

# **Sitronix Technology Corporation**

**Parent Company Only Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

# Sitronix Technology Corporation

## Index

Items	Pages
Cover	1
Index	2
Independent Auditors' Report	3-5
Parent Company Only Balance Sheets	6
Parent Company Only Statements of Comprehensive Income	7-8
Parent Company Only of Changes in Equity	9
Parent Company Only of Cash Flows	10-11
Notes to Parent Company Only Financial Statements	12-86

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and the Shareholders  
Sitronix Technology Corporation

### **Opinion**

We have audited the accompanying financial statements of Sitronix Technology Corporation (the Company), which comprise the balance sheets as of December 31, 2025 and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Company's parent company only financial statements for the year ended December 31, 2025 are stated as follows:

#### Recognition of sales revenue

The Company's main source of revenue comes from the sale of goods, please refer to Notes 4 and 22 for information on the accounting policies of revenue recognition. Such revenue is recognized when the goods are transferred to the customer and the performance obligations are met. The revenue recognition process is that after receiving customers' orders and checking the transaction conditions, the business unit creates a manufacturing notice in the system, and enters into the production schedule after obtaining the approval from the supervisor. As soon as the production is completed, then the production unit would issue packing lists and invoices from the system, and the Company would obtain a signed packing list or the bill of ladings from the shipping companies when those shipping companies pick up the goods, then the system would check the shipping-related information, to generate the sales details. The accounting officers would recognize sales revenue according to the sales details.

We have assessed that the customers of the Company whose revenue significantly changed in 2025 are subject to the risk of validity of revenue recognition. Therefore, in order to confirm the validity of the Company's revenue recognition, we performed the following audit procedures on the sales transactions of these customers:

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

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 5, 2026

Notice to Readers

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

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

# SITRONIX TECHNOLOGY CORPORATION

## PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024		LIABILITIES AND EQUITY	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Notes 4, 6 and 29)	\$ 2,203,925	14	\$ 1,511,510	10	Financial liabilities at fair value through profit or loss (Notes 4, 7 and 29)	\$ 49,847	-	\$ 15,813	-
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 29)	272,203	2	211,814	2	Trade payables (Note 29)	1,153,282	8	1,035,369	7
Financial assets at fair value through other comprehensive income - current (Notes 4, 8, 10 and 29)	549,141	4	311,348	2	Trade payables to related parties (Notes 29 and 30)	551,219	4	411,868	3
Financial assets at amortized cost - current (Notes 4, 9, 29 and 31)	619,121	4	2,250,655	15	Accrued profit sharing bonus to employees' compensation and remuneration of directors (Note 23)	174,855	1	190,561	1
Notes receivable and trade receivables (Notes 4, 11, 22 and 29)	1,016,034	7	856,442	6	Other payables (Notes 19 and 29)	662,377	4	725,685	5
Trade receivables from related parties (Notes 4, 22, 29 and 30)	111,424	1	41,600	-	Other payables to related parties (Notes 29 and 30)	13,561	-	14,572	-
Other receivables (Notes 4, 11 and 29)	66,855	-	150,698	1	Current tax liabilities (Notes 4 and 24)	214,991	2	135,460	1
Other receivables from related parties (Notes 4, 29 and 30)	57,115	-	38,382	-	Lease liabilities - current (Notes 4, 15, 27 and 29)	12,737	-	26,725	-
Inventories (Notes 4 and 12)	1,292,885	9	1,114,522	8	Other current liabilities (Notes 19, 22 and 29)	59,523	-	78,919	1
Prepayments (Notes 18, 30 and 31)	84,962	1	85,760	1					
Other current assets (Notes 4, 18 and 29)	27,612	-	18,041	-	Total current liabilities	2,892,392	19	2,634,972	18
Total current assets	6,301,277	42	6,590,772	45	<b>NON-CURRENT LIABILITIES</b>				
<b>NON-CURRENT ASSETS</b>					Deferred tax liabilities (Notes 4 and 24)	6,629	-	5,662	-
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 29)	308,689	2	239,264	2	Lease liabilities - non-current (Notes 4, 15, 27 and 29)	-	-	12,737	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8 and 29)	1,166,860	7	918,286	6	Net defined benefit liabilities - non-current (Notes 4 and 20)	9,389	-	14,901	-
Investment accounted for using the equity method (Notes 4, 13, 26 and 30)	6,225,974	41	5,687,709	39	Other non-current liabilities (Notes 4, 19, 27, 29, 30 and 32)	40,461	-	58,478	1
Property, plant and equipment (Notes 4 and 14)	587,757	4	568,447	4	Total non-current liabilities	56,479	-	91,778	1
Right-of-use assets (Notes 4 and 15)	12,344	-	38,604	-	Total liabilities	2,948,871	19	2,726,750	19
Investment properties (Notes 4 and 16)	365,930	2	372,841	3	<b>EQUITY (Notes 4, 21 and 26)</b>				
Intangible assets (Notes 4 and 17)	110,881	1	91,939	1	Share capital				
Deferred tax assets - non-current (Notes 4 and 24)	820	-	2,623	-	Ordinary shares	1,201,369	8	1,201,369	8
Other non-current assets (Notes 4, 18, 29 and 32)	104,834	1	77,226	-	Capital surplus	2,060,909	14	2,075,699	14
Total non-current assets	8,884,089	58	7,996,939	55	Retained earnings				
					Legal reserve	2,537,139	17	2,351,222	16
					Special reserve	-	-	76,387	-
					Unappropriated earnings	6,275,327	41	6,076,690	42
					Total retained earnings	8,812,466	58	8,504,299	58
					Other equity				
					Exchange differences on translating the financial statement of foreign operations	58,748	-	33,861	-
					Unrealized gain on financial assets at fair value through other comprehensive income	262,842	2	101,742	1
					Total other equity	321,590	2	135,603	1
					Treasury shares	(159,839)	(1)	(56,009)	-
					Total equity	12,236,495	81	11,860,961	81
<b>TOTAL</b>	<b>\$ 15,185,366</b>	<b>100</b>	<b>\$ 14,587,711</b>	<b>100</b>	<b>TOTAL</b>	<b>\$ 15,185,366</b>	<b>100</b>	<b>\$ 14,587,711</b>	<b>100</b>

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

# SITRONIX TECHNOLOGY CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
NET REVENUE (Notes 4, 22 and 30)	\$ 10,662,649	100	\$ 10,657,884	100
OPERATING COSTS (Notes 4, 12, 23, 30 and 32)	<u>7,754,483</u>	<u>73</u>	<u>7,713,631</u>	<u>72</u>
GROSS PROFIT	<u>2,908,166</u>	<u>27</u>	<u>2,944,253</u>	<u>28</u>
OPERATING EXPENSES (Notes 4, 20, 23 and 30)				
Selling and marketing expenses	164,800	2	207,489	2
General and administrative expenses	254,412	2	237,249	2
Research and development expenses	1,419,018	13	1,366,080	13
Expected credit gain	( 12,000 )	-	-	-
Total operating expenses	<u>1,826,230</u>	<u>17</u>	<u>1,810,818</u>	<u>17</u>
OTHER OPERATING INCOME AND EXPENSES (Notes 4, 15, 23 and 30)	<u>1,872</u>	<u>-</u>	<u>16,561</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>1,083,808</u>	<u>10</u>	<u>1,149,996</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 13, 23 and 30)				
Interest income	69,896	1	83,261	1
Other income	89,226	1	73,885	1
Other gains and losses	22,120	-	31,787	-
Finance costs	( 410 )	-	( 775 )	-
Share of profit of subsidiaries	<u>592,826</u>	<u>5</u>	<u>678,953</u>	<u>6</u>
Total non-operating income and expenses	<u>773,658</u>	<u>7</u>	<u>867,111</u>	<u>8</u>
INCOME BEFORE INCOME TAX	1,857,466	17	2,017,107	19
INCOME TAX EXPENSE (Notes 4 and 24)	<u>112,428</u>	<u>1</u>	<u>168,896</u>	<u>2</u>
NET INCOME FOR THE YEAR	<u>1,745,038</u>	<u>16</u>	<u>1,848,211</u>	<u>17</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 20 and 21)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	2,458	-	9,227	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	133,470	1	81,715	1
Share of the other comprehensive (loss) income of subsidiaries accounted for using the equity method	31,251	1	87,096	1

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# SITRONIX TECHNOLOGY CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating the financial statements of foreign operations	\$ 24,887	-	\$ 36,619	-
Unrealized (loss) gain on investments in debt instruments at fair value through other comprehensive income	( 635 )	-	2,164	-
Share of the other comprehensive (loss) income of subsidiaries accounted for using the equity method	( 673 )	-	6,080	-
Other comprehensive (loss) income for the year, net of income tax	<u>190,758</u>	<u>2</u>	<u>222,901</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,935,796</u>	<u>18</u>	<u>\$ 2,071,112</u>	<u>19</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 14.66</u>		<u>\$ 15.42</u>	
Diluted	<u>\$ 14.54</u>		<u>\$ 15.31</u>	

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

(Concluded)

**SITRONIX TECHNOLOGY CORPORATION**

**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)**

	Share Capital (Notes 4 and 21)		Capital Surplus (Notes 21 and 26)	Retained Earnings (Note 21)			Other Equity (Notes 4 and 21)		Treasury Share (Note 21)	Total Equity
	Number of Shares (In Thousands)	Amount		Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 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
Appropriation of 2023 earnings										
Legal reserve	-	-	-	186,117	-	( 186,117)	-	-	-	-
Special reserve	-	-	-	-	( 211,838)	211,838	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	( 1,441,642)	-	-	-	( 1,441,642)
Other changes in capital surplus										
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	3,349	-	-	-	-	-	-	3,349
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	15,189	-	-	-	-	-	-	15,189
Changes in percentage of ownership interests in subsidiaries	-	-	217,712	-	-	-	-	53	-	217,765
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	1,736	-	( 1,736)	-	-
Net income for the year ended December 31, 2024	-	-	-	-	-	1,848,211	-	-	-	1,848,211
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	9,227	36,619	177,055	-	222,901
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	1,857,438	36,619	177,055	-	2,071,112
BALANCE AT DECEMBER 31, 2024	120,137	1,201,369	2,075,699	2,351,222	76,387	6,076,690	33,861	101,742	( 56,009)	11,860,961
Appropriation of 2024 earnings										
Legal reserve	-	-	-	185,917	-	( 185,917)	-	-	-	-
Special reserve	-	-	-	-	( 76,387)	76,387	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	( 1,441,642)	-	-	-	( 1,441,642)
Other changes in capital surplus										
Adjustment of capital surplus due to dividends distributed to subsidiaries	-	-	5,813	-	-	-	-	-	-	5,813
Differences between consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	-	-	( 32,661)	-	-	-	-	-	-	( 32,661)
Changes in percentage of ownership interests in subsidiaries	-	-	11,363	-	-	-	-	-	-	11,363
The Company's shares held by its subsidiaries treated as treasury shares	-	-	-	-	-	-	-	-	( 118,346)	( 118,346)
Disposal of the Company's shares by its subsidiaries treated as treasury share transactions	-	-	695	-	-	-	-	-	14,516	15,211
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	2,313	-	( 2,313)	-	-
Net income for the year ended December 31, 2025	-	-	-	-	-	1,745,038	-	-	-	1,745,038
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	2,458	24,887	163,413	-	190,758
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	1,747,496	24,887	163,413	-	1,935,796
BALANCE AT DECEMBER 31, 2025	120,137	\$ 1,201,369	\$ 2,060,909	\$ 2,537,139	\$ -	\$ 6,275,327	\$ 58,748	\$ 262,842	(\$ 159,839)	\$ 12,236,495

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

# SITRONIX TECHNOLOGY CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,857,466	\$ 2,017,107
Adjustments for:		
Depreciation expense	199,799	172,933
Amortization expense	54,791	57,795
Expected credit gain recognized on trade receivables	( 12,000)	-
Net gain on fair value changes of financial assets and liabilities designated as at fair value through profit or loss	( 22,234)	( 22,439)
Finance costs	410	775
Interest income	( 69,896)	( 83,261)
Dividend income	( 41,371)	( 22,575)
Share of profits of subsidiaries	( 592,826)	( 678,953)
Net gain on disposal of property, plant and equipment	-	( 14,786)
Write down of inventories recognized	35,500	10,500
Impairment loss	7,074	-
Realized gains with subsidiaries	( 13,115)	( 15,738)
Unrealized net loss on foreign currency exchange	32,479	24,834
Changes in operating activities assets and liabilities		
Notes receivable and trade receivables	( 133,678)	( 11,448)
Receivables from related parties	( 69,016)	( 12,629)
Other receivables	88,152	( 56,098)
Other receivables from related parties	( 8,979)	( 4,513)
Inventories	( 213,863)	( 205,673)
Prepayments	798	( 12,353)
Other current assets	( 9,571)	( 7,355)
Trade payables	101,752	532,322
Payables to related parties	133,675	44,193
Other payables	( 54,014)	( 46,507)
Other payables to related parties	( 1,011)	6,533
Provisions	( 44)	-
Other current liabilities	( 19,396)	7,724
Net defined benefit liabilities	( 3,054)	( 2,227)
Accrued profit sharing bonus to employees' compensation and remuneration of directors	( 15,706)	173
Cash generated from operations	1,232,122	1,678,334
Interest received	71,516	86,791
Interest paid	( 404)	( 770)
Income tax paid	( 28,567)	( 322,764)
Net cash generated from operating activities	<u>1,274,667</u>	<u>1,441,591</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	( 366,815)	( 250,652)
Disposal of financial assets at fair value through other comprehensive income	13,257	34,500
Purchase of financial assets measured at amortized cost	( 1,319,121)	( 2,807,811)
Proceeds from the return of principle of financial assets at amortized cost	2,949,630	1,449,235
Acquisition of financial assets at fair value through profit or loss	( 260,267)	( 345,526)
Disposal of financial assets at fair value through profit or loss	180,702	546,788
Acquisition of property, plant and equipment	( 221,577)	( 213,572)

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# SITRONIX TECHNOLOGY CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Proceeds from disposal of property, plant and equipment	\$ 16	\$ 14,831
Increase in refundable deposits	( 3)	( 186)
Decrease in refundable deposits	378	58,791
Increase in other receivables from related parties	( 9,486)	( 12,937)
Acquisition of intangible assets	( 73,849)	( 53,149)
Dividends received	<u>642,307</u>	<u>563,941</u>
Net cash generated from (used in) investing activities	<u>1,535,172</u>	<u>( 1,015,747)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in guarantee deposits	-	250
Decrease in guarantee deposits	( 14,051)	( 20,288)
Repayment of the principal portion of lease liabilities	( 26,725)	( 26,649)
Cash dividends distributed	( 1,441,642)	( 1,441,642)
Acquisition of subsidiaries	( 701,439)	( 434,266)
Disposal of ownership interests in subsidiaries (without losing control)	<u>97,950</u>	<u>20,000</u>
Net cash used in financing activities	<u>( 2,085,907)</u>	<u>( 1,902,595)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>( 31,517)</u>	<u>29,028</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	692,415	( 1,447,723)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,511,510</u>	<u>2,959,233</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,203,925</u>	<u>\$ 1,511,510</u>

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

(Concluded)

# SITRONIX TECHNOLOGY CORPORATION

## NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 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 (R.O.C.) 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 market increase 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 parent company only financial statements are presented in the Company's functional currency, the New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Company's board of directors and authorized for issue on March 5, 2026.

