

**Silitech Technology Corporation**  
**2025 Annual General Shareholders' Meeting Minutes**  
(Translation)

Time: 09:30 a.m., June 18, 2025

Location: No. 73, Kuirou Shan Rd., Tamsui Dist., New Taipei City

Meeting type: physical meeting

Attending shareholders and proxy representing:

36,620,213 shares (among them, 4,846,606 shares voted via electronic transmission), which accounts for 53.85% of total 68,000,000 outstanding shares.

Director attendees: Chin-Hui Chen, Tien-Chun Tsai (Independent Director and Convener of the Audit Committee), Te-Pin Chi (Independent Director) , and I-Ming Chen (Independent Director)

Non-shareholding attendees:

Deloitte & Touche, Yen-Chun Chen, CPA

Chairperson: Chin-Hui Chen (Acting)

Recorder: Li-Shih Chen

**I. Chairperson Calls Meeting to Order**

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairperson called the meeting to order.

**II. Opening Remarks by the Chairperson (omitted)**

**III. Reported Matters**

- i. 2024 Business Report (No questions raised by the shareholders. Please refer to Attachment 1)
- ii. Audit Committee's Review Report (No questions raised by the shareholders. Please refer to Attachment 2~4)
- iii. Employees and Directors Compensation for 2024 (No questions raised by the shareholders. Please refer to Handbook)

#### **IV. Acknowledged Matters**

##### **i. Proposal: Adoption of 2024 Business Report and Financial Statements** (Proposed by the Board of Directors)

###### **Explanation:**

1. 2024 financial statements have been audited by Certified Public Accountants Yen-Chun Chen and Meng-Chieh Chiu of Deloitte & Touche and were discussed and resolved in the Board of Directors meeting convened on February 20, 2025.
2. The aforementioned financial statements and business report have been duly reviewed by the Audit Committee.
3. Please refer to Attachment 1 for 2024 Business Report.
4. Please refer to Attachment 2 & Attachment 3 for 2024 Financial Statements.
5. Please proceed to adopt.

###### **Resolution:**

No questions raised by the shareholders. The proposal was approved. The total votes were 36,620,213 votes and the voting results were as follows.

Items	Voting results (including voted via electronic transmission)
Approval votes	36,383,281 votes Percentage of total votes 99.35 %
Disapproval votes	40,025 votes
Abstention votes/no votes	196,907 votes
Invalid votes	0 votes

##### **ii. Proposal: Adoption of the Proposal for Appropriation of 2024 Earnings** (Proposed by the Board of Directors)

###### **Explanation:**

1. The proposal for appropriation of 2024 earnings was resolved in the Board of Directors meeting convened on March 28, 2025.
2. In Fiscal Year 2024, the Company made a net profit of NT\$55,077,774. By adding the beginning balance of unappropriated retained earnings of NT\$104,938,730 and adjustments on re-measurement on define benefit plans recognized in retained earnings of NT\$2,307,964, setting aside for legal reserve of NT\$5,738,574 and adding the reversal of special reserve appropriated by law of NT\$132,540,493, total distributable retained earnings for the year amounted to NT\$289,126,387.
3. Pursuant to above mentioned, the 2024 retained earnings distributed to shareholders in cash dividends amounted to NT\$20,400,000 (NT\$0.3 per share), total unappropriated retained earnings for the year end amounted to NT\$268,726,387. The distribution of the cash dividends shall be rounded down to the nearest New Taiwan Dollar. The aggregate of the remaining cash will be credited to other income by the Company. Please refer to Attachment 5 for the Statement of Earnings Distribution.
4. In the event that the number of the Company shares is changed, thereby affecting the outstanding shares and then causing the proposed profit distribution per share to change, it is proposed that Annual Shareholders' Meeting fully authorize Chairman to manage and adjust it.
5. Upon the approval of the Annual Shareholders' Meeting, it is proposed that Chairman be authorized to determine the ex-dividend date, distribution date, and other relevant issues as well as announcement by law.

6. Please proceed to adopt.

**Resolution:**

No questions raised by the shareholders. The proposal was approved. The total votes were 36,620,213 votes and the voting results were as follows.

Items	Voting results (including voted via electronic transmission)
Approval votes	36,365,017 votes Percentage of total votes 99.30 %
Disapproval votes	60,394 votes
Abstention votes/no votes	194,802 votes
Invalid votes	0 votes

**V. Matters for Discussion**

**i. Proposal: Amendment to “Articles of Incorporation”, please discuss and resolve.** (Proposed by the Board of Directors)

**Explanation:**

1. In order to comply with regulations from competent authorities and to accommodate the Company's business practice, an amendment to “Articles of Incorporation” is proposed.
2. Please refer to Attachment 6 for a comparison of the contents before and after amendment.
3. Please discuss and resolve.

**Resolution:**

No questions raised by the shareholders. The proposal was approved. The total votes were 36,620,213 votes and the voting results were as follows.

Items	Voting results (including voted via electronic transmission)
Approval votes	36,385,136 votes Percentage of total votes 99.35 %
Disapproval votes	40,165 votes
Abstention votes/no votes	194,912 votes
Invalid votes	0 votes

**ii. Proposal: Amendment to “Procedures for the Acquisition and Disposal of Assets”, please discuss and resolve.** (Proposed by the Board of Directors)

**Explanation:**

1. In order to accommodate the Company's business practice, an amendment to “Procedures for the Acquisition and Disposal of Assets” is proposed.
2. Please refer to Attachment 7 for a comparison of the contents before and after amendment.
3. Please discuss and resolve.

**Resolution:**

No questions raised by the shareholders. The proposal was approved. The total votes were 36,620,213 votes and the voting results were as follows.

Items	Voting results (including voted via electronic transmission)
Approval votes	36,311,869 votes Percentage of total votes 99.15 %
Disapproval votes	110,147 votes
Abstention votes/no votes	198,197 votes
Invalid votes	0 votes

**iii. Proposal: Discuss to Release of Directors from Non-Competition Restrictions, please discuss and resolve.** (Proposed by the Board of Directors)

**Explanation:**

1. This is handled in accordance with Article 209 of the Company Act that “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
2. In view of the diversification needs of the Company and those directors might does anything for himself or on behalf of another person that is within the scope of the Company's business, to cope with the actual needs, it is proposed to the shareholders' meeting to release the additional non-competition restrictions on directors with the premise that directors do not have conflicts of the Company's interest.
3. Please refer to Attachment 8 for the details of release of directors from additional non-competition restrictions.
4. Please discuss and resolve.

