

Stock Code: 3413



2025 Shareholders' Meeting

Meeting Handbook

May 28, 2025

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I. Meeting Procedure

Foxsemicon Integrated Technology Inc.

Procedure for the 2025 Annual Meeting of

Shareholders

I. Chairman's Remarks

II. Report Items

III. Matters to be Approved

IV. Discussion

V. Extraordinary Motion

VI. Adjournment

[Two. Agenda]

Foxsemicon Integrated Technology Inc. Procedure for the 2025 Annual Meeting of Shareholders

Time: 9:00 a.m., May 28, 2025 (Wednesday)

Venue: 2F., No. 16, Kezhong Rd., Zhunan Township, Miaoli County, Taiwan

Method of convening: Physical meeting

Call the Meeting to Order

Chairman's Remarks

I. Report Items:

- (I) 2024 Business Report
- (II) Audit Committee's Review Report on 2024 Financial Statements
- (III) 2024 Distribution of Remuneration to Employees and Directors
- (IV) 2024 Distribution of Cash Dividends
- (V) Revision of Rules of Procedures for Board Meetings

II. Matters to be Approved:

- (I) 2024 Business Report and Financial Statements
- (II) 2024 Earnings Distribution

III. Discussion:

- (I) Amendment to the Company's Articles of Incorporation

IV. Extraordinary Motion

V. Adjournment

Report Items

Proposal 1

Proposal: 2024 Business Report

Description: For the 2024 Business Report please refer to Attachment 1 (p.7 - p.9).

Proposal 2

Proposal: Audit Committee's Review Report on 2024 Financial Statements

Description: For the Audit Committee's Review Report on 2024 Financial Statements please refer to Attachment 2 (p.10).

Proposal 3

Proposal: 2024 Distribution of Remuneration to Employee and Directors

Description: I. According to article 29 of the company charter, if the company makes profits for the year, it shall set aside 3% to 8% as employee remuneration and less than 0.5% as the director remuneration. This shall be resolved by the Board and reported at the shareholders' meeting. However, when the Company has accumulated losses, it shall reserve the amount to make up the losses, then allocate the employee and director remuneration from the remainder according to the ratio mentioned in the preceding paragraph. Employee remuneration can be paid in cash or in shares. Qualified employees of subsidiaries are also included in the payment.

II. The Company operated at a profit of NT\$ 3,260,076,041 (income before tax and distribution of remuneration to employees and Directors) for the year 2024. The Company appropriated 5.49% (NT\$ 179,106,252) as remuneration to employees, and 0.45% (NT\$ 14,785,912) as remuneration to Directors.

Proposal 4

Proposal: 2024 Distribution of Cash Dividends

Description: I. In accordance with the Company's Article 29-1 of the Articles of Incorporation, if dividends and bonuses are to be paid in the form of cash, approval for should be passed by at least half of the directors in attendance in a Board meeting attended by no less than two-thirds of all Board members.

II. The Company appropriates NT\$ 1,564,135,097 from 2024 distributable earnings as cash dividends, and distributes at NT\$14.5 per share (rounded down to the whole dollar amounts). The fractional amounts are aggregated and recorded as other income of the Company.

III. The Company's 2024 surplus distribution has set the ex-dividend base date as June 28, 2025, and the dividend payment date as July 18, 2025. If changes to the ex-dividend base date, payment date, or other related matters are required due to actual operational needs, regulatory changes, or in response to objective circumstances, the Chairman is authorized to handle all such matters at his discretion.

IV. Chairman is authorized with full discretion to proceed according to the Company Act or relevant laws if the payout ratio is changed due to change in the Company's share capital and number of shares outstanding after the distribution of dividends.

Proposal 5

Proposal: Revision of the Company's "Rules of Procedure for Board of Directors Meetings" Report, Submitted for Your Review.

Explanation: Please refer to Attachment 5 (p.38) of this handbook for the comparison table of the Company's "Rules of Procedure for Board of Directors Meetings" before and after revision.

Matters to be Approved:

Proposal 1

(Proposed by the Board of Directors)

Proposal: 2024 Business Report and Financial Statements

Description: I. The Company's 2024 individual and consolidated financial statements and business report have been approved by resolution at the Board Meeting on and reviewed by the Audit Committee. The CAPs Patrick Hsu and Jen-Chieh Wu of PricewaterhouseCoopers, Taiwan have reviewed the individual and consolidated financial statements and have issued an unqualified audit opinion.