### 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, "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 Company's accounting policies.

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 International Accounting Standards Board (IASB)</u>
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 "Insurance Contracts" (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the accompanying parent company only financial statements were authorized for issue, the Company has assessed that the application of other standards will not have a material impact on the Company's 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><u>New, Amended and Revised Standards and Interpretations</u></b>	<b><u>Effective Date Issued by IASB (Note 1)</u></b>
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 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	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.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

1) IFRS 18 "Presentation and Disclosure in Financial Statements" and consequential amendments

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Company shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- 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 Company 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 Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company 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 Company as a whole, the Company 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.

In addition, the following consequential amendments have been made to IAS 7 "Statement of Cash Flows":

- The Company shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Company has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the date the accompanying parent company only financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company'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 parent company only financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

##### **b. Basis of preparation**

The accompanying parent company only 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.

When preparing the parent company only financial statements, the Company accounted for subsidiaries and associates by using the equity method. In order for the amount of net income, other comprehensive income and equity in the parent company only financial statements to agree with the amount attributable to shareholders of the parent in the consolidated financial statements, the difference in the accounting treatment between the parent company only basis and the consolidated basis are adjusted under the heading of investments accounted for using the equity method, share of profits of subsidiaries and share of other comprehensive income of subsidiary in the parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign currencies

In preparing the parent company only financial statements transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

e. Cash equivalents

Cash equivalents include bonds with repurchase agreements or time deposits with original maturities of three months or less, which are highly liquid, readily convertible to a known amount of cash, and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

f. Inventories

Inventories consist of raw materials, work in progress, finished goods and merchandise, and are stated at the lower of cost and net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

g. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

Subsidiaries are the entities controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary after the date of acquisition. Besides, the Company also recognizes the Company's share of the change in other equity of the subsidiary.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are equity transactions. Any difference between the carrying amount of the subsidiary and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further losses.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the entire financial statements of the invested company. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes the reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Profits or losses resulting from downstream transactions are eliminated in full only in the parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized only in the parent company financial statements only to the extent of interests in the subsidiaries that are not related to the Company.

h. Property, plant and equipment

Property, plant and equipment are initially stated at cost and subsequently stated at cost less recognized accumulated depreciation and accumulated impairment loss.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

Investment properties is transferred to property, plant and equipment at the carrying amount on the day when the supply for self-use begins.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use assets, investment properties and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment properties and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

## 1. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

### 1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis.

#### a) Measurement category

Financial assets are classified into the following categories: financial assets at FVTPL, financial assets at amortized cost, investments in debt instruments at FVTOCI and investments in equity instruments at FVTOCI.

##### i. Financial assets at FVTPL

Financial assets measured at FVTPL were financial assets mandatorily measured as at FVTPL. Financial assets mandatorily measured at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 29.

##### ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost (including cash and cash equivalents, accounts receivable, other receivables measured at amortized cost, time deposits with original maturities of over 3 months, pledged fixed deposits, and refundable deposits) and are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset.

A credit-impaired financial asset is one where the issuer or debtor has experienced significant financial difficulties, defaults, the debtor is likely to file for bankruptcy or other financial reorganization, or the active market for the financial asset has disappeared due to financial difficulties.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends are recognized in profit and loss when the Company's right to receive the dividends is established, unless they clearly represent a recovery of part of the cost of the investment, in which case, they are included in OCI.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables) and, investments in debt instruments that are measured at FVTOCI.

The Company always recognizes lifetime expected credit losses (i.e. ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from

default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and does not reduce the carrying amount of such a financial asset.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset to another party.

Derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. Its carry amounts are calculated based on weighted average by stock types and calculated separately according to the reasons for withdrawal. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situation, all financial liabilities are measured at amortized cost using the effective interest method:

i. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading or are designated as at FVTPL.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss.

Fair value is determined in the manner described in Note 29.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency swaps and foreign exchange forward contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 “Financial instruments” are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

m. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Decommissioning and restoration obligation

Pursuant to the lease agreement, the Company has an obligation, at the end of the respective lease terms, to restore the leased plant assets to their original condition at the time of the lease. Provisions are recognized based on the present value of the best estimate of future outflows of economic benefits that will be required for fulfillment of the restoration obligation stated on the lease contract.

n. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

1) Sale of goods

Revenue from the sale of goods comes from sales of integrated circuits. Sales of integrated circuits are recognized as revenue when the goods are delivered to the customer’s specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence.

The Company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

2) Rendering of services

Service income is recognized when services are provided.

o. Leasing

At the inception of a contract, the Company assesses whether the contract is, or contain a lease.

1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Company subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Company, as a lessee, has accounted for applying the recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are presented on a separate line in the parent company only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in future lease payments resulting from a change in the lease terms, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

## 2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and rereasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, past service cost) and net interest on the net defined benefit liabilities are recognized as employee benefits expense in the period in which they occur. Rereasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Rereasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities represent the actual deficit in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

## q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### 1) Current tax

According to the Income Tax Act, an additional tax on unappropriated earnings is provided for as income tax in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

### 2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused tax credits for purchases of machinery, equipment and technology, research and development expenditures and personnel training expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

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

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Company 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.

Based on the assessment of the Company's management, the accounting policies, estimates, and assumptions adopted by the Company have not been subject to material accounting judgements, estimates and assumptions uncertainty.

## 6. CASH AND CASH EQUIVALENTS

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Cash on hand	\$ 62	\$ 73
Checking and demand deposits	235,043	186,544
Cash equivalents		
Time deposits	1,396,444	1,145,772
Bonds with repurchase agreements	572,376	179,121
	<u>\$ 2,203,925</u>	<u>\$ 1,511,510</u>

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Time deposits	1.575%~3.780%	1.700%~4.430%
Bonds with repurchase agreements	1.320%~1.610%	1.300%~1.600%

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

	December 31	
	2025	2024
<u>Financial assets at FVTPL - current</u>		
Mandatorily measured at FVTPL		
Derivative financial assets		
Foreign exchange forward contracts and foreign exchange swap contracts	\$ 57,168	\$ 19,746
Credit linked notes - linked to corporate bonds	76,727	55,244
Non-derivative financial assets		
Domestic mutual fund investments	62,192	56,785
Convertible bonds	75,355	58,732
Domestic listed shares	761	697
Exchangeable bonds	-	20,610
	<u>\$ 272,203</u>	<u>\$ 211,814</u>

### Financial assets at FVTPL - non-current

Mandatorily measured at FVTPL		
Derivative financial assets		
Credit linked notes - linked to corporate bonds	\$ 143,815	\$ 85,299
Non-derivative financial assets		
Exchangeable bonds	9,815	9,580
Limited partnership	155,059	144,385
	<u>\$ 308,689</u>	<u>\$ 239,264</u>

### Financial liabilities at FVTPL - current

Mandatorily measured at FVTPL		
Derivative financial liabilities		
Foreign exchange forward contracts and foreign exchange swap contracts	\$ 49,847	\$ 15,813

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

	<u>Currency</u>	<u>Maturity Date</u>	<u>Notional Amount (In Thousands)</u>
<u>December 31, 2025</u>			
Sell forward exchange contracts	USD/NTD	2026.01.27~2026.08.19	US\$32,000/NT\$956,003
Buy forward exchange contracts	NTD/USD	2026.01.28~2026.08.17	NT\$948,682/US\$32,000
<u>December 31, 2024</u>			
Sell forward exchange contracts	USD/NTD	2025.01.09~2025.08.06	US\$17,000/NT\$541,532
Buy forward exchange contracts	NTD/USD	2025.01.13~2025.08.04	NT\$537,599/US\$17,000

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

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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Investments in equity instruments at FVTOCI	\$ 549,141	\$ 311,348
<u>Non-current</u>		
Investments in equity instruments at FVTOCI	\$ 1,053,966	\$ 804,731
Investments in debt instruments at FVTOCI	112,894	113,555
	<u>\$ 1,166,860</u>	<u>\$ 918,286</u>

### a. Investments in equity instruments at FVTOCI

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Current</u>		
Domestic investments		
Listed shares (1) 、(2) 、(3) and (4)	\$ 539,776	\$ 300,926
Foreign investments		
Listed shares (1) 、(3) and (4)	9,365	10,422
	<u>\$ 549,141</u>	<u>\$ 311,348</u>
<u>Non-current</u>		
Domestic investments		
Unlisted equity investments (1) 、(2) and (3)	\$ 659,938	\$ 421,800
Foreign investments		
Unlisted equity investments (1)	394,028	382,931
	<u>\$ 1,053,966</u>	<u>\$ 804,731</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 Company's strategy of holding these investments for purposes.
- 2) In 2025, the Company acquired domestic unlisted equity investments at \$160,000 thousand and acquired the ordinary shares of domestic listed at \$206,815 thousand. The management designated these investments as at FVTOCI due to their strategic investment purposes.
- 3) In 2024, the Company acquired domestic unlisted equity investments at \$220,000 thousand and acquired the ordinary shares of domestic and foreign listed at \$42,727 thousand. The management designated these investments as at FVTOCI due to their strategic investment purposes.
- 4) In order to manage credit concentration risk, the Company sold its ordinary shares of domestic and foreign listed companies for the years ended December 31, 2025 and 2024 in the amounts of \$13,257 thousand and \$34,500 thousand, respectively; and transferred a (loss) gain of \$2,314 thousand and \$103 thousand from other equity to increase retained earnings, respectively.

- 5) Dividends of \$38,170 thousand and \$20,775 thousand were recognized for the years ended December 31, 2025 and 2024, respectively, the amounts related to investments that had been derecognized by the end of the year were \$1,464 thousand and \$1,380 thousand, respectively, while the amounts related to investments still held on December 31, 2025 and 2024 were \$36,706 thousand and \$19,395 thousand, respectively.

b. Investments in debt instruments at FVTOCI

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Non-Current</u>		
Domestic corporate bonds	\$ 49,855	\$ 49,472
Foreign corporate bonds	63,039	64,083
	<u>\$ 112,894</u>	<u>\$ 113,555</u>

**9. FINANCIAL ASSETS AT AMORTIZED COST**

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Current</u>		
Domestic investments		
Time deposits with original maturities of more than 3 months (a)	\$ 589,000	\$ 2,188,000
Pledged fixed deposits (b)	30,121	29,811
	619,121	2,217,811
Foreign investments		
Foreign corporate bonds (c)	-	32,844
	<u>\$ 619,121</u>	<u>\$ 2,250,655</u>

- a. The interest rates for time deposits with original maturities of more than 3 months ranged from 1.540%~1.745% and 1.440%~1.720% per annum as of December 31, 2025 and 2024, respectively.
- b. Refer to Note 31 for information relating to investments in financial assets at amortized cost pledged as security.
- c. In August 2016, the Company purchased the priority unsecured US dollar debt issued by Formosa Group (Cayman) Limited at US\$1,028 thousand, the bonds bear a coupon rate of 3.375% and matured on April 22, 2025.

**10. CREDIT RISK MANAGEMENT OF DEBT INSTRUMENT INVESTMENTS**

The Company's debt instruments are financial assets at fair value through other comprehensive income and at amortized cost:

December 31, 2025

	<b>At Fair Value Through Other Comprehensive Income</b>	<b>At Amortized Cost</b>
Gross carrying amount	\$ 111,221	\$ -
Allowance for impairment loss	-	-
Amortized cost	111,221	\$ -
Adjustment to fair value	1,673	
	<u>\$ 112,894</u>	

December 31, 2024

	<b>At Fair Value Through Other Comprehensive Income</b>	<b>At Amortized Cost</b>
Gross carrying amount	\$ 111,247	\$ 32,844
Allowance for impairment loss	-	-
Amortized cost	111,247	<u>\$ 32,844</u>
Adjustment to fair value	<u>2,308</u>	
	<u>\$ 113,555</u>	

The Company only invests in debt instruments with a credit rating of investment grade or higher and that are considered to have low credit risk under impairment assessment. The credit rating information is provided by independent rating agencies. The Company continuously monitor external rating information to track changes in the credit risk of the invested debt instruments. Additionally, the Company review other information such as bond yield curves and significant disclosures from debtors to assess whether there has been a significant increase in credit risk since initial recognition.

In assessing the 12-month expected credit loss or lifetime expected credit loss of debt instrument investments, the Company considers the historical default probabilities and loss give default associated with each rating category provided by external rating agencies, the current financial status of the debtor, and the industry outlook in which the debtor operates.

