 Operating costs (notes 6(f) and 7)	21,242,983	93	21,583,134	93
5900 Gross profit from operations	1,546,014	7	1,698,860	7
6000 Operating expenses (notes 6(d), (i), (j), (k), (m), (n), (u), 7 and 12):				
6100 Selling expenses	812,534	4	945,768	4
6200 Administrative expenses	241,395	1	229,919	1
6450 Expected credit losses (reversal gains)	(1,732)	-	293	-
Total operating expenses	1,052,197	5	1,175,980	5
6900 Operating income	493,817	2	522,880	2
7000 Non-operating income and expenses (notes 6(b), (g), (m), (v) and 7):				
7100 Interest income	6,856	-	1,721	-
7010 Other income	12,766	-	16,091	-
7020 Other gains and losses	2,664	-	-29,601	-
7050 Finance costs	(62,201)	-	-46,489	-
7060 Share of profits of associates	52,242	-	78,514	-
Total non-operating income and expenses	12,327	-	20,236	-
7900 Profit from continuing operations before tax	506,144	2	543,116	2
7950 Less: Income tax expenses (note 6(o))	94,967	-	101,666	-
8200 Net profit	411,177	2	441,450	2
8300 Other comprehensive income (notes 6(g), (h), (n), (o) and (q)):				
8310 Components of other comprehensive income that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	(11,315)	-	16,645	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(887)	-	309	-
8349 Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(2,263)	-	3,329	-
Total items that will not be reclassified subsequently to profit or loss	(9,939)	-	13,625	-
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(3,432)	-	4,030	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(96)	-	1,481	-
8399 Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(686)	-	680	-
Components of other comprehensive income that will be reclassified to profit or loss	(2,842)	-	4,831	-
8300 Other comprehensive income (loss)	(12,781)	-	18,456	-
8500 Total comprehensive income (loss)	\$ 398,396	2	459,906	2
Profit attributable to:				
8610 Owners of parent	\$ 412,703	2	415,049	2
8620 Non-controlling interests	(1,526)	-	26,401	-
	\$ 411,177	2	441,450	2
Comprehensive income (loss) attributable to:				
8710 Owners of parent	400,952	2	431,023	2
8720 Non-controlling interests	(2,556)	-	28,883	-
	\$ 398,396	2	459,906	2
Earnings per share (expressed in New Taiwan dollars) (note 6(s))				
9750 Basic earnings per share	\$ 5.06		5.09	
9850 Diluted earnings per share	\$ 4.99		4.99	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WEBLINK INTERNATIONAL INC. AND SUBSIDIARIES

**Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)**

Equity attributable to owners of parent

	Common stock	Capital surplus	Retained earnings			Foreign currency translation differences	Unrealized gains (losses) on financial assets measured at fair value through Other comprehensive income	Gains(losses) on Remeasurements of Defined benefit	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity	
			Legal reserve	Special reserve	Unappropriated retained earnings								Total
Balance at January 1, 2022	\$ 815,814	609,294	151,267	29,588	316,409	497,264	(2,206)	0	(52,676)	(54,882)	1,867,490	175,536	2,043,026
Appropriation and distribution of retained earnings:													
Legal reserve appropriated			28,400	0	(28,400)	0	0	0	0	0	0	0	0
Special reserve appropriated			0	25,294	(25,294)	0	0	0	0	0	0	0	0
Cash dividends of ordinary share			0	0	(261,061)	(261,061)	0	0	0	0	(261,061)	0	(261,061)
Net profit for the year			0	0	415,049	415,049	0	0	0	0	415,049	26,401	441,450
Other comprehensive income for the year			0	0	0	0	2,349	309	13,316	15,974	15,974	2,482	18,456
Total comprehensive income for the year	0	0	0	0	415,049	415,049	2,349	309	13,316	15,974	431,023	28,883	459,906
Share of changes in equity of associate	0	635	0	0	0	0	0	0	0	0	635	0	635
Subsidiary organizational restructuring	0	(37)	0	0	(32,062)	(32,062)	0	0	0	0	(32,099)	0	(32,099)
Reorganization	0	19,858	0	0	0	0	0	0	0	0	19,858	0	19,858
Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	52,929	52,929
Balance at December 31, 2022	815,814	629,750	179,667	54,882	384,641	619,190	143	309	(39,360)	(38,908)	2,025,846	257,348	2,283,194
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	0	0	38,299	0	(38,299)	0	0	0	0	0	0	0	0
Cash dividends of ordinary share	0	0	0	0	(285,535)	(285,535)	0	0	0	0	(285,535)	0	(285,535)
Net profit	0	0	0	0	412,703	412,703	0	0	0	0	412,703	(1,526)	411,177
Other comprehensive income	0	0	0	0	0	0	(1,812)	(887)	(9,052)	(11,751)	(11,751)	(1,030)	(12,781)
Total comprehensive income	0	0	0	0	412,703	412,703	(1,812)	(887)	(9,052)	(11,751)	400,952	(2,556)	398,396
Distribution of cash dividends from subsidiaries to non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	(12,892)	(12,892)
Balance at December 31, 2023	\$ 815,814	629,750	217,966	54,882	473,510	746,358	(1,669)	(578)	(48,412)	(50,659)	2,141,263	241,900	2,383,163

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
WEBLINK INTERNATIONAL INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Profit before tax	\$ 506,144	543,116
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	55,547	52,540
Amortization expense	23,536	23,972
Expected credit losses (reversal gains)	(1,732)	293
Net loss on financial assets or liabilities at fair value through profit or loss	11,670	18,230
Interest expense	62,201	46,489
Interest income	(6,856)	(1,721)
Dividend income	(527)	-
Shares of profits of associates accounted for using equity method	(52,242)	(78,514)
Loss on disposal of property, plant and equipment	-	(357)
Gain on lease modification	(2)	(46)
Total adjustments to reconcile profit	<u>91,595</u>	<u>60,886</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	2,038	-
Notes receivable	34,910	(28,064)
Accounts receivable	40,218	(68,922)
Accounts receivable—related parties	(18,553)	(3,234)
Other receivables	(9,338)	(10,237)
Other receivables—related parties	(190)	-
Inventories	(36,691)	(174,422)
Prepayments	(77,740)	108,352
Other current assets	8,136	(10,292)
Long-term receivables	-	33,250
Total changes in operating assets	<u>(57,210)</u>	<u>(153,569)</u>
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	(11,203)	(12,687)
Contract liabilities	3,509	(26,863)
Notes payable	4,363	9,470
Accounts payable	155,679	(128,995)
Accounts payable—related parties	50,929	130,194
Other payables	(128,995)	(33,977)
Other payables—related parties	1,083	107
Refund liabilities	1,477	1,287
Other current liabilities	2,359	(899)
Net defined benefit liability	(8,618)	(7,846)
Total changes in operating liabilities	<u>70,583</u>	<u>(70,209)</u>
Total changes in operating assets and liabilities	<u>13,373</u>	<u>(223,778)</u>
Total adjustments	<u>104,968</u>	<u>(162,892)</u>
Cash inflow generated from operations	611,112	380,224
Interest received	6,806	1,721
Income taxes paid	(104,059)	(102,346)
Net cash flows from operating activities	<u>513,859</u>	<u>279,599</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(22,410)
Proceeds from acquisition of subsidiaries	(4,939)	(37,535)
Acquisition of property, plant and equipment	(22,561)	(3,420)
Proceeds from disposal of property, plant and equipment	-	581
Increase in refundable deposits	(4,466)	(13,618)
Acquisition of intangible assets	(5,034)	(4,311)
Decrease in other financial assets—non-current	-	5,538
Dividends received	39,173	38,453
Net cash flows from (used in) investing activities	<u>2,173</u>	<u>(36,722)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(713,733)	285,844
Decrease in short-term notes and bills payable	-	(99,994)
Increase in other payables to related parties	368,820	-
Payment of lease liabilities	(48,132)	(44,451)
Cash dividends paid	(285,535)	(261,061)
Interest paid	(64,194)	(45,519)
Cash dividends distributed to non-controlling interests	(12,892)	-
Net cash flows from financing activities	<u>(755,666)</u>	<u>(165,181)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(3,093)</u>	<u>18,904</u>
Net increase (decrease) in cash and cash equivalents	<u>(242,727)</u>	<u>96,600</u>
Cash and cash equivalents at beginning of period	<u>579,668</u>	<u>483,068</u>
Cash and cash equivalents at end of period	<u>\$ 336,941</u>	<u>579,668</u>