II. For the business report, the audit committee's review report, the independent auditors' report and the 2024 Financial statements, please refer to Attachment 1-3 (p.7 - p.36).

Resolution:

Proposal 2

(Proposed by the Board of Directors)

Proposal: 2024 Earnings Distribution

Description: The 2024 earnings distribution has been approved by resolution at the Board Meeting and reviewed by the Audit Committee. For details, please refer to Attachment 4 (p.37).

Resolution:

Discussion

Proposal 1

(Proposed by the Board of Directors)

Proposal: Proposal to Amend the Company's "Articles of Incorporation," Submitted for Discussion.

Explanation: In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and FSC Order No. 1130385442, we propose to amend certain provisions of the Articles of Incorporation. Please refer to Attachment 6 (p.39 - p.40) of this handbook for the comparison table of the "Articles of Incorporation" before and after revision.

Resolution:

Extraordinary Motion

Adjournment



Foxsemicon Integrated Technology Inc.
2024 Business Report

The Company's 2024 revenue totaled NT\$ 16,454,476 thousand, at an increase of 26.07% YoY, and an increase of NT\$ 632,170 thousand in operating profit. The 2024 profit before tax amounted to NT\$ 3,214,653 thousand and net income for the period was NT\$ 2,612,643 thousand. EPS was NT\$ 25.22, up NT\$ 4.74 from NT\$ 20.48 in the previous year. The Company's 2024 operating performance report is as follows:

I. Operating status: Performance analysis for the years 2024 and 2023

Unit: NT\$ thousands

Year Financial statement account	2024		2023		Difference	% difference (Note)
	Amount	%	Amount	%		
Revenue	16,454,476	100%	13,051,357	100%	3,403,119	26.07%
Operating cost	(12,165,987)	-73.94%	(9,636,790)	-73.84%	(2,529,197)	0.10%
Gross profit	4,288,489	26.06%	3,414,567	26.16%	873,922	-0.10%
Operating expense	(1,626,286)	-9.88%	(1,384,534)	-10.61%	(241,752)	-0.73%
Operating profit	2,662,203	16.18%	2,030,033	15.55%	632,170	0.63%
Non-operating income	552,450	3.36%	482,396	3.70%	70,054	-0.34%
Profit before tax	3,214,653	19.54%	2,512,429	19.25%	702,224	0.29%
Income tax expense	(602,010)	-3.66%	(521,961)	-4.00%	(80,049)	-0.34%
Net income	2,612,643	15.88%	1,990,468	15.25%	622,175	0.63%
Basic EPS (NT\$)	25.22		20.48	100%	4.74	23.15%

Note: The percentage difference for revenue and basic EPS are calculated based on the amount difference, otherwise the difference between the percentage differences in both years.

1. In terms of revenue:

- 1.1 2024 revenue amounted NT\$16,454,476 thousand, up NT\$13,051,357 thousand or 26.07% from 2023.
- 1.2 In 2024, the non-operating income totaled NT\$607,200 thousand, including interest income of NT\$237,730 thousand, other income of NT\$134,057 thousand (government grants of NT\$86,865 thousand, payables transferred to income of NT\$20,923 thousand, rental income of NT\$14,445 thousand, and other miscellaneous income of NT\$11,824 thousand), and other gains and losses of NT\$235,413 thousand (net foreign currency exchange gain of NT\$240,316 thousand, loss on financial assets measured at fair value through profit or loss of NT\$2,369 thousand, loss on disposal of property, plant and equipment of NT\$485 thousand, and other losses of NT\$2,049 thousand).

2. In terms of expenses:
 - 2.1 2024 operating cost amounted NT\$12,165,987 thousand, and operating cost as a percentage of revenue increased by 0.1% from NT\$9,636,790 thousand in 2023. 2024 operating expense amounted NT\$1,626,286 thousand, and operating cost as a percentage of revenue decreased by 0.73% from NT\$1,384,534 thousand in 2023.
 - 2.2 The non-operating expenses for 2024 amounted to NT\$ 54,750 thousand, including financial costs of NT\$ 41,308 thousand and the share of profit or loss of affiliates and joint ventures recognized using the equity method of NT\$ 13,442 thousand.
3. In terms of profit:
2024 net profit amounted NT\$2,612,643 thousand, up NT\$622,175 thousand from NT\$1,990,468 Thousand in 2023. 2024 basic EPS amounted NT\$25.22, up NT\$4.74 from NT\$20.48 in 2023.

