

NAM LIONG GLOBAL CORPORATION
Minutes of 2023 Annual General Shareholders' Meeting
(Translation)

Time: June 27, 2023, at 9:00 am

Place: B1 F, No. 269, Chongyang Rd., Nangang Dist., Taipei City 115, Taiwan

Attendance: All shares represented by shareholders present in person or by proxy are 92,299,251 shares (including 92,298,251 shares the voting rights of which are exercised by the electronic means), or 75.41% of the total 122,392,250 outstanding shares.

Directors Present: Shao, Ten-Po, Chang, Shun-Ching, Pai, Ching-Jen, Hsiao, Yu-Chiao, Huang, Chung-Hui (Independent Director), Huang, Wen-Ming (Independent Director), Tsao, Ching-Ming (Independent Director)

Attendee: Huang, Hsiu-Chun (CPA), Wu, Hong-Shan (Lawyer)

Chairman: Shao, Ten-Po (the Chairman of the Board of Directors)

Recorder: Su, Meng-Hsu

I. Call the Meeting to Order:

The aggregate shareholding of the attendance has formed a quorum. The Chairman called the meeting to order.

II. Chairman's Remarks: (Omitted)

III. Report Matters:

1. 2022 Business Report. (Please refer to Attachment 1 and Attachment 3)
2. Audit Committee's Review Report on the 2022 Financial Statements. (Please refer to Attachment 2)
3. Report on Investment Business. (Please refer to Meeting Agenda)
4. Distribution of employees' and directors' compensation in 2022. (Please refer to Meeting Agenda)
5. Issuance of Domestic Secured Convertible Bond. (Please refer to Attachment 4)

IV. Acknowledgement Matters:

Report No. 1: (Proposed by the Board of Directors)

Subject: Adoption of the 2022 Business Report and Financial Statements.

Explanation:

- (1). The Company's 2022 Parent Company Only Financial Statements and Consolidated Financial Statements (Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows) have been certified by Hsiu-Chun Huang and Pi-Yu Chuang of Deloitte & Touche. The reports and business report have also been reviewed by the audit committee.
- (2). Please refer to Attachment 1 and Attachment 3 for the 2022 Business Report, Independent Auditor's Report and aforementioned financial reports.
- (3). This proposal was put forth for approval.

Resolution: The proposal has been adopted by voting without any modification. The voting results are as followed:
92,299,251 shares were represented at the time of voting.

Voting results	Proportion to the total represented shares present (%)
Affirmative votes: 92,024,293 shares (including 92,024,293 shares the voting rights of which are exercised by the electronic means)	99.70
Dissentient votes: 267,452 shares (including 267,452 shares the voting rights of which are exercised by the electronic means)	0.29
Invalid votes: 0 shares	0.00
Abstained votes: 7,506 shares (including 6,506 shares the voting rights of which are exercised by the electronic means)	0.01

Report No. 2: (Proposed by the Board of Directors)

Subject: Adoption of the Proposal for 2022 Distribution of Earnings.

Explanation:

- (1). 1. The 2022 Net Income before Tax was NT\$177,619,400. The Board has adopted a Proposal for the 2022 Distribution of Earnings as shown below:

NAM LIONG GLOBAL CORPORATION
Earnings Distribution Table
2022

Unit: NTDS

Item	Total	
Beginning unappropriated retained earnings		\$57,936,818
Net profit after tax	\$177,619,400	
Remeasurements of the net defined benefit recognized in retained earnings	275,250	
The amount of other losses adjusted to the current year's undistributed earnings other than after-tax net income for the period		177,894,650
Legal reserve recognized (10%)		(17,789,465)
Distributable net earnings		218,042,003
Distributable Items: (Total shares issued: 122,392,250)		
Cash dividends - NT\$ 0.65 per share		(79,554,963)
Unappropriated retained earnings		\$138,487,040

Chairman:
Shao, Ten-Po

General Manager:
Chang, Shun-Ching

Accounting Manager:
Su, Meng-Hsu

2. According to the Proposal for 2022 Distribution of Earnings, the cash dividends was NT\$ 0.65 per share, with a distribution earnings of NT\$ 79,554,963. The aforementioned cash dividend shall be rounded down to the nearest dollar, and the total of any fractional amount less than one dollar shall have decimals ordered from greatest to least, with the account no. from front-to-back order to meet the total cash dividends distribution.
3. Upon approval during the Annual Meeting of Shareholders, it was proposed that the Chairman be authorized to resolve the ex-dividend date, issue date, and other relevant issues.
4. If the dividend ratio is affected later on by changes in the outstanding shares due to change in share capital, shares repurchased by the Company or the Company's Employees, and change or cancellation of treasury shares, resulting in adjustment of dividend for distribution per share, it was proposed that the Chairman be authorized to facilitate such adjustment.

(2). This proposal was put forth for approval.

Resolution: The proposal has been adopted by voting without any modification. The voting results are as followed:

92,299,251 shares were represented at the time of voting.

Voting results	Proportion to the total represented shares present (%)
Affirmative votes: 92,024,288 shares (including 92,024,288 shares the voting rights of which are exercised by the electronic means)	99.70
Dissentient votes: 267,454 shares (including 267,454 shares the voting rights of which are exercised by the electronic means)	0.29
Invalid votes: 0 shares	0.00
Abstained votes: 7,509 shares (including 6,509 shares the voting rights of which are exercised by the electronic means)	0.01

V. Extemporary Motions:

After consultation by the chairman with all shareholders present, no extraordinary motions were raised.

VI. Adjournment:

June 27, 2023, at 9:16 am.

The chairman announced the adjournment of the meeting, which was approved by all shareholders present without objection.

2022 Business Report

2022 was a year full of uncertainties. As the impact of COVID-19 gradually eases after three years of unleashing its wrath, other challenges (e.g., the Russia-Ukraine war, global inflation amidst peaking raw material price inflation, the Taiwan Straits Crisis, and the acceleration towards the trend of “de-Sinicization” as a factor behind efforts to diversify supply chains), have had a tremendous impact on the business development of the Company.

Despite the aforementioned challenges, NAM LIONG GLOBAL CORPORATION looks forward to the future while being guided by its core values of “Adaptability, Innovation, and Value Maximization”. It proactively faces challenges and incorporates ESG and sustainability in its business model. It has achieved fruitful results since 2023. Going forward, the Company expects to maintain its achievements and further expands its business.