See accompanying notes to consolidated financial statements.

Independent Auditors' Report

To the Board of Directors of Weblink International Inc.:

Opinion

We have audited the financial statements of Weblink International Inc. ("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(n) "Recognition of Revenue" for accounting policy related to revenue recognition and note 6(q) for the information related to revenue of the financial statements.

Description of key audit matter

The Company's operating revenues is the main indicator for investors and management to assess their financial or business performance. Since Weblink International Inc. is a listed company, it has a high risk of misstatement. Therefore, revenue recognition is one of our key audit matters.

How the matter was addressed in our audit:

Our audit procedures included:

- Understanding the operation and industry characteristics of the Company and reviewing sales contracts to confirm whether the time point of revenue recognition and accounting treatment were appropriate.
- Assessing and testing the design, and the effectiveness of the internal controls over revenue recognition.
- Performing trend analysis on operating income generated from each top ten customer in current period versus that in latest quarter and last year to assess the occurrence of any significant variation and the rationale for the variation.
- Performing test-of-details on transactions to assess the existence of the transactions and the accuracy of the recognized sales as well as the timing of the recognition.
- Performing sales cut-off test over a period prior and post to the balance sheet date by vouching relevant documents of sales transactions to determine whether the revenue have been recognized in proper period.

2. Valuation of inventories

Please refer to note 4(g) "Inventories" for accounting policy related to valuation of inventories, for accounting assumptions and estimation uncertainties of inventories and note 6(f) for information related to impairment of inventories of the consolidated financial statements.

Description of key audit matter:

The Company is principally engaged in the distribution and sales of IT consumer products and other products. As a result of rapid technological changes, innovative products may significantly change consumers' needs and shorten products' life cycles. Additionally, intense competition and market saturation lead to the risk of inventory write-down. As of December 31, 2023, the inventory balance of \$1,841,071 thousands consisted of 34% of the total assets. Valuation of inventory relies on past experience and future sales forecast, which involved the subjective judgment from the top management. Therefore, the subsequent measurement of inventories was considered to be one of our key audit matters.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing whether provision policies for inventories are applied.
- Assessing the appropriateness of the aging movement by examining the aging analysis of inventories.
- Assessing whether the Company's subsequent measurement of inventories has been evaluated in accordance with the Company's provision policy on a consistent basis.
- Understanding the reasonableness of sales prices adopted by the Company's top management and the changes of the market prices after the reporting date, as well as verifying the sales prices and the calculation of net realizable value by vouching the source documents of samples; then, determining whether the provision for net realizable value has been appropriately valued.
- For inventories with low turnover, examining the sales after the reporting date and assessing the basis on net realizable value that was adopted to verify the appropriateness of the Company's valuation on provision on obsolete stock.

Other Matter

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chao, Min-Ju and Chiang, Chia-Chi.