**Resolution:**

- (1) No questions raised by the shareholders. The proposal to release the director, Walsin Technology Corporation representative Chin-Hui Chen from non-competition restrictions was approved. The total votes were 19,620,213 votes (after deducting 17,000,000 votes of shareholders who recuse themselves from voting) and the voting results were as follows.

Items	Voting results (including voted via electronic transmission)
Approval votes	19,273,877 votes Percentage of total votes 98.23 %
Disapproval votes	169,650 votes
Abstention votes/no votes	176,686 votes
Invalid votes	0 votes

- (2) No questions raised by the shareholders. The proposal to release the director, Lite-On Technology Corporation from non-competition restrictions was approved. The total votes were 24,912,665 votes (after deducting 11,707,548 votes of shareholders who recuse themselves from voting) and the voting results were as follows.

Items	Voting results (including voted via electronic transmission)
Approval votes	24,390,115 votes Percentage of total votes 97.90 %
Disapproval votes	194,059 votes
Abstention votes/no votes	328,491 votes
Invalid votes	0 votes

**VI. Extemporary Motions: None.**

**VII. Adjournment**

The meeting was adjourned at 09:55 a.m.

(The minutes of this shareholders' meeting shall state only the main subject of the meeting; the content of the meeting shall still be subject to the audio and video record of the meeting.)

## **Attachment**

# **Silitech Technology Corporation**

## **Business Report**

In 2024, the global economy was influenced by geopolitical tensions, inflationary pressures, and persistent friction in US-China trade relations, resulting in a highly volatile and unstable market environment. Regional economic recovery progressed unevenly, and divergent national growth trends largely offset one another, contributing to a lack of substantial global economic momentum. In response to these macroeconomic challenges, Silitech undertook continuous adjustments and strategically reallocated resources to ensure optimal utilization of resources, thereby strengthening the competitive position and enhancing operational effectiveness within the industry.

### **1. Operating Results of Previous Year**

In 2024, the Company's consolidated revenue was NT\$2.414 billion, a 15.8% increase from the previous year (NT\$2.084 billion). The Automotive Components accounted for 46.6% share of total revenue, and the main products are automotive interior components; the Mechanical Integration contributed a 53.4% share of the total revenue, and the main products are wearable products, smart lock modules, netcom optical mechanism components and gaming console products. An overview of the operations of each factory in 2024: Silitech Taiwan factory continued to deepen customer relationships, provide value-added products and closely meet customer demands, so the operation performance has grown; Malaysian Penang factory maintained stable long-term orders for automotive components. Despite the slowdown in the automotive market, the factory continued to actively seek new orders and adjust the production and manufacturing processes timely, resulting in stable operations. Malaysian Kuala Lumpur factory made efforts to diversify the product processes and increase production capacity. Shenzhen Xurong factory reduced the scale in the second half of the year to lower operating costs, leading to estimate non-recurring costs and related expenses. Overall operating results in 2024 were impacted by the downsizing of the Shenzhen Xurong factory, resulting in a gross profit margin of 11.6%, the operating profit of NT\$13.67 million, the net profit after tax of NT\$55.08 million and the earning per share of NT\$0.81.

### **2. Summary of Business Plan for Current Year**

#### **2.1 Business Plan**

Silitech utilized new materials and new processes combined with core technologies to continuously enhance the core competitiveness. Following the pulse of automotive industry and the transformation of manufacturing technology, Silitech enhanced the competitiveness in automotive components market; and actively developed components that integrate optical, mechanical and electronic elements, as well as early-stage R&D design and cross-industry applications to satisfy customer demands and align with market trends. By strengthening the Company's resilience and product competitiveness, Silitech focused on deepening and extending core technology processes to provide customers with high value-added products and services.

#### **2.2 Development Strategy**

Silitech will dynamically adjust its global layout, expand its business capacity, and participate in the early-stage R&D and design of automotive and wearable products. By utilizing new materials and processes combined with core technologies, the Company will enhance product

competitiveness and promote the application and development of Automotive Components and Mechanical Integration components. Additionally, Silitech will plan “focused” capital expenditures and factory expansions will be implemented in stages. Capital expenditure will primarily be directed toward innovative product development, the introduction of new processes, and automation upgrades, ensuring efficient utilization and maximizing benefits. To diversify risks and respond to market fluctuations, production capacity will be distributed across different factories to ensure a quick response to customer needs. Finally, Silitech will leverage the group's global resource advantages, continuously optimize supply chain management, capitalize on procurement benefits, and provide flexible logistics services to regional customers to enhance cost advantages. Furthermore, from a group-wide perspective, Silitech will seize opportunities for product and company transformation with the utilization of the group’s resources, achieving sustainable development and long-term competitive advantages.

### **3. Effect of External Competition, Legal Environment and Overall Business Environment**

In the latest economic forecast, IMF lowered its economic growth forecast for 2025 from 3.3% to 3.2%, which is still lower than the long-term average of 3.8% over the 20 years preceding the epidemic. After Trump takes office, the impact of various policies and their implementation schedules on global geopolitics, unilateralism, and inward-looking industrial policies will lead to greater uncertainty in consumer demand, increased market volatility, and higher risks of an economic downturn. In Taiwan, driven by domestic demand and foreign trade exports, Chung-Hua Institution for Economic Research estimates that Taiwan’s economic growth rate in 2024 will be around 4.30%. However, due to global political and economic uncertainties, the estimated economic growth rate for 2025 is expected to be 3.22%, with the growth trend increasing quarter by quarter due to base period factors.

Looking forward to 2025, affected by the aforementioned uncertainties, Silitech will optimize its operational capabilities, expand production capacity, and continue transformation. In terms of products, the Company will focus on Automotive Components, Mechanical Integration, and cross-industry application products, striving to enhance its competitive advantages in the automotive and IoT sectors. Through the synergy of production, sales, and research and development, Silitech will steadily pursue the development goals of revenue and profit growth.

On the issue of sustainable development, the Company refers to the GRI criteria, stakeholder feedback and consolidation of assessment information from various departments to assess significant ESG (environmental, social, corporate governance) issues. Environmental issues such as environmental impact and management/green production, and social issues such as labor-employer relationship/occupational safety and health, corporate governance issues such as socio-economic and regulatory compliance/strengthening the role of directors/stakeholder communication, etc. Through assessment of significant ESG issues, the Company will establish relevant risk management policies or strategies, implement corporate social responsibility and corporate governance norms, steadily promote the Company's development goals, and thereby create common prosperity for shareholders, employees, customers, and suppliers.

