

Sitronix Technology Corporation
2025 Annual Shareholders' Meeting Minutes
(Translation)

Time: 9:00 a.m., May 29, 2025 (Thursday)

Place: 2F., No. 3, Taiyuan 1st Street, Zhubei City, Hsinchu County (Multi-functional Conference Room, Tai Yuen Hi-Tech Industrial Park Phase III)

Type of the meeting: Physical shareholders meeting.

Attendants : The total number of shares issued by the company is 120,136,876 shares. The outstanding shares of the company is 120,136,876 shares. All shareholders and their proxy holders, representing 86,137,788 shares (Including 56,100,341 shares voted via electronic), or 71.69% of the total 120,136,876 outstanding shares, constitutes a quorum. The following persons were present: Vincent Mao (the chairman of the Board of Directors), I-Hsi Cheng (Director), Cheng-Chieh Dai (Independent Director & Chairman of the Audit Committee), Yu-Nu Lin (Independent Director), Jui-Hsiang Lo (Independent Director), Chuang-Yao Fan (Independent Director), the number of Directors present at the meeting is more than half of total number of Directors.

Others Present : Ya-Yun Chang, CPA of Deloitte & Touche

Chairman : Mr. Vincent Mao, the chairman of the Board of Directors

Minute Recorder : Shu-Fang Hsu

I. Chairman announced commencement. (The aggregate shareholding of the shareholders present in person or by proxy constitutes a quorum. The Chairman called the meeting to order.)

II. Chairman's Address (omitted)

III. Report Items

(I) 2024 Business Report (see Attachment I).

(II) 2024 Audit Committee's Review Report (see Attachment II).

(III) Report on the distribution of remuneration for employees and directors for 2024.

Explanation: In accordance with the provisions of the Company's Articles of Incorporation, the remuneration of NT\$24,855,786 and NT\$165,705,238 have been distributed to directors and employees in cash, respectively.

(IV) Report on cash dividends of earnings distribution for 2024.

Explanation: 1. According the Article of Incorporation, the Board of Directors was authorized to resolve specifically to distribute all or part of the dividends payable and bonus in cash, which was reported at the shareholders' meeting.

2. Allocate the shareholders dividends of NT\$1,441,642,512 for the distribution in cash at NT\$12 per share. The calculation method of "unconditional leaving out the number less than NT\$1" was adopted for the distribution of cash dividends, and the total number of decimal fraction less than NT\$1 shall be adjusted on the decimal number from big to small and the account number from front to back to accord with the total cash dividend distribution.

IV. Matters for Ratification Proposed Resolution

(I) 2024 Financial Statements and Business Report is submitted for approval.

(Proposed by the Board of Directors)

Explanation:

1. The Board of Directors has delivered the Company's 2024 Parent Company Only Financial Statements and Consolidated Financial Statements, which have been audited and completed by CPA Ya-Yun Chang and Mei-Chen Tsai of the Deloitte & Touche Taipei, Taiwan Republic of China, together with the business report, to the Audit Committee for verification, and the audit report has been issued.
2. 2024 Business Report please refer to Attachment I, Independent Auditors' Report and the financial statements, please refer to Attachment III and IV.
3. Please approve.

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

Voting Results:

Shares represented at the time of voting: 86,137,788 (56,100,341)*

Voting Results*		% of the total represented share present
Votes in favor:	82,141,327 votes (52,103,880 votes)	95.36%
Votes against:	14,431 votes (14,431 votes)	0.01%
Votes invalid:	0 votes (0 votes)	0.00%
Votes abstained:	3,982,030 votes (3,982,030 votes)	4.62%

* Including votes casted electronically (numbers in brackets)

(II) 2024 Profit Distribution Proposal is submitted for approval.

(Proposed by the Board of Directors)

Explanation:

1. The 2024 Profit Distribution Proposal of the Company has been approved by the Board of Directors on March 6, 2025.
2. For the 2024 Profit Distribution Proposal, please refer to Attachment V.
3. Please approve.

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

Voting Results:

Shares represented at the time of voting: 86,137,788 (56,100,341)*

Voting Results*			% of the total represented share present
Votes in favor:	82,691,760 votes	(52,654,313 votes)	95.99%
Votes against:	14,774 votes	(14,774 votes)	0.01%
Votes invalid:	0 votes	(0 votes)	0.00%
Votes abstained:	3,431,254 votes	(3,431,254 votes)	3.98%

* Including votes casted electronically (numbers in brackets)

(III) The amendments to the Company's Articles of Incorporation.

(Proposed by the Board of Directors)

Explanation:

1. To comply with amendments to relevant laws and regulations, it is proposed to amend part of the provisions of the Company's "Articles of Incorporation".
2. For the Comparison Table for the "Articles of Incorporation" Before and After Amendment, please refer to Attachment VI.
3. Please discuss.

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

Voting Results:

Shares represented at the time of voting: 86,137,788 (56,100,341)*

Voting Results*			% of the total represented share present
Votes in favor:	82,692,368 votes	(52,654,921 votes)	96.00%
Votes against:	15,088 votes	(15,088 votes)	0.01%
Votes invalid:	0 votes	(0 votes)	0.00%
Votes abstained:	3,430,332 votes	(3,430,332 votes)	3.98%

* Including votes casted electronically (numbers in brackets)

(IV) The amendments to the Company's "Operational Procedures for Loaning of Funds to Others"

(Proposed by the Board of Directors)

Explanation:

1. To comply with relevant laws and regulations and to meet the Company's operating needs, it is proposed to amend part of the provisions of the Company's "Operational Procedures for Loaning of Funds to Others".
2. For the Comparison Table for the "Operational Procedures for Loaning of Funds to Others" Before and After Amendment, please refer to Attachment VII.
3. Please discuss.