KPMG

Taipei, Taiwan (Republic of China)

March 13, 2024

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WEBLINK INTERNATIONAL INC

Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	<u>December 31,2023</u>		<u>December 31,2022</u>			<u>December 31,2023</u>		<u>December 31,2022</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Assets					Liabilities and Equity				
11xx Current assets :					21xx Current liabilities:				
1100 Cash and cash equivalents(note6(a))	\$ 114,705	2	399,228	7	2100 Short-term borrowings (notes 6(j) and 9)	\$ 50,000	1	400,000	7
1150 Notes receivable, net (notes 6(d), (q) and 7)	177,521	3	190,053	3	2120 Financial liabilities at fair value through profit or loss—current (note6(b))	1,285	-	3,568	-
1170 Accounts receivable, net (notes 6(d) and (q))	1,996,541	37	2,072,031	38	2130 Contract liabilities—current (notes 6(q) and 7)	4,440	-	5,250	-
1180 Accounts receivable—related parties (notes 6(d), (q) and 7)	191,852	4	148,131	3	2150 Notes payable	14,687	-	10,301	-
1200 Other receivables (note 6(e))	214	-	661	-	2170 Accounts payable	2,099,429	39	1,894,573	34
1210 Other receivables—related parties (notes 6(e) and 7)	925	-	155,325	3	2180 Accounts payable—related parties (note 7)	346,379	6	291,298	5
130x Inventories (note 6(f))	1,841,071	34	1,461,790	26	2200 Other payables (notes 6(n) and (r))	544,187	10	677,814	12
1410 Prepayments	3,779	-	1,544	-	2220 Other payables—related parties (note 7)	2,832	-	1,424	-
Total current assets	4,326,608	80	4,428,763	80	2230 Current tax liabilities	51,575	1	41,141	1
15xx Non-current assets:					2280 Lease liabilities—current (notes 6(k) and 7)	7,966	-	19,567	1
1517 Financial assets at fair value through other comprehensive income—non-current (note 6(c))	21,832	-	22,719	1	2365 Refund liabilities—current	41,321	1	35,209	1
1550 Investments accounted for using equity method (note 6(g))	943,301	17	953,666	17	2399 Other current liabilities	729	-	498	-
1600 Property, plant and equipment (notes 6(h))	23,153	1	7,986	-	Total current liabilities	3,164,830	58	3,380,643	61
1755 Right-of-use assets (notes 6(i), (k) and 7)	12,155	-	23,829	1	25xx Non-Current liabilities:				
1780 Intangible assets	3,460	-	1,707	-	2570 Deferred tax liabilities (note 6(m))	681	-	1,678	-
1840 Deferred tax assets (note 6(m))	61,037	1	55,230	1	2580 Lease liabilities—non-current (notes 6(k) and 7)	4,390	-	4,555	-
1920 Refundable deposits (note 7)	25,500	1	22,007	-	2640 Defined benefit liabilities—non-current (note 6(l))	72,684	1	69,987	1
Total non-current assets	1,090,438	20	1,087,144	20	2645 Guarantee deposits received	30,150	1	30,150	1
					2670 Other non-current liabilities	3,048	-	3,048	-
					Total non-current liabilities	110,953	2	109,418	2
					2xxx Total liabilities	3,275,783	60	3,490,061	63
					31xx Equity attributable to owners of parent (notes 6(l), (m) and (o)):				
					3110 Common stock	815,814	15	815,814	15
					3200 Capital surplus	629,750	12	629,750	12
					3300 Retained earnings:				
					3310 Legal reserve	217,966	4	179,667	3
					3320 Special reserve	54,882	1	54,882	1
					3350 Unappropriated retained earnings	473,510	9	384,641	7
					Total retained earnings	746,358	14	619,190	11
					3400 Other equity	(50,659)	(1)	(38,908)	(1)
					3xxx Total equity	2,141,263	40	2,025,846	37
1xxx Total assets	\$ 5,417,046	100	5,515,907	100	2-3xx Total liabilities and equity	\$ 5,417,046	100	5,515,907	100

See accompanying notes to consolidated financial statements.