II. Innovation and R&D

The Company upholds the spirit of “Cultivate core technology and create new values” in the development of its R&D, and continues to invest in the R&D of advance equipment technology, with focuses on application in the semiconductor, optoelectronics, new energy, and automation. Standing on our solid R&D foundation, we step forward to strengthen our core competitiveness, and emphasize low-carbon emission and energy-saving features of smart equipment and smart manufacturing.

In terms of semiconductor equipment technology, we continue to develop next-generation nano-process equipment for the future. We aim to upgrade the micro-contamination prevention capability and develop automated micro-contamination control, air curtain cleaning solutions, and functional water supply systems. We continue to keep up with the latest process technologies of our customers and entered the mass protection of the 2nm process of customers. After EUV became the mainstream exposure process in advanced semiconductor processes beyond 5nm, we successfully extended our high-purity automated equipment R&D technologies. With precision positioning accuracy and micro-environment monitoring technology, we developed an EUV photomask pellicle automated bonding machine and photomask transfer machine. After passing customer verification for the 3nm process, we continued to refine these systems to achieve mass production for the 2nm process. In response to the rapidly increasing demand for advanced semiconductor packaging capacity, we completed the development of wafer appearance inspection equipment, standard semiconductor wafer sorting machines, and integrated wafer stacking box packaging/unpacking and sorting equipment, which have been progressively adopted by major wafer manufacturing and testing companies.

In optoelectronics and other automation equipment technologies, our solid R&D capabilities have attracted alliances with global equipment manufacturers to develop advanced semiconductor process front-end automation modules and next-generation photomask pellicle film coating equipment.

We continue to work on industrial upgrading and sustainable development. We invest in low-carbon, energy-saving and intelligent manufacturing technologies, and incorporated the technologies of real-time monitoring technology of carbon emissions, cloud computing, mobile terminals, Internet of Things, and big data. Then we apply these key technologies to new applications in wafer sorting equipment, semiconductor factory standard automation interface, unmanned whole plant intelligent automation, and environmental monitoring.

The Company's 2024 main R&D results are as follows:

Item	R&D results
1	Developed a fully automated wafer external appearance inspection equipment with a multi-wafer cassette loading interface
2	Developed real-time equipment carbon emission monitoring technology and participated in an ESG friendly competition proposal with wafer fab customers
3	2nm process micro-contamination prevention solution passed customer mass production verification
4	Developed next-generation EUV photomask pellicle film deposition equipment
5	Developed next-generation EUV photomask pellicle cutting and bonding equipment

The Company is ahead of its peers in the field of semiconductor and semiconductor and ultra-clean automation equipment. Under the booming global demand for semiconductor equipment, the development of advanced processing is expecting a prominent future. On the other hand, the Company extends the application of its technologies to new fields and emerging industries, such as electric vehicles and the development and manufacture of medical equipment. We continue to make in-depth R&D in advanced and innovative technologies, expand the application of low-carbon internet and the core technologies of automation, and continue to incorporate our technologies into the development of new products.

Chairman: Young-Way Liu



Manager: Kevin Chiu



Chief Accounting Officer:
Hsiao-Pei Chung



Attachment 2

Audit Committee's Report on Financial Statements

The Company's 2024 business report, financial statements, and earnings appropriation proposal are prepared by the board of directors. The financial statements have been audited and verified by CPAs Sheng-Chung Hsu and Jen-Chieh Wu of PwC Taiwan, to which the firm has issued an independent auditor's report. We have reviewed the above business report, financial statements, and earnings appropriation proposal without identifying any inconsistency, so we have issued a report as above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the company Act.

Please proceed to review it.

Submitted to

2025 Shareholders' Meeting of Foxsemicon Integrated Technology Inc.

Foxsemicon Integrated Technology Inc.

Audit Committee

Convener Shui-Hui Wu

February 26, 2025

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Foxsemicon Integrated Technology Inc.

Opinion

We have audited the accompanying consolidated balance sheets of Foxsemicon Integrated Technology Inc. and subsidiaries (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Sales revenue cut-off

Description

Please refer to Note 4(31) for accounting policy on revenue recognition, Note 5(1) for critical judgement on revenue recognition, and Note 6(19) for details of revenue. For the year ended December 31, 2024, the balance of revenue amounted to NT\$16,454,476 thousand.

