

**Sitronix Technology Corporation and  
Subsidiaries**

**Consolidated Financial Statements for the  
Three Months Ended March 31, 2025 and 2024 and  
Independent Auditors' Review Report**

# Sitronix Technology Corporation and Subsidiaries

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## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and the Shareholders  
Sitronix Technology Corporation

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Sitronix Technology Corporation and its subsidiaries (the "Group") as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as 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 Accounting Standard NO.34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the following basis for qualified conclusion paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

As disclosed in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements were not reviewed. As of March 31, 2025 and 2024, the combined total assets of these non-significant subsidiaries were NT\$4,208,404 thousand and NT\$2,952,448 thousand, respectively, representing 19.18% and 14.30%, respectively, of the Group's consolidated total assets, and the combined total liabilities of these non-significant subsidiaries as of March 31, 2025 and 2024 were NT\$1,085,992 thousand and NT\$466,865 thousand, respectively, representing 15.18% and 6.50%, respectively, of the Group's consolidated total liabilities; for the three months ended March 31, 2025 and 2024, the amounts of comprehensive income (loss) of these subsidiaries were NT\$(55,184) thousand and NT\$18,033 thousand, respectively, representing (13.13)% and 2.29%, respectively, of the Group's consolidated comprehensive income (loss). As disclosed in Note 13 to the consolidated financial statements, as of March 31, 2025 and 2024, the balance of investments accounted for using the equity method were NT\$4,640 thousand and NT\$5,728 thousand, respectively, and for the three months ended March 31, 2025 and 2024, the balance of share of losses of associates were NT\$(727) thousand and NT\$(625) thousand, respectively, the financial statements were based on unreviewed of invested in associates as of and for the same reporting periods.

## Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of March 31 2025 and 2024, its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” by the Financial Supervisory Commission of the ROC.

The engagement partners on the reviews resulting in this independent auditors’ review report are Ya-Yun Chang and Mei-Chen Tsai.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

May 8, 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 review such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors’ review 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’ review report and consolidated financial statements shall prevail.*

# SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS MARCH 31, 2025, DECEMBER 31, 2024 (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025		December 31, 2024		March 31, 2024		LIABILITIES AND EQUITY	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>							<b>CURRENT LIABILITIES</b>						
Cash and cash equivalents (Notes 6 and 31)	\$ 6,619,193	30	\$ 3,866,143	18	\$ 7,312,529	36	Short-term borrowings (Notes 19, 29 and 31)	\$ 211,788	1	\$ 169,659	1	\$ -	-
Financial assets at fair value through profit or loss - current (Notes 7 and 31)	280,820	1	364,341	2	575,543	3	Financial liabilities at fair value through profit or loss (Notes 7 and 31)	24,778	-	23,143	-	27,545	-
Financial assets at fair value through other comprehensive income – current (Notes 8 and 31)	614,467	3	617,778	3	685,508	3	Notes payable and trade payables (Note 31)	2,252,702	10	2,382,359	11	2,223,273	11
Financial assets at amortized cost – current (Notes 9, 31 and 33)	3,589,012	17	6,046,327	28	2,131,448	10	Accrued profit sharing bonus to employees' compensation and remuneration of directors (Note 24)	409,328	2	339,810	2	419,730	2
Notes receivable and trade receivables (Notes 10, 23 and 31)	1,678,810	8	1,634,072	7	1,596,133	8	Dividends payable (Note 31)	1,999,452	9	-	-	1,924,371	9
Trade receivables from related parties (Notes 23, 31 and 32)	1,661	-	3,405	-	56	-	Other payables (Notes 20 and 31)	1,380,795	6	1,552,222	7	1,343,620	7
Other receivables (Notes 10 and 31)	275,813	1	171,622	1	245,589	1	Other payables to related parties (Notes 31 and 32)	439	-	354	-	362	-
Inventories (Note 11)	3,106,593	14	3,083,686	14	3,178,043	15	Current tax liabilities (Notes 4 and 25)	357,360	2	294,367	1	679,700	3
Prepayments (Notes 18, 32 and 34)	197,850	1	227,764	1	145,953	1	Lease liabilities - current (Notes 15, 29 and 31)	57,858	-	60,477	-	48,549	-
Other current assets (Notes 18 and 31)	17,797	-	21,302	-	19,706	-	Other current liabilities (Notes 20, 23, 31 and 32)	105,858	1	151,019	1	117,361	1
Total current assets	16,382,016	75	16,036,440	74	15,890,508	77	Total current liabilities	6,800,358	31	4,973,410	23	6,784,511	33
<b>NON-CURRENT ASSETS</b>							<b>NON-CURRENT LIABILITIES</b>						
Financial assets at fair value through profit or loss - non-current (Notes 7 and 31)	465,908	2	371,308	2	279,264	1	Deferred tax liabilities (Notes 4 and 25)	8,377	-	9,927	-	16,120	-
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 31)	1,608,332	7	1,734,144	8	1,322,260	7	Lease liabilities - non-current (Notes 15, 29 and 31)	147,373	1	159,554	1	107,527	1
Financial assets at amortized cost - non-current (Notes 9 and 31)	-	-	-	-	32,172	-	Net defined benefit liabilities - non-current (Notes 4 and 21)	14,320	-	14,901	-	25,813	-
Investments accounted for using the equity method (Note 13)	4,640	-	5,213	-	5,728	-	Other non-current liabilities (Notes 20, 29, 31, 32 and 34)	185,768	1	207,070	1	250,411	1
Property, plant and equipment (Note 14)	2,124,271	10	2,095,638	10	1,853,840	9	Total non-current liabilities	355,838	2	391,452	2	399,871	2
Right-of-use assets (Note 15)	215,806	1	231,349	1	166,731	1	Total liabilities	7,156,196	33	5,364,862	25	7,184,382	35
Investment properties (Note 16)	634,301	3	635,984	3	678,900	3	<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Notes 22, 27 and 28)</b>						
Intangible assets (Note 17)	177,290	1	189,571	1	182,826	1	Share capital						
Deferred tax assets - non-current (Notes 4 and 25)	1,836	-	2,623	-	4,984	-	Ordinary shares	1,201,369	5	1,201,369	5	1,201,369	6
Other non-current assets (Notes 18, 31 and 34)	324,196	1	314,804	1	225,955	1	Capital surplus	2,152,351	10	2,075,699	10	1,839,569	9
Total non-current assets	5,556,580	25	5,580,634	26	4,752,660	23	Retained earnings						
							Legal reserve	2,351,222	11	2,351,222	11	2,165,105	11
							Special reserve	76,387	-	76,387	-	288,225	1
							Unappropriated earnings	5,048,739	23	6,076,690	28	4,627,110	22
							Total retained earnings	7,476,348	34	8,504,299	39	7,080,440	34
							Other equity						
							Exchange differences on translating the financial statements of foreign operations	52,405	-	33,861	-	18,235	-
							Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(31,242)	-	101,742	1	49,611	-
							Total other equity	21,163	-	135,603	1	67,846	-
							Treasury shares	(56,009)	-	(56,009)	-	(56,009)	-
							Total equity attributable to owners of the Company	10,795,222	49	11,860,961	55	10,133,215	49
							<b>NON-CONTROLLING INTERESTS (Notes 12, 22 and 28)</b>						
								3,987,178	18	4,391,251	20	3,325,571	16
							Total equity	14,782,400	67	16,252,212	75	13,458,786	65
<b>TOTAL</b>	<b>\$ 21,938,596</b>	<b>100</b>	<b>\$ 21,617,074</b>	<b>100</b>	<b>\$ 20,643,168</b>	<b>100</b>	<b>TOTAL</b>	<b>\$ 21,938,596</b>	<b>100</b>	<b>\$ 21,617,074</b>	<b>100</b>	<b>\$ 20,643,168</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated May 8, 2025)

# SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
NET REVENUE (Notes 23 and 32)	\$ 4,332,354	100	\$ 4,149,229	100
OPERATING COSTS (Notes 11 and 24)	<u>2,917,706</u>	<u>67</u>	<u>2,674,462</u>	<u>65</u>
GROSS PROFIT	<u>1,414,648</u>	<u>33</u>	<u>1,474,767</u>	<u>35</u>
OPERATING EXPENSES (Notes 10, 24 and 32)				
Selling and marketing expenses	89,143	2	84,025	2
General and administrative expenses	188,493	4	167,541	4
Research and development expenses	639,516	15	594,822	14
Expected credit (gain) loss	( 4,145)	-	<u>132</u>	-
Total operating expenses	<u>913,007</u>	<u>21</u>	<u>846,520</u>	<u>20</u>
OTHER OPERATING INCOME AND EXPENSES (Note 24)	<u>331</u>	-	<u>290</u>	-
INCOME FROM OPERATIONS	<u>501,972</u>	<u>12</u>	<u>628,537</u>	<u>15</u>
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 32)				
Interest income	48,224	1	45,319	1
Other income	45,722	1	26,124	1
Other gains and losses	12,762	-	41,751	1
Finance costs	( 3,849)	-	( 2,591)	-
Share of losses of associates	( 727)	-	( 625)	-
Total non-operating income and expenses	<u>102,132</u>	<u>2</u>	<u>109,978</u>	<u>3</u>
INCOME BEFORE INCOME TAX	604,104	14	738,515	18
INCOME TAX EXPENSE (Notes 4 and 25)	<u>65,330</u>	<u>1</u>	<u>111,758</u>	<u>3</u>
NET INCOME	<u>538,774</u>	<u>13</u>	<u>626,757</u>	<u>15</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 22)				
Items that will not be reclassified subsequently to profit or loss				
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	( 146,299)	( 4)	129,739	3

(Continued)

# SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

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

	Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	\$ 19,750	1	\$ 21,928	1
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	8,113	-	9,601	-
Other comprehensive (loss) income for the period, net of income tax	(118,436)	(3)	161,268	4
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>\$ 420,338</b>	<b>10</b>	<b>\$ 788,025</b>	<b>19</b>
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 413,772	9	\$ 433,498	10
Non-controlling interests	125,002	3	193,259	5
	<u>\$ 538,774</u>	<u>12</u>	<u>\$ 626,757</u>	<u>15</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 299,251	7	\$ 579,549	14
Non-controlling interests	121,087	3	208,476	5
	<u>\$ 420,338</u>	<u>10</u>	<u>\$ 788,025</u>	<u>19</u>
<b>EARNINGS PER SHARE (Note 26)</b>				
Basic	<u>\$ 3.45</u>		<u>\$ 3.62</u>	
Diluted	<u>\$ 3.43</u>		<u>\$ 3.60</u>	

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

(With Deloitte & Touche review report dated May 8, 2025)

(Concluded)

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Shareholders of the Company (Notes 22, 27 and 28)											
	Share Capital		Capital Surplus	Retained Earnings			Other Equity		Treasury Share	Total	Non-controlling Interests (Notes 12,22,27 and 28)	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, JANUARY 1, 2024	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												
Cash dividends distributed by the Company	-	-	-	-	-	( 1,441,642)	-	-	-	( 1,441,642)	-	( 1,441,642)
Other changes in capital surplus												
Changes in percentage of ownership interests in subsidiaries	-	-	120	-	-	-	-	-	-	120	-	120
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	1,817	-	( 1,817)	-	-	-	-
Net income for the three months ended March 31, 2024	-	-	-	-	-	433,498	-	-	-	433,498	193,259	626,757
Other comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	20,993	125,058	-	146,051	15,217	161,268
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	433,498	20,993	125,058	-	579,549	208,476	788,025
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	( 482,729)	( 482,729)
BALANCE, March 31, 2024	<u>120,137</u>	<u>\$ 1,201,369</u>	<u>\$ 1,839,569</u>	<u>\$ 2,165,105</u>	<u>\$ 288,225</u>	<u>\$ 4,627,110</u>	<u>\$ 18,235</u>	<u>\$ 49,611</u>	<u>(\$ 56,009)</u>	<u>\$ 10,133,215</u>	<u>\$ 3,325,571</u>	<u>\$ 13,458,786</u>
BALANCE, JANUARY 1, 2025	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
Appropriation of 2024 earnings												
Cash dividends distributed by the Company	-	-	-	-	-	( 1,441,642)	-	-	-	( 1,441,642)	-	( 1,441,642)
Other changes in capital surplus												
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	70,458	-	-	-	-	-	-	70,458	27,492	97,950
Changes in percentage of ownership interests in subsidiaries	-	-	6,194	-	-	-	-	-	-	6,194	( 6,194)	-
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	( 81)	-	81	-	-	-	-
Net income for the three months ended March 31, 2025	-	-	-	-	-	413,772	-	-	-	413,772	125,002	538,774
Other comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	18,544	( 133,065)	-	( 114,521)	( 3,915)	( 118,436)
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	413,772	18,544	( 133,065)	-	299,251	121,087	420,338
Increase in non- controlling interests	-	-	-	-	-	-	-	-	-	-	2,457	2,457
Subsidiary share-based payment transaction	-	-	-	-	-	-	-	-	-	-	8,894	8,894
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	( 557,809)	( 557,809)
BALANCE, March 31, 2025	<u>120,137</u>	<u>\$ 1,201,369</u>	<u>\$ 2,152,351</u>	<u>\$ 2,351,222</u>	<u>\$ 76,387</u>	<u>\$ 5,048,739</u>	<u>\$ 52,405</u>	<u>(\$ 31,242)</u>	<u>(\$ 56,009)</u>	<u>\$ 10,795,222</u>	<u>\$ 3,987,178</u>	<u>\$ 14,782,400</u>