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

Voting Results:

Shares represented at the time of voting: 86,137,788 (56,100,341)*

Voting Results*			% of the total represented share present
Votes in favor:	79,839,356 votes	(49,801,909 votes)	92.68%
Votes against:	2,868,097 votes	(2,868,097 votes)	3.32%
Votes invalid:	0 votes	(0 votes)	0.00%
Votes abstained:	3,430,335 votes	(3,430,335 votes)	3.98%

* Including votes casted electronically (numbers in brackets)

V. Extemporary Motions : None.

Shareholder's speech : None.

VI. Adjournment : 9:14 a.m.

Sitronix Technology Corp.

Business Report

Attachment I

I. Operating Performance in 2024

(I.) Implementation results of the business plan

Business performance in 2024

Sitronix Technology Corp. demonstrated solid business performance in 2024, achieving a total consolidated revenue of NT\$17.8 billion for the year. The consolidated gross profit reached NT\$6.08 billion, with a net profit after tax of NT\$2.45 billion. The earnings per share after tax was NT\$15.42.

Global economy and market competition in 2024

As the global economy recovered amidst inflationary pressures and geopolitical tensions, the consumer electronics market faced intensified competition due to slowing end-user demand and less distinct seasonal demand patterns. However, Sitronix Technology Corp. showed stable performance in the AIoT, sensor chips, and industrial product lines. Among these, its subsidiary Forcelead Technology Corp., which focuses on automotive product lines, exhibited exceptional performance with both annual revenue and gross profit surpassing the previous year. In December, Forcelead Technology successfully listed on the OTC market under the stock code 6996, solidifying its emerging position in the automotive display driver IC market.

Touch display driver IC leads future growth

After years of research and development and strategic product planning, Sitronix Technology Corp. launched several new products this year aimed at potential markets such as AIoT, industrial, and automotive applications, combining zero-capacitance touch display driver IC technology. Among these, the ST7121P model for smartphones is the world's first zero-capacitance integrated touch display driver IC. With its excellent performance and green technology, it was honored with the 2025 Taiwan Excellence Award. Looking forward to the year 2025, touch display driver ICs incorporating zero-capacitance technology are expected to become a major growth driver for Sitronix Technology Corp.

Industry Leadership and Market Outlook

Sitronix Technology Corp. and its subsidiaries are global leaders in small- and medium-sized display driver ICs and sensor ICs, focusing on the development of green technologies centered around zero-capacitance,

touch, and low-power consumption innovations. Their product applications span markets including wearable devices, smart home solutions, healthcare, industrial, communications, education, and automotive sectors. The subsidiaries specialize in sensor IC technologies and have developed innovative products such as skin detection sensors, ambient light flicker sensors, pressure sensors, specific absorption rate (SAR) sensors, and high-end gyroscopes, providing high-quality solutions for smartphones, wearable devices, and smart appliances across various industries.

Looking ahead, Sitronix Technology Corp. will continue to expand its diverse applications, integrating green technologies with innovative concepts to create greater value for shareholders and further solidify its leading position in the semiconductor market.

(II.) Profitability Analysis

Year		2024 (Note 2)	2023 (Note 2)
Items			
Return on Assets (%)		11.97%	12.24%
Return on Equity (%)		15.90%	16.46%
Ratio in Paid-in Capital (%)	Operating Profit	207.25%	208.39%
	Income before Tax	236.23%	236.44%
Net Profit Rate (%)		13.75%	14.45%
Basic earnings per share (NT\$) (Note 1)		15.42	15.50

Note 1: Calculated by the weighted average number of shares outstanding in the current year.

Note 2: Consolidated financial information using IFRS.

(III.) The condition of research and development

In 2024, Sitronix Technology Corp. and its subsidiaries focused on integrating touch and display driver technologies as well as zero-capacitance technology. To maintain a leading edge in technology, the company launched several TDDI IC products for the AIoT, industrial, and automotive markets, achieving mass production applications.

In the sensor chip domain, a subsidiary successfully developed miniaturized pressure sensors, skin detection sensors, and RGB and proximity sensors for under-display OLED applications, significantly enhancing product precision and application diversity. Additionally, in response to the growing demand for smart cockpits, subsidiaries accelerated the development of automotive display driver ICs, introducing a range of high-specification and cost-effective products.

Overall, Sitronix Technology Corp. and its subsidiaries focus on high technical barriers and differentiated competitive advantages, integrating touch technology, optimizing display performance, and expanding sensor applications to meet the market demand for intelligent and energy-efficient green technology.

II. Future Outlook

Looking ahead, Sitronix Technology Corp. will continue to base its growth on zero-capacitance green technology, integrating brand and technical advantages to embed product value deeply into downstream customers, and establish close product development partnerships with end customers to enhance the company's long-term value. In terms of sustainable operations, the management team closely monitors climate risks and actively strengthens corporate governance, intellectual property management, and information security systems to respond to geopolitical, regulatory trends, and changes in the external business environment.

We sincerely thank our shareholders for their long-term support and trust. In the future, Sitronix Technology Corp., with the wisdom and innovative spirit of our team, will actively expand new customers and new application markets, creating greater corporate value and sharing the operating results with shareholders, customers, and employees.

Sitronix Technology Corp.

Audit Committee's Review Report

The Board of Directors has prepared the Company's business report, financial statements, and the profit distribution proposal for 2024, in which the financial statements have been audited by Deloitte & Touche Taipei, Taiwan Republic of China with the audit report issued. The above business statement, financial statements, and profit distribution proposal have been verified by the Audit Committee and deemed as appropriate, and reported as above in accordance with the relevant provisions of the Securities Exchange Act and the Company Act for approval.

Sincerely,

2025 Annual Shareholders' Meeting of Sitronix Technology Corp.

Sitronix Technology Corp.

Chairman of the Audit Committee: Cheng-Chieh Dai

March 6, 2025

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Shareholders
Sitronix Technology Corporation

Opinion

We have audited the accompanying financial statements of Sitronix Technology Corporation (the Company), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, 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 the 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 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 financial statements for the year ended December 31, 2024. 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.