The Group has three sales transaction types, including direct shipment from the factory, FOB destination, and hub. For FOB destination and hub, revenue is recognized when goods are shipped to the destination or picked up by customers (when control of the product is transferred). The supporting documents for revenue recognition include receipts from customers (FOB destination), reports or other information provided by hub custodians and inventory movement record of hub. The process of revenue recognition contains numerous manual procedures, which may potentially result in inaccurate timing of revenue recognition.

Since there are numerous daily revenue from hubs and from FOB destination, the transaction amounts prior to and after the balance sheet date are significant to the financial statements, and revenue recognition involves subjective judgment, revenue cut-off has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Evaluated and tested the Group's internal controls in respect of revenue recognition.
2. Tested sales transactions that took place shortly before and after the balance sheet date, by verifying customers' receipt notes, supporting documents provided by hub custodian, inventory movement records, and costs of goods sold recognized in the correct reporting periods.
3. Confirmed the inventory quantities with hub custodian and agreed the results to accounting records.

Evaluation of inventories

Description

Please refer to Note 4(14) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for details of inventories. As of December 31, 2024, the balances of inventories and allowance for valuation loss on inventories amounted to NT\$4,015,934 thousand and NT\$127,927 thousand respectively.

The Group is primarily engaged in manufacture and sales of semiconductors and automation equipment and components. As technology changes rapidly, the life cycles of electronic products are short, prices are easily influenced by fluctuation in market price, there is higher risk of incurring inventory valuation losses or obsolescence. The Group measures inventories sold at the lower of cost and net realizable value. For inventories that are over a certain age and individually identified obsolete or ruined inventory, losses are recognized at net realizable value.

The Group's allowance for inventory valuation losses mainly arises from individually identified obsolete or ruined inventory, and since the value of inventories is significant, inventory types are various, the individual identification of inventory usually involves human judgement and the valuation contains uncertainty. Thus, we identified the valuation of allowance for valuation loss on inventories as one of key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Ascertained whether the policies and procedures on allowance for inventory valuation losses were reasonable and consistently applied in all the periods.
2. Verified the appropriateness of the system logic in calculating the ageing of inventories, and confirmed the information in the reports is consistent with the relevant policies.
3. Assessed the reasonableness of separately identified obsolete and damaged inventories and verified against information obtained during the stock count.
4. For net realizable value of inventories over normal age and those individually identified obsolete and damaged inventory, we discussed with the management, obtained supporting documents and reviewed the calculation of inventory loss.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Foxsemicon Integrated Technology Inc. as at and for the years ended December 31, 2024 and 2023.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 appropriate audit evidence regarding the financial information of the 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 of the current period 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.

Hsu, Sheng-Chung

Wu, Jen-Chieh

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

FOXSEMICON INTERGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 7,526,593	33	\$ 6,956,133	36
1110	Current financial assets at fair value	6(2)				
	through profit or loss		326	-	-	-
1136	Current financial assets at amortized cost	6(1)	2,679,224	12	3,627,151	19
1170	Accounts receivable	6(4) and 7	1,694,802	7	782,640	4
1200	Other receivables	6(2) and 7	11,719	-	121,882	1
130X	Inventory	6(5)	3,888,007	17	2,620,129	13
1410	Prepayments		344,638	1	216,603	1
11XX	Total current assets		<u>16,145,309</u>	<u>70</u>	<u>14,324,538</u>	<u>74</u>
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	48,505	-	27,550	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	338,492	1	292,437	1
1550	Investments accounted for using equity method		109,559	1	96,705	-
1600	Property, plant and equipment	6(6) and 9	5,186,102	22	3,780,898	20
1755	Right-of-use assets	6(7) and 7	585,449	3	318,207	2
1760	Investment property	6(8)	26,953	-	28,913	-
1840	Deferred income tax assets	6(24)	10,100	-	9,516	-
1900	Other non-current assets	6(1) and 8	678,050	3	490,959	3
15XX	Total non-current assets		<u>6,983,210</u>	<u>30</u>	<u>5,045,185</u>	<u>26</u>
1XXX	Total assets		<u>\$ 23,128,519</u>	<u>100</u>	<u>\$ 19,369,723</u>	<u>100</u>

(Continued)