The Company’s three main strategies in 2023 are as follows:

- To adopt an integrated ESG approach towards sustainability
- To decarbonize its business model and navigate net zero transition plans
- To advance business sustainability that takes into account overall operations and long-term impact

We believe that these strategies can lead to increased customer and brand loyalty, which in turn helps boost profit. We also uphold our business commitment to promoting corporate sustainability

Below is the report on the 2022 and 2023 business plans:

1. 2022 Business Report

(1). 2022 business achievement report

A. Income and expenses :

- a The 2022 Net Operating Revenue was NT \$ 2,014,659 thousand, an increase of NT\$ 27,035 thousand, compared to the 2021 Net Operating Revenue of NT \$ 1,987,624 thousand. The Consolidated Net Revenues was NT \$ 3,082,227 thousand, which was lower than the 2021 Consolidated Net Revenues of NT\$ 3,356,900 thousand.
- b The Cost of Revenue in 2022 was NT\$ 1,468,941 thousand, which was 72.91% of the Net Operating Revenue. The Consolidated Cost of Revenue was NT\$ 2,262,133 thousand, which was 73.39% of the Consolidated Net Operating Revenue.
- c The Operating Expenses in 2022 was NT\$ 446,324 thousand, which was 22.15% of the Net Operating Revenue. The Consolidated Operating Expenses in 2022 was NT\$ 680,180 thousand, which was 22.07% of the Consolidated Net Operating Revenue.

B. Net profit

- a The Net income in 2022 was NT\$ 177,619 thousand. The Earnings per Share (EPS) was NT\$ 1.45.
- b The Consolidated Net income in 2022 was NT\$ 177,619 thousand. The Earnings Per Share (EPS) was NT\$ 1.45.

(2). Report on Budget Implementation

Not applicable, the company has not prepared a financial forecast for 2022.

(3). Analysis of financial balance and profitability

Unit: NTS ; %

Item	Ratio (%)
Return on Assets (ROA)	5.88
Return on Equity (ROE)	11.50
Profit Before Tax to Capital Stock	15.64
Net profit margin	5.76
Basic earnings per share	1.45

(4). Research & Development Results

The consolidated research and development expense in 2022 was NT\$ 90,095 thousand, which was 2.92% of the Consolidated Net Operating Revenue.

Textile Composites

- A. In recent years, we have made progress in achieving our sustainable development goals in terms of promoting renewable raw materials, waste recycling, and green biomass-derived materials. With our Bio-Based Sponge, we have successfully completed the development of a new product line called BIO EVA, which includes BIO EVA25R, BIO EVA 35, BIO EVA35R, and BIO H2 25, along with the recycled rubber sponge EVA 35R and antibacterial sponge using GREENCHEM special antimicrobials, An Encore 08, and gradually promote among major brands.
- B. In terms of recycled functional fasteners, such as Recycled NG Fasteners and Striping Fabric, the materials undergo fabric pelletizing and recycled into the production system. A new and recycled material mixture ratio is optimized from 20% to 50%, without altering its physical characteristic. The production stability is guaranteed and ideal waste reduction is achieved.
- C. With regard to Protective Products, 6 product sets are made of colored yarn, cut-resistant fabric using an environmentally friendly production process, and abrasion-resistant fabric. Another 6 product sets include recycled nylon and abrasion-resistant fabric with PET recycled fibers. The other 6 sets are green and environmental wireless cut-resistant fabric and non-fiberglass cut-resistant fabric from A3 to A6 grades.

Chemical Field

- A. Continuously seeking cooperation with international suppliers, introducing unique products that are trendy, eco-friendly, energy-saving, sustainable, and natural
- B. To fulfill customer demand, we continuously search for innovative products and products with environmental certifications.
- C. To enhance the Company's reputation in various industries, we have proactively introduced antimicrobial plastic materials that cater to more customers and generate higher profits in non-textile business segments.

Power Supply

Plasma equipment is important in different manufacturing processes. It has a wide range of uses (e.g., in food production, auto parts manufacturing, glass product manufacturing, and electronics manufacturing process). Through compressed air ionization, surface dust is removed by high-pressure air. The currently developed plasma power supply is a low-temperature atmospheric pressure plasma that uses Arc-jet nozzles. This work will help to develop Dielectric Barrier Discharge (DBD) spraying nozzles, drive more innovative applications, and increase the average gross profit margin.

In the meantime, we are also striving to strengthen cooperation with our strategic partners and improve production efficiency to reduce lead time, ultimately resulting in good product quality.

2. 2023 Business plan for production and sales

(1). Operations Strategy

Factors such as global inflation, interest rate hike, the Russia-Ukraine war, climate change, energy and food shortages, geopolitical tensions, Covid-19 policies, surplus inventory of branding companies, and information security risk management all pose threats and challenges that led to a slowdown in global economic activities for every company.

In 2023, the Company would take a strategic approach that focuses on flexibility, innovation, value maximization, and a sustainable business model in order to overcome these challenges and achieve sustainable growth through differentiation with a sustainable competitive advantage.

Textile Composites

A. Progress on ESG Development

The plans for ESG development can be summarized as follows:

- a Initiate carbon management training workshops for every factory
- b Create a carbon inventory of key merchandises and commit to implementing Carbon Reduction Plans (CRPs)
- c Continuously cultivate meaningful stakeholder relationships and encourage open communication to show care and concern

B. Pioneering a Carbon-reduction Business Model

We are continuously focusing on climate change issues, current trends and policies on sustainability, as well as exploring risks and preventive measures with adjustments made on strategies in R&D, production, and sales. By doing these, we are able to create opportunities for building new green businesses and establishing a circular production and business model.

We have focused on ECO Family including Green R&D for Eco-innovation and received accreditation for our Green manufacturing process. In terms of green production, we have achieved the following:

- a Replaced boiler fuel with gas boiler
- b Gradually phased out equipment with high energy consumption
- c Carried out routine maintenance of machines and necessary peripherals

As for our Green Marketing Plan, we are actively developing and maintaining a diversified global business layout; for Green supply chain management, we have integrated both upstream and downstream supply chains to co-develop green materials and provide a total solution for our clients.