The Company's current credit risk rating framework is as follows:

<b>Credit Rating</b>	<b>Definition</b>	<b>Basis for Expected Credit Loss Recognition</b>
Performing	Less than 30 days past due, the debtor has low credit risk and sufficient ability to meet contractual cash flows	12-month expected credit loss

Gross carrying amount and applicable expected credit loss rate of investments in debt instruments are as follows:

December 31, 2025

<b>Credit Rating</b>	<b>Expected Credit Loss Rate</b>	<b>Gross Carrying Amount</b>	
		<b>At Fair Value Through Other Comprehensive Income</b>	<b>At Amortized Cost</b>
Performing	0%~1%	\$ 111,221	\$ -

December 31, 2024

<b>Credit Rating</b>	<b>Expected Credit Loss Rate</b>	<b>Gross Carrying Amount</b>	
		<b>At Fair Value Through Other Comprehensive Income</b>	<b>At Amortized Cost</b>
Performing	0%~1%	\$ 111,247	\$ 32,844

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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes receivable</u>		
At amortized cost		
Gross carrying amount	\$ 381	\$ 79
Less: Allowance for impairment loss	-	-
	<u>\$ 381</u>	<u>\$ 79</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 1,021,225	\$ 873,935
Less: Allowance for impairment loss	( 5,572)	( 17,572)
	<u>\$ 1,015,653</u>	<u>\$ 856,363</u>
<u>Other receivables</u>		
Income tax refund receivable	\$ 53,408	\$ 142,687
Others	13,447	8,011
	<u>\$ 66,855</u>	<u>\$ 150,698</u>

The credit period of sales of goods was 10~115 days. No interest was charged on trade receivables. The Company 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 Company uses other publicly available financial information or its own historical trading records to rate its major customers. The Company'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 Company annually.

The Company 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 Company'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 Company's different customer base.

The Company 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 Company 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 Company's provision matrix:

### December 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	0.15%	100%	-	100%	
Gross carrying amount	\$ 1,017,537	\$ 172	\$ -	\$ 3,897	\$ 1,021,606
Loss allowance (Lifetime ECLs)	( 1,503)	( 172)	-	( 3,897)	( 5,572)
Amortized cost	<u>\$ 1,016,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,016,034</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	0.44%	100%	-	100%	
Gross carrying amount	\$ 860,216	\$ 9,733	\$ -	\$ 4,065	\$ 874,014
Loss allowance (Lifetime ECLs)	( 3,774)	( 9,733)	-	( 4,065)	( 17,572)
Amortized cost	<u>\$ 856,442</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 856,442</u>

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

	<u>Years Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 17,572	\$ 17,572
Reversal of expected credit loss	( 12,000)	-
Balance at December 31	<u>\$ 5,572</u>	<u>\$ 17,572</u>

Compared with January 1, 2025, the total carrying amount of notes receivable and trade receivables as of December 31, 2025 increased by a net amount of \$147,592 thousand, and the loss allowance decreased by \$12,000 thousand; compared with January 1, 2024, the total carrying amount of notes receivable and trade receivables as of December 31, 2024 increased by a net amount of \$42,323 thousand, and the loss allowance did not change.

## 12. INVENTORIES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Finished goods	\$ 452,873	\$ 361,073
Work in progress	730,696	628,035
Raw materials	109,316	125,410
Merchandise	-	4
	<u>\$ 1,292,885</u>	<u>\$ 1,114,522</u>

Cost of goods sold is defined as follows:

	<u>Years Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Cost of inventories sold	\$ 7,766,017	\$ 7,730,665
Allowance for inventory valuation loss	35,500	10,500
Others	( 47,034)	( 27,534)
	<u>\$ 7,754,483</u>	<u>\$ 7,713,631</u>

## 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<b><u>Investments in subsidiaries</u></b>		
Sensortek Technology Corp.	\$ 1,802,467	\$ 1,954,146
Forcelead Technology Corp.	1,523,778	1,494,717
		(Continued)

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Sitronix Investment Corp.	\$ 367,841	\$ 357,270
CELEFIDE CO., LTD.	406,245	506,013
mCore Technology Corp.	132,004	142,516
Sync-Tech System Corp.	681,671	628,388
Sitronix Holding International Ltd.	246,831	243,388
Sitronix Global Limited	845,558	-
INFSitronix Technology Corp.	102,849	33,926
Sitronix Technology (Shenzhen) Co., Ltd.	41,035	34,085
HeFei Sitronix Technology Co., Ltd.	-	154,219
ezGreen Inc.	20,840	60,220
HeFei ezGreen Co., Ltd.	19,053	22,879
Seer Microelectronics, Inc.	35,802	55,942
	<u>\$ 6,225,974</u>	<u>\$ 5,687,709</u>
		(Concluded)

<b>Name of Subsidiaries</b>	<b>Proportion of Ownership and Voting Rights</b>	
	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Sensortek Technology Corp.	46.31%	46.06%
Forcelead Technology Corp.	55.80%	55.10%
Sitronix Investment Corp.	100.00%	100.00%
CELEFIDE CO., LTD.	90.00%	90.00%
mCore Technology Corp.	100.00%	90.73%
Sync-Tech System Corp.	45.11%	45.48%
Sitronix Holding International Ltd.	100.00%	100.00%
Sitronix Global Limited	100.00%	-
INFSitronix Technology Corp.	82.32%	58.42%
Sitronix Technology (Shenzhen) Co., Ltd.	100.00%	100.00%
HeFei Sitronix Technology Co., Ltd.	-	100.00%
ezGreen Inc.	100.00%	100.00%
HeFei ezGreen Co., Ltd.	100.00%	100.00%
Seer Microelectronics, Inc.	72.66%	72.66%

As of December 31, 2025, and 2024, the Company's shareholding ratio of Sensortek Technology Corp. were 46.31% and 46.06%, respectively. Since Sensortek Technology Corp. is a TPEX listed company in the Republic of China, the remaining 53.69% and 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 Company 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 December 31, 2025, and 2024, the Company's shareholding ratio of Sync-Tech System Corp. were 45.11% and 45.48%, 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 Company 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 Company'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 holds 100% ownership of mCore Technology Corp. in July 2025.

On October 31, 2024, to meet operational needs, the Company's Board of Directors approved a plan to adjust the investment structure. Accordingly, in May 2025, the Company increased its investment in its subsidiary, Sitronix Global Limited, by CNY 35,000 thousand and sold HeFei Sitronix Technology Co., Ltd. to Sitronix Global Limited, and the Company further increased its investment in Sitronix Global Limited by CNY 100,000 thousand in June 2025.

#### 14. PROPERTY, PLAT AND EQUIPMENT

	<u>Freehold Land</u>	<u>Buildings</u>	<u>Machinery Equipment</u>	<u>Test Equipment</u>	<u>Office Equipment</u>	<u>Total</u>
<u>Cost</u>						
Balance at January 1, 2024	\$ 90,577	\$ 334,021	\$ 77,385	\$ 506,864	\$ 5,473	\$ 1,014,320
Additions	-	784	7,249	158,736	3,656	170,425
Disposals	-	( 157)	( 8,706)	( 77,383)	( 838)	( 87,084)
Balance at December 31, 2024	<u>\$ 90,577</u>	<u>\$ 334,648</u>	<u>\$ 75,928</u>	<u>\$ 588,217</u>	<u>\$ 8,291</u>	<u>\$ 1,097,661</u>
<u>Accumulated depreciation</u>						
Balance at January 1, 2024	\$ -	\$ 127,723	\$ 52,844	\$ 292,731	\$ 3,457	\$ 476,755
Depreciation expense	-	8,480	9,824	120,563	631	139,498
Disposals	-	( 157)	( 8,661)	( 77,383)	( 838)	( 87,039)
Balance at December 31, 2024	<u>\$ -</u>	<u>\$ 136,046</u>	<u>\$ 54,007</u>	<u>\$ 335,911</u>	<u>\$ 3,250</u>	<u>\$ 529,214</u>
Carrying amount at December 31, 2024	<u>\$ 90,577</u>	<u>\$ 198,602</u>	<u>\$ 21,921</u>	<u>\$ 252,306</u>	<u>\$ 5,041</u>	<u>\$ 568,447</u>
<u>Cost</u>						
Balance at January 1, 2025	\$ 90,577	\$ 334,648	\$ 75,928	\$ 588,217	\$ 8,291	\$ 1,097,661
Additions	-	5,984	5,239	168,250	6,481	185,954
Disposals	-	-	( 4,311)	( 761)	( 30)	( 5,102)
Balance at December 31, 2025	<u>\$ 90,577</u>	<u>\$ 340,632</u>	<u>\$ 76,856</u>	<u>\$ 755,706</u>	<u>\$ 14,742</u>	<u>\$ 1,278,513</u>
<u>Accumulated depreciation</u>						
Balance at January 1, 2025	\$ -	\$ 136,046	\$ 54,007	\$ 335,911	\$ 3,250	\$ 529,214
Depreciation expense	-	9,205	10,138	145,769	1,516	166,628
Disposals	-	-	( 4,295)	( 761)	( 30)	( 5,086)
Balance at December 31, 2025	<u>\$ -</u>	<u>\$ 145,251</u>	<u>\$ 59,850</u>	<u>\$ 480,919</u>	<u>\$ 4,736</u>	<u>\$ 690,756</u>
Carrying amount at December 31, 2025	<u>\$ 90,577</u>	<u>\$ 195,381</u>	<u>\$ 17,006</u>	<u>\$ 274,787</u>	<u>\$ 10,006</u>	<u>\$ 587,757</u>

In 2025 and 2024, the impairment loss was not recognized or reversed.

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

Buildings	
Main buildings	50~51 years
Renovation construction / Lease improvement	5 years
Machinery equipment	3~4 years
Test equipment	3~6 years
Office equipment	5~6 years

## 15. LEASE ARRANGEMENTS

### a. Right-of-use assets

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Carrying amount</u>		
Buildings	\$ 12,173	\$ 36,809
Office equipment	171	1,795
	<u>\$ 12,344</u>	<u>\$ 38,604</u>
	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ 874</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 24,636	\$ 24,615
Office equipment	1,624	1,910
	<u>\$ 26,260</u>	<u>\$ 26,525</u>
Income from the subleasing of right-of-use assets (classified under other operating income and expenses)	<u>\$ 1,872</u>	<u>\$ 1,775</u>

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

### b. Lease liabilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Carrying amount</u>		
Current	\$ 12,737	\$ 26,725
Non-current	<u>\$ -</u>	<u>\$ 12,737</u>

Range of discount rates for lease liabilities was as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Buildings	1.345%~2.240%	1.345%~2.240%
Office equipment	1.980%~2.115%	1.720%~2.115%

### c. Material lease activities and terms

The Company leases various assets including buildings and office equipment with lease terms between 2~5 years. The leased buildings includes factory and offices, and the leased office equipment includes rental cars. The Company 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.

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Expenses relating to short-term leases	\$ 3,055	\$ 3,099
Expenses relating to low-value asset leases	\$ 86	\$ 82
Total cash outflow for leases	\$ 30,208	\$ 30,543

The Company's leases of certain parking spaces qualify as short-term leases and leases of machinery qualify as low-value asset leases. The Company 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**

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1 and December 31, 2024	\$ 121,957	\$ 351,177	\$ 473,134
<u>Accumulated depreciation</u>			
Balance at January 1, 2024	\$ -	\$ 93,383	\$ 93,383
Depreciation expense	-	6,910	6,910
Balance at December 31, 2024	\$ -	\$ 100,293	\$ 100,293
Carrying amount at December 31, 2024	\$ 121,957	\$ 250,884	\$ 372,841
<u>Cost</u>			
Balance at January 1, 2025	\$ 121,957	\$ 351,177	\$ 473,134
Reclassification	-	( 600)	( 600)
Balance at December 31, 2025	\$ 121,957	\$ 350,577	\$ 472,534
<u>Accumulated depreciation</u>			
Balance at January 1, 2025	\$ -	\$ 100,293	\$ 100,293
Depreciation expense	-	6,911	6,911
Reclassification	-	( 600)	( 600)
Balance at December 31, 2025	\$ -	\$ 106,604	\$ 106,604
Carrying amount at December 31, 2025	\$ 121,957	\$ 243,973	\$ 365,930

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:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Year 1	\$ 23,036	\$ 24,310
Year 2	21,715	19,938

(Continued)

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Year 3	\$ 21,716	\$ 19,430
More than 3 years	-	19,430
	<u>\$ 66,467</u>	<u>\$ 83,108</u>

(Concluded)

Investment properties are depreciated using the straight-line method over their estimated useful lives of 50 years.

The determination of fair values of the Company'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 cost method and the weighted average of the income method and the market comparison method. The significant unobservable input used include the discount rate. Management of the Company had assessed and determined that, compared with December 31, 2024, there were no significant change in fair value of December 31, 2025.