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

(With Deloitte & Touche review report dated May 8, 2025)

# SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 604,104	\$ 738,515
Adjustments for:		
Depreciation expense	115,845	97,161
Amortization expense	24,817	23,704
Expected credit (gain) loss recognized on trade receivables	( 4,145 )	132
Net loss (gain) on fair value changes of financial assets designated as at fair value through profit or loss	2,130	( 16,190 )
Finance costs	3,849	2,591
Interest income	( 48,224 )	( 45,319 )
Dividend income	( 30,783 )	( 6,947 )
Compensation costs of share-based payments	8,894	-
Share of losses of associates	727	625
Write-down of inventories recognized	41,774	5,341
Realized gain with associates	( 154 )	( 1,031 )
Unrealized net (gain) loss on foreign currency exchange	( 12,010 )	7,822
Changes in operating assets and liabilities		
Notes receivable and trade receivables	( 18,177 )	53,211
Receivables from related parties	1,744	1,726
Other receivables	( 93,171 )	( 114,089 )
Inventories	( 64,681 )	( 522,755 )
Prepayments	30,360	42,362
Other current assets	3,505	( 6,791 )
Notes payable and trade payables	( 158,680 )	516,346
Other payables	( 137,860 )	( 126,116 )
Other payables to related parties	85	( 9 )
Other current liabilities	( 45,161 )	( 550 )
Net defined benefit liabilities	( 581 )	( 542 )
Accrued profit sharing bonus to employees' compensation and remuneration of directors	69,518	88,967
Cash generated from operations	293,725	738,164
Interest received	35,203	31,023
Interest paid	( 3,734 )	( 2,537 )
Income tax (paid) refund	( 1,544 )	1,456
Net cash generated from operating activities	<u>323,650</u>	<u>768,106</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	( 6,133 )	-
Disposal of financial assets at fair value through other comprehensive income	514	10,952
Purchase of financial assets measured at amortized cost	( 1,833,723 )	( 1,038,259 )
Proceeds from the return of principal of financial assets at amortized cost	4,291,458	2,040,501

(Continued)

## SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Acquisition of financial assets at fair value through profit or loss	(\$ 152,600)	(\$ 160,079)
Disposal of financial assets at fair value through profit or loss	141,074	246,614
Acquisition of property, plant and equipment	( 183,779)	( 79,082)
Increase in refundable deposits	( 174)	( 658)
Decrease in refundable deposits	18,492	59,199
Acquisition of intangible assets	( 13,172)	( 4,915)
Acquisition of right-of-use assets	-	( 7,591)
Acquisition of investment properties	-	( 3,487)
Dividends received	<u>30,783</u>	<u>7,185</u>
Net cash generated from investing activities	<u>2,292,740</u>	<u>1,070,380</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	492,362	593,417
Repayments of short-term borrowings	( 454,145)	( 593,417)
Increase in guarantee deposits	-	7,919
Decrease in guarantee deposits	( 19,793)	( 70,990)
Repayment of the principal portion of lease liabilities	( 15,305)	( 13,256)
Disposal of ownership interests in subsidiaries (without losing control)	97,950	-
Employee compensation issued in the form of stock that are not vested	<u>2,457</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>103,526</u>	<u>( 76,327)</u>
<b>EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>		
	<u>33,134</u>	<u>51,028</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,753,050</b>	<b>1,813,187</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u><b>3,866,143</b></u>	<u><b>5,499,342</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u><b>\$ 6,619,193</b></u>	<u><b>\$ 7,312,529</b></u>

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

(With Deloitte & Touche review report dated May 8, 2025)

(Concluded)

# SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

Sitronix Technology Corporation (the “Company”) was incorporated in Taipei City, Taiwan (ROC) in July 1992 and commenced operations in the same year. The principal place of business is located in Tai Yuen Hi-Tech Industrial Park, Hsinchu County. The Company operates principally as a designer, manufacturer and supplier of integrated circuits (ICs) and memory chips and focuses on display driver ICs (DDIs) for entry-level mobile phones, industrial displays and automotive systems.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) since December 25, 2003.

In order to improve the Company’s overall operating performance and increase market competitiveness, the Company reorganized the Group’s structure, carried out a professional division of labor and coordinated the allocation of the Group’s resources. On March 18, 2021, according to the Business Mergers And Acquisitions Act and the Company Act, the Company’s board of directors resolved to spin off the automotive business division to the Company’s subsidiary, Forcelead Technology Corp., which issued new ordinary shares as consideration for the transfer. The spin-off completion date is June 1, 2021.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors and authorized for issue on May 8, 2025.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

1) Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the accounting policies of the Company and its subsidiaries (“the Group”).

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 1)

Note 1: The Group shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

As of the date the consolidated financial statements were authorized for issue, the Group was still in the process of assessing the impact of the amendments on its financial position and financial performance.

- c. The IFRS Accounting Standards issued by IASB but not yet endorsed and issued into effect by the FSC

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Issued by IASB (Note 1)</b>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

1) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosure required for a complete set of annual consolidated financial statements prepared under the IFRS Accounting Standards.

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

See Note 12 and Tables 6 and 7 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2024.

1) Defined benefit – retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

**5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The Group considers the possible impact of inflation, market rate of interest fluctuations and U.S. reciprocal tariff measures into significant accounting estimates when making its critical significant estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis.

In addition to the foregoing, for the summary of critical accounting judgments and key sources of estimation uncertainty in these consolidated financial statements, refer to the consolidated financial statements for the year ended December 31, 2024.

**6. CASH AND CASH EQUIVALENTS**

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Cash on hand	\$ 301	\$ 251	\$ 281
Checking and demand deposits	754,128	1,117,801	737,357
Cash equivalents			
Time deposits	4,729,691	1,997,789	5,948,629
Bonds with repurchase agreements	1,135,073	750,302	626,262
	<u>\$ 6,619,193</u>	<u>\$ 3,866,143</u>	<u>\$ 7,312,529</u>

The market rate intervals of cash equivalents at the end of the reporting period were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Time deposits	1.000%~4.410%	1.225%~4.430%	0.550%~5.350%
Bonds with repurchase agreements	1.320%~4.400%	1.300%~4.650%	1.220%~5.360%

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<u>Financial assets at FVTPL - current</u>			
Mandatorily measured at FVTPL			
Derivative financial assets			
Credit linked notes-linked with convertible bonds	\$ 40,271	\$ 115,022	\$ 79,825
Foreign exchange forward contracts and foreign exchange swap contracts	28,252	28,766	33,578
Equity linked notes	16,451	-	31,938
Non-derivative financial assets			
Domestic mutual fund investments	102,621	99,222	262,969
Convertible bonds	92,566	79,414	122,417
Domestic listed shares	659	697	2,856
Exchangeable bonds	-	41,220	41,960
	<u>\$ 280,820</u>	<u>\$ 364,341</u>	<u>\$ 575,543</u>

### Financial assets at FVTPL - non-current

Mandatorily measured at FVTPL			
Derivative financial assets			
Credit linked notes - linked with convertible bonds	\$ 297,092	\$ 195,789	\$ 150,682
Non-derivative financial assets			
Limited partnership	159,141	165,939	128,582
Exchangeable bonds	9,675	9,580	-
	<u>\$ 465,908</u>	<u>\$ 371,308</u>	<u>\$ 279,264</u>

### Financial liabilities at FVTPL - current

Mandatorily measured at FVTPL			
Derivative financial liabilities			
Foreign exchange forward contracts and foreign exchange swap contracts	\$ 24,778	\$ 23,143	\$ 27,545

At the end of the reporting period, outstanding foreign exchange forward contracts and foreign exchange swaps contracts not under hedge accounting were as follows:

	<u>Currency</u>	<u>Maturity Date</u>	<u>Notional Amount</u> <u>(In Thousands)</u>
<u>March 31, 2025</u>			
Sell forward exchange contracts	USD/NTD	2025.05.08~2025.08.07	US\$23,000/NT\$738,937
Buy forward exchange contracts	NTD/USD	2025.05.12~2025.08.06	NT\$735,463/US\$23,000
<u>December 31, 2024</u>			
Sell forward exchange contracts	USD/NTD	2025.01.09~2025.08.07	US\$24,500/NT\$780,090
Buy forward exchange contracts	NTD/USD	2025.01.13~2025.08.05	NT\$774,467/US\$24,500

(Continued)

	<u>Currency</u>	<u>Maturity Date</u>	<u>Notional Amount (In Thousands)</u>
<u>March 31, 2024</u>			
Sell forward exchange contracts	USD/NTD	2024.04.17~2024.09.27	US\$33,500/NT\$1,044,455
Buy forward exchange contracts	NTD/USD	2024.04.15~2024.10.01	NT\$1,038,422/US\$33,500 (Concluded)

The Group entered into foreign exchange forward contracts and foreign exchange swaps contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Investments in equity instruments at FVTOCI	\$ 532,145	\$ 536,764	\$ 573,608
Investments in debt instruments at FVTOCI	82,322	81,014	111,900
	<u>\$ 614,467</u>	<u>\$ 617,778</u>	<u>\$ 685,508</u>
<u>Non-current</u>			
Investments in equity instruments at FVTOCI	\$ 1,124,358	\$ 1,260,418	\$ 897,531
Investments in debt instruments at FVTOCI	483,974	473,726	424,729
	<u>\$ 1,608,332</u>	<u>\$ 1,734,144</u>	<u>\$ 1,322,260</u>

### a. Investments in equity instruments at FVTOCI

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Domestic investments			
Listed shares (1) 、(2) and (3)	\$ 520,777	\$ 526,342	\$ 573,608
Foreign investments			
Listed shares (1) and (3)	11,368	10,422	-
	<u>\$ 532,145</u>	<u>\$ 536,764</u>	<u>\$ 573,608</u>
<u>Non-current</u>			
Domestic investments			
Unlisted equity investments (1)	\$ 448,900	\$ 521,681	\$ 247,965
Foreign investments			
Unlisted equity investments (1)	675,458	738,737	649,566
	<u>\$ 1,124,358</u>	<u>\$ 1,260,418</u>	<u>\$ 897,531</u>

- 1) These investments in equity instruments are not held for trading. Instead, they are held for strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for purposes.

- 2) For the three months ended March 31, 2025, the Group acquired the ordinary shares of domestic listed at \$6,133 thousand. The management designated these investments as at FVTOCI due to their strategic investment purposes.
- 3) In order to manage credit concentration risk, the Group sold its ordinary shares of domestic and foreign listed companies for the three months ended March 31, 2025 and 2024 in the amounts of \$514 thousand and \$10,952 thousand; and transferred a (loss) gain of \$(81) thousand and \$1,817 thousand from other equity to (decrease) increase retained earnings.
- 4) Dividends of \$29,070 thousand and \$6,947 thousand were recognized for the three months ended March 31, 2025 and 2024, respectively, while the amounts related to investments still held on March 31, 2025 and 2024 were \$29,070 thousand and \$6,947 thousand, respectively.

b. Investments in debt instruments at FVTOCI

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Foreign corporate bonds	\$ 82,322	\$ 81,014	\$ 111,900
<u>Non-current</u>			
Foreign corporate bonds	\$ 434,468	\$ 424,254	\$ 375,011
Domestic corporate bonds	49,506	49,472	49,718
	<u>\$ 483,974</u>	<u>\$ 473,726</u>	<u>\$ 424,729</u>

In 2024, the Group purchased foreign corporate bonds for \$118,377 thousand with a coupon rate of 2.125%~5.75%.

In 2024, the Group disposal value of foreign corporate bonds at maturity was \$113,203 thousand.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months (a)	\$ 2,722,200	\$ 5,180,000	\$ 1,302,700
Pledged fixed deposits (b)	833,548	833,483	828,748
	<u>3,555,748</u>	<u>6,013,483</u>	<u>2,131,448</u>
Foreign investments			
Foreign corporate bonds (c)	33,264	32,844	-
	<u>\$ 3,589,012</u>	<u>\$ 6,046,327</u>	<u>\$ 2,131,448</u>
<u>Non-current</u>			
Foreign investments			
Foreign corporate bonds (c)	\$ -	\$ -	\$ 32,172

- a. The interest rates for time deposits with original maturities of more than 3 months ranged from 0.90%~1.77%, 0.90%~1.77% and 0.56%~1.69% per annum as of March 31, 2025, December 31 and March 31, 2024, respectively.

- b. Refer to Note 33 for information relating to investments in financial assets at amortized cost pledged as security.
- c. In August 2016, the Group purchased the priority unsecured US dollar debt issued by Formosa Group (Cayman) Limited at US\$1,028 thousand, with an expiry date of April 22, 2025 and the coupon rate of 3.375%.