Chairman: Yu-Heng Chiao

Manager: Yu-Chen Hsu

Chief Accountant: Chi-Tien Chen

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Silitech Technology Corporation

### Opinion

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

In our opinion, based on our audits and the report of other auditors (refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the audit of the Group's consolidated financial statements for the year ended December 31, 2024 are described as follows:

#### Occurrence of revenue from specific customers



The major operating revenue of the Group is mechanical components. In 2024, the operating revenue has increased compared with 2023 due to the growing demand for wearable electronics, of which the operating revenue from specific customers is significant and growth rate reaches certain standards, the auditors assessed that the revenue generated by this specific customers is an item of concern to users of financial statements. Therefore, we considered the occurrence of revenue from specific customers as a key audit matter.

The main audit procedures performed in respect of the occurrence of revenue from specific customers included the following:

1. We understood and tested the design and operating effectiveness of the internal controls relevant to revenue recognition.
2. We obtained the occurrence of recorded revenue from specific customers, determined the appropriate sampling method and sample quantity, and checked documents including customer orders, deliver orders and invoices. We assessed the amount is correct and has been eligible for revenue recognition.
3. We checked, on a sampling basis, the collection reversal records and collection vouchers, and assessed whether the amount is correct and the payer is the same as the buyer, to corroborate the authenticity of sale.
4. We calculated and analyzed whether the account receivable turnover days of specific customers are reasonable, and compared the general credit conditions to see if there is any significant abnormality.

For the accounting policy on revenue recognition refer to Note 4 to the financial statements.

#### **Other Matter**

We did not audit the subsidiary's financial statements of Silitech Electronics Sdn. Bhd.(formerly Iwatsu (Malaysia) Sdn. Bhd.) in the consolidated financial statements of the Group, but such financial statements were audited by other auditors. Our opinion, insofar as it relates to the amounts for Silitech Electronics Sdn. Bhd.(formerly Iwatsu (Malaysia) Sdn. Bhd.) is based solely on the report of other auditors. As of December 31, 2024 and 2023, the amounts of total assets of Silitech Electronics Sdn. Bhd.(formerly Iwatsu (Malaysia) Sdn. Bhd.) were NT\$151,136 thousand and NT\$159,921 thousand, representing 4.17% and 4.76% of the consolidated total assets; for the years ended December 31, 2024 and September 1, 2023 (acquisition date) to December 31, 2023, the amounts of net operating revenue were NT\$135,176 thousand and NT\$57,010 thousand, representing 5.60% and 2.74% of the consolidated operating revenue.

We have also audited the parent company only financial statements of Silitech Technology Corporation as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IAS, IFRIC and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with the auditing standards accepted in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Yen-Chun Chen and Meng-Chieh Chiu.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 20, 2025

#### Notice to Readers

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

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

# SILITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2024		2023	
ASSETS	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 777,477	22	\$ 628,836	19
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	-	-	3,109	-
Financial assets at amortized cost - current (Notes 4 and 9)	167,783	5	118,086	4
Trade receivables, net (Notes 4 and 10)	517,332	14	479,336	14
Trade receivables from related parties, net (Notes 4, 10 and 30)	712	-	491	-
Other receivables (Note 4)	49,410	1	29,550	1
Other receivables from related parties (Notes 4 and 30)	9,468	-	3,531	-
Current tax assets (Note 4)	153	-	212	-
Inventories (Notes 4 and 11)	255,925	7	273,749	8
Other current assets (Notes 16 and 30)	42,473	1	40,527	1
Total current assets	1,820,733	50	1,577,427	47
<b>NON-CURRENT ASSETS</b>				
Financial assets at FVTPL - non-current (Notes 4 and 7)	56,003	2	36,967	1
Financial assets at fair value through other comprehensive income (FVTOCI)-non-current (Notes 4 and 8)	143,887	4	144,060	4
Financial assets at amortized cost - non-current (Notes 4 and 9)	1,011,430	28	1,076,632	32
Investments accounted for using the equity method (Notes 4 and 12)	46,370	1	-	-
Property, plant and equipment (Notes 4 and 14)	445,623	12	401,054	12
Right-of-use assets (Notes 4 and 15)	54,173	2	223	-
Other Intangible assets (Note 4)	1,875	-	4,243	-
Deferred tax assets (Notes 4 and 24)	38,784	1	78,594	3
Refundable deposits (Note 4)	6,899	-	6,918	-
Other non-current assets (Note 16)	1,922	-	32,071	1
Total non-current assets	1,806,966	50	1,780,762	53
<b>TOTAL</b>	<b>\$ 3,627,699</b>	<b>100</b>	<b>\$ 3,358,189</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Sort-term borrowings (Notes 4 and 17)	\$ 15,475	-	\$ 43,328	1
Trade payables (Note 4)	350,939	10	305,529	9
Trade payables to related parties (Note 30)	26,560	1	13,469	-
Other payables (Notes 4 and 18)	318,076	9	244,120	7
Other payables to related parties (Notes 4 and 30)	559	-	535	-
Current tax liabilities (Notes 4 and 24)	11,360	-	14,048	1
Provisions - current (Notes 4 and 19)	16,200	-	19,237	1
Lease liabilities - current (Notes 4 and 15)	27,046	1	231	-
Other current liabilities	36,426	1	31,072	1
Total current liabilities	802,641	22	671,569	20
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities - non-current (Notes 4 and 15)	28,265	1	-	-
Net defined benefit liabilities - non-current (Notes 4 and 20)	34,111	1	32,377	1
Guarantee deposits (Note 4)	1,206	-	1,195	-
Deferred tax liabilities (Notes 4 and 22)	36,169	1	36,067	1
Total non-current liabilities	99,751	3	69,639	2
Total liabilities	902,392	25	741,208	22
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 21)</b>				
Share capital				
Ordinary shares	680,000	19	680,000	20
Capital surplus	630,074	17	630,074	19
Retained earnings				
Legal reserve	1,120,368	31	1,120,368	33
Special reserve	306,131	8	206,863	6
Unappropriated earnings	162,325	5	285,807	9
Total retained earnings	1,588,824	44	1,613,038	48
Other equity	(173,591)	(5)	(306,131)	(9)
Total equity	2,725,307	75	2,616,981	78
<b>TOTAL</b>	<b>\$ 3,627,699</b>	<b>100</b>	<b>\$ 3,358,189</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report date February 20, 2025)

# SILITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 30)	\$ 2,414,203	100	\$ 2,084,426	100
COST OF GOODS SOLD (Notes 11, 26 and 30)	<u>(2,133,582)</u>	<u>(88)</u>	<u>(1,755,022)</u>	<u>(84)</u>
GROSS PROFIT	<u>280,621</u>	<u>12</u>	<u>329,404</u>	<u>16</u>
OPERATING EXPENSES (Notes 26 and 30)				
Selling and marketing expenses	(63,302)	(3)	(63,915)	(3)
General and administrative expenses	(167,467)	(7)	(144,928)	(7)
Research and development expenses	(35,876)	(2)	(39,935)	(2)
Expected credit loss	<u>(308)</u>	<u>-</u>	<u>(10)</u>	<u>-</u>
Total operating expenses	<u>(266,953)</u>	<u>(12)</u>	<u>(248,788)</u>	<u>(12)</u>
PROFIT FROM OPERATIONS	<u>13,668</u>	<u>-</u>	<u>80,616</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES (Note 23)				
Gain arising from derecognition of financial assets at amortized cost	11	-	-	-
Interest income	63,524	2	56,242	3
Other income	17,802	1	32,928	1
Other gains and losses	(4,975)	-	1,573	-
Finance costs	(2,900)	-	(733)	-
Expected credit loss	(382)	-	(761)	-
Share of profit of associates accounted for using the equity method	<u>264</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses	<u>73,344</u>	<u>3</u>	<u>89,249</u>	<u>4</u>
PROFIT BEFORE INCOME TAX	87,012	3	169,865	8
INCOME TAX EXPENSE (Notes 4 and 24)	<u>(31,934)</u>	<u>(1)</u>	<u>(50,537)</u>	<u>(2)</u>
NET PROFIT FOR THE YEAR	<u>55,078</u>	<u>2</u>	<u>119,328</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	2,888	-	(394)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(173)	-	(6,004)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 24)	<u>(580)</u>	<u>-</u>	<u>94</u>	<u>-</u>
	<u>2,135</u>	<u>-</u>	<u>(6,304)</u>	<u>-</u>

(Continued)

# SILITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

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

	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	165,891	7	(39,577)	(2)
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 24)	<u>(33,178)</u>	<u>(1)</u>	<u>7,915</u>	<u>-</u>
	<u>132,713</u>	<u>6</u>	<u>(31,662)</u>	<u>(2)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>134,848</u>	<u>6</u>	<u>(37,966)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 189,926</u>	<u>8</u>	<u>\$ 81,362</u>	<u>4</u>
EARNINGS PER SHARE (IN NTD; Note 25)				
Basic	<u>\$ 0.81</u>		<u>\$ 1.75</u>	
Diluted	<u>\$ 0.81</u>		<u>\$ 1.75</u>	

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

(Concluded)

(With Deloitte & Touche auditors' report date February 20, 2025)

# SILITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	Share Capital		Capital Surplus	Retained Earnings			Other Equity		Total Equity
	Ordinary Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Loss on Financial Asset at FVTOCI	
BALANCE AT JANUARY 1, 2023	68,000	\$ 680,000	\$ 630,074	\$ 1,109,766	\$ 316,814	\$ 108,230	\$ (125,664)	\$ (142,801)	\$ 2,576,419
Appropriation of the 2022 earnings									
Legal reserve	-	-	-	10,602	-	(10,602)	-	-	-
Special reserve reversed	-	-	-	-	(109,951)	109,951	-	-	-
Cash dividends	-	-	-	-	-	(40,800)	-	-	(40,800)
Net profit for the year ended December 31, 2023	-	-	-	-	-	119,328	-	-	119,328
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	-	(300)	(31,662)	(6,004)	(37,966)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	119,028	(31,662)	(6,004)	81,362
BALANCE AT DECEMBER 31, 2023	68,000	\$ 680,000	\$ 630,074	\$ 1,120,368	\$ 206,863	\$ 285,807	\$ (157,326)	\$ (148,805)	\$ 2,616,981
Appropriation of the 2023 earnings									
Special reserve	-	-	-	-	99,268	(99,268)	-	-	-
Cash dividends	-	-	-	-	-	(81,600)	-	-	(81,600)
Net profit for the year ended December 31, 2024	-	-	-	-	-	55,078	-	-	55,078
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	2,308	132,713	(173)	134,848
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	57,386	132,713	(173)	189,926
BALANCE AT December 31, 2024	68,000	\$ 680,000	\$ 630,074	\$ 1,120,368	\$ 306,131	\$ 162,325	\$ (24,613)	\$ (148,978)	\$ 2,725,307

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated February 20, 2025)

# SILITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 87,012	\$ 169,865
Adjustments for:		
Depreciation expense	83,876	75,376
Amortization expense	3,989	4,501
Expected credit loss on trade receivables	690	771
Net loss on fair value changes of financial assets at FVTPL	6,441	12,445
Finance costs	2,900	733
Gain arising from derecognition of financial assets at amortized cost	(11)	-
Interest income	(63,524)	(56,242)
Dividend income	(7,337)	(3,327)
Share of profit of associates for using the equity method	(264)	-
Net gain on disposal of property, plant and equipment	(1,132)	(90)
Write-downs of inventories	2,624	1,228
Gain recognized in bargain purchase transaction	-	(2,027)
Gain on lease modification	-	(10)
Changes in operating assets and liabilities		
Financial assets at FVTPL	233	(4,906)
Trade receivables	(38,304)	(22,398)
Trade receivables from related parties	(221)	858
Other receivables	(17,222)	8,913
Other receivables from related parties	(5,937)	7,823
Inventories	15,200	(1,108)
Other current assets	(1,946)	4,272
Trade payables	45,410	22,549
Trade payables to related parties	13,091	(11,387)
Other payables	76,425	(39,724)
Other payables to related parties	24	(2,012)
Provisions	(3,037)	(4,313)
Other current liabilities	5,354	(10,487)
Net defined benefit liabilities-non current	4,622	135
Cash generated from operations	208,956	151,438
Interest received	57,947	44,437
Dividends received	7,337	3,327
Interest paid	(2,900)	(733)
Income tax paid	(26,754)	(32,242)
Net cash generated from operating activities	244,586	166,227
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at FVTOCI	-	(105,000)
Purchase of financial assets at amortized cost	(46,534)	(876,222)
Proceeds from financial assets at amortized cost	133,828	-
Purchase of financial assets at FVTPL	(36,889)	(280,788)
Proceeds of financial assets at FVTPL	15,109	253,655