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Fair value	<u>\$ 751,164</u>	<u>\$ 683,928</u>

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

## 17. INTANGIBLE ASSETS

	<b>Royalty</b>	<b>Computer Software</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2024	\$ 100,638	\$ 209,763	\$ 310,401
Acquired individually	15,172	38,420	53,592
Disposals	( 44)	( 34)	( 78)
Balance at December 31, 2024	<u>\$ 115,766</u>	<u>\$ 248,149</u>	<u>\$ 363,915</u>
<u>Accumulated amortization</u>			
Balance at January 1, 2024	\$ 88,036	\$ 126,223	\$ 214,259
Amortization expense	7,339	50,456	57,795
Disposals	( 44)	( 34)	( 78)
Balance at December 31, 2024	<u>\$ 95,331</u>	<u>\$ 176,645</u>	<u>\$ 271,976</u>
Carrying amount at December 31, 2024	<u>\$ 20,435</u>	<u>\$ 71,504</u>	<u>\$ 91,939</u>
<u>Cost</u>			
Balance at January 1, 2025	\$ 115,766	\$ 248,149	\$ 363,915
Acquired individually	11,243	62,490	73,733
Balance at December 31, 2025	<u>\$ 127,009</u>	<u>\$ 310,639</u>	<u>\$ 437,648</u>

(Continued)

	<u>Royalty</u>	<u>Computer Software</u>	<u>Total</u>
<u>Accumulated amortization</u>			
Balance at January 1, 2025	\$ 95,331	\$ 176,645	\$ 217,976
Amortization expense	7,361	47,430	54,791
Balance at December 31, 2025	<u>\$ 102,692</u>	<u>\$ 224,075</u>	<u>\$ 326,767</u>
Carrying amount at December 31, 2025	<u>\$ 24,317</u>	<u>\$ 86,564</u>	<u>\$ 110,881</u>

(Concluded)

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

Royalty	1~10 years
Computer software	2~6 years

An analysis of amortization by function:

	<u>Years Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
General and administrative expenses	\$ 3,244	\$ 3,967
Research and development expenses	51,547	53,828
	<u>\$ 54,791</u>	<u>\$ 57,795</u>

## 18. OTHER ASSETS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Prepayments</u>		
Input tax and offset against business tax	\$ 59,611	\$ 58,237
Prepaid probe cards	14,717	17,276
Prepayments	10,634	10,247
	<u>\$ 84,962</u>	<u>\$ 85,760</u>
<u>Other current assets</u>		
Payments on behalf	\$ 17,709	\$ 10,278
Provisional payments	9,533	7,362
Others	370	401
	<u>\$ 27,612</u>	<u>\$ 18,041</u>
<u>Other non-current assets</u>		
Prepayments for buildings and equipment	\$ 98,809	\$ 70,826
Refundable deposits	6,025	6,400
	<u>\$ 104,834</u>	<u>\$ 77,226</u>

Please refer to Note 32 for details of the contract terms related to the prepayments for buildings and the capacity guarantee agreements.

## 19. OTHER LIABILITIES

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Current</u>		
Other payables		
Payables for salaries and bonuses	\$ 453,037	\$ 470,847
Payables for research	15,071	11,265
Payables for equipment	12,611	20,250
Payables for intangible assets	332	448
Others	181,326	222,875
	<u>\$ 662,377</u>	<u>\$ 725,685</u>
Other liabilities		
Contract liabilities	\$ 53,372	\$ 72,648
Temporary receipts	22	21
Others	6,129	6,250
	<u>\$ 59,523</u>	<u>\$ 78,919</u>
<u>Non-current</u>		
Other non-current liabilities		
Guarantee deposits received	\$ 35,024	\$ 53,003
Decommissioning liabilities	5,437	5,475
	<u>\$ 40,461</u>	<u>\$ 58,478</u>

## 20. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

### b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts based on the actuarial report of the Company's defined benefit plans were as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Present value of defined benefit obligation	\$ 82,806	\$ 80,297

(Continued)

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Fair value of the plan assets	(\$ 73,417)	(\$ 65,396)
Net defined benefit liabilities	\$ 9,389	\$ 14,901
		(Concluded)

Movements in net defined benefit liabilities were as follows:

	<b>Present Value of Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit Liabilities</b>
Balance at January 1, 2024	\$ 93,558	(\$ 67,203)	\$ 26,355
Net interest expense (income)	1,050	( 749)	301
Recognized in profit or loss	1,050	( 749)	301
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	( 5,848)	( 5,848)
Actuarial gain - change in financial assumptions	( 3,150)	-	( 3,150)
Actuarial gain - experience adjustments	( 229)	-	( 229)
Recognized in other comprehensive income (loss)	( 3,379)	( 5,848)	( 9,227)
Contributions from the employer	-	( 2,528)	( 2,528)
Benefit payments	( 10,932)	10,932	-
Balance at December 31, 2024	80,297	( 65,396)	14,901
Service cost			
Past service cost	( 689)	-	( 689)
Net interest expense (income)	1,311	( 1,086)	225
Recognized in profit or loss	622	( 1,086)	( 464)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	( 4,506)	( 4,506)
Actuarial loss - change in financial assumptions	1,949	-	1,949
Actuarial loss - experience adjustments	99	-	99
Recognized in other comprehensive income (loss)	2,048	( 4,506)	( 2,458)
Contributions from the employer	-	( 2,590)	( 2,590)
Benefit payments	( 161)	161	-
Balance at December 31, 2025	\$ 82,806	(\$ 73,417)	\$ 9,389

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Selling and marketing expenses	\$ 24	\$ 38
General and administrative expenses	46	73
		(Continued)

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Research and development expenses	(\$ 534)	\$ 190
	(\$ 464)	\$ 301
		(Concluded)

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Discount rate	1.35%	1.65%
Expected rate of salary increase	4.00%	4.00%

If possible reasonable change in each of the significant actuarial assumptions occurs and all other assumptions remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Discount rate		
0.25% increase	(\$ 1,614)	(\$ 1,671)
0.25% decrease	\$ 1,667	\$ 1,727
Expected rate of salary increase		
0.25% increase	\$ 1,620	\$ 1,683
0.25% decrease	(\$ 1,577)	(\$ 1,638)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Expected contributions to the plan for the next year	\$ 2,526	\$ 2,548
Average duration of the defined benefit obligation	7 years	8 years

## 21. EQUITY

### a. Share capital

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

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<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
Conversion of bonds	335,041	335,041
Treasury share transactions	24,122	17,604
Differences between the consideration received and the carrying amount of subsidiaries' net assets during actual acquisitions or disposals	103,377	136,038
<u>May be used to offset a deficit only (2)</u>		
Changes in percentage of ownership interests in subsidiaries	1,196,384	1,185,021
	<u>\$ 2,060,909</u>	<u>\$ 2,075,699</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 accounted for using the equity method.

### c. Retained earnings and dividends policy

Under the dividends policy as set in the Company's Article of Incorporation (the "Article"), 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 23(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 were resolved by the shareholders in their meeting on May 29, 2025 and June 20, 2024, respectively.

The appropriation of earnings for 2025 had been proposed by the Company's board of directors on March 5, 2026. The appropriation and dividends per share were as follows:

	<b>Years Ended December 31, 2025</b>
Legal reserve	\$ 174,981
Special reserve	\$ 7,634
Cash dividends	\$ 1,381,574
Cash dividends per share (NT\$)	\$ 11.5

The aforementioned distribution of cash dividends has been resolved by the board of directors, and the rest has yet to be resolved at the shareholders' meeting to be held on May 25, 2026.

d. Special reserve

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 76,387	\$ 288,225
Reversals in respect of debits to other equity items	( 76,387 )	( 211,838 )
Balance at December 31	<u>\$ -</u>	<u>\$ 76,387</u>

e. Other equity items

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

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 33,861	(\$ 2,758)
Exchange differences on translation of financial statements of foreign operations	24,887	36,619
Balance at December 31	<u>\$ 58,748</u>	<u>\$ 33,861</u>

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

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 101,742	(\$ 73,630)
Recognized for the year		
Unrealized (loss) gain - debt instruments	( 635 )	2,164
Unrealized (loss) gain - equity instruments	133,470	81,715
Share from investments accounted for using the equity method	30,578	93,176
Cumulative unrealized (gain) loss of equity instruments transferred to retained earnings due to disposal	( 2,313 )	( 1,736 )
Changes in ownership interests in subsidiaries	-	53
Balance at December 31	<u>\$ 262,842</u>	<u>\$ 101,742</u>

f. Treasury shares

<b>The Company's shares held by its subsidiary</b>	<b>Number of Shares</b>
Number of shares at January 1, 2025	606,000
Increase for the year	1,357,000
Decrease for the year	( 132,000 )
Number of shares at December 31, 2025	<u>1,831,000</u>
Number of shares at January 1 and December 31, 2024	<u>606,000</u>

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

Name of Subsidiary	Number of Shares Held	Carrying Amount/ Carrying Amount Per Share	Market Price/ Market Price Per Share
<u>December 31, 2025</u>			
Sensortek Technology Corp.	1,831,000	\$328,665/179.5	\$328,665/179.5
<u>December 31, 2024</u>			
Sensortek Technology Corp.	606,000	\$128,775/212.5	\$128,775/212.5

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. The amount of treasury shares recognized by the Company is determined based on its ownership percentage in its subsidiary.

## 22. REVENUE

### a. Disaggregation of revenue

Product	Years Ended December 31	
	2025	2024
Integrated circuits	\$ 10,304,201	\$ 10,458,057
Others	358,448	199,827
	<u>\$ 10,662,649</u>	<u>\$ 10,657,884</u>
Primary geographical markets	Years Ended December 31	
	2025	2024
Hong Kong	\$ 7,532,111	\$ 7,769,570
Vietnam	1,488,574	1,422,016
South Korea	439,988	587,876
Taiwan	377,028	326,322
China	321,292	106,984
Germany	213,110	68,512
India	180,696	262,610
Others	109,850	113,994
	<u>\$ 10,662,649</u>	<u>\$ 10,657,884</u>

The basis of calculation of the Company'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>December 31</b>		<b>January 1,</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Notes receivable and trade receivables (Note 11)	\$ 1,016,034	\$ 856,442	\$ 814,119
Trade receivables from related parties (Note 30)	111,424	41,600	28,887
Total	<u>\$ 1,127,458</u>	<u>\$ 898,042</u>	<u>\$ 843,006</u>
Contract liabilities - current (Note 19)			
Sales of goods	<u>\$ 53,372</u>	<u>\$ 72,648</u>	<u>\$ 65,193</u>

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

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>From contract liabilities at the start of the year</u>		
Sales of goods	<u>\$ 71,886</u>	<u>\$ 63,482</u>

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

## 23. NET PROFIT

a. Other operating income and expense

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Gain on sublease of right-of-use assets	\$ 1,872	\$ 1,775
Gain on disposal of property, plant and equipment	-	14,786
	<u>\$ 1,872</u>	<u>\$ 16,561</u>

b. Interest income

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Financial assets at amortized cost	\$ 58,173	\$ 71,769
Investments in debt instruments at FVTOCI	3,862	3,986
Financial asset at FVTPL	5,848	6,246
Others	2,013	1,260
	<u>\$ 69,896</u>	<u>\$ 83,261</u>

c. Other income

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Rental income	\$ 24,777	\$ 24,693
Dividend income	41,371	22,575
Others	23,078	26,617
	<u>\$ 89,226</u>	<u>\$ 73,885</u>

d. Other gains and losses

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Net foreign exchange gains	\$ 13,871	\$ 16,261
Depreciation of investment property	( 6,911)	( 6,910)
Gains on financial assets designated as at FVTPL	22,234	22,439
Impairment loss	( 7,074)	-
Other losses	-	( 3)
	<u>\$ 22,120</u>	<u>\$ 31,787</u>

e. Finance costs

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on lease liabilities	\$ 342	\$ 713
Reversal of discounted provisions	6	5
Other interest expenses	62	57
	<u>\$ 410</u>	<u>\$ 775</u>

f. Depreciation and amortization

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Property, plant and equipment	\$ 166,628	\$ 139,498
Investment properties	6,911	6,910
Right-of-use assets	26,260	26,525
Intangible assets	54,791	57,795
	<u>\$ 254,590</u>	<u>\$ 230,728</u>
 An analysis of depreciation by function		
Operating expenses	\$ 166,816	\$ 148,534
Operating costs	26,072	17,489
Other gains and losses	6,911	6,910
	<u>\$ 199,799</u>	<u>\$ 172,933</u>
 An analysis of amortization by function		
Operating expenses	\$ 54,791	\$ 57,795

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

g. Employee benefits expense

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term benefits	\$ 1,066,092	\$ 1,052,757
Post-employment benefits		
Defined contribution plans	30,185	29,072
Defined benefit plans (Note 20)	( 464)	301
	<u>\$ 1,095,813</u>	<u>\$ 1,082,130</u>
 An analysis of employee benefits expense by function		
Operating expenses	<u>\$ 1,095,813</u>	<u>\$ 1,082,130</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's Articles of Incorporation were amended and approved by a resolution of the shareholders' meeting on May 29, 2025, 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 years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 5, 2026 and March 6, 2025, respectively, are as follows:

Amount

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
	<b>Cash</b>	<b>Cash</b>
Employees' compensation	\$ 152,048	\$ 165,705
Remuneration of directors	22,807	24,856

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

There is no difference between the actual amounts of employees' compensation and remuneration of directors and the actual amount recognized in the parent company only 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>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Foreign exchange gains	\$ 341,891	\$ 181,394
Foreign exchange losses	( 328,020)	( 165,133)
Net benefit	<u>\$ 13,871</u>	<u>\$ 16,261</u>

## 24. INCOME TAXES RELATING TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current year	\$ 149,869	\$ 163,204
Income tax on unappropriated earnings	15,400	22,262
Adjustments for prior years	( 55,611 )	( 7,027 )
	<u>109,658</u>	<u>178,439</u>
Deferred tax		
In respect of the current year	2,770	( 9,543 )
Income tax expense recognized in profit or loss	<u>\$ 112,428</u>	<u>\$ 168,896</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Profit before tax	<u>\$ 1,857,466</u>	<u>\$ 2,017,107</u>
Income tax calculated at the statutory rate	\$ 371,493	\$ 403,421
Deductible expenses in determining taxable income	( 133,148 )	( 145,168 )
Income tax on unappropriated earnings	15,400	22,262
Impact of the temporary differences	( 1,245 )	( 41,029 )
Effects of investment credits	( 84,461 )	( 63,563 )
Adjustments for prior years' tax	( 55,611 )	( 7,027 )
Income tax expense recognized in profit or loss	<u>\$ 112,428</u>	<u>\$ 168,896</u>

### a. Current tax liabilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax liabilities		
Income tax payable	<u>\$ 214,991</u>	<u>\$ 135,460</u>

### c. Deferred tax assets and liabilities

The movements of deferred tax assets and liabilities were as follows:

Year Ended December 31, 2025

<b>Deferred Tax Assets</b>	<b>January 1, 2025</b>	<b>Recognized in Profit or Loss</b>	<b>December 31, 2025</b>
Temporary differences			
Unrealized intercompany gains and losses	\$ 2,623	(\$ 2,623 )	\$ -
Unrealized foreign exchange losses	-	820	820
	<u>\$ 2,623</u>	<u>(\$ 1,803)</u>	<u>\$ 820</u>

<b>Deferred Tax Liabilities</b>	<b>January 1, 2025</b>	<b>Recognized in Profit or Loss</b>	<b>December 31, 2025</b>
Temporary differences			
Unrealized gains on valuation of financial assets	\$ 5,662	\$ 967	\$ 6,629
<u>Year Ended December 31, 2024</u>			
<b>Deferred Tax Assets</b>	<b>January 1, 2024</b>	<b>Recognized in Profit or Loss</b>	<b>December 31, 2024</b>
Temporary differences			
Unrealized intercompany gains and losses	\$ 5,771	(\$ 3,148)	\$ 2,623
<b>Deferred Tax Liabilities</b>	<b>January 1, 2024</b>	<b>Recognized in Profit or Loss</b>	<b>December 31, 2024</b>
Temporary differences			
Unrealized intercompany gains and losses	\$ 9,240	(\$ 3,578)	\$ 5,662
Unrealized foreign exchange losses	9,113	( 9,113)	-
	<u>\$ 18,353</u>	<u>(\$ 12,691)</u>	<u>\$ 5,662</u>

- d. Deductible temporary differences for which no deferred income tax assets have been recognized in the parent company only balance sheets

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Deductible temporary differences	\$ 78,499	\$ 76,404

- e. Information on unrecognized deferred income tax liabilities associated with investments

As of December 31, 2025 and 2024, there were no recognized taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities were recognized.