## 10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 52	\$ 79	\$ 23
Less: Allowance for impairment loss	-	-	-
	<u>\$ 52</u>	<u>\$ 79</u>	<u>\$ 23</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,697,540	\$ 1,656,893	\$ 1,617,369
Less: Allowance for impairment loss	( 18,782 )	( 22,900 )	( 21,259 )
	<u>\$ 1,678,758</u>	<u>\$ 1,633,993</u>	<u>\$ 1,596,110</u>
<u>Other receivables</u>			
Income tax refund receivable	\$ 232,152	\$ 142,725	\$ 199,728
Interest receivables	37,923	25,296	43,435
Others	5,738	3,601	2,426
	<u>\$ 275,813</u>	<u>\$ 171,622</u>	<u>\$ 245,589</u>

The credit period of sales of goods was 5~135 days. No interest was charged on trade receivables. The Group adopted a policy of obtaining advance payment or sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own historical trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix:

March 31, 2025

	<u>Not Past Due</u>	<u>Up to 60 Days</u>	<u>61 to 90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
Expected credit loss rate	0.78%	0.68%	80.84%	100%	
Gross carrying amount	\$ 1,672,413	\$ 19,136	\$ 1,926	\$ 4,117	\$ 1,697,592
Loss allowance (Lifetime ECLs)	( 12,978 )	( 130 )	( 1,557 )	( 4,117 )	( 18,782 )
Amortized cost	<u>\$ 1,659,435</u>	<u>\$ 19,006</u>	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ 1,678,810</u>

December 31, 2024

	<u>Not Past Due</u>	<u>Up to 60 Days</u>	<u>61 to 90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
Expected credit loss rate	0.42%	66.30%	62.13%	100%	
Gross carrying amount	\$ 1,634,781	\$ 17,017	\$ 1,109	\$ 4,065	\$ 1,656,972
Loss allowance (Lifetime ECLs)	( 6,863 )	( 11,283 )	( 689 )	( 4,065 )	( 22,900 )
Amortized cost	<u>\$ 1,627,918</u>	<u>\$ 5,734</u>	<u>\$ 420</u>	<u>\$ -</u>	<u>\$ 1,634,072</u>

March 31, 2024

	<u>Not Past Due</u>	<u>Up to 60 Days</u>	<u>61 to 90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
Expected credit loss rate	0.20%	89.41%	-	100%	
Gross carrying amount	\$ 1,597,718	\$ 15,134	\$ -	\$ 4,540	\$ 1,617,392
Loss allowance (Lifetime ECLs)	( 3,187 )	( 13,532 )	-	( 4,540 )	( 21,259 )
Amortized cost	<u>\$ 1,594,531</u>	<u>\$ 1,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,596,133</u>

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	<u>Three Months Ended March 31, 2025</u>	<u>Three Months Ended March 31, 2024</u>
Balance at January 1	\$ 22,900	\$ 21,119
(Reversal) provision for expected credit loss	( 4,145 )	132
Change in exchange rates or others	27	8
Balance at March 31	<u>\$ 18,782</u>	<u>\$ 21,259</u>

Compared with January 1, 2025, the total carrying amount of notes receivable and trade receivables as of March 31, 2025 increased by a net amount of \$40,620 thousand, and the loss allowance decreased by \$4,118 thousand; compared with January 1, 2024, the total carrying amount of notes receivable and trade receivables as of March 31, 2024 increased by a net amount of \$3,344 thousand, and the loss allowance increased by \$140 thousand.

**11. INVENTORIES**

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Finished goods	\$ 1,062,745	\$ 1,116,131	\$ 1,135,612
Work in progress	1,654,033	1,537,405	1,624,482
Raw materials	387,793	428,191	415,072
Merchandise	2,022	1,959	2,877
	<u>\$ 3,106,593</u>	<u>\$ 3,083,686</u>	<u>\$ 3,178,043</u>

Cost of goods sold is defined as follows:

	<b>Three Months Ended March 31, 2025</b>	<b>Three Months Ended March 31, 2024</b>
Cost of inventories sold	\$ 2,881,492	\$ 2,679,134
Write-down of inventories recognized	41,774	5,341
Others	( 5,560 )	( 10,013 )
	<u>\$ 2,917,706</u>	<u>\$ 2,674,462</u>

## 12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements:

Investor	Investee	Main Business	Proportion of Ownership (%)		
			March 31, 2025	December 31, 2024	March 31, 2024
The Company	Sitronix Investment Corp.	Investment	100.00	100.00	100.00
	Sensortek Technology Corp.	R&D, design and sales of sensor integrated circuit products	46.06	46.06	46.06
	INFSitronix Technology Corp.	Comprehensive line of Power supervisor IC design	58.42	58.42	58.42
	mCore Technology Corp.	Providing solutions for consumer display and voice/audio related applications.	90.73	90.73	90.73
	Forcelead Technology Corp.	R&D, design and sales of multi-functional integrated automotive display driver ICs	55.10	55.10	61.01
	Sync-Tech System Corp.	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	43.50	45.48	42.19
	Sitronix Holding International Ltd.	Investment	100.00	100.00	100.00
	HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	100.00	100.00	100.00
	CELEFIDE CO., LTD.	R&D, design, sales and technical services of integrated circuits and system hardware and software	90.00	90.00	90.00
	ezGreen Inc.	Software design and electronic information supply services	100.00	100.00	100.00
	Sitronix Technology (Shenzhen) Co., Ltd.	Computer software and hardware development, sales and after-sales service business and related technical consulting services	100.00	100.00	100.00
	HeFei Sitronix Technology Co., Ltd.	R&D, sale and provision of after-sales services and related technical consultancy services of integrated circuits and system hardware and software	100.00	100.00	100.00
	Seer Microelectronics, Inc.	High performance sensor IC chip with single photon design and applications	72.66	72.66	72.66
	Sitronix Investment Corp.	Sensortek Technology Corp.	R&D, design and sales of sensor integrated circuit products	-	-
INFSitronix Technology Corp.		Comprehensive line of Power supervisor IC design	-	-	-

The financial statements as of and for the three months ended March 31, 2025 and 2024 of above subsidiaries, except for Sensortek Technology Corp. and Forcelead Technology Corp., the other subsidiaries were non-significant subsidiaries, the financial statements were not reviewed.

As of March 31, 2025, December 31 and March 31, 2024 the Group's shareholding ratio of Sensortek Technology Corp. was 46.06%. Since Sensortek Technology Corp. is a TPEX listed company in the Republic of China, the remaining 53.94% of the shares held are widely dispersed. After considering the absolute number, relative size and distribution of shareholding held by the other shareholders, the Group was judged to have the substantive ability to dominate the relevant activities of Sensortek Technology Corp., therefore, it is classified as a subsidiary.

As of March 31, 2025, December 31 and March 31, 2024, the Group's shareholding ratio of Sync-Tech System Corp. were 43.50%, 45.48% and 42.19%, respectively and was the largest single shareholder of the latter. After considering the absolute number, relative size and distribution of shareholding held by the other shareholders, the Group was judged to have the substantive ability to dominate the relevant activities of Sync-Tech System Corp. therefore, it is classified as a subsidiary.

On May 8, 2025, the Group's Board of Directors approved the cash acquisition of the remaining shares of mCore Technology Corp., aiming to integrate resources, enhance operational efficiency, and strengthen market competitiveness. Following the acquisition, the Group will hold 100% ownership of mCore Technology Corp. The transaction is expected to be effective on July 1, 2025.

Please refer to Note 28 for the equity transactions between the Group and non-controlling interests.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
		March 31, 2025	December 31, 2024	March 31, 2024
Sensortek Technology Corp.	Taiwan	53.94 %	53.94 %	53.94 %
Forcelead Technology Corp.	Taiwan	44.90 %	44.90 %	38.99 %
Sync-Tech System Corp.	Taiwan	56.50 %	54.52 %	57.81 %

  

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests		Accumulated Non-controlling Interests		
	Three Months Ended March 31		March 31, 2025	December 31, 2024	March 31, 2024
	2025	2024			
Sensortek Technology Corp.	\$ 54,716	\$ 116,207	\$ 2,089,306	\$ 2,303,518	\$ 2,128,465
Forcelead Technology Corp.	44,823	53,037	1,029,379	1,217,801	553,010
Sync-Tech System Corp.	29,934	27,234	754,747	752,920	517,322
Others	( 4,471 )	( 3,219 )	113,746	117,012	126,774
Total	\$ 125,002	\$ 193,259	\$ 3,987,178	\$ 4,391,251	\$ 3,325,571

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations:

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 8,603,227	\$ 8,547,650	\$ 7,809,531
Non-current assets	2,480,270	2,496,775	2,247,812
Current liabilities	( 3,157,452 )	( 2,230,830 )	( 3,312,935 )
Non-current liabilities	( 305,635 )	( 318,690 )	( 305,159 )
Equity	\$ 7,620,410	\$ 8,494,905	\$ 6,439,249

Equity attributable to:

Owners of the Company	\$ 3,683,177	\$ 4,150,147	\$ 3,143,380
Non-controlling interests of subsidiaries	3,937,233	4,344,758	3,295,869
	\$ 7,620,410	\$ 8,494,905	\$ 6,439,249

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Revenue	\$ 2,029,856	\$ 2,142,969
Net income	\$ 254,124	\$ 398,201
Other comprehensive income (loss)	( 21,615 )	34,664
Total comprehensive income	\$ 232,509	\$ 432,865
Profit attributable to:		
Owners of the Company	\$ 124,832	\$ 201,946
Non-controlling interests of the subsidiaries	129,292	196,255
	\$ 254,124	\$ 398,201
Total comprehensive income attributable to:		
Owners of the Company	\$ 114,875	\$ 217,916
Non-controlling interests of the subsidiaries	117,634	214,949
	\$ 232,509	\$ 432,865
Net cash inflow (outflow) from:		
Operating activities	\$ 242,591	\$ 228,189
Investing activities	802,472	472,992
Financing activities	( 11,490 )	( 48,043 )
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	13,556	16,624
Net cash inflow	\$ 1,047,129	\$ 669,762

### 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

		<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>	
<u>Associates that are not individually material</u>					
esGMeta Co.,Ltd.		\$ 4,640	\$ 5,213	\$ 5,728	
		<b>Proportion of Ownership Held and Voting Right</b>			
<b>Company name</b>	<b>Main business</b>	<b>Principal Place of Business</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
esGMeta Co.,Ltd.	Carbon footprint verification, analysis of data on carbon system platforms, execution of carbon reduction projects and commissioning of carbon trading rights	Taiwan	33.93%	33.93%	38.00%

In March, 2024, the Group did not participate in the cash capital increase of esGMeta Co.,Ltd. in proportion to its existing ownership, and the Group's shareholding percentage decreased from 47.50% to 38.00%.

In April, 2024, the Group did not participate in the cash capital increase of esGMeta Co.,Ltd. in proportion to its existing ownership, and the Group's shareholding percentage decreased from 38.00% to 33.93%.

Please refer to Table 6 "Information on Investees, Locations, etc." for information on the nature of business, its area of operations, and country of company registry of the above affiliates.

#### 14. PROPERTY, PLANT AND EQUIPMENT

	<u>Freehold Land</u>	<u>Buildings</u>	<u>Machinery Equipment</u>	<u>Test Equipment</u>	<u>Office Equipment</u>	<u>Property Under Construction</u>	<u>Total</u>
<u>Cost</u>							
Balance at January1, 2024	\$ 321,626	\$ 1,061,749	\$ 339,057	\$ 1,039,551	\$ 32,644	\$ 204,423	\$2,999,050
Additions	-	3,083	28,974	69,275	1,045	-	102,377
Disposals	-	-	( 1,040)	( 65,809)	-	-	( 66,849)
Reclassification	-	162,292	-	-	-	( 200,917)	( 38,625)
Effect of foreign currency exchange differences	-	2,520	75	1,220	113	905	4,833
Balance at March 31, 2024	<u>\$ 321,626</u>	<u>\$ 1,229,644</u>	<u>\$ 367,066</u>	<u>\$ 1,044,237</u>	<u>\$ 33,802</u>	<u>\$ 4,411</u>	<u>\$3,000,786</u>
<u>Accumulated depreciation</u>							
Balance at January1, 2024	\$ -	\$ 258,586	\$ 193,284	\$ 659,208	\$ 20,038	\$ -	\$1,131,116
Additions	-	9,440	13,096	57,355	1,128	-	81,019
Disposals	-	-	( 1,040)	( 65,809)	-	-	( 66,849)
Effect of foreign currency exchange differences	-	397	50	1,138	75	-	1,660
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 268,423</u>	<u>\$ 205,390</u>	<u>\$ 651,892</u>	<u>\$ 21,241</u>	<u>\$ -</u>	<u>\$1,146,946</u>
Carrying amount at March 31, 2024	<u>\$ 321,626</u>	<u>\$ 961,221</u>	<u>\$ 161,676</u>	<u>\$ 392,345</u>	<u>\$ 12,561</u>	<u>\$ 4,411</u>	<u>\$1,853,840</u>
<u>Cost</u>							
Balance at January1, 2025	\$ 338,466	\$ 1,261,731	\$ 406,767	\$ 1,134,163	\$ 36,795	\$ 166,555	\$3,344,477
Additions	-	35,018	15,219	68,216	2,192	-	120,645
Disposals	-	-	( 2,572)	( 23,917)	( 48)	-	( 26,537)
Effect of foreign currency exchange differences	-	5,762	104	1,506	163	-	7,535
Balance at March 31, 2025	<u>\$ 338,466</u>	<u>\$ 1,302,511</u>	<u>\$ 419,518</u>	<u>\$ 1,179,968</u>	<u>\$ 39,102</u>	<u>\$ 166,555</u>	<u>\$3,446,120</u>
<u>Accumulated depreciation</u>							
Balance at January1, 2025	\$ -	\$ 296,657	\$ 232,859	\$ 698,906	\$ 20,417	\$ -	\$1,248,839
Additions	-	12,517	14,830	68,554	1,407	-	97,308
Disposals	-	-	( 2,572)	( 23,917)	( 48)	-	( 26,537)
Effect of foreign currency exchange differences	-	672	73	1,415	79	-	2,239
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 309,846</u>	<u>\$ 245,190</u>	<u>\$ 744,958</u>	<u>\$ 21,855</u>	<u>\$ -</u>	<u>\$1,321,849</u>
Carrying amount at March 31, 2025	<u>\$ 338,466</u>	<u>\$ 992,665</u>	<u>\$ 174,328</u>	<u>\$ 435,010</u>	<u>\$ 17,247</u>	<u>\$ 166,555</u>	<u>\$2,124,271</u>
Carrying amount at December 31, 2024 and January1, 2025	<u>\$ 338,466</u>	<u>\$ 965,074</u>	<u>\$ 173,908</u>	<u>\$ 435,257</u>	<u>\$ 16,378</u>	<u>\$ 166,555</u>	<u>\$2,095,638</u>

The impairment loss was not recognized or reversed for the three months ended March 31, 2025 and 2024.