C. Establishing a solid operations management

We aim to find the best solution to issues that affect overseas operations, integrated marketing, product quality and lead time efficiency, and recruitment by analyzing key financial indicators and other non-financial indicators. In addition to the aforementioned matters, we also aim to promote e-Learning and education on ESG core values.

Chemical Product

A. As clients gradually move their production bases overseas and increasingly prefer local delivery as an alternative, the domestic market is facing a declining demand. Therefore, the Company has to establish new subsidiaries overseas to meet market demand.

B. Unfavorable factors affecting the development of Taiwan's textile industry such as rising cost, shrinking production scale and declining customer base have had a great impact on the Company's financial performance.

One alternative to dealing with the challenges is to develop new opportunities in non-textile industries. For example, enabling additives of chemicals in the plastics industry would be our business target, which has more advantages than the domestic textile industry.

C. Auxiliaries used to be the main sales force of the Company. However, we have granted the distribution rights for the product called Ceravida Recovery, owned by Korean company G. CLO. Ceravida Recovery is a green material made from recycled waste. It is composed of functional ceramic polymers with natural minerals. Ceravida Recovery has the functions of improving blood circulation and boosting sports performance. With these features that follow market trends, Ceravida Recovery will become the top seller of the Company in the future.

Power Supply

In response to the energy shortage caused by the Russia-Ukraine war, power supply products with energy storage, energy-saving, and green energy features have become mainstream. Home energy storage devices (non-high power energy storage devices) have therefore become the basis for ELEMENTECH INTERNATIONAL CO., LTD.'s product development and market assessment. Through joint development with other companies in the same field, ELEMENTECH INTERNATIONAL CO., LTD. will soon be able to roll out new products, expand its technological know-how to include medical devices and Teleservice, as well as provide stable and safe power supply with energy storage equipment in preparation for global aging. The aforementioned product development also benefits product line extension,

and boosts the average gross profit margin. Meanwhile, we will strengthen our relationship with strategic partnerships to drive shorter development cycles and enhance production efficiency, thus reducing lead time and increasing product quality in production.

(2). Estimated Number of Items Sold

Items	Estimated Number of Items Sold
Textile Composites (Note 1)	165,500,000
Chemical Products (Note 2)	385,000
Power Supply (Note 3)	1,200,000

Note 1: Product units are PCS, BAG, M and YDS.

Note 2: The product unit is KG.

Note 3: The product unit is PCS.

(3). Key Sales and Marketing Policies

A. Progress on ESG Development:

We continually issue ESG reports, cultivate a company image of sustainability, and level up in international evaluations by implementing carbon footprint verification and going green to reduce carbon emissions.

B. Pioneering a Carbon-reduction Business Model:

To keep up with current branding trends, we are striving to create opportunities to build new green businesses as well as a circular production and business model.

C. Advanced sustainability management systems:

Strengthen digital analyses. Replace a weakness with a strength. Maximize operational efficiency for overseas subsidiaries.

3. Company Development Strategies

(1) Focus on product innovations and technology, aimed at enhancing core competencies

We have been aggressive in leveling up our core technological competence. In terms of Research and Development, the Company has established 3 primary principles governing product innovations: Green, 100% composite materials, and lightweight design approaches for energy efficiency. Each of these principles is applied in the plan to build a laboratory.

(2) Upgrade digital technology to provide real-time and precise management

Make use of precise decision-making process with real-time global management using multi-dimensional data and analyses to help:

A. Integrate production orders and simplify production management

B. Apply precision marketing to communicate actively with clients

C. Upgrade digital technology to facilitate strategic management, control management, and operations management, and to strengthen information security risk management (ISRM)

(3) Implement sustainable management with long-term sustainable planning

We have been involved in diversification of education and learning by conducting a more flexible and extensive approach to help empower employees. We also comply with sustainability planning requirements and have begun formulating our talent acquisition plan.

(4) Proactively manage risks and build a strong control mechanism

We take the initiative and overcome challenges such as climate change, customer management, credibility, and risk of market and supply chain disruptions. We carefully assess and manage these risks, either potential or physical by implementing different risk mitigation strategies and prevention.

4. Impacts on competitive, legal and general environment

(1) Address climate change; actively participate in Green R&D

According to the 2023 Global Risks Reports, the top three environmental issues are:

A. Failure to mitigate climate change

B. Failure to adapt to climate change

C. Natural disasters and extreme weather conditions

Undeniably, environmental sustainability is the most pressing issue globally. In light of this, our Company will focus on the research and development of Green (ECO-family) and recyclable materials to reduce oil consumption. By recycling waste, reusing materials and consistently implementing carbon reduction programs, we can follow current trends and adapt quickly to changes in the global business environment.

(2) Economies Face Weakening Growth, Rising Inflation: Diversification is a strategy to mitigate risks.

In the face of global inflation, delayed consumption due to excess inventory and slowdown in global economic activity, sales activity has declined as a result of reduced demand. To address this issue, the Company has integrated supply chains with production bases in both China and Vietnam, and has diversified its composite material portfolio. Additionally, by setting up an international distribution network, the Company can offer a total and fast solution to customers in markets such as water and underwater sports, personal protective equipment, outdoor sports, medical care, vehicle, industrial, home textile, 3C, and architectural acoustics (noise control).

We are grateful for the continued support and encouragement from each shareholder. We look forward to further growing the business with you.

2023 Annual Shareholders' Meeting

Warm regards,

Chairman:
SHAO, TEN-PO

General Manager:
CHANG, SHUN-CHING

Accounting Manager:
SU, MENG-HSU

NAM LIONG GLOBAL CORPORATION
Audit Committee's Review Report

The 2022 business report, parent company only financial statements and consolidated financial statements of the Company were prepared by its Board of Directors and certified by Hsiu-Chun Huang and Pi-Yu Chuang of Deloitte & Touche. The aforementioned reports, business report, parent company only financial statements and consolidated financial statements as well as earnings distribution proposal were reviewed by the Committee and are certified true and correct. The Committee hereby submits the aforementioned reports and proposal for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To: 2023 Annual Shareholders' Meeting

NAM LIONG GLOBAL CORPORATION

Convener of Audit Committee

HUANG, CHUNG-HUI

March 29, 2023

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2022, the entities that are required to be included in the consolidated financial statements of Nam Liong Global Corporation, in accordance with the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared under the International Financial Reporting Standard 10, "Consolidated Financial Statements". In addition, the information required to be disclosed in the consolidated financial statements of Affiliates has all been included in the consolidated financial statements of parent and subsidiary companies. Consequently, Nam Liong Global Corporation and Subsidiaries do not prepare a separate set of consolidated financial statements.