- f. Income tax assessments

The Company's tax returns through 2023 have been assessed by the tax authorities.

## 25. EARNINGS PER SHARE

	<b>Unit: NT\$ Per Share</b>	
	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Basic earnings per share	\$ 14.66	\$ 15.42
Diluted earnings per share	\$ 14.54	\$ 15.31

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

### Net Income for the Year

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Net income for the year	\$ 1,745,038	\$ 1,848,211

(Continued)

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Earnings used in the computation of basic earnings per share	\$ 1,745,038	\$ 1,848,211
Effect of potentially dilutive ordinary shares:		
Employee s' compensation	-	-
Earnings used in the computation of diluted earnings per share	<u>\$ 1,745,038</u>	<u>\$ 1,848,211</u>

(Concluded)

## **Shares**

**Unit: in thousands of shares**

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Weighted average number of ordinary shares used in the computation of basic earnings per share	119,073	119,858
Effect of potentially dilutive ordinary shares:		
Employees' compensation	982	880
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>120,055</u>	<u>120,738</u>

Since the Company offered to settle compensation or bonuses paid to employees in cash or shares, the Company assumes that 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.

## **26. PARTIAL ACQUISITION OR DISPOSAL OF INVESTMENT SUBSIDIARIES - WITHOUT LOSS OF CONTROL**

In 2025, the Company did not participate in the cash capital increase of INFStironix Technology Corp. in proportion to its existing ownership, the Company 's shareholding percentage increased from 58.42% to 82.32%.

In 2025, due to the Company acquired the remaining of the mCore Technology Corp.'s shares, the Company 's shareholding percentage increase from 90.73% to 100.00%.

In 2025, due to the Company acquired part of the Sensortek Technology Corp.'s shares, the Company 's shareholding percentage increased from 46.06% to 46.31%.

In 2025, due to the Company acquired part of the Forcelead Technology Corp.'s shares, the issuance of restricted stock options for employees by Forcelead Technology Corp., and the subsequent retirement of unvested restricted stock awards through capital reduction upon the forfeiture of shares from resigned employees, the Company 's shareholding percentage increased from 55.10% to 55.80%.

In 2024, due to the Company sold part of the Forcelead Technology Corp.'s shares, the issuance of restricted stock options for employees by Forcelead Technology Corp., and the Company did not participate in the cash capital increase of Forcelead Technology Corp. in proportion to its existing ownership, the Company 's shareholding percentage decreased from 61.01% to 55.10%.

In 2025, due to the Company sold and acquired part of the Sync-Tech System Corp.'s shares, the Company 's shareholding percentage decreased from 45.48% to 45.11%.

In 2024, due to the distribution of employees' compensation in the form of shares by Sync-Tech system Corp. and the Company did not participate in the cash capital increase of Sync-Tech System Corp. in proportion to its existing ownership, the Company's shareholding percentage increased from 42.19% to 45.58%.

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

## 27. CASH FLOW INFORMATION

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

#### Year Ended December 31, 2025

	<u>January 1, 2025</u>	<u>Cash Flows</u>	<u>Non-cash Changes</u>		<u>December 31, 2025</u>
			<u>Foreign Exchange Movement</u>	<u>New Leases</u>	
Lease liabilities	\$ 39,462	(\$ 26,725)	\$ -	\$ -	\$ 12,737
Guarantee deposits received	53,003	( 14,051)	( 3,928)	-	35,024
	<u>\$ 92,465</u>	<u>(\$ 40,776)</u>	<u>(\$ 3,928)</u>	<u>\$ -</u>	<u>\$ 47,761</u>

#### Year Ended December 31, 2024

	<u>January 1, 2024</u>	<u>Cash Flows</u>	<u>Non-cash Changes</u>		<u>December 31, 2024</u>
			<u>Foreign Exchange Movement</u>	<u>New Leases</u>	
Lease liabilities	\$ 65,507	(\$ 26,649)	\$ -	\$ 604	\$ 39,462
Guarantee deposits received	72,005	( 20,038)	1,036	-	53,003
	<u>\$ 137,512</u>	<u>(\$ 46,687)</u>	<u>\$ 1,036</u>	<u>\$ 604</u>	<u>\$ 92,465</u>

## 28. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Company is not subject to any externally imposed capital requirements.

## 29. 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

#### December 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	\$ 62,192	\$ -	\$ -	\$ 62,192
Convertible bonds	75,355	-	-	75,355
Exchangeable bonds	9,815	-	-	9,815
Domestic listed shares	761	-	-	761

(Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Limited partnership	\$ -	\$ -	\$ 155,059	\$ 155,059
Derivative instrument				
Credit linked notes - linked to corporate bonds	-	220,542	-	220,542
Foreign exchange forward contracts and foreign exchange swap contracts	-	57,168	-	57,168
	<u>\$ 148,123</u>	<u>\$ 277,710</u>	<u>\$ 155,059</u>	<u>\$ 580,892</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI

Domestic listed shares	\$ 539,776	\$ -	\$ -	\$ 539,776
Foreign listed shares	9,365	-	-	9,365
Domestic unlisted equity investments	-	-	659,938	659,938
Foreign unlisted equity investments	-	-	394,028	394,028

Investments in debt instruments at FVTOCI

Domestic corporate bonds	-	49,855	-	49,855
Foreign corporate bonds	-	63,039	-	63,039
	<u>\$ 549,141</u>	<u>\$ 112,894</u>	<u>\$ 1,053,966</u>	<u>\$ 1,716,001</u>

Financial liabilities at FVTPL

Derivative instruments

Foreign exchange forward contracts and foreign exchange swap contracts	\$ -	\$ 49,847	\$ -	\$ 49,847
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(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	\$ 56,785	\$ -	\$ -	\$ 56,785
Convertible bonds	58,732	-	-	58,732
Exchangeable bonds	30,190	-	-	30,190
Domestic listed shares	697	-	-	697
Limited partnership	-	-	144,385	144,385
Derivative instrument				
Credit linked notes - linked to corporate bonds	-	140,543	-	140,543
Foreign exchange forward contracts and foreign exchange swap contracts	-	19,746	-	19,746
	<u>\$ 146,404</u>	<u>\$ 160,289</u>	<u>\$ 144,385</u>	<u>\$ 451,078</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI

Domestic listed shares	\$ 300,926	\$ -	\$ -	\$ 300,926
Foreign listed shares	10,422	-	-	10,422

(Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Domestic unlisted equity investments	\$ -	\$ -	\$ 421,800	\$ 421,800
Foreign unlisted equity investments	-	-	382,931	382,931
Investments in debt instruments at FVTOCI				
Domestic corporate bonds	-	49,472	-	49,472
Foreign corporate bonds	-	64,083	-	64,083
	<u>\$ 311,348</u>	<u>\$ 113,555</u>	<u>\$ 804,731</u>	<u>\$ 1,229,634</u>
<u>Financial liabilities at FVTPL</u>				
Derivative instruments				
Foreign exchange forward contracts and foreign exchange swap contracts	\$ -	\$ 15,813	\$ -	\$ 15,813
				(Concluded)

For the years ended December 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 to corporate bonds	Based on the public market quotation of corporate 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	Based 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 method of net asset value. The management of the Company 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 and foreign limited partnership are valued using the net asset value method. The management of the Company 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 Company's financial assets under level 3 fair value measurement are financial assets at FVTPL and equity instruments measured at fair value through other comprehensive income.

Year Ended December 31, 2025

	<b>Financial instruments at FVTPL</b>	<b>Equity instruments at FVTOCI</b>	<b>Total</b>
Balance at January 1	\$ 144,385	\$ 804,731	\$ 949,116
Additions	18,750	160,000	178,750
Disposal	( 3,964 )	-	( 3,964 )
Recognized under profit or loss	( 4,112 )	-	( 4,112 )
Recognized under other comprehensive income	-	89,235	89,235
Balance at December 31	<u>\$ 155,059</u>	<u>\$ 1,053,966</u>	<u>\$ 1,209,025</u>

Year Ended December 31, 2024

	<b>Financial instruments at FVTPL</b>	<b>Equity instruments at FVTOCI</b>	<b>Total</b>
Balance at January 1	\$ 82,174	\$ 480,571	\$ 562,745
Additions	56,500	220,000	276,500
Disposal	( 1,905 )	-	( 1,905 )
Recognized under profit or loss	7,616	-	7,616
Recognized under other comprehensive income	-	104,160	104,160
Balance at December 31	<u>\$ 144,385</u>	<u>\$ 804,731</u>	<u>\$ 949,116</u>

c. Categories of financial instruments

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Financial assets</u>		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	\$ 580,892	\$ 451,078
Financial assets at amortized cost (1)	4,108,111	4,873,728
Financial assets at FVTOCI		
Equity instruments	1,603,107	1,116,079
Debt instruments	112,894	113,555
<u>Financial liabilities</u>		
Financial liabilities at FVTPL		
Held for trading	49,847	15,813
Financial liabilities at amortized cost (2)	1,961,063	1,769,671

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 (including other receivables from related parties), other current assets and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise trade payables (including payables to related parties), other payables (including other payables to related parties), temporary receipts and guarantee deposits.

d. Financial risk management objectives and policies

The Company's major financial instruments include equity and debt investments, trade receivables, trade payables and short-term borrowings. The Company'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 Company 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 Company 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 Company'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 Company did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Company'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 Company 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 Company's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

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

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 33.

Sensitivity analysis

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

The following table details the Company'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.

	<b>USD Impact</b>		<b>JPY Impact</b>		<b>CNY Impact</b>	
	<b>Years Ended</b>		<b>Years Ended</b>		<b>Years Ended</b>	
	<b>December 31</b>		<b>December 31</b>		<b>December 31</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Profit or loss	(\$ 11,990)	(\$ 9,055)	\$ 618	\$ 489	\$ 765	\$ 9,709

b) Interest rate risk

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

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Fair value interest rate risk		
Financial assets	\$ 2,697,600	\$ 3,685,916
Financial liabilities	12,737	39,462
Cash flow interest rate risk		
Financial assets	231,691	182,886

Sensitivity analysis

The sensitivity analysis below was determined based on the Company'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 liability 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 Company's pre-tax profit for the years ended December 31, 2025 and 2024 would increase/decrease by \$232 thousand and \$183 thousand, respectively, which was mainly attributable to the Company's exposure to interest rates on variable-rate net assets. The Company's pre-tax other comprehensive income for the years ended December 31, 2025 and 2024 would decrease/increase by \$113 thousand and \$114 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 Company 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 Company does not actively trade these investments. The Company'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 years ended December 31, 2025 and 2024 would have increase/decreased by \$ 18,433 thousand and \$14,347 thousand, respectively, as a result of changes in fair value of financial assets at FVTPL. Pre-tax other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by \$ 27,457 thousand and \$15,567 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 Company. At the end of the reporting period, the Company's maximum exposure to credit risk, which would cause a financial loss to the Company due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Company, 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 Company 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 Company reviews conditions on each collecting receivable to ensure the uncollectible amounts are provided with appropriate impairment losses. Accordingly, the management of the Company believes that the credit risk of the Company 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 Company's total trade receivables, the Company 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 Company's trade receivables balance are creditworthy companies.

## 3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company'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 Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2025 and 2024, the Company 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 Company'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 Company 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.

#### December 31, 2025

	<u>On Demand or Less than 1 Month</u>	<u>1-3 Months</u>	<u>3 Months to 1 Year</u>	<u>1-5 Years</u>	<u>Total</u>
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 880,418	\$ 1,064,313	\$ 435,730	\$ -	\$ 2,380,461
Lease liabilities	2,221	4,255	6,296	-	12,772

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>Total</b>
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 851,944	\$ 887,967	\$ 447,604	\$ -	\$ 2,187,515
Lease liabilities	2,280	4,560	20,227	12,772	39,839

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

The following table details the Company'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.