FOXSEMICON INTERGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term loans	6(9)	\$ 30,000	-	\$ 35,000	-
2120	Current financial liabilities at fair value through profit or loss	6(2)	1,802	-	-	-
2130	Current contract liabilities	6(19)	333,823	2	339,282	2
2170	Accounts payable		1,711,501	7	941,407	5
2200	Other payables	6(10)	2,074,232	9	1,464,158	8
2230	Current tax liabilities		406,177	2	251,149	1
2280	Current lease liabilities	7	72,600	-	47,235	-
2320	Long-term liabilities, current portion	6(13)(14)	628,584	3	64,715	-
2399	Other current liabilities, others	6(11)	290,545	1	393,363	2
21XX	Total current liabilities		<u>5,549,264</u>	<u>24</u>	<u>3,536,309</u>	<u>18</u>
Non-current liabilities						
2530	Bonds payable	6(13)	-	-	1,865,038	10
2540	Long-term loans	6(14)	1,423,956	6	1,571,780	8
2570	Deferred income tax liabilities	6(24)	85,575	1	47,413	-
2580	Non-current lease liabilities	7	547,468	2	285,457	2
2600	Other non-current liabilities	6(11)	314,809	1	461,486	2
25XX	Total non-current liabilities		<u>2,371,808</u>	<u>10</u>	<u>4,231,174</u>	<u>22</u>
2XXX	Total Liabilities		<u>7,921,072</u>	<u>34</u>	<u>7,767,483</u>	<u>40</u>
Equity						
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(15)	1,060,004	4	971,861	5
3130	Certificate of entitlement to new shares from convertible bond		16,245	-	246	-
3140	Advance receipts for share capital		1,692	-	2,286	-
Capital surplus						
3200	Capital surplus		5,715,305	25	4,051,311	21
Retained earnings						
3310	Legal reserve		1,142,209	5	943,255	5
3320	Special reserve		6,336	-	6,336	-
3350	Unappropriated retained earnings		6,927,340	30	5,586,669	29
Other equity interest						
3400	Other equity interest		338,316	2	40,276	-
3XXX	Total equity		<u>15,207,447</u>	<u>66</u>	<u>11,602,240</u>	<u>60</u>
Significant Contingent Liabilities and Unrecognized Contract Commitments						
Significant Events after the Balance Sheet Date						
3X2X	Total liabilities and equity		<u>\$ 23,128,519</u>	<u>100</u>	<u>\$ 19,369,723</u>	<u>100</u>

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

FOXSEMICON INTERGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Items	Notes	Year ended December 31				
			2024	2023	AMOUNT	%	
4000	Operating revenue	6(19) and 7	\$ 16,454,476	100	\$ 13,051,357	100	
5000	Operating costs	6(5)	(12,165,987)	(74)	(9,636,790)	(74)	
5900	Gross profit from operations		4,288,489	26	3,414,567	26	
	Operating expenses	6(22)					
6100	Selling expenses		(420,758)	(3)	(368,097)	(3)	
6200	Administrative expenses		(639,645)	(4)	(510,639)	(4)	
6300	Research and development expenses		(565,253)	(3)	(508,787)	(4)	
6450	Impairment (loss) gain	12(2)	(630)	-	2,989	-	
6000	Total operating expenses		(1,626,286)	(10)	(1,384,534)	(11)	
6900	Net operating income		2,662,203	16	2,030,033	15	
	Non-operating income and expenses						
7100	Interest income		237,730	2	239,953	2	
7010	Other income	6(20)	134,057	1	161,015	1	
7020	Other gains and losses	6(21)	235,413	1	131,791	1	
7050	Finance costs	7	(41,308)	-	(41,535)	-	
7060	Share of loss of associates and joint ventures accounted for using equity method		(13,442)	-	(8,828)	-	
7000	Total non-operating revenue and expenses		552,450	4	482,396	4	
7900	Profit (loss) before income tax		3,214,653	20	2,512,429	19	
7950	Income tax expense	6(24)	(602,010)	(4)	(521,961)	(4)	
8200	Profit for the period		\$ 2,612,643	16	\$ 1,990,468	15	

(Continued)