(Continued)



# SILITECH TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	2024	2023
Acquisition of long-term investment for using the equity method	\$ (46,797)	\$ -
Net cash outflow on acquisition of subsidiaries	-	(56,756)
Payments for property, plant and equipment	(78,420)	(40,776)
Proceeds from disposal of property, plant and equipment	6,296	90
Decrease in refundable deposits	19	195
Payments for intangible assets	(720)	(1,693)
Decrease (increase) in other non-current assets	<u>31,871</u>	<u>(27,100)</u>
Net cash used in investing activities	<u>(22,237)</u>	<u>(1,134,395)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease) increase in short-term loan	(26,924)	43,328
Proceeds from guarantee deposits received	11	3
Repayment of principal portion of lease liabilities	(25,720)	(27,086)
Cash dividends paid	<u>(81,600)</u>	<u>(40,800)</u>
Net cash used in financing activities	<u>(134,233)</u>	<u>(24,555)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>	<u>60,525</u>	<u>(14,064)</u>
<b>NET INCREASE (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	148,641	(1,006,787)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>628,836</u>	<u>1,635,623</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 777,477</u>	<u>\$ 628,836</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche auditors' report dated February 20, 2025)

(Concluded)

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Silitech Technology Corporation

### Opinion

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

In our opinion, based on our audits and the report of other auditors (refer to the Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards accepted in 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. Based on our audits and the report of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the audit of the Company's financial statements for the year ended December 31, 2024 are described as follows:

#### Occurrence of revenue from specific customers

The major operating revenue of the Company is mechanical components. In 2024, the operating revenue has increased compared with 2023 due to the growing demand for wearable electronics, of which the operating revenue from specific customers is significant and growth rate reaches certain standards, the auditors assessed that the revenue generated by this specific customers is an item of concern to users of financial statements. Therefore, we considered the occurrence of revenue from specific customers as a key audit matter.

The main audit procedures performed in respect of the occurrence of revenue from specific customers included the following:

1. We understood and tested the design and operating effectiveness of the internal controls relevant to revenue recognition.
2. We obtained the occurrence of recorded revenue from specific customers, determined the appropriate sampling method and sample quantity, and checked documents including customer orders, deliver orders and invoices. We assessed the amount is correct and has been eligible for revenue recognition.
3. We checked, on a sampling basis, the collection reversal records and collection vouchers, and assessed whether the amount is correct and the payer is the same as the buyer, to corroborate the authenticity of sale.
4. We calculated and analyzed whether the account receivable turnover days of specific customers are reasonable, and compared the general credit conditions to see if there is any significant abnormality.

For the accounting policy on revenue recognition refer to Note 4 to the financial statements.

### **Other Matter**

As described in Note 12 to the accompanying financial statements, we did not audit the financial statements of some investees accounted for using the equity method. The financial statements of the aforementioned investees accounted for using the equity method were audited by other auditors; our opinion, insofar as it relates to the related amounts included herein, is based solely on the report of other auditors. The amount of total investments in these investees accounted for using the equity method were NT\$81,491 thousand and NT\$88,330 thousand, representing 2.60% and 3.05% of the Company's total assets as of December 31, 2024 and 2023 ; and the share of income/(loss) of subsidiaries accounted for using the equity method for the years ended December 31, 2023 and 2024 were NT\$(6,839) thousand and NT\$(9,707) thousand, representing (3.60)% and (11.93%) of the comprehensive income.

### **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 auditing standards accepted in 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 auditing standards accepted in the Republic of China, we exercise professional judgment and 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 entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Yen-Chun Chen and Meng-Chieh Chiu.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 20, 2025

Notice to Readers

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

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

# SILITECH TECHNOLOGY CORPORATION

## BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 82,915	3	\$ 11,466	-
Financial assets at amortized cost - current (Notes 4 and 9)	-	-	100,000	4
Trade receivables, net (Notes 4 and 10)	239,795	8	151,366	5
Trade receivables from related parties, net (Notes 4, 10 and 26)	13,845	-	10,975	-
Other receivables (Note 4)	5,408	-	6,189	-
Other receivables from related parties (Notes 4 and 26)	11,401	-	3,917	-
Current tax assets (Note 4)	153	-	212	-
Inventories (Notes 4 and 11)	122,766	4	129,783	5
Other current assets (Note 26)	<u>17,738</u>	<u>1</u>	<u>13,290</u>	<u>1</u>
Total current assets	<u>494,021</u>	<u>16</u>	<u>427,198</u>	<u>15</u>
NON-CURRENT ASSETS				
Financial assets at FVTPL - non-current (Notes 4 and 7)	49,226	1	24,805	1
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	143,887	5	144,060	5
Financial assets at amortized cost - non-current (Notes 4 and 9)	35,575	1	18,008	-
Investments accounted for using the equity method (Notes 4 and 12)	2,342,088	75	2,164,438	75
Property, plant and equipment (Notes 4 and 13)	57,859	2	54,533	2
Other Intangible assets (Note 4)	1,367	-	3,267	-
Deferred tax assets (Notes 4 and 20)	13,475	-	59,145	2
Refundable deposits (Note 4)	175	-	175	-
Other non-current assets	<u>801</u>	<u>-</u>	<u>375</u>	<u>-</u>
Total non-current assets	<u>2,644,453</u>	<u>84</u>	<u>2,468,806</u>	<u>85</u>
TOTAL	<u>\$ 3,138,474</u>	<u>100</u>	<u>\$ 2,896,004</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Trade payables (Note 4)	\$ 221,813	7	\$ 106,642	4
Trade payables to related parties (Notes 4 and 26)	31,576	1	20,343	1
Other payables (Notes 4 and 15)	110,744	4	96,890	3
Other payables to related parties (Notes 4 and 26)	594	-	1,274	-
Current tax liabilities (Notes 4 and 20)	-	-	2,473	-
Provisions- current (Note 4)	3,587	-	2,970	-
Other current liabilities	<u>3,786</u>	<u>-</u>	<u>4,463</u>	<u>-</u>
Total current liabilities	<u>372,100</u>	<u>12</u>	<u>235,055</u>	<u>8</u>
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 20)	36,169	1	36,067	1
Net defined benefit liabilities - non-current (Notes 4 and 16)	<u>4,898</u>	<u>-</u>	<u>7,901</u>	<u>1</u>
Total non-current liabilities	<u>41,067</u>	<u>1</u>	<u>43,968</u>	<u>2</u>
Total liabilities	<u>413,167</u>	<u>13</u>	<u>279,023</u>	<u>10</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 17)				
Share capital				
Ordinary shares	<u>680,000</u>	<u>22</u>	<u>680,000</u>	<u>23</u>
Capital surplus	<u>630,074</u>	<u>20</u>	<u>630,074</u>	<u>22</u>
Retained earnings				
Legal reserve	1,120,368	36	1,120,368	39
Special reserve	306,131	10	206,863	7
Unappropriated earnings	<u>162,325</u>	<u>5</u>	<u>285,807</u>	<u>10</u>
Total retained earnings	<u>1,588,824</u>	<u>51</u>	<u>1,613,038</u>	<u>56</u>
Other equity	<u>(173,591)</u>	<u>(6)</u>	<u>(306,131)</u>	<u>(11)</u>
Total equity	<u>2,725,307</u>	<u>87</u>	<u>2,616,981</u>	<u>90</u>
TOTAL	<u>\$ 3,138,474</u>	<u>100</u>	<u>\$ 2,896,004</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report date February 20, 2025)