December 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	\$ 184,242	\$ 794,517	\$ 983,004	\$ -
Outflows	( 183,837 )	( 791,512 )	( 979,093 )	-
	<u>\$ 405</u>	<u>\$ 3,005</u>	<u>\$ 3,911</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	\$ 387,517	\$ 581,510	\$ -
Outflows	( 129,432 )	( 385,437 )	( 580,075 )	-
	<u>\$ 418</u>	<u>\$ 2,080</u>	<u>\$ 1,435</u>	<u>\$ -</u>

c) Financing facilities

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Unsecured bank overdraft facilities, reviewed annually and payable on demand:		
Amount used	\$ -	\$ -
Amount unused	2,634,310	2,673,738
	<u>\$ 2,634,310</u>	<u>\$ 2,673,738</u>

### 30. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

Related Party Name	Related Party Category
Sensortek Technology Corp.	Subsidiary
Forcelead Technology Corp.	Subsidiary
mCore Technology Corp.	Subsidiary
INFSitronix Technology Corp.	Subsidiary
Sync-Tech System Corp.	Subsidiary
Sitronix Investment Corp.	Subsidiary
CELEFIDE CO., LTD.	Subsidiary
HeFei Sitronix Technology Co., Ltd.	Indirectly held subsidiary (Note)
HeFei ezGreen Co., Ltd.	Subsidiary
ezGreen Inc.	Subsidiary
Sitronix Technology (Shenzhen) Co., Ltd.	Subsidiary
Seer Microelectronics, Inc.	Subsidiary
Silicon Power Computer & Communications Inc.	Substantive related party
ezGlobal Corp.	Substantive related party

Note : In May 2025, due to organizational restructuring, Hefei Sitronix Technology Co., Ltd. changed from a direct subsidiary to an indirectly held subsidiary.

b. Sales of goods

Related Party Category/Name	Years Ended December 31	
	2025	2024
Subsidiary		
CELEFIDE CO., LTD.	\$ 101,062	\$ -
Others	186,284	161,064
Subtotal	287,346	161,064
Indirectly held subsidiary	15,581	-
Substantive related party	267	373
	<u>\$ 303,194</u>	<u>\$ 161,437</u>

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

c. Purchases

Related Party Category/Name	Years Ended December 31	
	2025	2024
Subsidiary		
Sensortek Technology Corp.	\$ 2,112,192	\$ 2,264,188
Forcelead Technology Corp.	324,179	92,902
Others	21,039	48,452
Subtotal	2,457,410	2,405,542
Subsidiaries indirectly held	3,848	-
	<u>\$ 2,461,258</u>	<u>\$ 2,405,542</u>

The transactions in which the Company purchases goods from related parties were negotiated under the terms of general transactions and prices.

d. Manufacturing expenses

<b>Related Party Category</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary	\$ 70,831	\$ 58,223

The transactions in which the Company made payments of manufacturing expenses to related parties were subject to contractual agreements as there were no similar transactions for comparison.

e. Operating expenses

<b>Related Party Category/Name</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary		
Sitronix Technology (Shenzhen) Co., Ltd.	\$ 213,634	\$ 224,705
Others	1	18
Subtotal	213,635	224,723
Substantive related party	1,124	1,360
	\$ 214,759	\$ 226,083

The transactions in which the Company made payments of operating expenses to related parties were subject to contractual agreements as there were no similar transactions for comparison.

f. Other operating income and expenses

<b>Related Party Category</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary	\$ 743	\$ 648

The transactions in which the Company made collections or payments of other operating income and expenses to related parties were subject to contractual agreements as there were no similar transactions for comparison.

g. Handling fee revenue

<b>Related Party Category</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Indirectly held subsidiary	\$ 1,563	\$ -
Subsidiary	600	1,796
	\$ 2,163	\$ 1,796

The transactions in which the Company made collections of handling fees to related parties were subject to contractual agreements as there were no similar transactions for comparison.

h. Other income

<b>Related Party Category</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary	\$ 47	\$ 45

The transactions in which the Company made collections of other income to related parties were subject to contractual agreements, there were subjects to contractual agreements as there were no similar transactions for comparison.

i. Trade receivables from related parties

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>December 31</b>	
		<b>2025</b>	<b>2024</b>
Trade receivables from related parties	Subsidiary		
	CELEFIDE CO., LTD.	\$ 53,125	\$ -
	Sensortek Technology Corp.	15,913	16,816
	Forcelead Technology Corp.	14,084	9,475
	Others	12,540	15,309
	Subtotal	95,662	41,600
	Indirectly held subsidiary	15,736	-
	Substantive related parties	26	-
		<u>\$ 111,424</u>	<u>\$ 41,600</u>
Other receivables from related parties	Subsidiary		
	Forcelead Technology Corp.	\$ 24,577	\$ 16,143
	Others	3,779	3,125
		<u>\$ 28,356</u>	<u>\$ 19,268</u>

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

Other receivables from related parties were mainly generated from endorsement guarantee fees and collection and payment.

j. Prepayment

<b>Related Party Category</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Substantive related party	\$ 207	\$ -

k. Trade payables to related parties

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>December 31</b>	
		<b>2025</b>	<b>2024</b>
Trade payables to related parties	Subsidiary		
	Sensortek Technology Corp.	\$ 457,173	\$ 368,677
	Forcelead Technology Corp.	91,707	11,534
	Others	2,339	31,657
		<u>\$ 551,219</u>	<u>\$ 411,868</u>

(Continued)

<b>Line Item</b>	<b>Related Party Category/Name</b>	<b>December 31</b>	
		<b>2025</b>	<b>2024</b>
Other payables to related parties	Subsidiary	\$ 13,357	\$ 14,218
	Substantive related party	204	354
		<u>\$ 13,561</u>	<u>\$ 14,572</u>

(Concluded)

The outstanding trade payables to related parties were unsecured.

Other payables to related parties were mainly due to technical service expenditure and manufacturing expenses.

1. Disposal of property, plant and equipment

<b>Related Party Category</b>	<b>Disposal Proceeds</b>		<b>Loss (Gain) on Disposal</b>	
	<b>Years Ended</b>		<b>Years Ended</b>	
	<b>December 31</b>		<b>December 31</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Subsidiary	\$ 19	\$ -	\$ -	\$ -

The transactions in which the Company disposal of equipment to related parties were subject to contractual agreements as there were no similar transactions for comparison.

m. Lease arrangement – the Company is lessor

Operating lease rental

Future lease receivable are as follows:

<b>Related Party Category</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary	\$ 65,959	\$ 80,566
Substantive related party	508	2,542
	<u>\$ 66,467</u>	<u>\$ 83,108</u>

Lease income were as follows:

<b>Related Party Category/Name</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary		
Sync-Tech System Corp.	\$ 8,260	\$ 8,259
Forcelead Technology Corp.	7,714	7,694
Others	4,813	4,812
Subtotal	<u>20,787</u>	<u>20,765</u>
Substantive related party	2,040	2,039
	<u>\$ 22,827</u>	<u>\$ 22,804</u>

The Company leases investment properties to subsidiaries and substantive related parties mainly through operating leases and the lease period is 1 to 5 years. Rental income from related parties were based on contractual agreements as there were no similar transactions for comparison.

<b>Related Party Category</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
<u>Deposit interest</u>		
Subsidiary	\$ 56	\$ 52
Substantive related party	6	6
	<u>\$ 62</u>	<u>\$ 58</u>

n. Disposal of specialized technology

<b>Line Item</b>	<b>Related Party Category</b>	<b>Disposal Proceeds</b>		<b>Loss (Gain) on Disposal (Note)</b>	
		<b>Years Ended December 31</b>		<b>Years Ended December 31</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Long-term equity investment accounted for using the equity method	Subsidiary	\$ -	\$ -	\$ 13,115	\$ 15,738

Note : Since there were no related similar transactions for comparison for the transactions between the Company and its subsidiaries, the transaction terms were calculated in accordance with the contractual agreements. And \$13,115 thousand and \$15,738 thousand had been realized for the years ended December 31, 2025 and 2024, respectively; the remaining disposal gain will be deferred.

o. Guarantee deposits received

<b>Related Party Category/Name</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary		
Sync-Tech System Corp.	\$ 1,441	\$ 1,441
Forcelead Technology Corp.	961	961
Others	836	836
Subtotal	<u>3,238</u>	<u>3,238</u>
Substantive related party	<u>356</u>	<u>356</u>
	<u>\$ 3,594</u>	<u>\$ 3,594</u>

The guarantee deposits received from related parties were primarily generated from lease deposits.

p. Loans to related parties

<b>Related Party Category/Name</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Other receivables from related parties		
Subsidiary		
INFSitronix Technology Corp.	\$ 24,673	\$ 12,393
Other	4,086	6,721
	<u>\$ 28,759</u>	<u>\$ 19,114</u>

<b>Related Party Category</b>	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Interest Income Subsidiary	\$ 1,949	\$ 928

The Company provides short-term loans to subsidiaries with interest rates ranging from 4.25% ~ 4.30% and 2.19% ~ 6.00% in December 31, 2025 and 2024, respectively. As there were no similar transactions for comparison, the terms of the transaction were subject to contractual agreements.

q. Endorsements and guarantees provided by the Company

<b>Related Party Category</b>	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Subsidiary		
Amount endorsed	\$ 1,200,000	\$ 1,200,000
Actual amount borrowed	\$ 446,002	\$ 447,392

The Company provides endorsement guarantees for subsidiaries to obtain purchase contracts from suppliers and bank credit lines. The terms and conditions of the transaction for the collection of relevant handling fees shall be subject to contractual agreements, as there were no similar transactions for comparison.

r. Remuneration of key management personnel

	<b>Years Ended December 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 67,267	\$ 65,258
Post-employment benefits	843	651
	\$ 68,110	\$ 65,909

The remuneration of directors and other key executives was determined by the remuneration committee based on the performance of individuals and the Company's profits.

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

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

	<b>December 31</b>	
	<b>2025</b>	<b>2024</b>
Pledged time deposits (classified under financial assets measured at amortized cost – current)	\$ 30,121	\$ 29,811

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

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

a. Long-term supply agreements

The Company entered into long-term supply agreements of products with clients from 2021 to 2022. Both parties agreed that during the contract period, the Company would deliver the products to clients in accordance with the agreements. However, the long-term supply agreement was mutually terminated in March 2025, the Company has fully refunded the deposit, which was collected to secure supply volume, as per the terms of the agreement.

b. Acquisition of Property

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 December 31, 2025, NT\$ 98,440 thousand was paid as consideration.

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

The Company'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 foreign currencies and respective functional currencies were as follows:

	December 31			
	2025		2024	
	Foreign Currency	Exchange Rate	Foreign Currency	Exchange Rate
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 47,986	31.43	\$ 42,269	32.785
JPY	61,940	0.2008	48,547	0.2099
CNY	3,526	4.496	43,361	4.478
<u>Non-monetary items</u>				
USD	55,868	31.43	39,542	32.785
CNY	291,790	4.496	160,160	4.478
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	55,616	31.43	47,793	32.785
JPY	355	0.2008	1,921	0.2099
CNY	124	4.496	-	-
<u>Non-monetary items</u>				
USD	31,000	31.43	17,000	32.785

For the years ended December 31, 2025 and 2024, please refer to Note 23(i) for the information of realized and unrealized net foreign exchange gains (losses). It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions of the entities in the Company.

### 34. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and:

- 1) Financing provided to others: Table 1 (attached)

- 2) Endorsements/guarantees provided: Table 2 (attached)
  - 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures): 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
- b. Information on investees: Table 5 (attached)
  - c. Information on investments in mainland China: Table 6 and 7 (attached)

**SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES**

**FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 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	\$ 4,086	4.30%	For financing	\$ -	Working capital	\$ -	—	\$ -	\$ 2,447,299	\$ 4,894,598
		Seer Microelectronics, Inc.	Other receivables from related parties	Yes	50,000	50,000	-	-	For financing	-	Working capital	-	—	-	2,447,299	4,894,598
		INFSitronix Technology Corp.	Other receivables from related parties	Yes	100,000	70,000	24,673	4.25%~4.30%	For financing	-	Working capital	-	—	-	2,447,299	4,894,598
		Sitronix Investment Corp.	Other receivables from related parties	Yes	30,000	30,000	-	-	For financing	-	Working capital	-	—	-	2,447,299	4,894,598

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 YEAR ENDED DECEMBER 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	\$ 6,118,247	\$ 600,000	\$ 600,000	\$ 314,300	\$ -	4.90	\$ 6,118,247	Yes	-	Yes
		mCore Technology Corp.	Subsidiary	6,118,247	100,000	100,000	35,840	-	0.82	6,118,247	Yes	-	-
		CELEFIDE CO., LTD.	Subsidiary	6,118,247	200,000	200,000	78,575	-	1.63	6,118,247	Yes	-	Yes
		Seer Microelectronics, Inc.	Subsidiary	6,118,247	200,000	200,000	9,429	-	1.63	6,118,247	Yes	-	-
		INFSitronix Technology Corp.	Subsidiary	6,118,247	100,000	100,000	7,858	-	0.82	6,118,247	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

DECEMBER 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	December 31, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Bond</u> Cathay Financial Holding Co., Ltd. Preferred Share A	-	Investments in equity instruments at fair value through other comprehensive income - current	3,431,000	\$ 208,262	-	\$ 208,262	Note 1
	Silicon Power Computer & Communications Inc.	Substantive related party	Investments in equity instruments at fair value through other comprehensive income - current	4,198,701	162,700	-	162,700	Note 1
	<u>Equity Investment</u> HANS GLOBAL SELECT FUND LIMITED	-	Investments in equity instruments at fair value through other comprehensive income - non-current	120,000	394,028	-	394,028	Note 2
	Fong Huang VII Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	16,000,000	167,527	7	167,527	Note 2
	Fong Huang VI Innovation Investment Co., Ltd.	-	Investments in equity instruments at fair value through other comprehensive income - non-current	22,000,000	293,742	11	293,742	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	102,800	-	102,800
Sitronix Technology Corp.		The Parent Company	Investments in equity instruments at fair value through other comprehensive income - non-current	1,831,000	328,665	-	328,665	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	366,118	-	366,118	Note 2

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

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

Note 3: As of December 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 Company 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 YEAR ENDED DECEMBER 31, 2025**

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade 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	\$2,112,192	32%	Net 60 days from the ship date	\$ -	—	(\$ 457,173)	( 27%)	—
	Forcelead Technology Corp.	Subsidiary	Purchase	324,179	5%	45 days for the monthly balance	-	—	( 91,707)	( 5%)	—
Sync-Tech System Corp.	CELEFIDE CO.,LTD.	Subsidiary	Sale	( 101,062)	( 1%)	45 days for the monthly balance	-	—	53,125	5%	—
	Sitronix Technology Corp.	The Parent Company	Sale	( 70,831)	( 7%)	45 days for the monthly balance	-	—	13,356	5%	—