The key audit matters of the Company's parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Recognition of sales revenue

The Company's main source of revenue comes from the sale of goods, please refer to Notes 4 and 21 for information on the accounting policies of revenue recognition. Such revenue is recognized when the goods are transferred to the customer and the performance obligations are met. The revenue recognition process is that after receiving customers' orders and checking the transaction conditions, the business unit creates a manufacturing notice in the system, and enters into the production schedule after obtaining the approval from the supervisor. As soon as the production is completed, then the production unit would issue packing lists and invoices from the system, and the Company would obtain a signed packing list or the bill of lading from the shipping companies when those shipping companies pick up the goods, then the system would check the shipping-related information, to generate the sales details. The accounting officers would recognize sales revenue according to the sales details.

We have assessed that the customers of the Company whose revenue significantly changed in 2024 are subject to the risk of validity of revenue recognition. Therefore, in order to confirm the validity of the Company's revenue recognition, we performed the following audit procedures on the sales transactions of these customers:

1. We obtained an understanding of the internal controls over revenue recognition, evaluated the design of the key controls, determined that the controls were implemented and tested the operating effectiveness of the controls.
2. We sampled and inspected the existence of the original purchase orders for each sale and were approved appropriately.
3. We inspected product names and quantities on notifications of manufacturing, invoices and goods receipts. We also inspected and confirmed the amounts were consistent.
4. We inspected the reasonableness of the collection of accounts receivable and confirmed the collection amounts, and counterparties were consistent with the revenue recognized.

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 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 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 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 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 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 entities or business activities within the Company to express an opinion on the 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 for the year ended December 31, 2024 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 Ya-Yun Chang and Mei-Chen Tsai.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2025

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with 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 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.

SITRONIX TECHNOLOGY CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 29)	\$ 1,511,510	10	\$ 2,959,233	22
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 29)	211,814	2	439,660	3
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 29)	311,348	2	325,565	2
Financial assets at amortized cost - current (Notes 4, 9, 29 and 31)	2,250,655	15	859,235	6
Notes receivable and trade receivables (Notes 4, 10, 21 and 29)	856,442	6	814,119	6
Trade receivables from related parties (Notes 4, 21, 29 and 30)	41,600	-	28,887	-
Other receivables (Notes 4, 10 and 29)	150,698	1	96,253	1
Other receivables from related parties (Notes 4, 29 and 30)	38,382	-	20,616	-
Inventories (Notes 4, 5 and 11)	1,114,522	8	919,349	7
Prepayments (Notes 17 and 30)	85,760	1	73,407	1
Other current assets (Notes 4, 17 and 29)	18,041	-	10,686	-
Total current assets	6,590,772	45	6,547,010	48
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 29)	239,264	2	207,746	2
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 29)	918,286	6	591,989	4
Financial assets at amortized cost - non-current (Notes 4, 9 and 29)	-	-	30,870	-
Investment accounted for using the equity method (Notes 4, 12, 25, 26 and 30)	5,687,709	39	4,753,834	35
Property, plant and equipment (Notes 4 and 13)	568,447	4	537,565	4
Right-of-use assets (Notes 4 and 14)	38,604	-	64,255	-
Investment properties (Notes 4 and 15)	372,841	3	379,751	3
Intangible assets (Notes 4 and 16)	91,939	1	96,142	1
Deferred tax assets - non-current (Notes 4 and 23)	2,623	-	5,771	-
Other non-current assets (Notes 4, 17, 29 and 32)	77,226	-	448,376	3
Total non-current assets	7,996,939	55	7,116,299	52
TOTAL	\$ 14,587,711	100	\$ 13,663,309	100

LIABILITIES AND EQUITY	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss (Notes 4, 7 and 29)	\$ 15,813	-	\$ 20,881	-
Trade payables (Note 29)	1,035,369	7	802,636	6
Trade payables to related parties (Notes 29 and 30)	411,868	3	353,661	3
Accrued profit sharing bonus to employees' compensation and remuneration of directors (Note 22)	190,561	1	190,388	1
Other payables (Notes 18 and 29)	725,685	5	755,675	6
Other payables to related parties (Notes 29 and 30)	14,572	-	8,039	-
Current tax liabilities (Notes 4 and 23)	135,460	1	278,226	2
Lease liabilities - current (Notes 4, 14, 27 and 29)	26,725	-	26,401	-
Other current liabilities (Notes 18, 21 and 29)	78,919	1	71,195	1
Total current liabilities	2,634,972	18	2,507,102	19
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 23)	5,662	-	18,353	-
Lease liabilities - non-current (Notes 4, 14, 27 and 29)	12,737	-	39,106	-
Net defined benefit liabilities - non-current (Notes 4 and 19)	14,901	-	26,355	-
Other non-current liabilities (Notes 4, 18, 27, 29, 30 and 32)	58,478	1	77,205	1
Total non-current liabilities	91,778	1	161,019	1
Total liabilities	2,726,750	19	2,668,121	20
EQUITY (Notes 4, 20 and 26)				
Share capital				
Ordinary shares	1,201,369	8	1,201,369	9
Capital surplus	2,075,699	14	1,839,449	13
Retained earnings				
Legal reserve	2,351,222	16	2,165,105	16
Special reserve	76,387	-	288,225	2
Unappropriated earnings	6,076,690	42	5,633,437	41
Total retained earnings	8,504,299	58	8,086,767	59
Other equity				
Exchange differences on translating the financial statement of foreign operations	33,861	-	(2,758)	-
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	101,742	1	(73,630)	(1)
Total other equity	135,603	1	(76,388)	(1)
Treasury shares	(56,009)	-	(56,009)	-
Total equity	11,860,961	81	10,995,188	80
TOTAL	\$ 14,587,711	100	\$ 13,663,309	100

