

CHOICE DEVELOPMENT. INC.

2022 Institutional Investors' Conference

A publicly listed company, Choice Printing Group specializes in sheet-fed and web offset printing and is the market leader in the printing of magazines, books, catalogues, inserts , and direct mails throughout Taiwan and China. Choice proudly exports printing for some of the most well-known publishers and retailers across the United States, Europe, and Australia. With three factories, each conveniently located close to port and in-house ISO certified printing and binding facilities, Choice is one of the only few internationally accredited, cost effective, quality guaranteed, total print solutions providers in Asia.

In 2017, we awarded both first prize of Taiwan Golden Print Awards about Hardcover Book and Paperback Book types.

In addition, in response to the spread of the COVID-19 and customer requirements, Choice has been producing masks since July 2020 and officially entered the field of new business projects.

Children's masks have been added in May 2021.

CHOICE Milestones

- 1946 Established Choice printing institute in Tainan, Taiwan
- 1966 Established Choice Printing Factory
- 1976 Established Choice Printing Group
- 1990 Public issuance shares
- 1993 Shares listed on OTC
- 1994 Entered China market
 - Established Choice Company (Shanghai) Inc.
- 1999 Received SCF approval to list shares on Taiwan Stock Exchange
- 2010 Changes the registered name to Choice Development, Inc.
- 2015 Regarding the capital
 - January decrease NTD533,704(thousand)
 - May increase NTD260,000(thousand)
 - September increase NTD470,000(thousand)
- 2016 By disposing the stocks of Choice Development Inc. (B.V.I) in Shanghai on May, withdrawing from the China market
- 2019 The Linko Factory was closed for business , and the building and land were disposed of with the consent by the shareholders' meeting
- 2020 In response to the spread of COVID-19, Tainan factory had put into production face mask ; and passed by the resolution of the interim shareholder meeting in September ,reduced capital by NT\$675,200,000 and retired return NT\$4 per share.

PRODUCTS WE SPECIALIZE IN

Journals: weekly , monthly , seasonal magazines.

Books: albums , photography collections , children 's books ,
encyclopedias, recipes , novels , farmers'calendars.

Catalogue: product catalogue, store catalogue.

Other: Notepad, desk calendar, calendar, folder.

Medical masks: adult flat and children's 3D.

Pre-Press

Design completion, computer group page, digital proofing, computer publishing (CTP) and providing FTP file transfer and other complete digital production process services. With G7 international color management certification, providing customers the quality of excellent and trust.

Press

Sheet-fed: Adopting Japanese advanced printing machine, printing tolerance is high, thin paper thick paper can be printed, its high precision, high quality. It is the best choice about boutique printing.
Web: High-speed commercial printing press, its production capacity

is 6~8 times that sheet-fed. Fully meet customers the needs of fast, good and cost down. Now Choice has the best service in Taiwan.

Post Press

Folding, saddle-stitching, and perfect binding.

Sewn hardcover binding (square and round back) .

Wire-O Spiral Binding.

Variety of coatings: Aqueous, UV, PP, solid.

Various processing: rolling type, paste box, bronzing, convex, concave, package stickers, shrink film, etc.

Note: In Taiwan, Choice is a minority factory with production consistency from prepress to postpress, and both Taipei office and Tainan factories have this capability, and can provide customers full-process services.

Mask Center

Adult mask machine:

1 set is connected to the 3-wire outlet ear belt machine

Ear loop(inner) mask sealing machine: 1 set

Round belt knitting machine: 2 sets

Child mask machine:

1 main machine

2022 Business Summary

It is estimated that the printing industry market will still shrink in 2022. Therefore, the priority this year is to actively expand the business. In addition to participating in government tenders, especially the printing of the election communique in late November can make up for the decline in printing performance. In addition, with the increase in the domestic vaccination rate of Omni Media subsidiary, coupled with the phenomenon of influenza virus, and the foreign borders have been unblocked one after another, the domestic borders will also be unblocked. At that time, the airport traffic will increase, and the amount of advertising is expected to follow increase.

The summary of its business plans for each division is as follows:

A. Printing Division

1. Actively expand business
 - 1.1 Combining with the client's planning ability, we will jointly strive for proposals that need to be proposed. Tender prints, keep manufacturers and partners with customers role, customer relationship sublimation and qualitative change.
 - 1.2 Integrate relevant corporate resources of the company and resources required by customers exchange, symbiosis

and common prosperity.