WEBLINK INTERNATIONAL INC.**Statements of Comprehensive Income****For the years ended December 31, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)**

	2023		2022	
	Amount	%	Amount	%
4000 Operating revenues (notes 6(q) and 7)	\$ 17,807,091	100	18,166,842	100
5000 Operating costs (notes 6(f) and 7)	16,754,688	94	17,199,263	95
5900 Gross profit from operations	1,052,403	6	967,579	5
5910 Unrealized (realized) profits on sales	56	-	(183)	-
Gross profit from operations	1,052,347		967,762	
6000 Operating expenses (notes 6(d), (h), (i), (k), (l), (r), 7 and 12):				
6100 Selling expenses	473,956	3	454,910	3
6200 Administrative expenses	156,738	1	137,981	1
6450 Reversal gains on expected credit losses	(4,444)	-	(514)	-
Total operating expenses	1,052,197	4	592,377	4
6900 Operating income	493,817	2	375,385	1
7000 Non-operating income and expenses (notes 6(b), (g), (k), (s) and 7):				
7100 Interest income	6,903	-	4,661	-
7010 Other income	8,727	-	5,033	-
7020 Other gains and losses	(810)	-	(7,949)	-
7050 Finance costs	(5,704)	-	(8,213)	-
7070 Share of profits of associates accounted for using equity method	66,723	-	119,099	-
Total non-operating income and expenses	75,839	-	112,631	-
7900 Profit from continuing operations before tax	501,936	2	488,016	2
7950 Less: Income tax expenses (note 6(m))	89,233	-	72,967	-
8200 Net profit	412,703	2	415,049	2
8300 Other comprehensive income (notes 6(g), (l), (m) and (o)):				
8310 Items that may not be reclassified subsequently to profit or loss:				
8311 Gains (losses) on remeasurements of defined benefit plans	(11,315)	-	16,645	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(887)	-	309	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(2,263)	-	3,329	-
Total items that will not be reclassified subsequently to profit or loss	(9,939)	-	13,625	-
8360 Items that may be reclassified subsequently to profit and loss:				
8361 Exchange differences on translation of foreign financial statements	(1,716)	-	868	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(96)	-	1,481	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Total items that may be reclassified subsequently to profit and loss	(1,812)	-	2,349	-
8300 Other comprehensive income (loss)	(11,751)	-	15,974	-
8500 Total comprehensive income (loss)	\$ 400,952	2	431,023	2
Earnings per share (expressed in New Taiwan dollars) (note 6(p))				
9750 Basic earnings per share	\$ 5.06		5.09	
9850 Diluted earnings per share	\$ 4.99		4.99	

See accompanying notes to consolidated financial statements.

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

WEBLINK INTERNATIONAL INC.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Common stock	Capital surplus	Legal reserve	Special reserve	Retained earnings		Exchange differences on translation of foreign financial	Unrealised gains (losses) on financial assets measured at fair value through Other comprehensive income	Gains(losses) on Remeasurements of Defined benefit	Total other equity interest	Total equity
					Unappropriated retained earnings	Total					
Balance at January 1, 2022	\$ 815,814	609,294	151,267	29,588	316,409	497,264	(2,206)	-	(52,676)	(54,882)	1,867,490
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	28,400	-	(28,400)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	25,294	(25,294)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(261,061)	(261,061)	-	-	-	-	(261,061)
Profit for the year ended December 31,2022	-	-	-	-	415,049	415,049	-	-	-	-	415,049
Other comprehensive income	-	-	-	-	-	-	2,349	309	13,316	15,974	15,974
Total comprehensive income(loss)	-	-	-	-	415,049	415,049	2,349	309	13,316	15,974	431,023
Share of changes in equity of associate	-	635	-	-	-	-	-	-	-	0	635
Changes in ownership interests in subsidiaries	-	(37)	-	-	(32,062)	(32,062)	-	-	-	0	(32,099)
Impact of subsidiary reorganization	-	19,858	-	-	-	-	-	-	-	0	19,858
Balance at December 31, 2022	815,814	629,750	179,667	54,882	384,641	619,190	143	309	(39,360)	(38,908)	2,025,846
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	38,299	-	(38,299)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(285,535)	(285,535)	-	-	-	-	(285,535)
Profit for the year ended December 31,2023	-	-	-	-	412,703	412,703	-	-	-	-	412,703
Other comprehensive income	-	-	-	-	-	-	(1,812)	(887)	(9,052)	(11,751)	(11,751)
Total comprehensive income	-	-	-	-	412,703	412,703	(1,812)	(887)	(9,052)	(11,751)	400,952
Balance at December 31, 2023	\$ 815,814	629,750	217,966	54,882	473,510	746,358	(1,669)	(578)	(48,412)	(50,659)	2,141,263