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

SITRONIX TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET REVENUE (Notes 4, 21 and 30)	\$ 10,657,884	100	\$ 10,322,545	100
OPERATING COSTS (Notes 4, 11, 22, 30 and 32)	<u>7,713,631</u>	<u>72</u>	<u>7,390,421</u>	<u>72</u>
GROSS PROFIT	<u>2,944,253</u>	<u>28</u>	<u>2,932,124</u>	<u>28</u>
OPERATING EXPENSES (Notes 4, 19, 22 and 30)				
Selling and marketing expenses	207,489	2	179,892	2
General and administrative expenses	237,249	2	228,622	2
Research and development expenses	<u>1,366,080</u>	<u>13</u>	<u>1,277,701</u>	<u>12</u>
Total operating expenses	<u>1,810,818</u>	<u>17</u>	<u>1,686,215</u>	<u>16</u>
OTHER OPERATING INCOME AND EXPENSES (Notes 4, 14, 22 and 30)	<u>16,561</u>	<u>-</u>	<u>1,486</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>1,149,996</u>	<u>11</u>	<u>1,247,395</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 12, 22 and 30)				
Interest income	83,261	1	71,320	1
Other income	73,885	1	75,832	1
Other gains and losses	31,787	-	45,662	-
Finance costs	(775)	-	(2,702)	-
Share of profit of subsidiaries	<u>678,953</u>	<u>6</u>	<u>630,613</u>	<u>6</u>
Total non-operating income and expenses	<u>867,111</u>	<u>8</u>	<u>820,725</u>	<u>8</u>
INCOME BEFORE INCOME TAX	2,017,107	19	2,068,120	20
INCOME TAX EXPENSE (Notes 4 and 23)	<u>168,896</u>	<u>2</u>	<u>209,779</u>	<u>2</u>
NET INCOME FOR THE YEAR	<u>1,848,211</u>	<u>17</u>	<u>1,858,341</u>	<u>18</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 19 and 20)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	9,227	-	2,764	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	81,715	1	144,214	1
Share of the other comprehensive (loss) income of subsidiaries accounted for using the equity method	87,096	1	65,812	1

(Continued)

SITRONIX TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating the financial statements of foreign operations	\$ 36,619	-	(\$ 11,944)	-
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	2,164	-	839	-
Share of the other comprehensive (loss) income of subsidiaries accounted for using the equity method	6,080	-	6,398	-
Other comprehensive (loss) income for the year, net of income tax	222,901	2	208,083	2
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 2,071,112	19	\$ 2,066,424	20
EARNINGS PER SHARE (Note 24)				
Basic	\$ 15.42		\$ 15.50	
Diluted	\$ 15.31		\$ 15.39	

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

(Concluded)

SITRONIX TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Share Capital (Notes 4 and 20)		Capital Surplus (Notes 20 and 26)	Retained Earnings (Note 20)			Other Equity (Notes 4 and 20)		Treasury Share (Note 20)	Total Equity
	Number of Shares (In Thousands)	Amount		Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2023	120,137	\$ 1,201,369	\$ 1,690,740	\$ 1,801,820	\$ 105,464	\$ 6,961,331	\$ 9,186	(\$ 290,948)	(\$ 56,009)	\$ 11,422,953
Appropriation of 2022 earnings										
Legal reserve	-	-	-	363,285	-	(363,285)	-	-	-	-
Special reserve	-	-	-	-	182,761	(182,761)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,643,011)	-	-	-	(2,643,011)
Other changes in capital surplus										
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	6,141	-	-	-	-	-	-	6,141
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	120,849	-	-	-	-	113	-	120,962
Changes in percentage of ownership interests in subsidiaries	-	-	21,719	-	-	-	-	-	-	21,719
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	58	-	(58)	-	-
Net income for the year ended December 31, 2023	-	-	-	-	-	1,858,341	-	-	-	1,858,341
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	2,764	(11,944)	217,263	-	208,083
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	1,861,105	(11,944)	217,263	-	2,066,424
BALANCE AT DECEMBER 31, 2023	120,137	1,201,369	1,839,449	2,165,105	288,225	5,633,437	(2,758)	(73,630)	(56,009)	10,995,188
Appropriation of 2023 earnings										
Legal reserve	-	-	-	186,117	-	(186,117)	-	-	-	-
Special reserve	-	-	-	-	(211,838)	211,838	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,441,642)	-	-	-	(1,441,642)
Other changes in capital surplus										
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	3,349	-	-	-	-	-	-	3,349
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	15,189	-	-	-	-	-	-	15,189
Changes in percentage of ownership interests in subsidiaries	-	-	217,712	-	-	-	-	53	-	217,765
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	1,736	-	(1,736)	-	-
Net income for the year ended December 31, 2024	-	-	-	-	-	1,848,211	-	-	-	1,848,211
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	9,227	36,619	177,055	-	222,901
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,857,438	36,619	177,055	-	2,071,112
BALANCE AT DECEMBER 31, 2024	120,137	\$ 1,201,369	\$ 2,075,699	\$ 2,351,222	\$ 76,387	\$ 6,076,690	\$ 33,861	\$ 101,742	(\$ 56,009)	\$ 11,860,961

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

SITRONIX TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,017,107	\$ 2,068,120
Adjustments for:		
Depreciation expense	172,933	148,073
Amortization expense	57,795	41,195
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(22,439)	(40,892)
Finance costs	775	2,702
Interest income	(83,261)	(71,320)
Dividend income	(22,575)	(20,730)
Compensation cost of share-based payment	-	3,092
Share of profits of subsidiaries	(678,953)	(630,613)
Net (gain) loss on disposal of property, plant and equipment	(14,786)	18
Write-down of inventories recognized (reversed)	10,500	(90,000)
Impairment loss recognized on prepayment for purchase	-	112,000
Realized gains with subsidiaries	(15,738)	(17,101)
Unrealized net loss on foreign currency exchange	24,834	5,533
Changes in operating assets and liabilities		
Notes receivable and trade receivables	(11,448)	(212,391)
Receivables from related parties	(12,629)	5,379
Other receivables	(56,098)	(5,677)
Other receivables from related parties	(4,513)	(56,034)
Inventories	(205,673)	1,374,400
Prepayments	(12,353)	5,357
Other current assets	(7,355)	(3,769)
Trade payables	532,322	352,931
Payables to related parties	44,193	180,148
Other payables	(46,507)	(299,370)
Other payables to related parties	6,533	(13,670)
Other current liabilities	7,724	(21,033)
Net defined benefit liabilities	(2,227)	(2,272)
Accrued profit sharing bonus to employees' compensation and remuneration of directors	173	(185,608)
Cash generated from operations	1,678,334	2,628,468
Interest received	86,791	67,598
Interest paid	(770)	(2,725)
Income tax paid	(322,764)	(551,623)
Net cash generated from operating activities	<u>1,441,591</u>	<u>2,141,718</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(250,652)	(103,583)
Disposal of financial assets at fair value through other comprehensive income	34,500	-
Purchase of financial assets measured at amortized cost	(2,807,811)	(1,447,175)
Proceeds from the return of principle of financial assets at amortized cost	1,449,235	1,354,027
Acquisition of financial assets at fair value through profit or loss	(345,526)	(360,997)
Disposal of financial assets at fair value through profit or loss	546,788	291,387
Acquisition of investments accounted for using equity method	(434,266)	(176,845)