The Group's property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	40~51 years
Renovation construction / Lease improvement	3~15 years
Machinery equipment	2~6 years
Test equipment	1~6 years
Office equipment	3~6 years

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<u>Carrying amount</u>			
Buildings	\$ 103,507	\$ 117,418	\$ 100,868
Land	102,240	102,753	51,477
Office equipment	3,992	4,707	6,705
Machinery equipment	6,067	6,471	7,681
	<u>\$ 215,806</u>	<u>\$ 231,349</u>	<u>\$ 166,731</u>
	<u>Three Months Ended March 31</u>		
	<u>2025</u>	<u>2024</u>	
Additions to right-of-use assets	<u>\$ 248</u>	<u>\$ 33,128</u>	
Depreciation charge for right-of-use assets			
Buildings	\$ 14,129	\$ 11,399	
Land	513	683	
Office equipment	963	1,288	
Machinery equipment	404	151	
	<u>\$ 16,009</u>	<u>\$ 13,521</u>	
Income from the subleasing of right-of-use assets (classified under other operating income and expenses)	<u>\$ 331</u>	<u>\$ 290</u>	

Except for the addition and recognition of depreciation expenses listed above, there was no significant sublease or impairment of the Group's right-of-use assets for the three months ended March 31, 2025 and 2024.

### b. Lease liabilities

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<u>Carrying amount</u>			
Current	<u>\$ 57,858</u>	<u>\$ 60,477</u>	<u>\$ 48,549</u>
Non-current	<u>\$ 147,373</u>	<u>\$ 159,554</u>	<u>\$ 107,527</u>

Range of discount rates for lease liabilities was as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Buildings	1.345%~4.750%	1.345%~4.750%	1.345%~4.750%
Land	1.700%	1.700%	1.250%
Office equipment	1.720%~2.430%	1.345%~2.430%	1.250%~2.225%
Machinery equipment	1.250%	1.250%	1.250%

c. Material lease activities and terms

The Group leases various assets including land, buildings, office equipment and machinery equipment with lease terms between 2~52 years. The leased land is used for constructing a factory building with lease contracts adjusted payment every 2 years on the announced land value. The leased building includes factory and offices, and the leased office equipment includes rental cars. The Group does not have bargain purchase or renewal options to acquire or renew the leases when they expire.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 16.

	<u>Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Expenses relating to short-term leases	\$ 1,335	\$ 976
Expenses relating to low-value asset leases	\$ 80	\$ 49
Total cash outflow for leases	\$ 17,752	\$ 22,599

The Group's leases of certain parking spaces qualify as short-term leases and leases of machinery qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 16. INVESTMENT PROPERTIES

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2024	\$ 222,363	\$ 472,458	\$ 694,821
Additions	-	3,487	3,487
Reclassification	-	38,625	38,625
Effect of foreign currency exchange differences	-	1,823	1,823
Balance at March 31, 2024	<u>\$ 222,363</u>	<u>\$ 516,393</u>	<u>\$ 738,756</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2024	\$ -	\$ 57,232	\$ 57,232
Additions	-	2,621	2,621
Effect of foreign currency exchange differences	-	3	3
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 59,856</u>	<u>\$ 59,856</u>
Carrying amount at March 31, 2024	<u>\$ 222,363</u>	<u>\$ 456,537</u>	<u>\$ 678,900</u>

(Continued)

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2025	\$ 205,523	\$ 497,263	\$ 702,786
Disposals	-	( 600)	( 600)
Effect of foreign currency exchange differences	-	871	871
Balance at March 31, 2025	<u>\$ 205,523</u>	<u>\$ 497,534</u>	<u>\$ 703,057</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2025	\$ -	\$ 66,802	\$ 66,802
Additions	-	2,528	2,528
Disposals	-	( 600)	( 600)
Effect of foreign currency exchange differences	-	26	26
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 68,756</u>	<u>\$ 68,756</u>
Carrying amount at March 31, 2025	<u>\$ 205,523</u>	<u>\$ 428,778</u>	<u>\$ 634,301</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 205,523</u>	<u>\$ 430,461</u>	<u>\$ 635,984</u>
			(Concluded)

The above-mentioned investment properties were leased out for 1 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The future minimum lease payments of operating lease commitments were as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Within 1 year	\$ 17,305	\$ 20,259	\$ 22,245
Years 1~5	8,896	11,545	26,182
	<u>\$ 26,201</u>	<u>\$ 31,804</u>	<u>\$ 48,427</u>

Investment properties are depreciated using the straight-line method over their estimated useful lives of 40 to 51 years.

The determination of fair values of the Group's investment properties was performed by independent qualified professional valuers of the China Real Estate Appraising Firm using Level 3 inputs. The evaluation is based on the weighted average of the income method and the market comparison method. The significant unobservable input used include the discount rate. Management of the Group had assessed and determined that, compared with December 31, 2024, there were no significant change in fair value of March 31, 2025.

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Fair value	<u>\$ 845,160</u>	<u>\$ 839,233</u>	<u>\$ 834,715</u>

All of the Group's investment properties were held under freehold interests.

## 17. INTANGIBLE ASSETS

	<u>Goodwill</u>	<u>Royalty</u>	<u>Computer Software</u>	<u>Specialized Technology</u>	<u>Total</u>
<u>Cost</u>					
Balance at January 1, 2024	\$ 7,074	\$ 161,705	\$ 321,978	\$ 40,161	\$ 530,918
Additions	-	1,355	2,345	-	3,700
Disposals	-	( 2,428 )	( 5,742 )	-	( 8,170 )
Effect of foreign currency exchange differences	-	-	102	-	102
Balance at March 31, 2024	<u>\$ 7,074</u>	<u>\$ 160,632</u>	<u>\$ 318,683</u>	<u>\$ 40,161</u>	<u>\$ 526,550</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2024	\$ -	\$ 134,924	\$ 186,284	\$ 6,923	\$ 328,131
Additions	-	3,919	18,509	1,276	23,704
Disposals	-	( 2,428 )	( 5,742 )	-	( 8,170 )
Effect of foreign currency exchange differences	-	-	59	-	59
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 136,415</u>	<u>\$ 199,110</u>	<u>\$ 8,199</u>	<u>\$ 343,724</u>
Carrying amount at March 31, 2024	<u>\$ 7,074</u>	<u>\$ 24,217</u>	<u>\$ 119,573</u>	<u>\$ 31,962</u>	<u>\$ 182,826</u>
<u>Cost</u>					
Balance at January 1, 2025	\$ 7,074	\$ 181,692	\$ 381,952	\$ 40,161	\$ 610,879
Additions	-	820	11,675	-	12,495
Disposals	-	( 752 )	( 12,331 )	( 500 )	( 13,583 )
Effect of foreign currency exchange differences	-	-	132	-	132
Balance at March 31, 2025	<u>\$ 7,074</u>	<u>\$ 181,760</u>	<u>\$ 381,428</u>	<u>\$ 39,661</u>	<u>\$ 609,923</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2025	\$ -	\$ 148,410	\$ 260,891	\$ 12,007	\$ 421,308
Additions	-	3,847	19,756	1,214	24,817
Disposals	-	( 752 )	( 12,331 )	( 500 )	( 13,583 )
Effect of foreign currency exchange differences	-	-	91	-	91
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 151,505</u>	<u>\$ 268,407</u>	<u>\$ 12,721</u>	<u>\$ 432,633</u>
Carrying amount at March 31, 2025	<u>\$ 7,074</u>	<u>\$ 30,255</u>	<u>\$ 113,021</u>	<u>\$ 26,940</u>	<u>\$ 177,290</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 7,074</u>	<u>\$ 33,282</u>	<u>\$ 121,061</u>	<u>\$ 28,154</u>	<u>\$ 189,571</u>

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Royalty	2~10 years
Computer software	2~10 years
Specialized technology	2~10 years

An analysis of amortization by function:

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating costs	\$ 90	\$ 8
Selling and marketing expenses	45	35
General and administrative expenses	2,091	1,673
Research and development expenses	22,591	21,988
	<u>\$ 24,817</u>	<u>\$ 23,704</u>

## 18. OTHER ASSETS

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Prepayments</u>			
Input tax and offset against business tax	\$ 111,718	\$ 148,530	\$ 52,227
Prepaid probe cards	50,659	56,261	49,377
Prepayments	29,734	18,327	34,434
Prepayments for purchase	1,032	589	4,431
Others	4,707	4,057	5,484
	<u>\$ 197,850</u>	<u>\$ 227,764</u>	<u>\$ 145,953</u>
<u>Other current assets</u>			
Provisional payments	\$ 9,605	\$ 10,204	\$ 12,783
Others	8,192	11,098	6,923
	<u>\$ 17,797</u>	<u>\$ 21,302</u>	<u>\$ 19,706</u>
<u>Other non-current assets</u>			
Prepayments for buildings	\$ 210,940	\$ 182,830	\$ 121,870
Refundable deposits	59,607	80,529	98,416
Prepayments for equipment	53,649	51,445	5,669
	<u>\$ 324,196</u>	<u>\$ 314,804</u>	<u>\$ 225,955</u>

Please refer to Note 34 for details of the contract terms related to the prepayments for buildings and the capacity guarantee agreements.

## 19. SHORT-TERM BORROWINGS

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Unsecured borrowings</u>			
Bank loans	\$ 211,788	\$ 169,659	\$ -

The range of weighted average effective interest rates on bank loans were 3.00%~3.35% and 3.10%~3.45% as of March 31, 2025 and December 31, 2024, respectively.

## 20. OTHER LIABILITIES

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 900,035	\$ 1,011,364	\$ 929,643
Payables for equipment	80,711	112,880	32,481
Payables for research	46,340	51,457	40,719
Others	353,709	376,521	340,777
	<u>\$ 1,380,795</u>	<u>\$ 1,552,222</u>	<u>\$ 1,343,620</u>
Other current liabilities			
Contract liabilities	\$ 77,937	\$ 92,028	\$ 85,622
Temporary receipts	14,317	40,930	18,337
Others	13,604	14,052	13,402
Deferred revenue - government grants	-	4,009	-
	<u>\$ 105,858</u>	<u>\$ 151,019</u>	<u>\$ 117,361</u>
<u>Non-current</u>			
Other non-current liabilities			
Guarantee deposits received	\$ 161,611	\$ 182,992	\$ 231,411
Decommissioning liabilities	24,157	24,078	19,000
	<u>\$ 185,768</u>	<u>\$ 207,070</u>	<u>\$ 250,411</u>

## 21. RETIREMENT BENEFIT PLANS

Defined benefit plan expenses for the three months ended March 31, 2025 and 2024, were calculated based on actuarial assumptions and pension cost rates as at December 31, 2024 and 2023; the above amounts were calculated at \$56 thousand and \$75 thousand, respectively.

## 22. EQUITY

### a. Share capital

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
Number of shares authorized (in thousands)	200,000	200,000	200,000
Share capital	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	120,137	120,137	120,137
Shares issued	<u>\$ 1,201,369</u>	<u>\$ 1,201,369</u>	<u>\$ 1,201,369</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

The authorized shares include 20,000 thousand shares reserved for the exercise of employee stock options.

b. Capital surplus

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>			
Issuance of ordinary shares	\$ 401,995	\$ 401,995	\$ 401,995
Conversion of bonds	335,041	335,041	335,041
Treasury share transactions	17,604	17,604	14,255
Differences between the consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	206,496	136,038	120,849
<u>May be used to offset a deficit only (2)</u>			
Changes in percentage of ownership interests in subsidiaries	1,191,215	1,185,021	967,429
	<u>\$ 2,152,351</u>	<u>\$ 2,075,699</u>	<u>\$ 1,839,569</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries and associates accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set in the Company's Articles of Incorporation (the "Articles"), the board of directors is authorized to adopt a special resolution to distribute all or part of the dividends and bonuses in cash, and a report of such distribution should be submitted in the latest shareholders' meeting.