FOXSEMICON INTERGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31			
		2024		2023	
		AMOUNT	%	AMOUNT	%
Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Remeasurement of defined benefit plan	6(12)		\$ 4,633	- (\$ 925)
8316	Unrealized gain on valuation of financial assets at fair value through the comprehensive	6(3)		149,747	1
8310	Components of other comprehensive income that will not be reclassified to profit or loss			154,380	1
				77,557	1
Components of other comprehensive income that will not be reclassified to profit or loss					
8361	Financial statements translation difference of foreign operations			239,959	1 (71,890) (1)
8370	Share of other comprehensive income(loss) of associates and joint ventures accounted for using equity method			3,943	- (1,309) -
8360	Other comprehensive income (loss) that will be reclassified to profit or loss			243,902	1 (73,199) (1)
8300	Other comprehensive income for the year			\$ 398,282	2 \$ 4,358
8500	Total comprehensive income for the year			\$ 3,010,925	18 \$ 1,994,826
Profit attributable to:					
8610	Owners of the parent			\$ 2,612,643	16 \$ 1,990,468
Total comprehensive income attributable to:					
8710	Owners of the parent			\$ 3,010,925	18 \$ 1,994,826
Earnings per share (in dollars)					
9750	Basic earnings per share	6(25)		\$ 25.22	\$ 20.48
9850	Diluted earnings per share			\$ 22.70	\$ 18.22

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

FOXSEMICON INTEGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent										Total equity	
		Capital				Retained Earnings				Other equity interest			
		Common stock	Certificate of entitlement to new shares from convertible bond	Advance receipts for share capital	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income			
2023													
Balance at January 1, 2023		\$ 967,921	\$ -	\$ 2,588	\$ 3,939,329	\$ 713,397	\$ 6,336	\$ 5,166,593	\$ 14,747	\$ 20,246	\$ 10,831,157		
Profit for the year		-	-	-	-	-	-	1,990,468	-	-	1,990,468		
Other comprehensive income for the year		-	-	-	-	-	-	(925)	(73,199)	78,482	4,358		
Total comprehensive income		-	-	-	-	-	-	1,989,543	(73,199)	78,482	1,994,826		
Appropriations of 2022 earnings	6(18)	-	-	-	-	-	-	-	-	-	-		
Legal reserve		-	-	-	-	229,858	-	(229,858)	-	-	-		
Cash dividends		-	-	-	-	-	-	(1,339,609)	-	-	(1,339,609)		
Conversion of convertible bonds	6(17)	6	246	-	3,853	-	-	-	-	-	4,105		
Executive employee stock options	6(17)	3,934	-	(302)	39,814	-	-	-	-	-	43,446		
Share-based payment		-	-	-	68,086	-	-	-	-	-	68,086		
Change in equity of associates and joint ventures accounted for using equity method		-	-	-	229	-	-	-	-	-	229		
Balance at December 31, 2023		\$ 971,861	\$ 246	\$ 2,286	\$ 4,051,311	\$ 943,255	\$ 6,336	\$ 5,586,669	(\$ 58,452)	\$ 98,728	\$ 11,602,240		
2024													
Balance at January 1, 2024		\$ 971,861	\$ 246	\$ 2,286	\$ 4,051,311	\$ 943,255	\$ 6,336	\$ 5,586,669	(\$ 58,452)	\$ 98,728	\$ 11,602,240		
Profit for the year		-	-	-	-	-	-	2,612,643	-	-	2,612,643		
Other comprehensive income for the year		-	-	-	-	-	-	4,633	243,902	149,747	398,282		
Total comprehensive income		-	-	-	-	-	-	2,617,276	243,902	149,747	3,010,925		
Appropriations of 2023 earnings	6(18)	-	-	-	-	-	-	-	-	-	-		
Legal reserve		-	-	-	-	198,954	-	(198,954)	-	-	-		
Cash dividends		-	-	-	-	-	-	(1,173,260)	-	-	(1,173,260)		
Conversion of convertible bonds	6(17)	77,439	15,999	-	1,458,254	-	-	-	-	-	1,551,692		
Executive employee stock options	6(17)	10,704	-	(594)	146,127	-	-	-	-	-	156,237		
Share-based payment	6(16)(17)	-	-	-	59,761	-	-	-	-	-	59,761		
Disposal of equity instruments at fair value through other comprehensive income	6(3)	-	-	-	-	-	-	95,609	-	(95,609)	-		
Change in equity of associates and joint ventures accounted for using equity method		-	-	-	(148)	-	-	-	-	-	(148)		
Balance at December 31, 2024		\$ 1,060,004	\$ 16,245	\$ 1,692	\$ 5,715,305	\$ 1,142,209	\$ 6,336	\$ 6,927,340	\$ 185,450	\$ 152,866	\$ 15,207,447		