(Continued)

SITRONIX TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
Acquisition of property, plant and equipment	(\$ 213,572)	(\$ 145,353)
Proceeds from disposal of property, plant and equipment	14,831	-
Increase in refundable deposits	(186)	(1,153)
Decrease in refundable deposits	58,791	118,920
(Increase) decrease in other receivables from related parties	(12,937)	66,028
Acquisition of intangible assets	(53,149)	(105,561)
Dividends received	<u>563,941</u>	<u>739,841</u>
Net cash (used in) generated from investing activities	(<u>1,450,013</u>)	<u>229,536</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	687,880
Repayments of short-term borrowings	-	(705,925)
Increase in guarantee deposits	250	4,827
Decrease in guarantee deposits	(20,288)	(69,458)
Repayment of the principal portion of lease liabilities	(26,649)	(26,669)
Cash dividends distributed	(1,441,642)	(2,643,011)
Disposal of ownership interests subsidiaries (without losing control)	<u>20,000</u>	<u>170,850</u>
Net cash used in financing activities	(<u>1,468,329</u>)	(<u>2,581,506</u>)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>29,028</u>	(<u>2,528</u>)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,447,723)	(212,780)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,959,233</u>	<u>3,172,013</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,511,510</u>	<u>\$ 2,959,233</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Shareholders
Sitronix Technology Corporation

Opinion

We have audited the accompanying consolidated financial statements of Sitronix Technology Corporation and its subsidiaries (the “Group”), which comprise the balance sheets as of December 31, 2024 and 2023, the related 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 (collectively referred to as the “consolidated financial statements”).

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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 the 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 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, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is described as follows:

Recognition of sales revenue

The Group's main source of revenue comes from the sale of goods, please refer to Notes 4, 23, and 38 for information on the accounting policies of revenue recognition. Such revenue is recognized when the goods are transferred to the customer and the performance obligations are met. The revenue recognition process is that after receiving customers' orders and checking the transaction conditions, the business unit creates a manufacturing

notice in the system and enters into the production schedule after obtaining the approval from the supervisor. As soon as the production is completed, the production unit would issue packing lists and invoices from the system, then the Group would obtain a signed packing list or the bill of lading on sight from the shipping companies when those shipping companies pick up the goods, then the system would check the shipping-related information, to generate the sales details. The accounting officers would recognize sales revenue according to the sales details.

We have assessed that the customers of the Group whose revenue significantly changed in 2024 are subject to the risk of validity of revenue recognition. Therefore, in order to confirm the validity of the Group's revenue recognition, we performed the following audit procedures on the sales transactions of these customers:

1. We obtained an understanding of the internal controls over revenue recognition, evaluated the design of the key controls, determined that the controls were implemented and tested the operating effectiveness of the controls.
2. We sampled and inspected the existence of the original purchase orders existed for each sale and were appropriately approved.
3. We inspected product names and quantities on notifications of manufacturing, invoices and goods receipts. We also inspected and confirmed the amounts were consistent.
4. We inspected the reasonableness of the collection of accounts receivable and confirmed the collection amounts, and counterparties were consistent with the revenue recognized.

Other Matter

We have also audited the parent company only financial statements of Sitronix Technology Corporation as of and for the years ended December 31, 2024 and 2023 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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, including 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 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, 2024 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 Ya-Yun Chang and Mei-Chen Tsai.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 6, 2025

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 and practices 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.