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be distributed in the following order:

- 1) Utilized for paying taxes.
- 2) Offsetting losses of previous years.
- 3) Setting aside as a legal reserve of 10% of the remaining profit (legal reserve that has reached the company's paid-in capital is not subject to this condition).
- 4) Setting aside or reversing a special reserve in accordance with the laws and regulations.
- 5) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

For the policies on the distribution of employees' compensation and remuneration of directors, refer to employees' compensation and remuneration of directors in Note 24(h).

The distribution of dividends to shareholders of the Company can be made in cash or shares, but the proportion of cash dividends distributed should not be less than 10% of the total dividends

distributed. The dividends policy is dependent on the Company's current and future investment environment, capital needs, domestic and international competition and capital budget, etc., taking into account the interests of shareholders, balance of dividends and long-term financial planning of the Company, the board of directors plans to distribute the case to the shareholders' meeting.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2024 and 2023 were as follows:

	<b>Years Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Legal reserve	\$ 185,917	\$ 186,117
Special reserve	( \$ 76,387)	( \$ 211,838)
Cash dividends	\$ 1,441,642	\$ 1,441,642
Cash dividends per share (NT\$)	\$ 12	\$ 12

The above appropriations for cash dividends were resolved by the Company's board of directors on March 6, 2025 and March 7, 2024, respectively; the other proposed appropriations for 2023 were resolved by the shareholders in their meeting on June 20, 2024, and for 2024 has yet to be resolved at the shareholders' meeting to be held on May 29, 2025.

d. Special reserve

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1 and March 31	\$ 76,387	\$ 288,225

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 33,861	( \$ 2,758)
Exchange differences on translating the financial statements of foreign operations	18,544	20,993
Balance at March 31	\$ 52,405	\$ 18,235

2) Unrealized gain (loss) on financial assets at FVTOCI

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 101,742	( \$ 73,630)
Recognized for the period		
Unrealized (loss) gain - debt instruments	5,211	5,430
Unrealized (loss) gain - equity instruments	( 138,276)	119,628
Cumulative unrealized (gain) loss of equity instruments transferred to retained earnings due to disposal	81	( 1,817)
Balance at March 31	( \$ 31,242)	\$ 49,611

f. Non-controlling interests

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 4,391,251	\$ 3,599,824
Share attributable to non-controlling interests:		
Share in profit for the period	125,002	193,259
Exchange difference on translating the financial statements of foreign operations	1,206	935
Financial assets at FVTOCI	( 5,121 )	14,282
Cash dividends distributed by subsidiaries	( 557,809 )	( 482,729 )
Non-controlling interests relating to outstanding vested restricted shares granted by subsidiaries	3,993	-
Disposal of partial interest in a subsidiary (Note 28)	27,492	-
Disposal of employee trust shares by subsidiary	1,164	-
Balance at March 31	<u>\$ 3,987,178</u>	<u>\$ 3,325,571</u>

g. Treasury shares

<u><b>The Company's shares held by its subsidiary</b></u>	<u><b>Number of Shares</b></u>
Number of shares at January 1 and March 31, 2025	<u>606,000</u>
Number of shares at January 1 and March 31, 2024	<u>606,000</u>

The Company's shares held by its subsidiary at the end of the reporting period were as follows:

<u><b>Name of Subsidiary</b></u>	<u><b>Number of Shares Held</b></u>	<u><b>Carrying Amount/ Carrying Amount per Share</b></u>	<u><b>Market Price/ Market Price per Share</b></u>
<u>March 31, 2025</u>			
Sensortek Technology Corp.	606,000	\$116,655/192.5	\$116,655/192.5
<u>December 31, 2024</u>			
Sensortek Technology Corp.	606,000	\$128,775/212.5	\$128,775/212.5
<u>March 31, 2024</u>			
Sensortek Technology Corp.	606,000	\$176,649/291.5	\$176,649/291.5

The subsidiary shareholdings of the Company held presented in the table above reflect the actual number of shares held by the subsidiary. The Company's shares held by its subsidiary are treated as treasury shares.

## 23. REVENUE

### a. Disaggregation of revenue

<b>Product</b>	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Integrated circuits	\$ 4,074,275	\$ 3,948,458
Others	258,079	200,771
	<u>\$ 4,332,354</u>	<u>\$ 4,149,229</u>

  

<b>Primary geographical markets</b>	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Hong Kong	\$ 3,093,589	\$ 3,093,336
Vietnam	398,601	415,059
China	322,916	112,397
Taiwan	292,718	235,244
South Korea	84,927	139,919
Others	139,603	153,274
	<u>\$ 4,332,354</u>	<u>\$ 4,149,229</u>

The basis of calculation of the Group's revenue segregated by geographical location is mainly based on the location the goods were shipped as designated by the customers.

### b. Contract balances

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>	<b>January 1, 2024</b>
Notes receivable and trade receivables (Note 10)	\$ 1,678,810	\$ 1,634,072	\$ 1,596,133	\$ 1,592,929
Trade receivables from related parties (Note 32)	1,661	3,405	56	1,782
	<u>\$ 1,680,471</u>	<u>\$ 1,637,477</u>	<u>\$ 1,596,189</u>	<u>\$ 1,594,711</u>
Contract liabilities - current (Note 20)				
Sales of goods	<u>\$ 77,937</u>	<u>\$ 92,028</u>	<u>\$ 85,622</u>	<u>\$ 97,482</u>

Revenue recognized in the current period that was included in the contract liability balance at the beginning of the year is as follows:

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<u>From contract liabilities at the start of the year</u>		
Sales of goods	<u>\$ 84,264</u>	<u>\$ 88,211</u>

Changes in contract liabilities are mainly due to the timing difference between the satisfaction of performance obligations and customer payment.

## 24. NET PROFIT

### a. Other operating income and expense

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Gain on sublease of right-of-use assets	\$ 331	\$ 290

### b. Interest income

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Financial assets at amortized cost	\$ 39,876	\$ 36,839
Financial asset at FVTPL	2,104	3,360
Investments in debt instruments at FVTOCI	6,150	5,029
Others	94	91
	<u>\$ 48,224</u>	<u>\$ 45,319</u>

### c. Other income

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Dividend income	\$ 30,783	\$ 6,947
Government grants income	7,357	4,719
Rental income	7,225	7,168
Others	357	7,290
	<u>\$ 45,722</u>	<u>\$ 26,124</u>

### d. Other gains and losses

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Net foreign exchange gains	\$ 17,426	\$ 28,261
(Loss) gain on financial assets designated as at FVTPL	( 2,130)	16,190
Depreciation of investment property	( 2,528)	( 2,621)
Other losses	( 6)	( 79)
	<u>\$ 12,762</u>	<u>\$ 41,751</u>

### e. Finance costs

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on loans	\$ 2,499	\$ 1,477
Interest on lease liabilities	1,032	727
Reversal of discounted provisions	79	54
Other interest expenses	239	333
	<u>\$ 3,849</u>	<u>\$ 2,591</u>

f. Depreciation and amortization

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 97,308	\$ 81,019
Investment properties	2,528	2,621
Right-of-use assets	16,009	13,521
Intangible assets	24,817	23,704
	<u>\$ 140,662</u>	<u>\$ 120,865</u>
An analysis of depreciation by function		
Operating expenses	\$ 92,157	\$ 74,873
Operating costs	21,160	19,667
Depreciation of investment property	2,528	2,621
	<u>\$ 115,845</u>	<u>\$ 97,161</u>
An analysis of amortization by function		
Operating expenses	\$ 24,727	\$ 23,696
Operating costs	90	8
	<u>\$ 24,817</u>	<u>\$ 23,704</u>

For information regarding the allocation of intangible asset amortization expense to individual line items, please refer to Note 17.

g. Employee benefits expense

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term benefits	\$ 677,910	\$ 647,045
Post-employment benefits		
Defined contribution plans	18,296	16,643
Defined benefit plans (Note 21)	56	75
Share-based payments	8,894	-
	<u>\$ 705,156</u>	<u>\$ 663,763</u>
An analysis of employee benefits expense by function		
Operating expenses	\$ 625,389	\$ 588,503
Operating costs	79,767	75,260
	<u>\$ 705,156</u>	<u>\$ 663,763</u>

h. Employees' compensation and remuneration of directors

According to the articles of incorporation of the Company, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 25%, and rates of no higher than 3%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. In accordance with the amendment to the Securities and Exchange Act enacted in August 2024, the Company intends to amend its Articles of Incorporation, subject to approval at the 2025 Annual General Meeting of Shareholders, to specify that no less than 50% of the employee remuneration allocated for the year shall be allocated to non-executive employees' compensation. The employees' compensation (including non-executive employees' compensation) and the remuneration of directors for the three months ended March 31, 2025 and 2024, respectively, are as follows:

Amount

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Employees' compensation	\$ 35,381	\$ 38,608
Remuneration of directors	\$ 5,307	\$ 5,791

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The employees' compensation and the remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 6, 2025 and March 7, 2024, respectively, are as follows:

Amount

	<b>Years Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Employees' compensation	\$ 165,705	\$ 165,555
Remuneration of directors	24,856	24,833

There is no difference between the amounts of employees' compensation and remuneration of directors resolved by the Board of Directors and the amount recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

- i. Gains or losses on foreign currency exchange

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Foreign exchange gains	\$ 69,401	\$ 89,230
Foreign exchange losses	( 51,975)	( 60,969)
Net benefit	\$ 17,426	\$ 28,261

## 25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

- a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current period	\$ 86,845	\$ 122,697
Adjustments for prior years	( 20,752)	( 4,517)
	66,093	118,180
Deferred tax		
In respect of the current period	( 763)	( 6,422)
Income tax expense recognized in profit or loss	\$ 65,330	\$ 111,758

- b. Income tax assessments

The Company's tax returns through 2022 have been assessed by the tax authorities.

## 26. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Basic earnings per share	\$ 3.45	\$ 3.62
Diluted earnings per share	\$ 3.43	\$ 3.60

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

### Net income

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Net income for the period	\$ 413,772	\$ 433,498
Earnings used in the computation of basic earnings per share	\$ 413,772	\$ 433,498
Effect of potentially dilutive ordinary shares:		
Employees' compensation	-	-
Earnings used in the computation of diluted earnings per share	\$ 413,772	\$ 433,498

### Shares

Unit: in thousands of shares

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,858	119,858
Effect of potentially dilutive ordinary shares:		
Employees' compensation	732	537
Weighted average number of ordinary shares used in the computation of diluted earnings per share	120,590	120,395

Since the Company offered to settle compensation or bonuses paid to employees in cash or shares, the Company assumed the entire amount of the compensation or bonus will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 27. SHARE-BASED PAYMENT ARRANGEMENTS

### a. Employee restricted shares of Forcelead Technology Corp.

On September 18, 2024, the extraordinary general meeting of Forcelead Technology Corp. approved to issue for free of charge 500 thousand shares of restricted stock for employees, with a par value of \$10, according to the issuance plan, Forcelead Technology Corp. may issue the restricted stock for employees either all at once or in several installments, depending on the actual needs, within two years from the effective date of the notice of issuance. The resolution was also filed to the Securities and Futures Bureau, FSC of the ROC and enforced on October 9, 2024.

On October 30, 2024, the board of directors of Forcelead Technology Corp. approved the issuance of 293 thousand shares of restricted stock for employees, with a par value of \$10 per share and an issuance price of \$0 per share (that is, free of charge). The dates of issuance and distribution for the restricted stock for employees were both October 30, 2024, and the fair value of the shares on the grant date of distribution was \$233.12.

1) The vesting conditions for the restricted stock for employees issued by Forcelead Technology Corp. are as follows:

- I .Remaining employed on each vesting period.
- II .Personnel who satisfied the Company’s established individual performance assessment indicators and the Company’s overall performance.
- III.Has not violated any contracts entered into with Forcelead Technology Corp. or its domestic or foreign subsidiaries or affiliates during any vesting period.
- IV.Has not violated these regulations or the work rules and company policies of Forcelead Technology Corp. or its domestic or foreign subsidiaries or affiliates during any vesting period.
- V.Has not violated any contracts between third parties and Forcelead Technology Corp. or its domestic or foreign subsidiaries or affiliates during any vesting period.