See accompanying notes to consolidated financial statements.

WEBLINK INTERNATIONAL INC.
Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Profit before tax	501,936	488,016
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	36,960	36,944
Amortization expense	3,012	3,685
Gain on reversal of expected credit loss	(4,444)	(514)
Net loss on financial assets or liabilities at fair value through profit or loss	11,523	19,693
Interest expense	5,704	8,213
Interest income	(6,903)	(4,661)
Dividend income	(527)	0
Shares of profits of associates accounted for using equity method	(66,723)	(119,099)
Gain on disposal of property, plant and equipment	0	(76)
Unrealized (realized) profit on sales	56	(183)
Gain on lease modification	(2)	(38)
Total adjustments to reconcile profit	<u>(21,344)</u>	<u>(56,036)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	0	261
Notes receivable	12,532	(7,775)
Accounts receivable	80,214	(31,387)
Accounts receivable—related parties	(43,721)	55,120
Other receivables	487	(302)
Other receivables—related parties	886	393
Inventories	(379,281)	99,714
Other current assets	(2,235)	2,413
Long-term receivables	0	33,250
Total changes in operating assets	<u>(331,118)</u>	<u>151,687</u>
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	(8,867)	(14,425)
Contract liabilities	(810)	(487)
Notes payable	4,386	10,294
Accounts payable	204,150	(63,217)
Accounts payable—related parties	55,081	142,043
Other payables	(133,138)	22,803
Other payables—related parties	1,408	107
Refund liabilities	6,112	(958)
Other current liabilities	231	(908)
Net defined benefit liability	(8,618)	(7,846)
Total changes in operating liabilities	<u>119,935</u>	<u>87,406</u>
Total changes in operating assets and liabilities	<u>(211,183)</u>	<u>239,093</u>
Total adjustments	<u>(232,527)</u>	<u>183,057</u>
Cash inflow generated from operations	269,409	671,073
Interest received	6,863	3,491
Income taxes paid	(83,340)	(80,627)
Net cash flows from operating activities	<u>192,932</u>	<u>593,937</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	0	(22,410)
Proceeds from acquisition of subsidiaries	(4,939)	(37,535)
Proceeds from capital increase of subsidiaries		(244,240)
Acquisition of property, plant and equipment	(18,976)	(2,228)
Proceeds from disposal of property, plant and equipment	0	76
Increase in refundable deposits	(3,493)	(8,303)
Decrease in other other assets—related parties	155,791	163,942
Acquisition of intangible assets	(4,765)	(4,210)
Dividends received	75,747	45,353
Net cash flows from (used in) investing activities	<u>199,365</u>	<u>(109,555)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(350,000)	150,000
Decrease in short-term notes and bills payable	0	(99,994)
Payment of lease liabilities	(33,241)	(33,140)
Cash dividends paid	(285,535)	(261,061)
Interest paid	(6,123)	(7,909)
Net cash flows from financing activities	<u>(674,899)</u>	<u>(252,104)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(1,921)</u>	<u>(14,053)</u>
Net increase (decrease) in cash and cash equivalents	<u>(284,523)</u>	<u>218,225</u>
Cash and cash equivalents at beginning of period	<u>399,228</u>	<u>181,003</u>
Cash and cash equivalents at end of period	<u><u>114,705</u></u>	<u><u>399,228</u></u>

See accompanying notes to consolidated financial statements.