Hereby declare,

Nam Liong Global Corporation

By

SHAO, TEN-PO

Chairman

March 29, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders

Nam Liong Global Corporation (Original name: Prolink Microsystems Corporation)

Opinion

We have audited the accompanying consolidated financial statements of Nam Liong Global Corporation and its subsidiaries (Original name: Prolink Microsystems Corporation) (the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the accompanying consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) that came into effect as endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor's 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 Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

Sales to Specific Customers

The Group's sales growth of specific customers was higher than the average growth rate and the amount was substantial in 2022. Therefore, authenticity of revenue for the sales to specific customers is identified as one of the key audit matters for the year ended December 31, 2022.

In connection with the above key audit matter, the following audit procedures were performed:

1. We understood, and evaluated relevant operating procedures and internal controls for sales transactions. Also, we tested the design on of the internal controls and the effectiveness of the implementation.
2. We obtained details of sales to breakdown from specific customers, and reviewed relevant documents of revenue recognition, including the original orders, delivery notes, and actual amount received to verify the authenticity of revenue recognition.
3. We obtained details of subsequent sales returns from specific customers, and verified the reasonableness of the returns.

Other Matter

We have audited and issued an unmodified opinion with an explanatory paragraph on the parent company only financial statements of Nam Liong Global Corporation (Original name: Prolink Microsystems Corporation) as of and for the years ended December 31, 2022 and 2021.

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 the IFRS, IAS, IFRIC, and 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 reparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including members of the Audit Committee) 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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 for the year ended December 31, 2022 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 audits resulting in this independent auditors' report are Hsiu-Chun Huang and Pi-Yu Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 29, 2023

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
(Original name: PROLINK MICROSYSTEMS CORPORATION AND SUBSIDIARIES)
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 730,742	22	\$ 588,613	17
1136	Financial assets at amortized cost – current (Note 4, 8 and 24)	46,863	1	65,340	2
1150	Notes receivable – non-related parties (Note 4 and 9)	35,954	1	98,995	3
1160	Notes receivable – related parties (Note 4, 9 and 23)	11,309	-	17,896	1
1170	Accounts receivable – non-related parties (Note 4 and 9)	354,095	11	445,386	13
1180	Accounts receivable – related parties (Note 4, 9 and 23)	46,909	1	73,352	2
1220	Current tax assets (Note 4 and 19)	1,857	-	223	-
130X	Inventories (Notes 4, 5 and 10)	511,778	15	516,209	15
1470	Other current assets (Notes 23)	55,816	2	72,257	2
11XX	Total current assets	<u>1,795,323</u>	<u>53</u>	<u>1,878,271</u>	<u>55</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income – non-current (Note 4, 7 and 22)	205,273	6	100,674	3
1535	Financial assets at amortized cost – non-current (Note 4, 8 and 24)	-	-	16,640	-
1600	Property, plant and equipment (Notes 4, 12 and 24)	1,064,128	31	1,059,156	31
1755	Right-of-use assets (Notes 4, 13, 24 and 25)	212,150	6	242,006	7
1805	Goodwill (Notes 4 and 14)	88,813	3	88,813	2
1821	Intangible assets (Notes 4)	4,152	-	3,335	-
1840	Deferred tax assets (Notes 4 and 19)	16,490	-	20,227	1
1990	Other non-current assets	16,728	1	23,065	1
15XX	Total non-current assets	<u>1,607,734</u>	<u>47</u>	<u>1,553,916</u>	<u>45</u>
1XXX	TOTAL	<u>\$ 3,403,057</u>	<u>100</u>	<u>\$ 3,432,187</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 15 and 24)	\$ 362,143	11	\$ 420,006	12
2110	Short-term notes and bills payable (Notes 15 and 24)	29,871	1	29,954	1
2150	Notes payable – non-related parties	15,107	-	20,013	1
2160	Notes payable – related parties (Notes 23)	527	-	667	-
2170	Accounts payable – non-related parties	203,878	6	311,129	9
2180	Accounts payable – related parties (Notes 23)	7,230	-	14,313	1
2219	Other payables (Notes 23)	174,555	5	180,247	5
2230	Current tax liabilities (Notes 4 and 19)	11,451	-	8,168	-
2280	Lease liabilities – current (Notes 4, 13 and 23)	30,114	1	30,795	1
2320	Current portion of long-term borrowings (Notes 15, 24 and 25)	220,607	7	113,836	3
2399	Other current liabilities	79,239	2	43,502	1
21XX	Total current liabilities	<u>1,134,722</u>	<u>33</u>	<u>1,172,630</u>	<u>34</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Notes 15, 24 and 25)	456,238	14	610,276	18
2570	Deferred tax liabilities (Notes 4 and 19)	10,249	-	10,895	1
2580	Lease liabilities – non-current (Notes 4, 13 and 23)	153,453	5	179,341	5
2640	Net defined benefit liabilities – non-current (Note 4 and 16)	9,065	-	9,136	-
2645	Guarantee deposits received	176	-	172	-
25XX	Total non-current liabilities	<u>629,181</u>	<u>19</u>	<u>809,820</u>	<u>24</u>
2XXX	Total liabilities	<u>1,763,903</u>	<u>52</u>	<u>1,982,450</u>	<u>58</u>
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Notes 4, 7, 11, 16 and 17)				
3100	Share capital	1,223,923	36	1,223,923	36
3211	Capital surplus	57,621	2	57,621	2
	Retained earnings				
3310	Legal reserve	14,597	-	-	-
3350	Unappropriated earnings	235,831	7	145,969	4
3300	Total Retained earnings	250,428	7	145,969	4
3400	Other equity	107,182	3	22,224	-
3XXX	Total equity	<u>1,639,154</u>	<u>48</u>	<u>1,449,737</u>	<u>42</u>
	TOTAL	<u>\$ 3,403,057</u>	<u>100</u>	<u>\$ 3,432,187</u>	<u>100</u>