# SILITECH TECHNOLOGY CORPORATION

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 18 and 26)	\$1,139,484	100	\$ 799,428	100
COST OF GOODS SOLD (Notes 11, 22 and 26)	<u>(971,898)</u>	<u>(85)</u>	<u>(676,311)</u>	<u>(85)</u>
GROSS PROFIT	167,586	15	123,117	15
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES (Note 4)	(242)	-	(248)	-
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES AND ASSOCIATES (Note 4)	<u>236</u>	<u>-</u>	<u>397</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>167,580</u>	<u>15</u>	<u>123,266</u>	<u>15</u>
OPERATING EXPENSES (Notes 22 and 26)				
Selling and marketing expenses	(19,568)	(2)	(23,366)	(3)
General and administrative expenses	(91,203)	(8)	(95,246)	(12)
Research and development expenses	(12,621)	(1)	(16,988)	(2)
Expected credit loss	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
Total operating expenses	<u>(123,392)</u>	<u>(11)</u>	<u>(135,601)</u>	<u>(17)</u>
PROFIT (LOSS) FROM OPERATIONS	<u>44,188</u>	<u>4</u>	<u>(12,335)</u>	<u>(2)</u>
NON-OPERATING INCOME AND EXPENSES (Note 19)				
Interest income	2,704	-	5,101	1
Other income	6,573	1	7,340	1
Other gains and losses	1,578	-	5,757	1
Finance costs	(1)	-	(15)	-
Expected credit loss	(69)	-	(183)	-
Share of profit or loss of subsidiaries and associates	<u>11,719</u>	<u>1</u>	<u>124,692</u>	<u>15</u>
Total non-operating income and expenses	<u>22,504</u>	<u>2</u>	<u>142,692</u>	<u>18</u>
PROFIT BEFORE INCOME TAX	66,692	6	130,357	16
INCOME TAX EXPENSE (Notes 4 and 20)	<u>(11,614)</u>	<u>(1)</u>	<u>(11,029)</u>	<u>(1)</u>
NET PROFIT FOR THE YEAR	<u>55,078</u>	<u>5</u>	<u>119,328</u>	<u>15</u>

(Continued)

# SILITECH TECHNOLOGY CORPORATION

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

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 16)	\$ 2,829	-	\$ (22)	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(173)	-	(6,004)	(1)
Share of the other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	45	-	(283)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 20)	<u>(566)</u>	<u>-</u>	<u>5</u>	<u>-</u>
	<u>2,135</u>	<u>-</u>	<u>(6,304)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	165,891	15	(39,577)	(5)
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 20)	<u>(33,178)</u>	<u>(3)</u>	<u>7,915</u>	<u>1</u>
	<u>132,713</u>	<u>12</u>	<u>(31,662)</u>	<u>(4)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>134,848</u>	<u>12</u>	<u>(37,966)</u>	<u>(5)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 189,926</u>	<u>17</u>	<u>\$ 81,362</u>	<u>10</u>
EARNINGS PER SHARE (IN NTD; Note 21)				
Basic	<u>\$ 0.81</u>		<u>\$ 1.75</u>	
Diluted	<u>\$ 0.81</u>		<u>\$ 1.75</u>	

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report date February 20, 2025)

(Concluded)



# SILITECH TECHNOLOGY CORPORATION

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

	Share Capital		Capital Surplus	Retained Earnings			Other Equity		Total Equity
	Ordinary Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Loss on Financial Asset at FVTOCI	
BALANCE AT JANUARY 1, 2023	68,000	\$ 680,000	\$ 630,074	\$ 1,109,766	\$ 316,814	\$ 108,230	\$ (125,664)	\$ (142,801)	\$ 2,576,419
Appropriation of the 2022 earnings									
Legal reserve	-	-	-	10,602	-	(10,602)	-	-	-
Special reserve reversed	-	-	-	-	(109,951)	109,951	-	-	-
Cash dividends	-	-	-	-	-	(40,800)	-	-	(40,800)
Net profit for the year ended December 31, 2023	-	-	-	-	-	119,328	-	-	119,328
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	-	(300)	(31,662)	(6,004)	(37,966)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	119,028	(31,662)	(6,004)	81,362
BALANCE AT DECEMBER 31, 2023	68,000	\$ 680,000	\$ 630,074	\$ 1,120,368	\$ 206,863	\$ 285,807	\$ (157,326)	\$ (148,805)	\$ 2,616,981
Appropriation of the 2023 earnings									
Special reserve	-	-	-	-	99,268	(99,268)	-	-	-
Cash dividends	-	-	-	-	-	(81,600)	-	-	(81,600)
Net profit for the year ended December 31, 2024	-	-	-	-	-	55,078	-	-	55,078
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	2,308	132,713	(173)	134,848
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	57,386	132,713	(173)	189,926
BALANCE AT December 31, 2024	68,000	\$ 680,000	\$ 630,074	\$ 1,120,368	\$ 306,131	\$ 162,325	\$ (24,613)	\$ (148,978)	\$ 2,725,307