## SITRONIX TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)  
FOR THE YEAR ENDED DECEMBER 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 December 31, 2025			Net Income (Loss) of the Investee	Share of (Loss) Profit (Note 2)
				December 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	\$ 367,841	\$ 251	\$ 251
	Forcelead Technology Corp.	Taiwan	R&D design and sales of multi-functional integrated automotive display driver ICs	734,419	681,099	23,437,545	55.80	1,523,778	506,028	281,403
	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	133,721	113,318	22,651,596	46.31	1,802,467	304,291	140,593
	mCore Technology Corp.	Taiwan	Providing solutions for consumer display and voice/audio related applications.	158,505	131,074	10,562,669	100.73	132,004	12,394	11,291
	Sync-Tech System Corp.	Taiwan	Design, manufacturing and maintenance of semiconductor consumables and testing equipment	561,930	512,345	14,874,855	45.11	681,671	221,715	98,621
	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	292,056	193,559	13,804,166	82.32	102,849	( 33,146)	( 21,855)
	ezGreen Inc.	Taiwan	Software design and electronic information supply services	220,000	220,000	22,000,000	100.00	20,840	( 39,380)	( 39,380)
	Seer Microelectronics, Inc.	Taiwan	High performance sensor IC with single photon design and applications	95,000	95,000	9,500,000	72.66	35,802	( 15,769)	( 11,458)
	Sitronix Holding International Ltd.	Samoa	Investment	188,580	188,580	6,000,000	100.00	246,831	9,696	9,696
Sitronix Global Limited	Seychelles	Investment	(USD 6,000) 606,960 (CNY 135,000)	(USD 6,000) -	18,783,012	100.00	845,558	223,946	223,946	
Sitronix Investment Corp.	Sensortek Technology Corp.	Taiwan	R&D, design and sales of sensor integrated circuit products	10	10	2,290	-	198	304,291	14
ezGreen Inc.	INFSitronix Technology Corp.	Taiwan	Comprehensive line of Power supervisor IC design	10	10	107	-	1	( 33,146)	-
	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	2,809	( 8,898)	( 3,019)

Note 1: Foreign currencies is converted into NTD using the exchange rates of the US or CNY dollar and CNY to NTD on December 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 YEAR ENDED DECEMBER 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 December 31, 2025 (Foreign Currencies in Thousands)	Net Income (Loss) of the Investee	% Ownership for Direct or Indirect Investment	Investment (Loss) Gain (Note 7)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 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	\$ 12,572 (USD 400)	Note 3	\$ 12,572 (USD 400)	\$ -	\$ -	\$ 12,572 (USD 400)	\$ 6,590	100%	\$ 6,590	\$ 41,035	\$ 10,237
HeFei ezGreen Co., Ltd.	Design, sales and technical services of Supplier management software development	67,440 (CNY 15,000)	Note 4	67,440 (CNY 15,000)	-	-	67,440 (CNY 15,000)	( 3,733)	100%	( 3,733)	19,053	-
CELEFIDE CO., LTD.	R&D, design, sales and technical services of integrated circuits and system hardware and software	224,800 (CNY 50,000)	Note 5	101,160 (CNY 22,500)	-	-	101,160 (CNY 22,500)	( 108,423)	90%	( 97,581)	406,245	-
HeFei Sitronix Technology Co., Ltd.	R&D and sale of integrated circuits; R&D, service and sales of integrated circuits chip	606,960 (CNY 135,000)	Note 6	157,360 (CNY 35,000)	449,600 (CNY 100,000)	-	606,960 (CNY 135,000)	224,648	100%	224,648	843,884	-

Investor Company	Accumulated Outward Remittance for Investment in Mainland China as of December 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	\$ 821,769 (USD 26,146)	\$ 1,184,314 (USD 37,681)	\$ 7,341,897

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

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

Note 3: Direct Investment, as of December 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 December 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 December 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: Indirect Investment, through investment in a company in mainland China through incorporating a company in a third region, as of December 31, 2025, the total investment amount approved by the Investment Commission, MOEA, is CNY190,000 thousand, and the investment amount of CNY135,000 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.

Note 8: On June 23, 2022, Forcelead Technology Corp. was approved by the Investment Commission, MOEA, to invest US\$778 thousand. If the investment was not completed within three years from the date of approval, the approved investment amount would become invalid. As of December 31, 2025, Forcelead Technology Corp. had not remitted the investment amount, and the entire uninvested amount had invalid.

**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 YEAR ENDED DECEMBER 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	\$ 213,634	12%	Calculated based on the contract	Calculated based on the contract	No related similar transactions to follow	\$ -	-	\$ -	—

## THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

ITEM	STATEMENT INDEX
MAJOR ACCOUNTING ITEMS IN ASSETS, LIABILITIES AND EQUITY	
STATEMENT OF CASH AND CASH EQUIVALENTS	1
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS	2
STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	3
STATEMENT OF FINANCIAL ASSETS MEASURED AT AMORTIZED COST	Note 9
STATEMENT OF NOTES AND TRADE RECEIVABLES	4
STATEMENT OF INVENTORIES	5
STATEMENT OF PREPAYMENT	Note 18
STATEMENT OF OTHER CURRENT ASSETS	Note 18
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD	6
STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS AND ACCUMULATED DEPRECIATION	7
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT	Note 14
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT	Note 14
STATEMENT OF CHANGES IN INVESTMENT PROPERTIES	Note 16
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF INVESTMENT PROPERTIES	Note 16
STATEMENT OF CHANGES IN INTANGIBLE ASSETS	Note 17
STATEMENT OF OTHER NON-CURRENT ASSETS	Note 18
STATEMENT OF TRADE PAYABLES	8
STATEMENT OF LEASE LIABILITIES	7
STATEMENT OF OTHER PAYABLES	Note 19
STATEMENT OF OTHER CURRENT LIABILITIES	Note 19
STATEMENT OF DEFERRED TAX ASSETS AND LIABILITIES	Note 24(c)
MAJOR ACCOUNTING ITEMS IN PROFIT OR LOSS	
STATEMENT OF NET REVENUE	9
STATEMENT OF OPERATING COSTS	10
STATEMENT OF OPERATING EXPENSES	11
STATEMENT OF OTHER INCOME	Note 23(c)
STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION	12

**SITRONIX TECHNOLOGY CORPORATION****STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

<b>Item</b>	<b>Description</b>	<b>Amount</b>
Cash on hand	Including NT\$45 thousand, CNY\$3 thousand and HKD\$1 thousand	\$ 62
Bank deposits		
Demand deposits	Including NT\$83,973 thousand, JPY61,940 thousand, US\$4,179 thousand, HKD\$99 thousand, CNY\$15 thousand, AUD\$9 thousand and EUR\$1 thousand	228,457
Check deposits	Including NT\$6,586 thousand	6,586
		<u>235,043</u>
Cash equivalents		
Time deposits	Including NT\$1,057,000 thousand and US\$10,800 thousand, with an annual interest rate ranging from 1.575%~3.780%, and expires from January to the end of March, 2026	1,396,444
Bonds with repurchase agreements	Including NT\$572,376 thousand, with an annual interest rate ranging from 1.320%~1.610%, and expires by the end of January, 2026	572,376
		<u>1,968,820</u>
Total		<u>\$ 2,203,925</u>

The foreign currency exchange rates are as follows:

AUD1=TWD21.01

CNY1=TWD4.496

EUR1=TWD36.9

HKD1=TWD4.038

JPY1=TWD0.2008

USD1 = TWD31.43

## SITRONIX TECHNOLOGY CORPORATION

## STATEMENT OF FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

DECEMBER 31, 2025

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

	Number of Shares	Par Value (NT\$)	Amount	Carrying Amount	Fair Value		Note
					Unit price	Total Amount	
CURRENT ASSETS							
Bond							
Ennoconn Corporation fifth Unsecured Convertible Bond	100,000	\$ 100.50	\$ 10,050	\$ 10,050	\$ 113.30	\$ 11,330	Note
Yulon Finance Corp. second Unsecured Convertible Bond	100,000	101.00	10,100	10,100	96.60	9,660	Note
Topco Technologies Corp. first Unsecured Convertible Bond	200,000	100.40	20,080	20,080	103.85	20,770	Note
Yulon Motor Co., Ltd. third Unsecured Convertible Bond	65,000	102.00	6,630	6,630	99.20	6,448	Note
Gloria Material Technology Corp. seventh Unsecured Convertible Bond	159,000	99.91	15,885	15,885	99.35	15,797	Note
Hua Yu Lien Development Co., Ltd. fourth Unsecured Convertible Bonds	100,000	98.18	9,818	9,818	96.20	9,620	Note
Macronix International Co., Ltd. second Unsecured Convertible Bonds	10,000	100.50	1,005	1,005	173.00	1,730	Note
Fund							
Cathay U.S. Treasury 20+ Year Bond ETF	950,000	29.48	28,006	28,006	28.30	26,885	Note
Eastspring Investments-US Corporate Bond Fund A-USD	11,687	427.81	5,000	5,000	469.85	5,491	Note
UPAMC Taiwan Smart Strategy fund	1,000,000	10.00	10,000	10,000	19.34	19,340	Note
UPAMC Quality Low Volatility Multi-Asset Fund-ACC	916,742	10.91	10,000	10,000	11.43	10,476	Note
Stock							
Fubon Financial Holding Co., Ltd.	7,914	49.65	393	393	96.10	761	Note
Derivatives							
Yulon Finance Corp. second Credit Linked Structured Product	-	100.00	20,000	20,000	99.57	19,914	Note
Gloria Material Technology Corp. seventh Credit Linked Structured Product	-	100.00	5,000	5,000	100.50	5,025	Note
Gloria Material Technology Corp. seventh Credit Linked Structured Product	-	100.00	10,000	10,000	100.64	10,064	Note
Mirle Automation Corp. second Credit Linked Structured Product	-	100.00	21,600	21,600	100.18	21,638	Note
Elite Semiconductor Microelectronics Technology Inc. first Credit Linked Structured Product	-	100.00	10,000	10,000	100.72	10,072	Note
Acbel Polytech Inc. second Credit Linked Structured Product	-	100.00	10,000	10,000	100.14	10,014	Note
Subtotal			<u>203,567</u>	<u>203,567</u>		<u>215,035</u>	
NON-CURRENT ASSETS							
Bond							
Far Eastern New Century Corporation second Unsecured Exchangeable Bond	100,000	99.20	9,920	9,920	98.15	9,815	Note

(Continued)

## SITRONIX TECHNOLOGY CORPORATION

STATEMENT OF FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS  
DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Number of Shares	Par Value (NT\$)	Amount	Carrying Amount	Fair Value		Note
					Unit price	Total Amount	
Limited partnership							
Megawood Green Technology Fund L.P.	-	\$ 10.00	\$ 25,500	\$ 25,500	\$ 9.65	\$ 24,598	Note
CDIB-Innolux II Limited Partnership	-	10.00	72,250	72,250	10.50	75,846	Note
CDIB-Innolux Limited Partnership	-	10.00	43,664	43,664	12.51	54,615	Note
Derivatives							
Shunsin Technology Holdings Limited second Credit Linked Structured Product	-	100.00	20,000	20,000	100.31	20,062	Note
Group Up Industrial Co., Ltd. second Credit Linked Structured Product	-	100.00	10,000	10,000	100.50	10,050	Note
Nextronics Engineering Corp. third Credit Linked Structured Product	-	100.00	10,000	10,000	100.99	10,099	Note
Huaku Development Co., Ltd. third Credit Linked Structured Product	-	100.00	50,000	50,000	100.75	50,374	Note
Weikeng Industrial Co., Ltd. seventh Credit Linked Structured Product	-	100.00	15,000	15,000	100.22	15,032	Note
Champion Microelectronic Corp. first Credit Linked Structured Product	-	100.00	10,000	10,000	100.65	10,065	Note
Grand Process Technology Corp. first Credit Linked Structured Product	-	100.00	20,000	20,000	100.52	20,103	Note
Fubon Life Insurance Co., Ltd. 114-3th Credit Linked Structured Product	-	100.00	8,000	8,000	100.37	8,030	Note
Subtotal			<u>294,334</u>	<u>294,334</u>		<u>308,689</u>	
Total			<u>\$ 497,901</u>	<u>\$ 497,901</u>		<u>\$ 523,724</u>	

(Concluded)

Note: The above financial assets were unsecured or provided as guarantee.