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

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
(Original name: PROLINK MICROSYSTEMS CORPORATION AND SUBSIDIARIES)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2022		2021	
		Amount	%	Amount	%
4100	OPERATING REVENUE (Notes 4 and 23)	\$ 3,082,227	100	\$ 3,356,900	100
5110	OPERATING COSTS (Notes 4, 10, 16, 18 and 23)	<u>2,262,133</u>	<u>74</u>	<u>2,485,138</u>	<u>74</u>
5900	GROSS PROFIT	<u>820,094</u>	<u>26</u>	<u>871,762</u>	<u>26</u>
	OPERATING EXPENSES (Notes 4, 9, 16, 18 and 23)				
6100	Selling and marketing expenses	180,060	6	192,840	6
6200	General and administrative expenses	410,025	13	399,615	12
6300	Research and development expenses	<u>90,095</u>	<u>3</u>	<u>88,810</u>	<u>2</u>
6000	Total operating expenses	<u>680,180</u>	<u>22</u>	<u>681,265</u>	<u>20</u>
6500	OTHER OPERATING INCOME AND EXPENSES, NET ((Notes 4 and 26)	<u>-</u>	<u>-</u>	<u>432</u>	<u>-</u>
6900	PROFIT FROM OPERATIONS	<u>139,914</u>	<u>4</u>	<u>190,929</u>	<u>6</u>
	NON-OPERATING INCOME AND EXPENSES				
7020	Other gains and losses (Notes 4, 12 and 18)	916	-	(6,349)	-
7050	Finance costs (Note 4 and 18)	(30,670)	(1)	(27,222)	(1)
7100	Interest revenue	3,352	-	1,865	-
7190	Other income (Note 4, 7, 13, 18 and 23)	29,074	1	32,690	1
7230	Foreign exchange gains (losses) (Note 4, 18 and 28)	52,847	2	(12,424)	-
7590	Miscellaneous disbursements	(<u>3,934</u>)	<u>-</u>	(<u>3,396</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>51,585</u>	<u>2</u>	(<u>14,836</u>)	<u>-</u>

(Continued)

Code		2022		2021	
		Amount	%	Amount	%
7900	PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	\$ 191,499	6	\$ 176,093	6
7950	INCOME TAX EXPENSE (Notes 4 and 19)	(13,880)	-	(25,838)	(1)
8200	NET PROFIT FOR THE YEAR	<u>177,619</u>	<u>6</u>	<u>150,255</u>	<u>5</u>
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 16 and 19)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	344	-	283	-
8316	Unrealized gains on investments in equity instruments at fair value through other				
8349	comprehensive income Income tax related to items that will not be reclassified subsequently	73,614	3	46,255	1
8310		(69)	-	(57)	-
		<u>73,889</u>	<u>3</u>	<u>46,481</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of the financial statements of foreign operations	11,899	-	(962)	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	(555)	-	(613)	-
8360		<u>11,344</u>	<u>-</u>	<u>(1,575)</u>	<u>-</u>
8300	Other comprehensive income (loss), net of income tax	<u>85,233</u>	<u>3</u>	<u>44,906</u>	<u>1</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 262,852</u>	<u>9</u>	<u>\$ 195,161</u>	<u>6</u>
	EARNINGS PER SHARE (Note 20)				
9710	Basic	<u>\$ 1.45</u>		<u>\$ 1.23</u>	
9810	Diluted	<u>\$ 1.44</u>		<u>\$ 1.22</u>	

(Concluded)

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

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
(Original name: PROLINK MICROSYSTEMS CORPORATION AND SUBSIDIARIES)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Code		Share Capital (Note 4 and 17)		Capital surplus (Note 4, 11 and 17)	Retained Earnings (Note 4, 7, 16 and 17)		Other equity		Total Equity
		Shares (In Thousands)	Amount		Legal Capital Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operation (Note 4 and 19)	Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Note 4 and 7)	
A1	BALANCE AT JANUARY 1, 2021	122,392	\$ 1,223,923	\$ 32,321	\$ -	(\$ 4,512)	(\$ 22,456)	\$ -	\$ 1,229,276
D1	Net profit for the year ended December 31, 2021	-	-	-	-	150,255	-	-	150,255
D3	Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	226	(1,575)	46,255	44,906
D5	Total comprehensive income (loss) in 2021	-	-	-	-	150,481	(1,575)	46,255	195,161
M7	Changes in percentage of ownership interests in subsidiaries	-	-	25,300	-	-	-	-	25,300
Z1	BALANCE AT DECEMBER 31, 2021	122,392	1,223,923	57,621	-	145,969	(24,031)	46,255	1,449,737
B1	Appropriation of 2021 Earnings Legal Reserve	-	-	-	14,597	(14,597)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(73,435)	-	-	(73,435)
		-	-	-	14,597	(88,032)	-	-	(73,435)
D1	Net profit for the year ended December 31, 2022	-	-	-	-	177,619	-	-	177,619
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	275	11,344	73,614	85,233
D5	Total comprehensive income (loss) in 2022	-	-	-	-	177,894	11,344	73,614	262,852
Z1	BALANCE AT DECEMBER 31, 2022	122,392	\$ 1,223,923	\$ 57,621	\$ 14,597	\$ 235,831	(\$ 12,687)	\$ 119,869	\$ 1,639,154

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

NAM LIONG GLOBAL CORPORATION AND SUBSIDIARIES
(Original name: PROLINK MICROSYSTEMS CORPORATION AND SUBSIDIARIES)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

<u>Code</u>		<u>2022</u>	<u>2021</u>
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 191,499	\$ 176,093
A20010	Adjustments for:		
A20100	Depreciation expense	112,730	100,193
A20200	Amortization expense	1,060	877
A20300	Expected credit loss recognized (reversed)	(1,102)	1,533
A20900	Finance costs	30,670	27,222
A21200	Interest income	(3,352)	(1,865)
A21300	Dividend income	(44)	-
A22500	Losses (Gains) on disposal of property, plant and equipment	(961)	2,206
A22800	Losses on disposal of intangible assets	45	-
A23700	Write-down of inventories	23,936	2,823
A24100	Unrealized foreign currency exchange losses	619	384
A29900	Gains from lease modification	72	-
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	69,628	6,476
A31150	Accounts receivable	118,449	(111,920)
A31200	Inventories	(21,912)	(105,005)
A31240	Other current assets	15,901	(1,193)
A32130	Notes payable	(5,046)	8,324
A32150	Accounts payable	(114,530)	14,808
A32180	Other payables	(5,743)	44,881
A32230	Other current liabilities	35,737	3,051
A32240	Net defined benefit liabilities	<u>273</u>	<u>248</u>
A33000	Cash generated from operations	447,929	169,136
A33100	Interest received	3,352	1,880
A33300	Interest paid	(24,344)	(20,393)
A33500	Income taxes return (paid)	<u>(9,044)</u>	<u>(21,751)</u>
AAAA	Net cash generated from operating activities	<u>417,893</u>	<u>128,872</u>