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report dated February 20, 2025)

# SILITECH TECHNOLOGY CORPORATION

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

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 66,692	\$ 130,357
Adjustments for:		
Depreciation expense	13,842	15,435
Amortization expense	1,900	3,124
Expected credit loss on trade receivables	69	184
Net loss on fair value change of financial assets at FVTPL	579	290
Finance costs	1	15
Interest income	(2,704)	(5,101)
Dividend income	(2,693)	(1,152)
Share of profit of subsidiaries and associates	(11,719)	(124,692)
Write-downs of inventories	1,363	959
Unrealized loss (gain) on the transactions with subsidiaries	6	(149)
Gain recognized in bargain purchase transaction	-	(2,027)
Changes in operating assets and liabilities		
Financial assets as at FVTPL	-	(95)
Trade receivables	(88,429)	(17,161)
Trade receivables from related parties	(2,870)	2,354
Other receivables	506	4,297
Other receivables from related parties	(7,484)	8,728
Inventories	5,654	(42,812)
Other current assets	(4,448)	6,752
Trade payables	115,171	22,615
Trade payables to related parties	11,233	(26,777)
Other payables	14,809	(7,028)
Other payables to related parties	(680)	(1,273)
Provisions	617	213
Other current liabilities	(677)	(4,661)
Net defined benefit liabilities-non current	(174)	(976)
Cash generated (used in) from operations	110,564	(38,581)
Interest received	2,931	3,727
Dividends received	2,693	1,152
Income tax paid	(2,000)	-
Interest paid	(1)	(15)
Net cash generated from (used in) operating activities	114,187	(33,717)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at FVTOCI	-	(105,000)
Purchase of financial assets at amortized cost	(17,588)	(118,176)
Proceeds from financial assets at amortized cost	100,000	-
Purchase of financial assets at FVTPL	(25,000)	(25,000)
Net cash outflow on acquisition of subsidiaries	-	(790,269)

(Continued)

# SILITECH TECHNOLOGY CORPORATION

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

	2024	2023
Proceeds from capital reduction of investees accounted for using equity method	\$ -	\$ 694,259
Payments for property, plant and equipment	(18,124)	(9,187)
Payments for intangible assets	-	(1,692)
Decrease in other non-current assets	<u>(426)</u>	<u>885</u>
Net cash generated from (used in) investing activities	<u>38,862</u>	<u>(354,180)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends paid	<u>(81,600)</u>	<u>(40,800)</u>
Net cash used in financing activities	<u>(81,600)</u>	<u>(40,800)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	71,449	(428,697)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>11,466</u>	<u>440,163</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 82,915</u>	<u>\$ 11,466</u>

The accompanying notes are an integral part of the financial statements.  
(With Deloitte & Touche auditors' report dated February 20, 2025)

(Concluded)

## **Audit Committee's Review Report**

To: The 2025 Annual General Shareholders' Meeting of Silitech Technology Corporation

The Board of Directors has prepared and submitted to the undersigned, Audit Committee of Silitech Technology Corporation the 2024 business report, financial statements and the proposal for appropriation of earnings. The financial statements have been duly audited by Certified Public Accountants Yen-Chun Chen and Meng-Chieh Chiu of Deloitte & Touche. The above business report, financial statements and the proposal for appropriation of earnings have been examined and determined to be correct by the undersigned. This report is duly submitted in accordance with Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act.

Convener of the Audit Committee:

Mr. Tien-Chun Tsai

March 28, 2025

**Silitech Technology Corporation**  
**Statement of Earnings Distribution**  
**Year 2024**

Unit: NTD

Description	Amount
Unappropriated retained earnings, beginning of year	\$ 104,938,730
Net profit after income tax	55,077,774
Adjustments on re-measurement on define benefit plans recognized in retained earnings	2,307,964
Legal reserve	(5,738,574)
Reversal of special reserve appropriated by law	132,540,493
Distributable retained earnings	289,126,387
Less : Distribution	
Cash dividends (NT\$0.30/per share)	(20,400,000)
Unappropriated retained earnings, end of year	<u>\$ 268,726,387</u>

Chairman: Yu-Heng Chiao

Manager: Yu-Chen Hsu

Chief Accountant: Chi-Tien Chen

## Silitech Technology Corporation

### Comparison Table of Amendments to “Articles of Incorporation”

After Amendment	Before Amendment	Note
<p>Article XV</p> <p>The Company shall allocate the following compensation from the profit of each fiscal year (The “profit” means “profit before income tax and employees’ and directors’ compensation”), however, the Company shall have reserved a sufficient amount from such profit to offset its accumulated losses (including unappropriated earnings adjustment if any):</p> <p>1、Employees’ compensation: 2%~10% <u>(not less than 50% of the amount of employee remuneration under this item shall be allocated to non executive employees)</u>.</p> <p>2、Directors’ compensation: no more than 3%.</p> <p>The employees’ compensation <u>(including remuneration for non executive employees)</u> under the preceding paragraph may be distributed in shares or cash. Those entitled to such compensation include the Company’s employees or employees of the Company's parent or subsidiary companies that meet certain specific requirements. The Board of Directors is authorized with full powers to determine the terms and methods of appropriation. Where the securities management authorities have other rules governing the qualification requirements of employees <u>(including non executive employees)</u> specified, such rules shall be followed. The Directors’</p>	<p>Article XV</p> <p>The Company shall allocate the following compensation from the profit of each fiscal year (The “profit” means “profit before income tax and employees’ and directors’ compensation”), however, the Company shall have reserved a sufficient amount from such profit to offset its accumulated losses (including unappropriated earnings adjustment if any):</p> <p>1、Employees’ compensation: 2%~10%.</p> <p>2、Directors’ compensation: no more than 3%.</p> <p>The employees’ compensation under the preceding paragraph may be distributed in shares or cash. Those entitled to such compensation include the Company’s employees or employees of the Company's parent or subsidiary companies that meet certain specific requirements. The Board of Directors is authorized with full powers to determine the terms and methods of appropriation. Where the securities management authorities have other rules governing the qualification requirements of employees specified, such rules shall be followed. The Directors’ compensation under the preceding paragraph will only be distributed by cash.</p>	<p>Pursuant to the provisions of Article 14, Paragraph 6 of the Securities and Exchange Act, the Company shall amend its Articles of Incorporation to specify the allocation of a certain percentage of annual earnings for the purpose of salary adjustments or compensation distributions to non_executive employees.</p>