The maximum percentage of shares that may vest each year is as follows:

<b>Vesting period</b>	<b>Proportion</b>
Remain employed by Forcelead Technology Corp. for one year	25%
Remain employed by Forcelead Technology Corp. for two years	25%
Remain employed by Forcelead Technology Corp. for three years	25%
Remain employed by Forcelead Technology Corp. for four years	25%

2) After the allocation of new shares, employees will be delivered to a trust or custodian according to Forcelead Technology Corp.'s procedures. In addition, before meeting the vesting conditions, the restricted rights are as follows:

- I .According to the trust agreement, after the employee acquired the new shares, the employee cannot sell, mortgage, transfer, donate, pledge, no objection to the right to buy, or other way due to disposal before the vested condition is reached. However, if there are other norms in this measure, they shall be followed.
- II .The attendance, proposals, speeches, voting rights, and other shareholder rights of the shareholders' meeting shall be exercised by the trust custodian institution according to law.
- III .Employee restricted shares, after the new shares are issued, they should be immediately delivered to the trust, and the employee must not ask the trustee for any reason or manner to receive the return of the employee's rights to new shares before the vested condition is reached.
- IV .During the vesting period, if Forcelead Technology Corp. conducts a cash capital reduction or a capital reduction to offset losses, which is not a statutory capital reduction, the restricted stock options for employees shall be canceled in proportion to the capital reduction. In the case of a cash capital reduction, the refunded cash must be placed in trust or custody and delivered to the employees upon the fulfillment of the vesting conditions. However, if the vesting conditions are not met, Forcelead Technology Corp. will reclaim the cash.

3) The information regarding the new shares of restricted employee share awards planned to be issued in 2024 are as follows:

	<b>Number of Shares (In Thousands)</b>	
	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1 and March 31	293	-

On October 30, 2024, Forcelead Technology Corp. granted restricted stock options for employees, which were valued using the Black-Scholes Pricing Model. The inputs values applied in the valuation model are as follows:

	<b>October 2024</b>
Grant date fair value of shares (NT\$)	\$ 233.12
Expected volatility rate	18.96%
Option life	1~4 years
Dividend yield	0.00%
Risk-free interest rate	1.3625%

If employees fail to meet the vesting conditions, Forcelead Technology Corp. will reclaim the shares without compensation and proceed with cancellation.

Compensation costs of the Group's restricted stock options for employees were \$8,894 thousand and \$5,929 thousand in the first quarter of 2025 and 2024, respectively.

b. Issuance of shares from cash capital increase reserved for employees' subscription - Forcelead Technology Corp.

The board of directors of Forcelead Technology Corp. resolved a pre-IPO cash capital increase on August 28, 2024 and reserved 361 thousand shares for employees' subscription. The grant date of the shares is November 29, 2024. The Black-Scholes pricing model was used to calculate the fair value of the shares; the input values used in the option pricing model are as follows:

	<b>November 2024</b>
Grant date fair value of shares (NT\$)	\$ 224.99
Exercise price (NT\$)	\$ 200
Expected volatility rate	23.358%
Option life	0.011 years
Risk-free interest rate	1.5355%
Share options fair value (NT\$)	\$ 25.02

Compensation costs of the Group's issuance of shares from the cash capital increase reserved for employees were \$9,032 thousand in 2024.

c. Issuance of shares from cash capital increase reserved for employees' subscription of Sync-Tech System Corp.

The board of directors of Sync-Tech System Corp. decided to increase the capital in cash on September 12, 2024 and reserved 250 thousand shares for employees' subscription. The grant date of the shares is September 23, 2024.

The Black-Scholes pricing model was used to calculate the fair value of the shares; the input values used in the option pricing model are as follows:

	<b>September 2024</b>
Grant date fair value of shares (NT\$)	\$ 147.96
Exercise price (NT\$)	\$ 150.00
Expected volatility rate	37.42%
Option life	0.112 years
Dividend yield	-
Risk-free interest rate	1.24%
Share options fair value (NT\$)	\$ 6.59

Compensation costs of the Group's issuance of shares from the cash capital increase reserved for employees were \$1,648 thousand in 2024.

## 28. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In December 2024, the Group did not participate in the cash capital increase of Forcelead Technology Corp. in proportion to its existing ownership, the Group's shareholding percentage decreased from 60.28% to 55.10%.

In December 2024, due to the Group sold part of the Forcelead Technology Corp.'s shares, the Group's shareholding percentage decreased from 60.54% to 60.28%.

Due to the issuance of restricted stock options for employees by Forcelead Technology Corp. in October 2024, the Group's shareholding percentage decreased from 61.01% to 60.54%.

In January 2025, due to the Group sold part of the Sync-Tech system Corp.'s shares, the Group's shareholding percentage decreased from 45.48% to 43.50%.

In November 2024, the Group did not participate in the cash capital increase of Sync-Tech system Corp. in proportion to its existing ownership, the Group's shareholding percentage increased from 41.51% to 45.48%.

Due to the distribution of employees' compensation in the form of shares by Sync-Tech system Corp. in July 2024, the Group's shareholding percentage decreased from 42.19% to 41.51%.

The above transactions were accounted for as equity transactions, since the Company did not cease to have control over these subsidiaries.

### Three Months Ended March 31, 2025

	<b><u>Sync-Tech System Corp.</u></b>
Cash consideration received	\$ 97,950
The proportionate share of the carrying amount of the net assets of the subsidiary transferred in non-controlling interests	<u>( 27,492 )</u>
Differences recognized from equity transactions	<u>\$ 70,458</u>

### Line items adjusted for equity transactions

Capital surplus - differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	<u>\$ 70,458</u>
--	------------------

## 29. CASH FLOW INFORMATION

### a. Changes in liabilities arising from financing activities

#### Three Months Ended March 31, 2025

	January 1, 2025	Cash Flows	Non-cash Changes		March 31, 2025
			Foreign Exchange Movement	New Leases	
Short-term borrowings	\$ 169,659	\$ 38,217	\$ 3,912	\$ -	\$ 211,788
Lease liabilities	220,031	( 15,305)	257	248	205,231
Guarantee deposits received	182,992	( 19,793)	( 1,588 )	-	161,611
	<u>\$ 572,682</u>	<u>\$ 3,119</u>	<u>\$ 2,581</u>	<u>\$ 248</u>	<u>\$ 578,630</u>

#### Three Months Ended March 31, 2024

	January 1, 2024	Cash Flows	Non-cash Changes		March 31, 2024
			Foreign Exchange Movement	New Leases	
Lease liabilities	\$ 151,789	(\$ 13,256 )	\$ 438	\$ 17,105	\$ 156,076
Guarantee deposits received	287,988	( 63,071 )	6,494	-	231,411
	<u>\$ 439,777</u>	<u>(\$ 76,327 )</u>	<u>\$ 6,932</u>	<u>\$ 17,105</u>	<u>\$ 387,487</u>

## 30. CAPITAL RISK MANAGEMENT

The objectives, policies and process of capital risk management and the capital structures of the Group in these consolidated financial statements were applied as the same as in the preparation of the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 31 to the consolidated financial statements for the year ended December 31, 2024 for details.

## 31. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

The management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements are relatively close to their fair values.

### b. Fair value of financial instruments measured at fair value on a recurring basis

#### 1) Fair value hierarchy

##### March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic corporate funds	\$ 102,621	\$ -	\$ -	\$ 102,621
Convertible bonds	92,566	-	-	92,566
Exchangeable bonds	9,675	-	-	9,675
Domestic listed shares	659	-	-	659
Limited partnership	-	-	159,141	159,141
Derivative instruments				
Credit linked notes - linked with convertible bonds	-	337,363	-	337,363
Equity linked notes	-	16,451	-	16,451
Foreign exchange forward contracts and foreign exchange swap contracts	-	28,252	-	28,252
	<u>\$ 205,521</u>	<u>\$ 382,066</u>	<u>\$ 159,141</u>	<u>\$ 746,728</u>

(Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 520,777	\$ -	\$ -	\$ 520,777
Foreign listed shares	11,368	-	-	11,368
Domestic unlisted equity investments	-	-	448,900	448,900
Foreign unlisted equity investments	-	-	675,458	675,458
Investments in debt instruments at FVTOCI				
Domestic corporate bonds	-	49,506	-	49,506
Foreign corporate bonds	-	516,790	-	516,790
	<u>\$ 532,145</u>	<u>\$ 566,296</u>	<u>\$ 1,124,358</u>	<u>\$ 2,222,799</u>

Financial liabilities at FVTPL

Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts				
	<u>\$ -</u>	<u>\$ 24,778</u>	<u>\$ -</u>	<u>\$ 24,778</u>
				(Concluded)

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic corporate funds	\$ 99,222	\$ -	\$ -	\$ 99,222
Convertible bonds	79,414	-	-	79,414
Exchangeable bonds	50,800	-	-	50,800
Domestic listed shares	697	-	-	697
Limited partnership	-	-	165,939	165,939
Derivative instruments				
Credit linked notes - linked with convertible bonds				
	-	310,811	-	310,811
Foreign exchange forward contracts and foreign exchange swap contracts				
	-	28,766	-	28,766
	<u>\$ 230,133</u>	<u>\$ 339,577</u>	<u>\$ 165,939</u>	<u>\$ 735,649</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 526,342	\$ -	\$ -	\$ 526,342
Foreign listed shares	10,422	-	-	10,422
Domestic unlisted equity investments	-	-	521,681	521,681
Foreign unlisted equity investments	-	-	738,737	738,737

(Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments in debt instruments at FVTOCI				
Domestic corporate bonds	\$ -	\$ 49,472	\$ -	\$ 49,472
Foreign corporate bonds	-	505,268	-	505,268
	<u>\$ 536,764</u>	<u>\$ 554,740</u>	<u>\$ 1,260,418</u>	<u>\$ 2,351,922</u>

Financial liabilities at FVTPL

Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	\$ -	\$ 23,143	\$ -	\$ 23,143
				(Concluded)

March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic corporate funds	\$ 262,969	\$ -	\$ -	\$ 262,969
Convertible bonds	122,417	-	-	122,417
Exchangeable bonds	41,960	-	-	41,960
Domestic listed shares	2,856	-	-	2,856
Limited partnership	-	-	128,582	128,582
Derivative instruments				
Credit linked notes - linked with convertible bonds	-	230,507	-	230,507
Equity linked notes	-	31,938	-	31,938
Foreign exchange forward contracts and foreign exchange swap contracts	-	33,578	-	33,578
	<u>\$ 430,202</u>	<u>\$ 296,023</u>	<u>\$ 128,582</u>	<u>\$ 854,807</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI				
Domestic listed shares	\$ 573,608	\$ -	\$ -	\$ 573,608
Domestic unlisted equity investments	-	-	247,965	247,965
Foreign unlisted equity investments	-	-	649,566	649,566
Investments in debt instruments at FVTOCI				
Foreign corporate bonds	-	486,911	-	486,911
Domestic corporate bonds	-	49,718	-	49,718
	<u>\$ 573,608</u>	<u>\$ 536,629</u>	<u>\$ 897,531</u>	<u>\$ 2,007,768</u>

Financial liabilities at FVTPL

Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	\$ -	\$ 27,545	\$ -	\$ 27,545

For the three months ended March 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Domestic and Foreign corporate bonds	Based on the public market quotes provided by third -party agencies.
Credit linked notes - linked with convertible bonds	Based on the public market quotation of convertible bond, the parameters of the repurchase, the coupon interest and the interest compensation are considered as the basis for fair value measurement.
Equity linked notes	Base on the public market quotation of stock, the parameters of the repurchase and the interest compensation are considered as the basis for fair value measurement.
Derivatives - foreign exchange forward contracts and foreign exchange swap contracts	Discounted cash flow method: Estimate the future cash flow at the end of the period by observing the forward exchange rate and the exchange rate and interest rate set by the contract, and have already discounted the discount rate of each counterparty's credit risk.

3) Valuation techniques and inputs applied for Level 3 fair value measurement

Domestic and foreign unlisted equity investments are evaluated by the net asset value method. The management of the Group evaluates the target of such equity investments with the active market quotation, and the net asset amount tends to the fair value of the equity investments.

The domestic limited partnership are valued using the net asset value method. The management of the Group evaluates that the amount of the net assets of this investment is equivalent to its fair value. The evaluation covers the total value of the investment's individual assets and liabilities, which reflects the value of the entity or business.

4) Adjustment of financial instruments measured using Level 3 fair values

The Group's financial assets under level 3 fair value measurement are financial instruments at FVTPL and equity instruments measured at fair value through other comprehensive income.

Three Months Ended March 31, 2025

	<u>Financial instruments at FVTPL</u>	<u>Equity instruments at FVTOCI</u>	<u>Total</u>
Balance at January 1	\$ 165,939	\$ 1,260,418	\$ 1,426,357
Disposals	( 2,219 )	-	( 2,219 )
Recognized under profit or loss	( 4,579 )	-	( 4,579 )
Recognized under other comprehensive income	-	( 136,060 )	( 136,060 )
Balance at March 31	<u>\$ 159,141</u>	<u>\$ 1,124,358</u>	<u>\$ 1,283,499</u>

Three Months Ended March 31, 2024

	<b>Financial instruments at FVTPL</b>	<b>Equity instruments at FVTOCI</b>	<b>Total</b>
Balance at January 1	\$ 82,174	\$ 791,077	\$ 873,251
Additions	43,750	-	43,750
Recognized under profit or loss	2,658	-	2,658
Recognized under other comprehensive income	-	106,454	106,454
Balance at March 31	<u>\$ 128,582</u>	<u>\$ 897,531</u>	<u>\$ 1,026,113</u>

c. Categories of financial instrument

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 746,728	\$ 735,649	\$ 854,807
Financial assets at amortized cost (1)	12,009,741	11,680,675	11,236,321
Financial assets at FVTOCI			
Equity instruments	1,656,503	1,797,182	1,471,139
Debt instruments	566,296	554,740	536,629
<u>Financial liabilities</u>			
Financial liabilities at FVTPL			
Held for trading	24,778	23,143	27,545
Financial liabilities at amortized cost(2)	3,121,617	3,317,152	2,887,360

- 1) The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, pledged fixed deposits, time deposits with original maturities of more than 3 months, notes receivable and trade receivables (including receivables from related parties), other receivables, other current assets and refundable deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes and trade payables, other payables (including other payables to related parties), temporary receipts and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

## 1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

There has been no change in the Group's exposure to market risks or the manner in which these risks are managed and measured.