(Continued)

Code		2022	2021
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisitions of financial assets at fair value through other comprehensive income	(\$ 30,985)	(\$ 54,419)
B00040	Acquisitions of financial assets at amortized cost	-	(32,613)
B00050	Proceeds from disposal of financial assets at amortized cost	35,372	8,862
B02700	Acquisitions of property, plant, and equipment	(97,464)	(189,664)
B02800	Proceeds from disposal of property, plant and equipment	1,091	1,776
B03800	Decrease (Increase) in guarantee deposits paid	4,235	(3,236)
B04500	Acquisitions of intangible assets	(1,922)	(843)
B05350	Acquisition of right-of-use assets	(208)	-
B07200	Decrease (increase) in prepayments for equipment	18,863	(4,235)
B07600	Dividends received	44	-
BBBB	Net cash used in investing activities	<u>(70,974)</u>	<u>(274,372)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00200	Increase (Decrease) in short-term borrowings	(58,642)	170,131
C00600	Decrease in short-term notes and bills payable	(166)	(247)
C01600	Proceeds from long-term borrowings	46,000	211,600
C01700	Repayments of long-term borrowings	(93,267)	(172,239)
C04020	Payments of lease liabilities	(37,261)	(32,610)
C04500	Cash dividends	<u>(73,435)</u>	-
CCCC	Net cash generated from (used in) financing activities	<u>(216,771)</u>	<u>176,635</u>
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>11,981</u>	<u>1,914</u>
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	142,129	33,049
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>588,613</u>	<u>555,564</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>\$ 730,742</u>	<u>\$ 588,613</u>

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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders

Nam Liong Global Corporation (Original name: Prolink Microsystems Corporation)

Opinion

We have audited the accompanying parent company only financial statements of Nam Liong Global Corporation (Original name: Prolink Microsystems Corporation) (the "Company"), which comprise the parent company only balance sheets as of December 31, 2022 and 2021, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and relevant acts.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2022 are stated as follows:

Sales to Specific Customers

The Company's sales growth of specific customers was higher than the average growth rate and the amount was substantial in 2022. Therefore, authenticity of revenue for the sales to specific customers is identified as one of the key audit matters for the year ended December 31, 2022.

In connection with the above key audit matter, the following audit procedures were performed:

1. We understood, and evaluated relevant operating procedures and internal controls for sales transactions. Also, we tested the design on of the internal controls and the effectiveness of the implementation.
2. We obtained details of sales to breakdown from specific customers, and reviewed relevant documents of revenue recognition, including the original orders, delivery notes, and actual amount received to verify the authenticity of revenue recognition.
3. We obtained details of subsequent sales returns from specific customers, and verified the reasonableness of the returns.

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

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

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

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

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 parent company only financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2022 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 audits resulting in this independent auditors' report are Hsiu-Chun Huang and Pi-Yu Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 29, 2023

Notice 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 accounting principles generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent 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. If there is any conflict between the English version and the original

Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

NAM LIONG GLOBAL CORPORATION
(Original name: PROLINK MICROSYSTEMS CORPORATION)
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 304,350	10	\$ 251,278	9
1136	Financial assets at amortized cost – current (Note 4, 8 and 24)	43,863	1	29,933	1
1150	Notes receivable, net – non-related parties (Note 4 and 9)	34,751	1	44,886	1
1160	Notes receivable – related parties (Note 4, 9 and 23)	11,242	-	17,856	1
1170	Accounts receivable, net – non-related parties (Note 4 and 9)	232,316	8	257,950	9
1180	Accounts receivable – related parties (Note 4, 9 and 23)	47,127	2	53,388	2
1200	Other receivables	3,032	-	6,708	-
1210	Other receivables – related parties (Note 23)	772	-	537	-
1220	Current income tax assets (Note 4 and 19)	-	-	212	-
130X	Inventories (Notes 4, 5 and 10)	286,395	9	273,185	9
1470	Other current assets	17,519	1	22,377	1
11XX	Total current assets	<u>981,367</u>	<u>32</u>	<u>958,310</u>	<u>33</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income – non-current (Note 4, 7 and 22)	205,273	7	100,674	3
1535	Financial assets at amortized cost – non-current (Note 4, 8 and 24)	-	-	16,640	1
1550	Investments accounted for using equity method (Note 4 and 11)	1,152,444	38	1,124,123	38
1600	Property, plant and equipment (Notes 4, 12 and 24)	640,755	21	637,890	22
1755	Right-of-use assets (Notes 4, 13, 24 and 25)	46,794	2	50,570	2
1821	Intangible assets (Notes 4)	3,441	-	2,620	-
1840	Deferred tax assets (Notes 4 and 19)	13,628	-	16,881	1
1900	Other non-current assets	9,912	-	10,397	-
15XX	Total non-current assets	<u>2,072,247</u>	<u>68</u>	<u>1,959,795</u>	<u>67</u>
1XXX	TOTAL	<u>\$ 3,053,614</u>	<u>100</u>	<u>\$ 2,918,105</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 14 and 24)	\$ 362,143	12	\$ 338,266	12
2110	Short-term notes and bills payable (Notes 14)	29,871	1	29,954	1
2150	Notes payable – non-related parties	14,950	1	14,445	-
2160	Notes payable – related parties (Notes 23)	516	-	680	-
2170	Accounts payable – non-related parties	145,260	5	203,281	7
2180	Accounts payable – related parties (Notes 23)	11,636	-	14,292	-
2219	Other payables (Notes 15)	126,414	4	122,225	4
2220	Other payables – related parties (Notes 15 and 23)	731	-	1,685	-
2230	Current tax liabilities (Notes 4 and 19)	2,302	-	-	-
2280	Lease liabilities – current (Notes 4, 13 and 23)	1,856	-	2,639	-
2320	Current portion of long-term borrowings (Notes 14, 24 and 25)	196,915	6	90,144	3
2399	Other current liabilities	43,522	1	17,760	1
21XX	Total current liabilities	<u>936,116</u>	<u>30</u>	<u>835,371</u>	<u>28</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Notes 14, 24 and 25)	453,700	15	607,045	21
2570	Deferred income tax liabilities (Notes 4 and 19)	164	-	-	-
2580	Lease liabilities – non-current (Notes 4, 13 and 23)	24,480	1	25,952	1
25XX	Total non-current liabilities	<u>478,344</u>	<u>16</u>	<u>632,997</u>	<u>22</u>
2XXX	Total liabilities	<u>1,414,460</u>	<u>46</u>	<u>1,468,368</u>	<u>50</u>
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Notes 4, 7, 11, 17 and 20)				
3100	Share capital	1,223,923	40	1,223,923	42
3211	Capital surplus	57,621	2	57,621	2
	Retained earnings				
3310	Legal reserve	14,597	-	-	-
3350	Unappropriated earnings	235,831	8	145,969	5
3300	Total Retained earnings	<u>250,428</u>	<u>8</u>	<u>145,969</u>	<u>5</u>
3400	Other equity	107,182	4	22,224	1
3XXX	Total equity	<u>1,639,154</u>	<u>54</u>	<u>1,449,737</u>	<u>50</u>
	TOTAL	<u>\$ 3,053,614</u>	<u>100</u>	<u>\$ 2,918,105</u>	<u>100</u>