After Amendment	Before Amendment	Note
<p>compensation under the preceding paragraph will only be distributed by cash.</p> <p>The Company shall, upon a resolution of the Board of Directors, distribute employees' and directors' compensation in the preceding two paragraphs, and report to the shareholders' meeting for such distribution.</p>	<p>The Company shall, upon a resolution of the Board of Directors, distribute employees' and directors' compensation in the preceding two paragraphs, and report to the shareholders' meeting for such distribution.</p>	
<p>Article XIX</p> <p>The Articles were duly stipulated on October 24, 2001 after being agreed by all promoters, and effective after submitted to and approved by the competent authority.</p> <p>The Articles were duly amended on November 19, 2001 as the 1st amendment.</p> <p>The Articles were duly amended on May 17, 2002 as the 2nd amendment.</p> <p>The Articles were duly amended on May 17, 2002 as the 3rd amendment.</p> <p>The Articles were duly amended on May 17, 2002 as the 4th amendment.</p> <p>The Articles were duly amended on May 27, 2003 as the 5th amendment.</p> <p>The Articles were duly amended on June 27, 2003 as the 6th amendment.</p> <p>The Articles were duly amended on May 5, 2004 as the 7th amendment.</p> <p>The Articles were duly amended on June 16, 2005 as the 8th amendment.</p> <p>The Articles were duly amended on June 23, 2006 as the 9th amendment.</p> <p>The Articles were duly amended on June 19, 2008 as the 10th amendment.</p> <p>The Articles were duly amended on June 14, 2010 as the 11th amendment.</p> <p>The Articles were duly amended on June 22, 2012 as the 12th amendment.</p> <p>The Articles were duly amended on</p>	<p>Article XIX</p> <p>The Articles were duly stipulated on October 24, 2001 after being agreed by all promoters, and effective after submitted to and approved by the competent authority.</p> <p>The Articles were duly amended on November 19, 2001 as the 1st amendment.</p> <p>The Articles were duly amended on May 17, 2002 as the 2nd amendment.</p> <p>The Articles were duly amended on May 17, 2002 as the 3rd amendment.</p> <p>The Articles were duly amended on May 17, 2002 as the 4th amendment.</p> <p>The Articles were duly amended on May 27, 2003 as the 5th amendment.</p> <p>The Articles were duly amended on June 27, 2003 as the 6th amendment.</p> <p>The Articles were duly amended on May 5, 2004 as the 7th amendment.</p> <p>The Articles were duly amended on June 16, 2005 as the 8th amendment.</p> <p>The Articles were duly amended on June 23, 2006 as the 9th amendment.</p> <p>The Articles were duly amended on June 19, 2008 as the 10th amendment.</p> <p>The Articles were duly amended on June 14, 2010 as the 11th amendment.</p> <p>The Articles were duly amended on June 22, 2012 as the 12th amendment.</p> <p>The Articles were duly amended on</p>	<p>Added the date of amendment.</p>

After Amendment	Before Amendment	Note
<p>June 21, 2016 as the 13th amendment.  The Articles were duly amended on  June 13, 2017 as the 14th amendment.  The Articles were duly amended on  June 12, 2019 as the 15th amendment.  The Articles were duly amended on  June 18, 2020 as the 16th amendment.  The Articles were duly amended on  July 9, 2021 as the 17th amendment.  The Articles were duly amended on  June 10, 2022 as the 18th amendment.  <u>The Articles were duly amended on</u>  <u>June 18, 2025 as the 19th amendment.</u></p>	<p>June 21, 2016 as the 13th amendment.  The Articles were duly amended on  June 13, 2017 as the 14th amendment.  The Articles were duly amended on  June 12, 2019 as the 15th amendment.  The Articles were duly amended on  June 18, 2020 as the 16th amendment.  The Articles were duly amended on  July 9, 2021 as the 17th amendment.  The Articles were duly amended on  June 10, 2022 as the 18th amendment.</p>	



**Silitech Technology Corporation**  
**Comparison Table of Amendments to “Procedures for the Acquisition and Disposal of Assets”**

After Amendment	Before Amendment				Note
4. Investment limits for non-operating real property, right-of-use assets, and marketable securities shall be separately established for the Company and each of its subsidiaries as follows: <u>4.1 The total investment amount in non-operating real property and right-of-use assets shall not exceed 20% of net worth.</u> <u>4.2 The total investment amount in securities shall not exceed 200% of net worth.</u> <u>4.3 The investment amount in any individual security shall not exceed 100% of net worth.</u>	4. Investment limits for non-operating real property, right-of-use assets, and marketable securities shall be separately established for the Company and each of its subsidiaries as follows:				Amended in accordance with the Company's actual operations.
		The Company	Investment holding company	Other subsidiary	
	Non-operating of real property and right-of-use assets	15% of net worth	5% of parent company's net worth		
	Total investment amount in marketable securities	150% of net worth	100% of subsidiary's net worth	10% of parent company's net worth	
	Investment amount in any individual security	100% of net worth	100% of subsidiary's net worth	5% of parent company's net worth	

After Amendment	Before Amendment	Note
<p>5.2.3 If the Company acquires <u>or disposes of securities and the amount of a single transaction reaches NT\$300 million or more, or if the cumulative transaction amount with the same counterparty involving securities of the same nature reaches NT\$300 million or more within one year, the transaction shall be submitted to the Company's Board of Directors for approval prior to execution.</u></p>	None.	In accordance with the Company's actual operations, the relevant provisions have been newly included.
<p>6.2.3 If the Company acquires <u>or disposes of real property, equipment or right-of-use assets and the amount of a single transaction reaches NT\$300 million or more, or if the cumulative transaction amount with the same counterparty involving securities of the same nature reaches NT\$300 million or more within one year, the transaction shall be submitted to the Company's Board of Directors for approval prior to execution.</u></p>	None.	In accordance with the Company's actual operations, the relevant provisions have been newly included.

**Silitech Technology Corporation**  
**Details of Release of Directors from Additional Non-Competition Restrictions**

Identity	Candidates	Company Name	Position
Director	Walsin Technology Corporation Representative Chin-Hui Chen	Walsin Technology Corporation	Vice President
Director	Lite-On Technology Corporation	LITE-ON RACK CORPORATION	Director