### a) Foreign currency risk

The Group's operating activities are partially denominated in foreign currencies and thus have partial natural hedging effects.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 35.

#### Sensitivity analysis

The Group was mainly exposed to the USD, JPY and CNY.

The following table details the Group's sensitivity to a 5% increase and decrease in the New Taiwan dollar (i.e. the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive (negative) number below indicates an increase (decrease) in pre-tax profit and other equity associated with the New Taiwan dollar weakening (strengthening) 5% against the relevant currency.

	<u>USD Impact</u>		<u>JPY Impact</u>		<u>CNY Impact</u>	
	<u>Three Months Ended</u>		<u>Three Months Ended</u>		<u>Three Months Ended</u>	
	<u>March 31</u>		<u>March 31</u>		<u>March 31</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Profit or loss	\$ 6,910	\$ 13,473	\$ 1,039	\$ 753	\$ 11,092	\$ 11,292

### b) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed funds at both fixed and floating interest rates.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<u>March 31,</u>	<u>December 31,</u>	<u>March 31,</u>
	<u>2025</u>	<u>2024</u>	<u>2024</u>
Fair value interest rate risk			
Financial assets	\$ 9,422,385	\$ 8,763,371	\$ 7,327,298
Financial liabilities	293,770	354,508	156,076
Cash flow interest rate risk			
Financial assets	1,345,060	1,694,460	2,680,526
Financial liabilities	123,456	35,353	-

#### Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liabilities outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 0.1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2025 and 2024 would increase/decrease by \$305 thousand and \$670 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on variable-rate net assets. The Group's pre-tax other comprehensive income for the three months ended March 31, 2025 and 2024 would decrease/increase by \$142 thousand and \$134 thousand, respectively, which was mainly due to the changes in the fair value of investments in fixed-rate debt instruments at FVTOCI.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities, convertible bonds, exchangeable bonds, credit linked structured notes of listed companies and mutual fund investments. The Group does not actively trade these investments. The Group's equity price risk is mainly concentrated in equity instruments operating in the semiconductor industry, finance and insurance industries structured notes and exchange-traded funds quoted on the Taiwan Stock Exchange and the Taipei Exchange.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower, pre-tax income for the three months ended March 31, 2025 and 2024 would have increased/decreased by \$27,967 thousand and \$34,632 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTPL. Pre-tax other comprehensive income for the three months ended March 31, 2025 and 2024 would have increased/decreased by \$26,607 thousand and \$28,680 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

To mitigate credit risk, the management of the Group assigns a dedicated team responsible for credit line decisions, credit approvals and other monitoring procedures to ensure appropriate actions are taken for the collections of overdue receivables. In addition the Group reviews conditions on each collecting receivable to ensure the uncollectible amounts are provided with appropriate impairment losses. Accordingly, the management of the Group believes that the credit risk of the Group has been significantly reduced.

In addition, since the counterparties of liquidity and derivative financial instruments are banks with sound credit ratings, the credit risk is limited.

Apart from customers whose accounts receivable constitute more than 10% of the Group's total trade receivables, the Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk is minimal because the customers which account for more than 10% of the Group's trade receivables balance are creditworthy companies.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2025, December 31 and March 31, 2024, the Group had available unutilized short-term bank loan facilities set out in (c) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

March 31, 2025

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>Over 5 Years</b>	<b>Total</b>
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities	\$ 1,351,392	\$ 1,630,623	\$ 666,031	\$ -	\$ -	\$ 3,648,046
Dividends payable	-	501,914	1,497,538	-	-	1,999,452
Lease liabilities	5,381	10,786	44,958	58,282	138,417	257,824
Fixed interest rate liabilities	40	43	88,456	-	-	88,539
Floating interest rate liabilities	91,584	31,872	-	-	-	123,456

December 31, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>Over 5 Years</b>	<b>Total</b>
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities	\$ 1,696,394	\$ 1,485,476	\$ 793,824	\$ -	\$ -	\$ 3,975,694
Lease liabilities	5,360	10,942	47,768	70,386	139,189	273,645
Fixed interest rate liabilities	89,651	44,826	-	-	-	134,477
Floating interest rate liabilities	4,143	-	31,210	-	-	35,353

March 31, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>Over 5 Years</b>	<b>Total</b>
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities	\$ 1,305,111	\$ 1,496,991	\$ 783,490	\$ -	\$ -	\$ 3,585,592
Dividends payable	-	482,729	1,441,642	-	-	1,924,371
Lease liabilities	4,626	8,987	42,751	76,975	42,709	176,048

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

March 31, 2025

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	\$ -	\$ 523,293	\$ 979,360	\$ -
Outflows	-	( 525,330)	( 973,849)	-
	<u>\$ -</u>	<u>(\$ 2,037)</u>	<u>\$ 5,511</u>	<u>\$ -</u>

December 31, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	\$ 129,850	\$ 516,690	\$ 936,782	\$ -
Outflows	( 129,432)	( 513,824)	( 934,443)	-
	<u>\$ 418</u>	<u>\$ 2,866</u>	<u>\$ 2,339</u>	<u>\$ -</u>

March 31, 2024

	<b>On Demand or Less than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>
Foreign exchange forward contracts and foreign exchange swaps contracts				
Inflows	\$ 122,670	\$ 603,134	\$ 1,390,651	\$ -
Outflows	( 122,500)	( 601,679)	( 1,386,243)	-
	<u>\$ 170</u>	<u>\$ 1,455</u>	<u>\$ 4,408</u>	<u>\$ -</u>

c) Financing facilities

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Unsecured bank overdraft facilities, reviewed annually and payable on demand:			
Amount used	\$ 243,856	\$ 185,693	\$ -
Amount unused	5,899,597	6,175,219	6,978,000
	<u>\$ 6,143,453</u>	<u>\$ 6,360,912</u>	<u>\$ 6,978,000</u>

The amount of used bank facilities includes a performance guarantee of \$32,068 thousand and 16,034 thousand, respectively, which were guaranteed by the bank in respect of the IC Design Top Grant Program to the Taipei Computer Association by the Group as of March 31, 2025 and December 31, 2024.

### 32. TRANSACTIONS WITH RELATED PARTIES

In addition to those disclosed in other notes, detail of transactions between the Group and related parties are disclosed below:

a. Related party name and category

Related Party Name	Related Party Category
Silicon Power Computer & Communications Inc.	Substantive related party
ezGlobal Corp.	Substantive related party
Top Optronics Corp.	Substantive related party
esGMeta Co.,Ltd.	Associates

b. Sales of goods

Related Party Category	Three Months Ended March 31	
	2025	2024
Substantive related party	\$ 1,582	\$ 125
Associates	100	7
	<u>\$ 1,682</u>	<u>\$ 132</u>

The transactions for related parties were negotiated under the terms of general transactions and prices.

c. Operating expenses

Related Party Category	Three Months Ended March 31	
	2025	2024
Substantive related party	\$ 326	\$ 294

The transactions in which the Group made payments of operating expenses to a related party were subject to a contractual agreement as there were no similar transactions for comparison.

d. Other income

Related Party Category	Three Months Ended March 31	
	2025	2024
Associates	\$ 154	\$ 1,031

In December 2023, the Group invested in associates through technical pricing, recognized other income of \$9,048 thousand and proportionally deferred \$4,298 thousand according to the shareholding ratio. However, as this income will be realized over time, \$1,996 thousand was realized and recognized for the three months ended March 31, 2025, while the remaining \$2,302 thousand will be deferred. The transaction was subject to the contractual agreement as there were no similar transactions for comparison.

e. Trade receivables from related parties

<u>Line Item</u>	<u>Related Party Category</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Trade receivables from related parties	Substantive related party Associates	\$ 1,661	\$ 3,405	\$ 53
		-	-	3
		<u>\$ 1,661</u>	<u>\$ 3,405</u>	<u>\$ 56</u>

The outstanding trade receivables from related parties were unsecured. No impairment losses were recognized for trade receivables from related parties.

f. Prepayments

<u>Related Party Category</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Substantive related party	\$ 91	\$ -	\$ 91

g. Trade payables to related parties

<u>Line Item</u>	<u>Related Party Category</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other payables to related parties	Substantive related party	\$ 439	\$ 354	\$ 362

The outstanding trade payables to related parties are unsecured.

h. Lease arrangement - the Group is lessor

Operating lease rental

Future lease receivables are as follows:

<u>Related Party Category</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Substantive related party	\$ 2,034	\$ 2,542	\$ 4,067

Lease income were as follows:

<u>Related Party Category</u>	<u>Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Substantive related party	\$ 514	\$ 514

The terms of transactions between the Group and its related parties for the collection of rent are based on the terms of contractual agreements as there were no similar transactions for comparison.

<u>Related Party Category</u>	<u>Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Deposit interest</u> Substantive related party	\$ 6	\$ 6

i. Contract liability

<b>Related Party Category</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Associates	\$ 42	\$ 59	\$ -

j. Guarantee deposits received

<b>Related Party Category</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Substantive related party	\$ 356	\$ 356	\$ 356

The guarantee deposits received are mainly generated from the rental deposits.

k. Remuneration of key management personnel

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 49,732	\$ 47,738
Post-employment benefits	563	536
	\$ 50,295	\$ 48,274

The remuneration of directors and key executives was determined by the performance of individuals and the Group's profits.

### 33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for the tariff of imported raw materials guarantees:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Pledged time deposits (classified under financial assets measured at amortized cost – current)	\$ 833,548	\$ 833,483	\$ 828,748

### 34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

In addition to those disclosed in other notes, the significant commitments of the Group at the balance sheet date are as follows:

a. Long-term purchase agreements

The Group entered into long-term purchase agreements of materials with suppliers during 2021. Both parties agreed that during the contract period, the suppliers would deliver the materials to the Group in accordance with the agreements. The Group has paid the suppliers USD1,296 thousand as guarantee to ensure the supply of materials. The rights and obligations of both parties are based on the content of each agreement. Refundable deposits was USD1,296 thousand.

b. Long-term supply agreements

The Group entered into long-term supply agreements of products with clients from 2021 to 2022. Both parties agreed that during the contract period, the Group would deliver the products to clients in

accordance with the agreements. However, the long-term supply agreement was mutually terminated in March 2025, the Group has fully refunded the deposit, which was collected to secure supply volume, as per the terms of the agreement.

c. Acquisition of Property

Forcelead Technology Corp's Board of Directors approved on September 6, 2023 to purchase the office premises and entered into a purchase agreement with Winsome Development Co., Ltd. to acquire office on the 8th and 9th floors and parking spaces of Building 2B, Phase 10 of Tai Yuen Hi-Tech Industrial Park, in the amounting of NT\$937,250 thousand (including tax). As of March 31, 2025, NT\$140,610 thousand was paid as consideration.

The Company's Board of Directors approved on May 2, 2024, to purchase the office premises and entered into a purchase agreement with Winsome Development Co., Ltd. to acquire office on the 7th floors and parking spaces of Building 2B, Phase 10 of Tai Yuen Hi-Tech Industrial Park, in the amounting of NT\$468,800 thousand (including tax). As of March 31, 2025, NT\$70,330 thousand was paid as consideration.

### 35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

	<u>March 31, 2025</u>		<u>December 31, 2024</u>		<u>March 31, 2024</u>	
	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$ 84,418	33.205	\$ 87,398	32.785	\$ 90,975	32.000
JPY	174,476	0.2227	178,972	0.2099	151,302	0.2115
CNY	48,527	4.573	70,235	4.478	51,235	4.408
<u>Non-monetary items</u>						
USD	30,668	33.205	32,230	32.785	31,004	32.000
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD	80,256	33.205	84,433	32.785	82,555	32.000
JPY	81,140	0.2227	82,282	0.2099	80,087	0.2115
CNY	17	4.573	138	4.478	-	4.408

The Group is mainly exposed to the USD, JPY and CNY. The following information was aggregated by the functional currencies of the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

<u>Foreign Currency</u>	<u>Three Months Ended March 31, 2025</u>		<u>Three Months Ended March 31, 2024</u>	
	<u>Exchange Rate</u>	<u>Net Foreign Exchange (Losses) Gains</u>	<u>Exchange Rate</u>	<u>Net Foreign Exchange (Losses) Gains</u>
NTD	1(NTD:NTD)	\$ 18,835	1(NTD:NTD)	\$ 28,084
CNY	4.573(CNY:NTD)	( 1,409)	4.408(CNY:NTD)	177
		<u>\$ 17,426</u>		<u>\$ 28,261</u>

### **36. SEPARATELY DISCLOSED ITEMS**

- a. Information on significant transactions and b. information on investees:
  - 1) Financing provided to others: Table 1 (attached)
  - 2) Endorsements/guarantees provided: Table 2 (attached)
  - 3) Significant marketable securities held (excluding investment in subsidiaries and associates): Table 3 (attached)
  - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4 (attached)
  - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
  - 6) Intercompany relationships and significant intercompany transactions: Table 5 (attached)
  - 7) Information on investees: Table 6 (attached)
- c. Information on investments in mainland China: Table 7 and 8 (attached)

In the preparation of the consolidated financial statements, major transactions between parent and subsidiary companies and their balances have been fully eliminated.