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

NAM LIONG GLOBAL CORPORATION
(Original name: PROLINK MICROSYSTEMS CORPORATION)
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2022		2021	
		Amount	%	Amount	%
4110	OPERATING REVENUE (Notes 4 and 23)	\$ 2,014,659	100	\$ 1,987,624	100
5110	OPERATING COSTS (Notes 4, 10, 18, and 23)	(1,468,941)	(73)	(1,427,715)	(72)
5900	GROSS PROFIT	<u>545,718</u>	<u>27</u>	<u>559,909</u>	<u>28</u>
5910	UNREALIZED GAINS FROM SALES (Notes 4)	(2,260)	-	(1,354)	-
5920	REALIZED GAINS FROM SALES (Notes 4)	<u>1,354</u>	<u>-</u>	<u>724</u>	<u>-</u>
5950	REALIZED GROSS PROFIT	<u>544,812</u>	<u>27</u>	<u>559,279</u>	<u>28</u>
	OPERATING EXPENSES (Notes 4, 18 and 23)				
6100	Selling and marketing expenses	120,178	6	125,161	6
6200	General and administrative expenses	283,042	14	274,606	14
6300	Research and development expenses	<u>43,104</u>	<u>2</u>	<u>33,176</u>	<u>2</u>
6000	Total operating expenses	<u>446,324</u>	<u>22</u>	<u>432,943</u>	<u>22</u>
6900	PROFIT FROM OPERATIONS	<u>98,488</u>	<u>5</u>	<u>126,336</u>	<u>6</u>
	NON-OPERATING INCOME AND EXPENSES				
7020	Other gains and losses (Notes 4, 18 and 23)	955	-	(4,109)	-
7050	Finance costs (Note 4 and 18)	(24,098)	(1)	(18,779)	(1)
7070	Share of profits of subsidiaries accounted for using equity method (Note 4 and 11)	47,249	2	41,388	2

(Continued)

Code		2022		2021	
		Amount	%	Amount	%
7100	Interest revenue	\$ 698	-	\$ 110	-
7190	Other income (Note 4, 18 and 23)	24,102	1	22,032	1
7590	Miscellaneous disbursements	(507)	-	(1,093)	-
7230	Foreign exchange gains (losses) (Note 4, 18 and 27)	<u>36,267</u>	<u>2</u>	<u>(9,348)</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>84,666</u>	<u>4</u>	<u>30,201</u>	<u>2</u>
7900	PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	183,154	9	156,537	8
7950	INCOME TAX EXPENSE (Notes 4 and 19)	<u>(5,535)</u>	<u>-</u>	<u>(6,282)</u>	<u>-</u>
8200	NET PROFIT FOR THE YEAR	<u>177,619</u>	<u>9</u>	<u>150,255</u>	<u>8</u>
	OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 16 and 19)				
	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gains on investments in equity instruments at fair value through other comprehensive income	73,614	4	46,255	2
8388	Share of other comprehensive income of subsidiaries accounted for using the equity method-remeasurement of defined benefit plans	<u>275</u>	<u>-</u>	<u>226</u>	<u>-</u>
8310		<u>73,889</u>	<u>4</u>	<u>46,481</u>	<u>2</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of the financial statements of foreign operations	10,919	-	(603)	-

(Continued)

Code		2022		2021	
		Amount	%	Amount	%
8381	Share of the other comprehensive gains (losses) of subsidiaries accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	\$ 784	-	(\$ 287)	-
8399	Income tax related to items that may be reclassified subsequently to profit or loss	(359)	-	(685)	-
8360		<u>11,344</u>	<u>-</u>	<u>(1,575)</u>	<u>-</u>
8300	Other comprehensive income (loss), net of income tax	<u>85,233</u>	<u>4</u>	<u>44,906</u>	<u>2</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 262,852</u>	<u>13</u>	<u>\$ 195,161</u>	<u>10</u>
	EARNINGS PER SHARE (Note 20)				
9710	Basic	<u>\$ 1.45</u>		<u>\$ 1.23</u>	
9810	Diluted	<u>\$ 1.44</u>		<u>\$ 1.22</u>	

(Concluded)