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

FOXSEMICON INTERGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 3,214,653	\$ 2,512,429
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense (including investment property and right-of-use assets)	6(8)(22)	537,995	399,683
Amortization expense	6(22)	13,435	10,199
Gain on reversal of payable		(20,923)	(3,880)
Share-based payments	6(16)	59,761	68,086
Additional provision recognized	6(11)	44,045	38,784
Share of loss of associates and joint ventures accounted for using equity method		13,442	8,828
Expected credit (gains) losses recognized		630	(2,989)
Loss on financial assets at fair value through profit or less	6(21)	1,862	(175,518)
Loss on disposal of property, plant and equipment	6(21)	485	3,109
Interest income		(237,730)	(239,953)
Interest expense		41,308	41,535
Dividend income		(3,251)	(4,023)
Realized profit of deferred income of government		(64,798)	(62,927)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss, mandatorily		507	411
Accounts receivable net		(911,684)	172,110
Accounts receivable related parties		140,015	-
Other receivable		115,398	(2,437)
Other receivable related parties		(301)	-
Inventories		(1,197,842)	1,150,890
Prepayment		(103,152)	(20,889)
Changes in operating liabilities			
Accounts payable		791,094	(486,783)
Accounts payable related parties		(127,120)	-
Other payable		322,055	(412,015)
Other payable related parties		(12,040)	-
Contract liabilities		(5,910)	323,347
Other current liabilities		(18,550)	(21,198)
Defined benefit plans asset		11	-
Accrued pension liabilities		-	853
Cash inflow generated from operations		2,593,395	3,297,652
Income taxes paid		(418,066)	(656,353)
Net cash flows from operating activities		<u>2,175,329</u>	<u>2,641,299</u>

(Continued)

FOXSEMICON INTERGRATED TECHNOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 21,145)	(\$ 14,404)
Proceeds from disposal of financial assets at fair value through profit or loss		- -	256,545
Acquisition of financial assets at amortized cost		(5,903,539)	(7,009,403)
Disposal of financial assets at amortized cost		6,890,645	4,650,772
Acquisition of Investments accounted for using equity method		(22,500)	(30,230)
Acquisition of property, plant and equipment	6(26)	(1,923,295)	(544,808)
Dividends received		3,251	4,023
Proceeds from disposal of property, plant and equipment		3,411	375
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	113,510	- -
Interest received		237,730	239,953
Decrease (increase) in other non-current assets		20,291	(73,935)
Net cash flows used in investing activities		(601,641)	(2,521,112)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Interest paid		(31,241)	(21,233)
Increase in short-term loans	6(27)	154,000	923,540
Decrease in short-term loans	6(27)	(159,000)	(1,305,172)
Payments of lease liabilities	6(27)	(40,865)	(46,816)
Repayments of supplemental loan		- -	(44,150)
Proceeds from long-term debt	6(27)	163,557	141,208
Repayments of long-term debt		(70,400)	(30,932)
Payment of cash dividends	6(18)	(1,173,260)	(1,339,609)
Executive employee stock options		156,237	43,446
Net cash flows used in financing activities		(1,000,972)	(1,679,718)
Effect of changes in foreign currency exchange rates on cash		(2,256)	(28,324)
Net increase (decrease) in cash and cash equivalents		570,460	(1,587,855)
Cash and cash equivalents at beginning of year		6,956,133	8,543,988
Cash and cash equivalents at end of year		<u>\$ 7,526,593</u>	<u>\$ 6,956,133</u>

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Foxsemicon Integrated Technology Inc.

Opinion

We have audited the accompanying parent company only balance sheets of Foxsemicon Integrated Technology Inc. and subsidiaries (the "Company") as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, parent company only statements of changes in equity and parent company only statements of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of Foxsemicon Integrated Technology Inc. as of December 31, 2024 and 2023, and its parent company only financial performance and parent company only 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 in the Republic of China. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the parent company only 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 Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

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

Sales revenue cut-off

Description

Please refer to Note 4(30) for accounting policy on revenue recognition, Note 5(1) for critical judgement on revenue recognition, and Note 6(17) for details of revenue. For the year ended December 31, 2024, the balance of revenue amounted to NT\$13,061,193 thousand.