### **37. SEGMENT INFORMATION**

The operating decision makers of the Group use the distribution of resources and the evaluation of segment performance to focus on the financial information of the Group as a whole, while individual companies have similar economic characteristics, and individual companies have used similar processes to produce similar products and sell them through the same sales method, so the Company and its subsidiaries are reported by the single operating department.

The Company and its subsidiaries provide the segment information reviewed by the operating decision maker on the same basis as the financial statements, and the profit and loss, assets and liabilities of the operating department are measured on the same basis as the combined financial report preparation. Therefore, the segment income and operating results for the three months ended March 31, 2025 and 2024 can be referenced by the combined consolidated income and loss Statement for the three months ended March 31, 2025 and 2024.

Segment assets that should be reported can be found in the consolidated balance sheets as of March 31, 2025, December 31 and March 31, 2024.

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**FINANCING PROVIDED TO OTHERS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Item	Value		
0	The Company	mCore Technology Corp.	Other receivables from related parties	Yes	\$ 50,000	\$ 50,000	\$ 38,020	5.40%~5.45%	For financing	\$ -	Working capital	\$ -	—	\$ -	\$ 2,372,192	\$ 4,744,384
		Seer Microelectronics, Inc.	Other receivables from related parties	Yes	50,000	50,000	-	-	For financing	-	Working capital	-	—	-	2,372,192	4,744,384
		INFSitronix Technology Corp.	Other receivables from related parties	Yes	100,000	100,000	38,290	2.19%~5.4%	For financing	-	Working capital	-	—	-	2,372,192	4,744,384

Note 1: The description is as follows

1. Lender is numbered as 0.
2. Investee is numbered sequentially from 1.

Note 2: According to the “Financing providing and operation management method”, the total amount and the available amount to any individual for lending are as follows:

1. The total amount for lending shall not exceed 40% of SITRONIX’s net worth. However the total amount lendable to any subsidiary for short-term financing could upper to the total available amount of the company.
2. The total amount for lending to or lending from any directly or indirectly hold foreign subsidiaries with 100% ownership, shall not exceed 40% of the net worth of the lending company. The total amount for lending to any individual shall not exceed 50% of the total available amount.
3. Where funds are lent to a company or business with business relationships with the Company, the total amount for lending to any individual shall not exceed the amount of business transaction between the two parties. Amount of business transaction defines the highest amount of purchase or sales.
4. The total amount for lending to any individual shall not exceed 50% of the Company’s net worth for the company or firm that needs short-term financing.

## SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	Hefei Sitronix Technology Co., Ltd.	Subsidiary	\$ 5,930,481	\$ 600,000	\$ 600,000	\$ 332,050	\$ -	5.56	\$ 5,930,481	Yes	—	Yes
		mCore Technology Corp.	Subsidiary	5,930,481	100,000	100,000	32,213	-	0.93	5,930,481	Yes	—	—
		CELEFIDE CO., LTD	Subsidiary	5,930,481	200,000	200,000	76,372	-	1.85	5,930,481	Yes	—	Yes
		Seer Microelectronics, Inc.	Subsidiary	5,930,481	200,000	200,000	9,962	-	1.85	5,930,481	Yes	—	—
		INFSitronix Technology Corp.	Subsidiary	5,930,481	100,000	100,000	8,301	-	0.93	5,930,481	Yes	—	—

Note 1: The description is as follows

1. Lender is numbered as 0.
2. Investee is numbered sequentially from 1.

Note 2: According to the “endorsement guarantee operation management measures” of Sitronix Technology Corp. The total amount of endorsement guarantee shall not exceed 50% of the net value in the latest year’s financial statements audited by CPA. The amount of endorsement guarantee for a single enterprise shall not exceed 25% of the net value of the latest year’s financial statements audited by CPA. However, the amount of endorsement guarantee for the company that directly and indirectly holds more than 50% of the voting shares of a company shall not exceed 50% of the net value of the latest year’s financial statements audited by CPA.

## SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

## SIGNIFICANT MARKETABLE SECURITIES HELD

MARCH 31, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Stock</u> Silicon Power Computer & Communications Inc.	Substantive related party	Investments in equity instruments at fair value through other comprehensive income - current	4,198,701	\$ 116,934	-	\$ 116,934	Note 1
	<u>Equity Investment</u> Fong Huang VI Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	22,000,000	192,032	11	192,032	Note 2
	HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	120,000	350,129	-	350,129	Note 2
Sensortek Technology Corp.	<u>Stock</u> WT Microelectronics Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	2,000,000	100,000	-	100,000	Note 1
	Sitronix Technology Corp.	The Parent Company	Investments in equity instruments at fair value through other comprehensive income - non-current	606,000	116,655	-	116,655	Note 1
Sitronix Investment Corp.	<u>Equity Investment</u> HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	111,500	325,328	-	325,328	Note 2

Note 1: Calculated based on the closing price on March 31, 2025.

Note 2: Calculated based on the net value on March 31, 2025.

Note 3: As of March 31, 2025, the above listed marketable securities were neither provided as guarantee nor pledged as collateral for loans.

Note 4: The marketable securities listed in the table above refer to the securities, bonds, beneficiary certificates and securities that fall within the scope of IFRS 9 "Financial Instruments".

Note 5: This table presents the marketable securities disclosed by the Group in accordance with the principle of materiality.

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	Sensortek Technology Corp.	Subsidiary	Purchase	\$ 538,596	32%	Net 60 days from the ship date	\$ -	—	(\$ 360,622)	24%	—

## SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
 FOR THE THREE MONTHS ENDED MARCH 31, 2025  
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms (Note 1)	% of Total Sales or Assets
0	The Company	Sensortek Technology Corp.	from the parent company to the subsidiary	Purchases	\$ 538,596	—	12%
				Other receivables	225,334	—	1%
				Trade payables	360,622	—	2%
		Forcelead Technology Corp.	from the parent company to the subsidiary	Purchases	58,036	—	1%
				Other receivables	310,057	—	1%
				Trade payables	46,679	—	-
		INFSitronix Technology Corp.	from the parent company to the subsidiary	Other receivables	40,444	—	-
		mCore Technology Corp.	from the parent company to the subsidiary	Other receivables	38,665	—	-
		Sync-Tech System Corp.	from the parent company to the subsidiary	Other receivables	43,032	—	-
		Sitronix Technology (Shenzhen) Co., Ltd.	from the parent company to the subsidiary	Professional service fees	50,914	—	1%

Note 1 : The transactions were based on mutual agreement or contractual agreement ; therefore, there was no appropriate transaction object to compare.

Note 2 : The disclosure of significant transactions in this table may be determined by the Group in accordance with the principle of materiality.

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**NAMES, LOCATIONS, AND RELATED INFORMATION ON INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Foreign Currencies in Thousands)		Balance as of March 31, 2025			Net Income (Loss) of the Investee	Share of (Loss) Profit (Note 2)
				March 31, 2025	December 31, 2024	Number of Shares	Percentage of Ownership (%)	Carrying Amount		
The Company	Sitronix Investment Corp.	Taiwan	Investment	\$ 367,270	\$ 367,270	33,249,060	100.00	\$ 325,917	( \$ 877 )	( \$ 877 )
	Forcelead Technology Corp.	Taiwan	R&D, design and sale of multi-functional integrated automotive display driver ICs	681,099	681,099	23,097,545	55.10	1,263,524	99,828	55,005
	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	113,318	113,318	22,529,596	46.06	1,775,139	101,449	46,728
	mCore Technology Corp.	Taiwan	Providing solutions for consumer display and voice/audio related applications	131,074	131,074	9,583,010	90.73	152,355	10,823	9,819
	Sync-Tech System Corp.	Taiwan	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	490,037	512,345	14,343,855	43.50	581,454	52,848	23,094
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	193,559	193,559	9,796,220	58.42	27,386	( 11,221 )	( 6,555 )
	ezGreen Inc.	Taiwan	Software design and electronic information supply services	220,000	220,000	22,000,000	100.00	44,967	( 15,253 )	( 15,253 )
	Seer Microelectronics, Inc.	Taiwan	High performance sensor IC with single photon design and applications	95,000	95,000	9,500,000	72.66	50,799	( 6,525 )	( 4,741 )
	Sitronix Holding International Ltd.	Samoa	Investment	199,230	199,230	6,000,000	100.00	250,717	3,061	3,061
				( USD 6,000 )	( USD 6,000 )					
Sitronix Investment Corp.	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	10	10	2,290	-	187	101,449	5
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	10	10	266	-	1	( 11,221 )	-
ezGreen Inc.	esGMeta Co.,Ltd.	Taiwan	Carbon footprint verification, analysis of data on carbon system platforms, execution of carbon reduction projects and commissioning of carbon trading rights	9,500	9,500	9,500,000	33.93	4,640	( 2,142 )	( 727 )

Note 1 : Foreign currencies is converted into NTD using the exchange rates of the US dollar to NTD on March 31, 2025.

Note 2: The investment income or loss recognized for the current period is calculated based on the investee's financial statements and the percentage of ownership.

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Main Businesses and Products	Paid-in Capital (Foreign Currencies in Thousands)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Foreign Currencies in Thousands)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025 (Foreign Currencies in Thousands)	Net Income (Loss) of the Investee	% Ownership for Direct or Indirect Investment	Investment Gain(Loss) (Note 7)	Carrying Amount as of March 31, 2025	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outward (Foreign Currencies in Thousands )	Inward (Foreign Currencies in Thousands )						
Sitronix Technology (Shenzhen) Co., Ltd.	Computer software and hardware development, sales and after-sales service business and related technical consulting services	\$ 13,282 (USD 400)	Note 3	\$ 13,282 (USD 400)	\$ -	\$ -	\$ 13,282 (USD 400)	\$ 1,795	100%	\$ 1,795	\$ 36,636	\$ 10,237
HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	68,595 (CNY 15,000)	Note 4	68,595 (CNY 15,000)	-	-	68,595 (CNY 15,000)	(1,220)	100%	(1,220)	22,124	-
CELEFIDE CO., LTD.	R&D, design, sales and technical services of integrated circuits and system hardware and software	228,650 (CNY 50,000)	Note 5	102,893 (CNY 22,500)	-	-	102,893 (CNY 22,500)	12,850	90%	11,565	528,432	-
HeFei Sitronix Technology Co., Ltd.	R&D and sale of integrated circuits; R&D, service and sales of integrated circuits chip	160,055 (CNY 35,000)	Note 6	160,055 (CNY 35,000)	-	-	160,055 (CNY 35,000)	(5,252)	100%	(5,252)	152,267	-

Investor Company	Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025 (Foreign Currencies in Thousands)	Investment Amount Authorized by the Investment Commission, MOEA (Foreign Currencies in Thousands)	Upper Limit on the Amounts of Investment Stipulated by Investment Commission, MOEA (Note 2)
Sitronix Technology Corporation	\$ 376,279 (US\$ 11,332)	\$ 1,250,965 (US\$ 37,674)	\$ 6,477,133
Forcelead Technology Corp.	\$ - (US\$ -)	\$ 25,833 (US\$ 778)	\$ 1,375,562

Note 1: Foreign currencies are converted into NTD using the exchange rates of the US dollar and CNY to NTD on March 31, 2025.

Note 2: According to the Investment Commission, MOEA, 60% of the net value of investments in mainland China is set.

Note 3: Direct Investment, as of March 31, 2025, the total investment amount approved by the Investment Commission, MOEA, is US\$400 thousand, and the investment amount of US\$400 thousand has been remitted.

Note 4: Direct Investment, as of March 31, 2025, the total investment amount approved by the Investment Commission, MOEA, is CNY20,000 thousand, and the investment amount of CNY15,000 thousand has been remitted.

Note 5: Direct Investment, as of March 31, 2025, the total investment amount approved by the Investment Commission, MOEA, is CNY45,000 thousand, and the investment amount of CNY22,500 thousand has been remitted, and the capital increase from capital surplus in the amount of CNY22,500 thousand.

Note 6: Direct Investment, as of March 31, 2025, the total investment amount approved by the Investment Commission, MOEA, is CNY190,000 thousand, and the investment amount of CNY35,000 thousand has been remitted.

Note 7: The investment income or loss recognized for the current period is calculated based on the investee's financial statements and the percentage of ownership.

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor Company	Investee Company	Relationship	Transaction Type	Total Operating Expenses		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
				Amount	%		Payment Terms	Comparison with Normal Transactions	Ending Balance	%		
The Company	Sitronix Technology (Shenzhen) Co., Ltd.	from the parent company to the subsidiary	Professional service fees	\$ 50,914	11%	Calculated based on the contract	Calculated based on the contract	No related similar transactions to follow	\$ -	-	\$ -	—