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

NAM LIONG GLOBAL CORPORATION
(Original name: PROLINK MICROSYSTEMS CORPORATION)
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Code		Share Capital (Note 4 and 17)		Capital surplus (Note 4, 11 and 17)	Retained Earnings (Note 4, 7, 16 and 17)		Other equity		Total Equity
		Shares (In Thousands)	Amount		Legal Capital Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Foreign Currency of Foreign Operation (Note 4 and 19)	Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Note 4 and 7)	
A1	BALANCE AT JANUARY 1, 2021	122,392	\$ 1,223,923	\$ 32,321	\$ -	(\$ 4,512)	(\$ 22,456)	\$ -	\$ 1,229,276
D1	Net profit for the year ended December 31, 2021	-	-	-	-	150,255	-	-	150,255
D3	Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	226	(1,575)	46,255	44,906
D5	Total comprehensive income (loss) in 2021	-	-	-	-	150,481	(1,575)	46,255	195,161
M7	Changes in percentage of ownership interests in subsidiaries	-	-	25,300	-	-	-	-	25,300
Z1	BALANCE AT DECEMBER 31, 2021	122,392	1,223,923	57,621	-	145,969	(24,031)	46,255	1,449,737
B1	Appropriation of 2021 Earnings Legal Reserve	-	-	-	14,597	(14,597)	-	-	-
B5	Cash dividends to shareholders	-	-	-	-	(73,435)	-	-	(73,435)
		-	-	-	14,597	(88,032)	-	-	(73,435)
D1	Net profit for the year ended December 31, 2022	-	-	-	-	177,619	-	-	177,619
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	275	11,344	73,614	85,233
D5	Total comprehensive income (loss) in 2022	-	-	-	-	177,894	11,344	73,614	262,852
Z1	BALANCE AT DECEMBER 31, 2022	122,392	\$ 1,223,923	\$ 57,621	\$ 14,597	\$ 235,831	(\$ 12,687)	\$ 119,869	\$ 1,639,154

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

NAM LIONG GLOBAL CORPORATION
(Original name: PROLINK MICROSYSTEMS CORPORATION)
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 183,154	\$ 156,537
A20010	Incomes and expenses not affecting cash flow		
A20100	Depreciation expense	49,425	46,406
A20200	Amortization expense	863	376
A20300	Expected credit loss recognized (reversed)	(890)	563
A20900	Finance costs	24,098	18,779
A21200	Interest income	(698)	(110)
A21300	Dividend income	(44)	-
A22400	Share of profits of subsidiaries accounted for using the equity method	(47,249)	(41,388)
A22500	Gains on disposal of property, plant and equipment	(1,000)	(34)
A22800	Losses on disposal of intangible assets	45	-
A23200	Losses on disposal of investments accounted for using the equity method	-	4,143
A23700	Write-down of inventories	12,519	2,783
A23900	Unrealized gains from sales with subsidiary	2,260	1,354
A24000	Realized gains from sales with subsidiary	(1,354)	(724)
A24100	Unrealized foreign currency exchange gains (losses)	(203)	222
A29900	Gains from lease modification	72	-
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	16,749	7,921
A31150	Accounts receivable	33,006	(71,905)
A31180	Other receivables	3,441	(2,887)
A31200	Inventories	(25,729)	(76,693)
A31240	Other current assets	4,318	(1,199)
A32130	Notes payable	341	6,332
A32150	Accounts payable	(60,695)	39,099
A32180	Other payables	3,107	32,176
A32230	Other current liabilities	<u>25,762</u>	<u>5,303</u>
A33000	Cash generated from operations	221,298	127,054

(Continued)

Code		2022	2021
A33100	Interest received	\$ 698	\$ 110
A33300	Interest paid	(22,350)	(17,334)
AC0500	Income taxes return (paid)	<u>37</u>	<u>(9,672)</u>
AAAA	Net cash generated from operating activities	<u>199,683</u>	<u>100,158</u>
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Acquisitions of financial assets at fair value through other comprehensive income	(30,985)	(54,419)
B00040	Acquisitions of financial assets at amortized cost	(16,657)	(6,004)
B00050	Proceeds from disposal of financial assets at amortized cost	19,367	5,718
B01800	Acquisitions of long-term equity investments accounted for using the equity method	-	(60,000)
B02300	Proceeds from disposal of investments in subsidiaries	-	16,576
B02700	Acquisitions of property, plant, and equipment	(48,216)	(141,544)
B02800	Proceeds from disposal of property, plant and equipment	1,000	50
B03700	Increase in guarantee deposits paid	(179)	(368)
B04500	Acquisitions of intangible assets	(1,729)	(369)
B07200	Decrease (increase) in prepayments for equipment	664	(3,192)
B07600	Dividends received	<u>30,044</u>	<u>6,000</u>
BBBB	Net cash used in investing activities	<u>(46,691)</u>	<u>(237,552)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	23,877	173,266
C00600	Decrease in short-term notes and bills payable	(386)	(247)
C01600	Proceeds from long-term borrowings	-	165,600
C01700	Repayments of long-term borrowings	(46,574)	(125,547)
C04020	Payments of lease liabilities	(3,402)	(2,742)
C04500	Cash dividends	<u>(73,435)</u>	<u>-</u>
CCCC	Net cash generated from (used in) financing activities	<u>(99,920)</u>	<u>210,330</u>
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	53,072	72,936
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>251,278</u>	<u>178,342</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>\$ 304,350</u>	<u>\$ 251,278</u>

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

Report on Issuance of Convertible Bond

Types of convertible bond	1 st Secured Convertible Bond
Issue date	March 21, 2023
Face Value	NT\$100,000
Place of issue and exchange	Taipei Exchange
Issue price	The issue price is based on the 116.23% face value.
Total value	NT\$ 500,000,000
Interest rate	0% Coupon rate
Issue period	The issue period is 5 years, starting March 21, 2023. The maturity date is March 21, 2028.
Redemption of bonds	<p>The Company issued its 1st domestic 5-year secured convertible bonds. The secured convertible bonds will be repaid in cash within ten business days (including the 10th business day) based on the bond's face value, with the exception of the following:</p> <ol style="list-style-type: none"> 1. Bondholders are allowed to convert the secured convertible bonds into ordinary shares of the Company under Article 10 of relevant measures, or redeem secured convertible bonds in advance in accordance with Article 18. OR 2. The Company exercises its right to repurchase secured convertible bonds from an over-the-counter market in accordance with Article 19. <p>If the repayment date falls on a closing day of the Taipei Stock Exchange, it will be postponed to the next business day.</p>
Outstanding principal	NT\$ 500,000,000
Update on execution	Up to the 30 th of April 2023, the balance of unconverted secured convertible bond is NT\$ 500,000,000.