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2024		December 31, 2023		LIABILITIES AND EQUITY	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents (Notes 4, 6 and 32)	\$ 3,866,143	18	\$ 5,499,342	28	Short-term borrowings (Notes 4, 19, 30 and 32)	\$ 169,659	1	\$ -	-
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 32)	364,341	2	623,250	3	Financial liabilities at fair value through profit or loss (Notes 4, 7 and 32)	23,143	-	27,793	-
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 32)	617,778	3	667,938	3	Notes payable and trade payables (Note 32)	2,382,359	11	1,974,921	10
Financial assets at amortized cost - current (Notes 4, 9, 32 and 34)	6,046,327	28	3,133,690	16	Accrued profit sharing bonus to employees' compensation and remuneration of directors (Note 24)	339,810	2	330,763	2
Notes receivable and trade receivables (Notes 4, 10, 23 and 32)	1,634,072	7	1,592,929	8	Other payables (Notes 20 and 32)	1,552,222	7	1,473,716	7
Trade receivables from related parties (Notes 4, 23, 32 and 33)	3,405	-	1,782	-	Other payables to related parties (Notes 32 and 33)	354	-	371	-
Other receivables (Notes 4, 10 and 32)	171,622	1	116,874	1	Current tax liabilities (Notes 4 and 25)	294,367	1	562,401	3
Inventories (Notes 4, 5 and 11)	3,083,686	14	2,660,629	14	Lease liabilities - current (Notes 4, 15, 30 and 32)	60,477	-	46,884	-
Prepayments (Notes 18,33 and 35)	227,764	1	191,653	1	Other current liabilities (Notes 20, 23 ,32 and 33)	151,019	1	148,616	1
Other current assets (Notes 4, 18 and 32)	21,302	-	12,915	-					
Total current assets	16,036,440	74	14,501,002	74	Total current liabilities	4,973,410	23	4,565,465	23
NON-CURRENT ASSETS					NON-CURRENT LIABILITIES				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 32)	371,308	2	302,718	2	Deferred tax liabilities (Notes 4 and 25)	9,927	-	23,329	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 32)	1,734,144	8	1,203,010	6	Lease liabilities - non-current (Notes 4, 15, 30 and 32)	159,554	1	104,905	1
Financial assets at amortized cost - non-current (Notes 4, 9, 32 and 34)	-	-	30,870	-	Net defined benefit liabilities - non-current (Notes 4 and 21)	14,901	-	26,355	-
Investments accounted for using the equity method (Notes 4 and 13)	5,213	-	5,202	-	Other non-current liabilities (Notes 4, 20, 30, 32, 33 and 35)	207,070	1	267,797	1
Property, plant and equipment (Notes 4 and 14)	2,095,638	10	1,867,934	10	Total non-current liabilities	391,452	2	422,386	2
Right-of-use assets (Notes 4 and 15)	231,349	1	146,749	1					
Investment properties (Notes 4 and 16)	635,984	3	637,589	3	Total liabilities	5,364,862	25	4,987,851	25
Goodwill (Notes 4 and 28)	7,074	-	7,074	-					
Intangible assets (Notes 4 and 17)	182,497	1	195,713	1	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Notes 4, 22, 27 and 29)				
Deferred tax assets - non-current (Notes 4 and 25)	2,623	-	5,771	-	Share capital				
Other non-current assets (Notes 4, 18, 32 and 35)	314,804	1	679,231	3	Ordinary shares	1,201,369	5	1,201,369	6
Total non-current assets	5,580,634	26	5,081,861	26	Capital surplus	2,075,699	10	1,839,449	9
					Retained earnings				
					Legal reserve	2,351,222	11	2,165,105	11
					Special reserve	76,387	-	288,225	1
					Unappropriated earnings	6,076,690	28	5,633,437	29
					Total retained earnings	8,504,299	39	8,086,767	41
					Other equity				
					Exchange differences on translating the financial statements of foreign operations	33,861	-	(2,758)	-
					Unrealized gain (loss) on financial assets at fair value through other comprehensive income	101,742	1	(73,630)	-
					Total other equity	135,603	1	(76,388)	-
					Treasury shares	(56,009)	-	(56,009)	-
					Total equity attributable to owners of the Company	11,860,961	55	10,995,188	56
					NON-CONTROLLING INTERESTS (Notes 12, 22, 28 and 29)	4,391,251	20	3,599,824	19
					Total equity	16,252,212	75	14,595,012	75
TOTAL	\$ 21,617,074	100	\$ 19,582,863	100	TOTAL	\$ 21,617,074	100	\$ 19,582,863	100

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
NET REVENUE (Notes 4, 23, 33 and 38)	\$ 17,826,505	100	\$ 16,722,891	100
OPERATING COSTS (Notes 4, 11 and 24)	<u>11,748,213</u>	<u>66</u>	<u>11,009,189</u>	<u>66</u>
GROSS PROFIT	<u>6,078,292</u>	<u>34</u>	<u>5,713,702</u>	<u>34</u>
OPERATING EXPENSES (Notes 4, 10, 21, 24 and 33)				
Selling and marketing expenses	323,045	2	297,411	2
General and administrative expenses	760,169	4	642,369	4
Research and development expenses	2,523,210	14	2,271,280	13
Expected credit loss	<u>1,761</u>	<u>-</u>	<u>69</u>	<u>-</u>
Total operating expenses	<u>3,608,185</u>	<u>20</u>	<u>3,211,129</u>	<u>19</u>
OTHER OPERATING INCOME AND EXPENSES (Note 24)	<u>19,822</u>	<u>-</u>	<u>982</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>2,489,929</u>	<u>14</u>	<u>2,503,555</u>	<u>15</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 24 and 33)				
Interest income	180,809	1	155,951	1
Other income	109,348	1	103,222	1
Other gains and losses	77,166	-	84,089	-
Finance costs	(17,154)	-	(6,252)	-
Share of losses of associates	<u>(2,017)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses	<u>348,152</u>	<u>2</u>	<u>337,010</u>	<u>2</u>
INCOME BEFORE INCOME TAX	2,838,081	16	2,840,565	17
INCOME TAX EXPENSE (Notes 4 and 25)	<u>385,639</u>	<u>2</u>	<u>424,021</u>	<u>2</u>
NET INCOME FOR THE YEAR	<u>2,452,442</u>	<u>14</u>	<u>2,416,544</u>	<u>15</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 21 and 22)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	9,227	-	2,764	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	177,056	1	216,087	1

(Continued)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	\$ 38,349	-	(\$ 12,875)	-
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	<u>14,292</u>	<u>-</u>	<u>7,490</u>	<u>-</u>
Other comprehensive (loss) income for the year, net of income tax	<u>238,924</u>	<u>1</u>	<u>213,466</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 2,691,366</u>	<u>15</u>	<u>\$ 2,630,010</u>	<u>16</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,848,211	10	\$ 1,858,341	11
Non-controlling interests	<u>604,231</u>	<u>4</u>	<u>558,203</u>	<u>3</u>
	<u>\$ 2,452,442</u>	<u>14</u>	<u>\$ 2,416,544</u>	<u>14</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,071,112	12	\$ 2,066,424	12
Non-controlling interests	<u>620,254</u>	<u>3</u>	<u>563,586</u>	<u>4</u>
	<u>\$ 2,691,366</u>	<u>15</u>	<u>\$ 2,630,010</u>	<u>16</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 15.42</u>		<u>\$ 15.50</u>	
Diluted	<u>\$ 15.31</u>		<u>\$ 15.39</u>	