- 1.3 Actively strive for customers released by the closing of business offices in the same industry .
- 1.4 Strategic alliance with packaging and printing factories to strive for the packaging material market .
2. Strengthen internal management
 - 2.1 The business undertaken by the Tainan factory is given priority to meet the production capacity of the Tainan factory.
 - 2.2 Increase the number of outsourced manufacturers and strengthen the bargaining power of inquiry and comparison.
 - 2.3 Strengthen the information system, reduce manual work and improve work efficiency rate.
 - 2.4 Fight against inflation and actively look for alternative and less expensive alternatives production of raw materials.
 - 2.5 The management of foreign migrant workers is humanized to reduce personnel changes.
3. Factory management
 - 3.1 Production scheduling optimization, according to the principle of lowest cost and highest efficiency process, follow up and review every day.
 - 3.2 The south and north factories replace the digital printing presses of the same model at the same time, so that the two the quality of the digital samples is close to the same, saving Taipei to undertake printing the time required for the piece to be

- produced by the Tainan factory.
- 3.3 Adjust the prepress and binding positions of the Tainan factory, so that the factory space can be transported rationalization and efficiency of use and production processes.
- 3.4 Implement occupational safety and health education, training and management to maintain employee safety complete.

B. Omni Media

Covid-19 outbreak since early 2020 the epidemic, the airport media operated by Omni Media has experienced nearly three years of closure. There is almost no passenger traffic, from the peak traffic before the epidemic more than 4 million person-times/month, down to an annual average of 5% about 200,000 person-times/month, After business efforts, there are still several years of continuous cooperation in 2022 customers, but actively develop new industries and the new clients are all advertisers who have never invested in airports in the past the business unit also continued to reach out to new customers, and cooperated with various media agencies and broadcasters. Tell the agent to keep in close contact for possible proposal opportunities; the unit also takes inventory and ensures the normal operation of related equipment; at the same time, it strives for a new layout from the owner and adapts to the market. Status update related sales tools. Since the third dose of the vaccine has been administered, the

second dose of the children's vaccine has been administered, and the Central Epidemic Command Center has successively unblocked the border with conditions, the group restriction order will be lifted from October 13th, and the 0+7 In the past, inbound passengers from China, Hong Kong and Macau, which accounted for a certain proportion, are still under control. Overall, the number of airport passengers will recover to the prosperity before 2020. Although it will take some time, such a situation seems to be very difficult for Omni Media. Operation and development are relatively unfavorable, but before the flow of people reaches a certain level, Taoyuan Airport Company will continue to give Omni Media a rent reduction. Under the premise of adjusting the company to a more efficient team and more strategic management customers, Omni Media will wait for the epidemic to stabilize and overseas tourism and business tourism to resume prosperity. We believe that our performance will be able to make more breakthroughs.

Looking at the year 2022, we still have to go all out. For the sustainable development of the company, we can only continue to seek innovation and change. Choice will face the test of the times with the most adequate preparations and efforts, and strive to achieve the business goals of this year.

THANK YOU

Consolidated Balance Sheets

Unit : NT\$, thousands

	2022/9/30	%	2021/9/30	%
Cash and cash equivalents	318,976	22%	194,150	9%
Receivables	99,671	7%	103,509	5%
Other current assets	191,882	13%	180,109	9%
Financial assets at fair value through other comprehensive income- non-current	179,062	12%	204,065	10%
Property, plant and equipment	267,114	18%	277,961	13%
right-of-use asset	276,365	21%	428,366	19%
Investment property, net	0	0%	527,401	25%
Other non-current assets	133,528	9%	174,367	8%
Total Assets	1,466,598	100%	2,089,928	100%
Current liabilities	370,066	25%	563,063	16%
Non-current liabilities	168,922	12%	432,953	21%
Total Liabilities	538,988	37%	996,016	48%
Total equity attributable to shareholders of the parent	870,336	59%	1,006,134	48%
Non-controlling interest	57,274	4%	87,778	4%
Total equity	927,610	63%	1,093,912	52%
Total Liabilities and equity	1,466,598	100%	2,089,928	100%

Consolidated Statement of Comprehensive Income for 2022 Q3

Unit : NT\$, thousands

	2022/1/1~9/30		2021/1/1~9/30		YOY
Operating Revenue	410,585	100%	420,755	100%	-2%
Operating Costs	(353,245)	-85%	(359,759)	-86%	-2%
Gross Profit	57,340	15%	60,996	14%	-6%
Operating Expenses	(58,334)	-14%	(50,386)	-12%	16%
Operating Profit	(994)	0%	10,610	3%	-109%
Total Non-Operating Income and Expenses	(110,683)	-27%	469	0%	-23700%
Profit before income tax	(111,677)	-27%	11,079	3%	-1108%
Income Tax Expenses	(211)	-1%	(1,648)	-18%	-87%
Net Profit	(111,888)	-27%	9,431	171%	-1286%
Total comprehensive income attributable to the parent	(85,022)	-21%	9,290	2%	-1015%
Profit, attributable to Non-controlling interest	(26,866)	-7%	141	0%	-19154%
Total basic earnings per share(in dollars)	-0.84		0.09		
Total diluted earnings per share(in dollars)	-0.84		0.09		