## SITRONIX TECHNOLOGY CORPORATION

## STATEMENT OF FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

DECEMBER 31, 2025

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

	Number of Shares	Par Value (NT\$)	Amount	Carrying Amount	Fair Value		Note
					Unit price (NT\$)	Total Amount	
<b>CURRENT ASSETS</b>							
Foreign listed shares							
Intel Corporation	8,075	\$ 761.61	\$ 6,150	\$ 6,150	\$ 1,159.77	\$ 9,365	Note
Domestic listed shares							
Taishin Financial Holding Co., Ltd. Preferred Share F (2)	791,000	48.12	38,060	38,060	46.90	37,098	Note
Silicon Power Computer & Communications Inc.	4,198,701	24.54	103,023	103,023	38.75	162,700	Note
WT Microelectronics Co., Ltd. Preferred Share A	1,000,000	50.00	50,000	50,000	51.40	51,400	Note
Chailease Holding Company Limited Preferred Share A	250,000	100.00	25,000	25,000	101.00	25,250	Note
Kwong Lung Enterprise Co., Ltd.	146,000	52.24	7,627	7,627	49.80	7,271	Note
Fubon Financial Holding Co., Ltd. Preferred Share A	175,000	62.95	11,015	11,015	63.30	11,077	Note
Cathay Financial Holding Co., Ltd. Preferred Share A	3,431,000	60.77	208,509	208,509	60.70	208,262	Note
Nan Ya Plastics Corporation	75,000	66.90	5,018	5,018	60.20	4,515	Note
Taishin Financial Holding Co., Ltd. Preferred Share E	189,000	51.19	9,676	9,676	50.30	9,506	Note
KGI Financial Holding Co., Ltd. Preferred Share B	2,884,000	7.79	22,465	22,465	7.87	22,697	Note
Subtotal			<u>486,543</u>	<u>486,543</u>		<u>549,141</u>	
<b>NON-CURRENT ASSETS</b>							
Foreign corporate bonds							
GS 5.8% 12/18/2033, USD Bond	-	3,123.50	31,235	31,235	3,149.69	31,497	Note
TSMC ARIZONA CORP 4.125% 04/22/2029, USD Bond	-	2,998.63	29,986	29,986	3,154.16	31,542	Note
Foreign unlisted equity investments							
HANS GLOBAL SELECT FUND LIMITED	120,000	3,002.00	360,240	360,240	3,283.57	394,028	Note
Domestic corporate bonds							
TAIWAN MOBILE first Unsecured Straight Corporate Bond in 2023	-	100.00	50,000	50,000	99.71	49,855	Note
Domestic unlisted equity investments							
Top Taiwan XIII Venture Capital Co., Ltd.	10,000,000	10.00	100,000	100,000	8.12	81,204	Note
Fong Huang IV Innovation Investment Co., Ltd.	1,500,000	10.00	15,000	15,000	15.79	23,688	Note
Fong Huang II Innovation Investment Co., Ltd.	3,000,000	10.00	30,000	30,000	15.30	45,893	Note
Fong Huang Innovation Investment Co., Ltd.	3,000,000	10.00	30,000	30,000	15.96	47,884	Note
Fong Huang VII Innovation Investment Co., Ltd.	16,000,000	10.00	160,000	160,000	10.47	167,527	Note
Fong Huang VI Innovation Investment Co., Ltd.	22,000,000	10.00	220,000	220,000	13.35	293,742	Note
Subtotal			<u>1,026,461</u>	<u>1,026,461</u>		<u>1,166,860</u>	
Total			<u>\$ 1,513,004</u>	<u>\$ 1,513,004</u>		<u>\$ 1,716,001</u>	

Note: The above financial assets were unsecured or provided as guarantee.

**SITRONIX TECHNOLOGY CORPORATION**

**STATEMENT OF NOTES AND TRADE RECEIVABLES, NET**

**DECEMBER 31, 2025**

**(In Thousands of New Taiwan Dollars)**

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<u>Client Name</u>	<u>Amount</u>
Trade receivables - non-related parties	
A Client	\$ 379,026
B Client	110,343
C Client	79,928
D Client	61,690
E Client	57,239
Others (Note)	333,380
Allowance for impairment loss	( 5,572)
Total	<u>\$ 1,016,034</u>

Note: The amount of individual client in others does not exceed 5% of the account balance.

**SITRONIX TECHNOLOGY CORPORATION****STATEMENT OF INVENTORIES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

<u>Item</u>	<u>Amount</u>	
	<u>Cost</u>	<u>Market Price (Note)</u>
Finished goods	\$ 452,873	\$ 682,848
Work in progress	730,696	1,104,843
Raw materials	109,316	146,681
	<u>\$ 1,292,885</u>	<u>\$ 1,934,372</u>

Note : The market price is determined by the net realizable value.

## SITRONIX TECHNOLOGY CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investees	January 1, 2025		Additions in Investment(Note3)		Decrease in Investment		Adjustment- the Company's shares held by its subsidiaries Treated as Treasury share	(Loss) Gain On Investments Accounted for Using the Equity Method (Notes 1 and 2)	Other Equity	Capital Surplus	Unrealized Profit/ Loss on Intercompany Transactions	Others	December 31, 2025			Market Value or Net Value Total	Collateral
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares(Note4)	Amount(Note5)							Number of Shares	%	Amount		
Sitronix Investment Corp.	33,249,060	\$ 357,270	-	\$ -	-	\$ -	\$ -	\$ 258	\$ 10,313	\$ -	\$ -	\$ -	33,249,060	100.00	\$ 367,841	\$ 367,822	None
Forcelead Technology Corp.	23,097,545	1,494,717	340,000	20,328	-	( 293,349)	-	281,483	2,886	17,713	-	-	23,437,545	55.80	1,523,778	3,515,632	None
Sensortek Technology Corp.	22,529,596	1,954,146	122,000	10,553	-	( 225,846)	( 103,830)	140,593	13,736	-	13,115	-	22,651,596	46.31	1,802,467	3,986,681	None
mCore Technology Corp.	9,583,010	142,516	979,659	15,650	-	( 37,507)	-	11,345	-	-	-	-	10,562,669	100.00	132,004	131,844	None
Sync-Tech System Corp.	14,996,855	628,388	531,000	23,398	( 653,000)	( 71,726)	-	99,501	-	2,110	-	-	14,874,855	45.11	681,671	2,253,541	None
INFSitronix Technology Corp.	9,796,220	33,926	9,849,773	98,498	( 5,841,827)	-	-	( 21,810)	-	( 7,765)	-	-	13,804,166	82.32	102,849	102,716	None
Sitronix Holding International Ltd.	6,000,000	243,388	-	-	-	-	-	9,696	( 6,253)	-	-	-	6,000,000	100.00	246,831	246,831	None
Sitronix Global Limited	-	-	18,783,012	582,515	-	-	-	223,946	39,097	-	-	-	18,783,012	100.00	845,558	845,558	None
CELEFIDE CO., LTD.	-	506,013	-	-	-	-	-	( 97,632)	( 2,136)	-	-	-	-	90.00	406,245	406,132	None
HeFei ezGreen Co., Ltd.	-	22,879	-	-	-	-	-	( 3,733)	( 93)	-	-	-	-	100.00	19,053	19,053	None
Sitronix Technology (Shenzhen) Co., Ltd.	-	34,085	-	-	-	-	-	6,590	360	-	-	-	-	100.00	41,035	41,035	None
HeFei Sitronix Technology Co., Ltd.	-	154,219	-	-	-	( 152,622)	-	848	( 2,445)	-	-	-	-	-	-	-	None
ezGreen Inc.	22,000,000	60,220	-	-	-	-	-	( 39,380)	-	-	-	-	22,000,000	100.00	20,840	20,840	None
Seer Microelectronics, Inc.	9,500,000	55,942	-	-	-	-	-	( 13,066)	-	-	-	( 7,074)	9,500,000	72.66	35,802	27,763	None
		<u>\$ 5,687,709</u>		<u>\$ 750,942</u>		<u>(\$ 781,050)</u>	<u>(\$ 103,830)</u>	<u>\$ 598,639</u>	<u>\$ 55,465</u>	<u>\$ 12,058</u>	<u>\$ 13,115</u>	<u>(\$ 7,704)</u>			<u>\$ 6,225,974</u>	<u>\$ 11,965,448</u>	

Note 1: The differences between the subsidiaries's current gain and loss and the gain and loss recognized by the Company using the equity method are the recognition difference of IFRS 16, unrealized profit or loss of the upstream transaction made with subsidiaries and the amortization of the differences between consideration received and the carrying amount of subsidiaries' net assets.

Note 2: Investment (loss) income recognized under the equity method, excluding the capital surplus adjustment of \$5,813 thousand related to subsidiary dividend distributions.

Note 3: The increase for the current year includes a decrease of \$152,622 thousand resulting from the organizational restructuring of Sitronix Global Limited and Hefei Sitronix Technology Co., Ltd., as well as the impact from capital surplus-difference between consideration and carrying amount of subsidiaries acquired.

Note 4: The changes represent the disposal of 653,000 shares of Sync-Tech System Corp. and the capital reduction of 5,841,827 shares by INFSitronix Technology Corp. to offset accumulated deficits.

Note 5: Expect for the disposal of a portion of shares in Sync-Tech System Corp. amounting to \$27,492 thousand and the organizational restructuring adjustment of Hefei Sitronix Technology Co., Ltd. in the amount of \$152,622 thousand, the remainder represent cash dividends received from investee companies.

**SITRONIX TECHNOLOGY CORPORATION****STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS AND ACCUMULATED DEPRECIATION  
FOR THE YEAR ENDED DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

<b>Item</b>	<b>Buildings</b>	<b>Office Equipment</b>	<b>Total</b>
Cost			
Balance at January 1 and December 31, 2025	\$ 123,506	\$ 5,733	\$ 129,239
Accumulated depreciation			
Balance at January 1, 2025	86,697	3,938	90,635
Depreciation	24,636	1,624	26,260
Balance at December 31, 2025	111,333	5,562	116,895
Carrying amount at December 31, 2025	\$ 12,173	\$ 171	\$ 12,344

**SITRONIX TECHNOLOGY CORPORATION****STATEMENT OF TRADE PAYABLES****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars)**

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<u>Vendor Name</u>	<u>Amount</u>
A vendor	\$ 375,282
B vendor	212,774
C vendor	177,502
D vendor	87,152
E vendor	75,127
F vendor	53,205
Others (Note)	<u>172,240</u>
Total	<u><u>\$1,153,282</u></u>

Note: The amount of individual vendor in others does not exceed 5% of the account balance.

**SITRONIX TECHNOLOGY CORPORATION**

**STATEMENT OF NET REVENUE**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

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

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<u>Item</u>	<u>Shipment Qty (In Thousands of Pieces)</u>	<u>Amount</u>
Integrated circuits	1,057,811	\$ 10,341,869
Others		<u>358,448</u>
		10,700,317
Sales returns and discounts		<u>( 37,668 )</u>
		<u>\$ 10,662,649</u>

**SITRONIX TECHNOLOGY CORPORATION****STATEMENT OF OPERATING COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

<u>Item</u>	<u>Amount</u>
Raw materials used	
Raw materials, beginning of year	\$ 125,410
Plus: raw materials purchased for the year	4,129,394
Raw materials, end of year	( 109,316 )
Others	283
Subtotal	<u>4,145,771</u>
Manufacturing expenses	<u>1,406,493</u>
Manufacturing costs	5,552,264
Work in progress, beginning of year	628,035
Work in progress, end of year	( 730,696 )
Less: transferred to manufacturing or operating expenses	<u>( 2,159 )</u>
Cost of finished goods	5,447,444
Finished goods, beginning of year	361,073
Plus: finished goods purchased for the year	2,446,158
Others	( 332 )
Finished goods, end of year	<u>( 452,873 )</u>
Production and marketing cost	7,801,470
Merchandise, beginning of year	4
Plus: merchandise purchased for the year	43
Less: other operating costs	<u>( 47,034 )</u>
 Total	 <u><u>\$ 7,754,483</u></u>

**SITRONIX TECHNOLOGY CORPORATION****STATEMENT OF OPERATING EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Selling and Marketing Expenses</b>	<b>General and Administrative Expenses</b>	<b>Research and Development Expenses</b>
Wages and salaries	\$ 46,600	\$ 146,038	\$ 760,799
Professional service fees	83,706	5,247	137,913
Remuneration of directors	-	23,415	-
Travel expense	8,993	1,567	13,857
Depreciation expense	5,180	20,595	141,041
Research expense	-	-	85,773
Others (Note)	20,321	57,550	279,635
	<u>\$ 164,800</u>	<u>\$ 254,412</u>	<u>\$ 1,419,018</u>

Note: The amount of each item in others does not exceed 5% of the account balance.

## SITRONIX TECHNOLOGY CORPORATION

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(In Thousands of New Taiwan Dollars)

	Years Ended December 31					
	2025			2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Labor expenses						
Wages and salaries	\$ -	\$ 953,437	\$ 953,437	\$ -	\$ 938,940	\$ 938,940
Labor and health insurance	-	55,638	55,638	-	58,221	58,221
Pension expense	-	29,721	29,721	-	29,373	29,373
Remuneration of directors	-	23,415	23,415	-	25,460	25,460
Other labor expense	-	33,602	33,602	-	30,136	30,136
Total	\$ -	\$ 1,095,813	\$ 1,095,813	\$ -	\$ 1,082,130	\$ 1,082,130
Depreciation expense	\$ 26,072	\$ 166,816	\$ 192,888	\$ 17,489	\$ 148,534	\$ 166,023
Amortization expense	\$ -	\$ 54,791	\$ 54,791	\$ -	\$ 57,795	\$ 57,795

Note 1: For the years ended December 31, 2025 and 2024, the Company had 407 and 397 employees, respectively. There were both 7 non-employee directors, respectively.

Note 2: For companies have been listed on the Taiwan stock exchange or are traded on the Taipei Exchange, the following information should be disclosed:

- (a) Average labor expense for the year ended December 31, 2025 was 2,681 thousand (Total labor expense for the year ended December 31, 2025 - total remuneration of directors / Total number of employees for the year ended December 31, 2025 - non-employee directors).

Average labor expense for the year ended December 31, 2024 was 2,709 thousand (Total labor expense for the year ended December 31, 2024 - total remuneration of directors / Total number of employees for the year ended December 31, 2024 - non-employee directors).

- (b) Average wages and salaries for the year ended December 31, 2025 was 2,384 thousand (Total wages and salaries for the year ended December 31, 2025 / Total number of employees for the year ended December 31, 2025 - non-employee directors).

Average wages and salaries for the year ended December 31, 2024 was 2,408 thousand (Total wages and salaries for the year ended December 31, 2024 / Total number of employees for the year ended December 31, 2024 - non-employee directors).

- (c) The average wages and salaries decreased by 1% year over year. (Average wages and salaries for the year ended December 31, 2025 – Average wages and salaries for the year ended December 31, 2024 / Average wages and salaries for the year ended December 31, 2024).

- (d) The Company had established an audit committee, so there was no remuneration of the supervisor to disclose.

- (e) According to the Articles of the Company, if the Company makes a profit during the year, 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's Articles of Incorporation were amended and approved by a resolution of the shareholders' meeting on May 29, 2025, to specify that no less than 50% of the employee remuneration allocated for the year shall be allocated to non-executive employees' compensation.