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

(Concluded)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Company (Notes 4, 22 and 29)											
	Share Capital		Capital Surplus	Retained Earnings			Other Equity		Treasury Share	Total	Non-controlling Interests (Notes 12, 22, 27, 28 and 29)	Total Equity
	Number of Shares (In Thousands)	Amount		Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2023	120,137	\$ 1,201,369	\$ 1,690,740	\$ 1,801,820	\$ 105,464	\$ 6,961,331	\$ 9,186	(\$ 290,948)	(\$ 56,009)	\$ 11,422,953	\$ 3,342,919	\$ 14,765,872
Appropriation of 2022 earnings												
Legal reserve	-	-	-	363,285	-	(363,285)	-	-	-	-	-	-
Special reserve	-	-	-	-	182,761	(182,761)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(2,643,011)	-	-	-	(2,643,011)	-	(2,643,011)
Other changes in capital surplus												
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	6,141	-	-	-	-	-	-	6,141	7,191	13,332
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	120,849	-	-	-	-	113	-	120,962	49,888	170,850
Changes in percentage of ownership interests in subsidiaries	-	-	21,719	-	-	-	-	-	-	21,719	(21,719)	-
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	58	-	(58)	-	-	-	-
Net income for the year ended December 31, 2023	-	-	-	-	-	1,858,341	-	-	-	1,858,341	558,203	2,416,544
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	2,764	(11,944)	217,263	-	208,083	5,383	213,466
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	1,861,105	(11,944)	217,263	-	2,066,424	563,586	2,630,010
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	222,575	222,575
Subsidiary share-based payment transaction	-	-	-	-	-	-	-	-	-	-	7,671	7,671
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(572,287)	(572,287)
BALANCE AT DECEMBER 31, 2023	120,137	1,201,369	1,839,449	2,165,105	288,225	5,633,437	(2,758)	(73,630)	(56,009)	10,995,188	3,599,824	14,595,012
Appropriation of 2023 earnings												
Legal reserve	-	-	-	186,117	-	(186,117)	-	-	-	-	-	-
Special reserve	-	-	-	-	(211,838)	211,838	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(1,441,642)	-	-	-	(1,441,642)	-	(1,441,642)
Other changes in capital surplus												
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	3,349	-	-	-	-	-	-	3,349	3,923	7,272
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	15,189	-	-	-	-	-	-	15,189	4,811	20,000
Changes in percentage of ownership interests in subsidiaries	-	-	217,712	-	-	-	-	53	-	217,765	(217,579)	186
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	1,736	-	(1,736)	-	-	-	-
Net income for the year ended December 31, 2024	-	-	-	-	-	1,848,211	-	-	-	1,848,211	604,231	2,452,442
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	9,227	36,619	177,055	-	222,901	16,023	238,924
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,857,438	36,619	177,055	-	2,071,112	620,254	2,691,366
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	863,934	863,934
Subsidiary share-based payment transaction	-	-	-	-	-	-	-	-	-	-	16,609	16,609
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(500,525)	(500,525)
BALANCE AT DECEMBER 31, 2024	120,137	\$ 1,201,369	\$ 2,075,699	\$ 2,351,222	\$ 76,387	\$ 6,076,690	\$ 33,861	\$ 101,742	(\$ 56,009)	\$ 11,860,961	\$ 4,391,251	\$ 16,252,212

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

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,838,081	\$ 2,840,565
Adjustments for:		
Depreciation expense	416,607	372,085
Amortization expense	101,309	75,416
Expected credit loss recognized on trade receivables	1,761	69
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(28,710)	(55,848)
Finance costs	17,154	6,252
Interest income	(180,809)	(155,951)
Dividend income	(34,354)	(32,389)
Compensation costs of share-based payments	16,609	7,671
Share of losses of associates	2,017	-
Net (gain) loss on disposal of property, plant and equipment	(18,246)	170
Gain on disposal of financial instruments	(1,473)	(7,180)
Write-down of inventories recognized (reversed)	111,291	(83,267)
Impairment loss recognized on prepayment for purchase	-	178,142
Realized gain with associates	(1,842)	(4,750)
Unrealized net (gain) loss on foreign currency exchange	(18,192)	3,569
Gain on modification of lease agreements	(319)	(9)
Changes in operating assets and liabilities		
Notes receivable and trade receivables	8,533	(424,033)
Receivables from related parties	(1,623)	(313)
Other receivables	(56,659)	(5,249)
Inventories	(534,348)	1,839,531
Prepayments	(34,178)	(40,618)
Other current assets	(8,387)	(1,333)
Notes payable and trade payables	686,569	1,043,451
Other payables	2,725	(371,315)
Other payables to related parties	(17)	171
Provisions	(224)	-
Other current liabilities	33,108	(36,108)
Net defined benefit liabilities	(2,227)	(2,272)
Accrued profit sharing bonus to employees' compensation and remuneration of directors	23,185	(148,279)
Cash generated from operations	3,337,341	4,998,178
Interest received	183,497	143,966
Interest paid	(16,686)	(6,205)
Income tax paid	(661,932)	(837,722)
Net cash generated from operating activities	<u>2,842,220</u>	<u>4,298,217</u>

(Continued)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(\$ 429,028)	(\$ 222,296)
Disposal of financial assets at fair value through other comprehensive income	168,155	96,002
Purchase of financial assets measured at amortized cost	(8,275,473)	(4,928,236)
Proceeds from the return of principal of financial assets at amortized cost	5,395,680	4,211,435
Acquisitions of financial assets at fair value through profit or loss	(557,506)	(445,690)
Disposal of financial assets at fair value through profit or loss	759,199	425,471
Net cash flow from acquisition of subsidiaries	-	1,157
Acquisition of property, plant and equipment	(583,032)	(460,866)
Proceeds from disposal of property, plant and equipment	18,329	1,500
Increase in refundable deposits	(3,594)	(3,179)
Decrease in refundable deposits	78,886	121,564
Acquisition of intangible assets	(92,618)	(153,669)
Acquisition of right-of-use assets	(7,591)	-
Acquisition of investment properties	(3,487)	-
Dividends received	<u>34,592</u>	<u>32,151</u>
Net cash used in investing activities	(<u>3,497,488</u>)	(<u>1,324,656</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	2,878,872	800,918
Repayments of short-term borrowings	(2,708,322)	(838,963)
Repayment of bonds	-	(9,000)
Increase in guarantee deposits	21,190	37,750
Decrease in guarantee deposits	(131,265)	(95,791)
Repayment of the principal portion of lease liabilities	(56,059)	(49,924)
Cash dividends distributed	(1,434,370)	(2,629,679)
Dividends paid to non-controlling interests	(500,525)	(572,287)
Disposal of ownership interests in subsidiaries (without losing control)	20,000	170,850
Increase in non-controlling interests	845,394	63,000
Employee compensation issued in the form of stock that are not vested	<u>4,402</u>	<u>1,562</u>
Net cash used in financing activities	(<u>1,060,683</u>)	(<u>3,121,564</u>)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>82,752</u>	(<u>14,372</u>)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,633,199)	(162,375)

(Continued)

SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>5,499,342</u>	<u>5,661,717</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 3,866,143</u>	<u>\$ 5,499,342</u>

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

(Concluded)

Sitronix Technology Corp.

2024 Profit Distribution Proposal

Unit: NT\$

Item	Amount
Unappropriated retained earnings	4,217,515,063
Net profit after tax for current period	1,848,211,338
Disposal of financial assets measured at fair value through other comprehensive income to adjust retained earnings	1,736,274
Actuarial profit and loss for adjustment of retained earnings	9,227,266
Items other than net profit for the current period are included in the amount of undistributed surplus for the current year	1,859,174,878
Less: appropriated for legal reserve of 10%	(185,917,488)
Add: reversal of special reserve	76,387,384
Retained earnings available for distribution for current period	5,967,159,837
Less: allocated items	
Shareholders' dividends (cash dividends of N\$12 per share)	(1,441,642,512)
Unappropriated retained earnings	4,525,517,325

Note:

- (I.) The registered number of paid-in shares of the Company on Mar. 6, 2025 was 120,136,876. If the number of shares outstanding of the Company is affected by the change of the share capital, and the dividend ratio of the shareholders is changed and need to be revised, it is proposed that the annual shareholders' meeting shall give the Chairman full authority to handle.
- (II.) According to the provisions of TCS No. 871941343 promulgated by the Ministry of Finance on Apr. 30, 1998, the earnings shall be distributed with the method of individual identification. According to the principle for distribution of earnings of the Company, the earnings of 2024 shall be distributed first. In case of any insufficient section, the distributable earnings accumulated previously shall be distributed in the order of first in first out and the order of year of generation of earnings.

Sitronix Technology Corp.
Comparison Table for the "Articles of Incorporation"
Before and After Amendment

Before amendment	After amendment	Description
<p>Article 18-1:</p> <p>If the company has gained profits within a fiscal year, 1% to 25% of the profits shall be reserved as the employees' compensation, and less than 3% as the director's remuneration. However, if the company has accumulated losses, it shall reserve the compensation amount in advance and then allocate employee remuneration and director remuneration in accordance with the aforesaid proportion.</p> <p>Employee compensation shall be resolved by the Board of Directors to be distributed in the form of shares or in cash. Qualification requirements of employees shall include the employees of parents or subsidiaries of the company meeting certain specific requirements.</p> <p><u>Prior to the establishment of the Audit Committee of the company, the remuneration of supervisors shall be allocated in accordance with the ratio prescribed in the first paragraph.</u></p>	<p>Article 18-1:</p> <p>If the company has gained profits within a fiscal year, 1% to 25% of the profits shall be reserved as the employees' compensation, and less than 3% as the director's remuneration. However, if the company has accumulated losses, it shall reserve the compensation amount in advance and then allocate employee remuneration and director remuneration in accordance with the aforesaid proportion.</p> <p><u>No less than fifty percent of the employee remuneration amount referred to the preceding paragraph shall be allocated to non-executive employees.</u></p> <p>Employee compensation shall be resolved by the Board of Directors to be distributed in the form of shares or in cash. Qualification requirements of employees shall include the employees of parents or subsidiaries of the company meeting certain specific requirements.</p>	Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.
<p>Article 21:</p> <p>This Articles of Incorporation was formulated on July 7, 1992.</p> <p>The 1st amendment was made on October 1, 1992.</p> <p>The 2nd amendment was made on March 29, 1994.</p> <p>.....</p> <p>(omitted).....</p> <p>The 28th amendment was made on June 26, 2019.</p>	<p>Article 21:</p> <p>This Articles of Incorporation was formulated on July 7, 1992.</p> <p>The 1st amendment was made on October 1, 1992.</p> <p>The 2nd amendment was made on March 29, 1994.</p> <p>.....</p> <p>(omitted).....</p> <p>The 28th amendment was made on June 26, 2019.</p> <p><u>The 29th amendment was made on May 29, 2025.</u></p>	Added the date of the latest amendment.

Sitronix Technology Corp.
**Comparison Table for the "Operational Procedures for Loaning of
Funds to Others" Before and After Amendment**

Before amendment	After amendment	Description
<p>Article 6: Term of Lending and Calculation of Interest</p> <p>Each loan shall have a term of less than one year.</p> <p>The interest rate of lending shall not be lower than the <u>maximum</u> interest rate of financial institutions that charge on short-term loans to the Company. Unless otherwise specified, interest on the Company's loans shall be charged on a monthly basis, and the borrower shall be notified one week prior to the scheduled interest payment date of the interest payment.</p>	<p>Article 6: Term of Lending and Calculation of Interest</p> <p>Each loan shall have a term of less than one year.</p> <p>The interest rate of lending shall not be lower than the interest rate of financial institutions that charge on short-term loans to the Company. Unless otherwise specified, interest on the Company's loans shall be charged on a monthly basis, and the borrower shall be notified one week prior to the scheduled interest payment date of the interest payment.</p>	<p>Adjusted the written of company's address.</p>