The Company has three sales transaction types, including direct shipment from the factory, FOB destination, and hub. For FOB destination and hub, revenue is recognized when goods are shipped to the destination or picked up by customers (when control of the product is transferred). The supporting documents for revenue recognition include receipts from customers (FOB destination), reports or other information provided by hub custodians and inventory movement record of hub. The process of revenue recognition contains numerous manual procedures, which may potentially result in inaccurate timing of revenue recognition.

Since there are numerous daily revenue from hubs and from FOB destination, the transaction amounts prior to and after the balance sheet date are significant to the financial statements, and revenue recognition involves subjective judgment, revenue cutoff has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Evaluated and tested the Company's internal controls in respect of revenue recognition.
2. Tested sales transactions that took place shortly before and after the balance sheet date, by verifying customers' receipt notes, supporting documents provided by hub custodian, inventory movement records, and costs of goods sold recognized in the correct reporting periods.
3. Confirmed the inventory quantities with hub custodian and agreed the results to accounting records.

Evaluation of inventories

Description

Please refer to Note 4(13) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(4) for details of inventories. As of December 31, 2024, the balances of inventories and allowance for valuation loss on inventories amounted to NT\$1,037,293 thousand and NT\$5,918 thousand respectively.

The Company is primarily engaged in manufacture and sales of semiconductors and automation equipment and components. As technology changes rapidly, the life cycles of electronic products are short, prices are easily influenced by fluctuation in market price, there is higher risk of incurring inventory valuation losses or obsolescence. The Company measures inventories sold at the lower of cost and net realizable value. For inventories that are over a certain age and individually identified obsolete or ruined inventory, losses are recognized at net realizable value.

The Company's allowance for inventory valuation losses mainly arises from individually identified obsolete or ruined inventory, and since the value of inventories is significant, inventory types are various, the individual identification of inventory usually involves human judgement and the valuation contains uncertainty. Thus, we identified the valuation of allowance for valuation loss on inventories as one of key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Ascertained whether the policies and procedures on allowance for inventory valuation losses were reasonable and consistently applied in all the periods.
2. Verified the appropriateness of the system logic in calculating the ageing of inventories, and confirmed the information in the reports is consistent with the relevant policies.
3. Assessed the reasonableness of separately identified obsolete and damaged inventories and verified against information obtained during the stock count.
4. For net realizable value of inventories over normal age and those individually identified obsolete and damaged inventory, we discussed with the management, obtained supporting documents and reviewed the calculation of inventory loss.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only 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.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 parent company only financial statements.

As part of an audit in accordance with the Auditing Standards 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 parent company only 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 report to the related disclosures in the parent company only 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 parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only 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 parent company only financial statements of the current period 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.

Hsu, Sheng-Chung

Wu, Jen-Chieh

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2025

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FOXSEMICON INTEGRATED TECHNOLOGY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
 (Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,203,630	11	\$ 3,521,365	22
1110	Current financial assets at fair value through profit or loss		326	-	-	-
1136	Current financial assets at amortised cost	6(1)	1,300,000	7	2,570,000	16
1170	Accounts receivable	6(3) and 7	1,462,463	8	561,344	3
1200	Other receivables	7	1,642,166	8	1,255,507	8
130X	Inventory	6(4)	1,031,375	5	537,677	3
1410	Prepayments		29,924	-	22,972	-
11XX	Current Assets		<u>7,669,884</u>	<u>39</u>	<u>8,468,865</u>	<u>52</u>
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss		48,505	-	27,550	-
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	97,422	1	189,524	1
1550	Investments accounted for under equity method	6(5)	11,767,417	59	7,482,833	46
1600	Property, plant and equipment	6(6)	135,365	1	122,508	1
1755	Right-of-use assets	6(7)	41,100	-	54,904	-
1760	Investment property	6(8)	50,487	-	49,389	-
1840	Deferred income tax assets	6(22)	2,159	-	1,473	-
1900	Other non-current assets	6(11) and 8	25,312	-	24,748	-
15XX	Non-current assets		<u>12,167,767</u>	<u>61</u>	<u>7,952,929</u>	<u>48</u>
1XXX	Total assets		<u>\$ 19,837,651</u>	<u>100</u>	<u>\$ 16,421,794</u>	<u>100</u>

(Continued)

FOXSEMICON INTEGRATED TECHNOLOGY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2024		December 31, 2023	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2130 Current contract liabilities		\$ 250,754	1	\$ 304,003	2
2170 Accounts payable		485,055	2	139,059	1
2180 Accounts payable - related parties	7	2,145,712	11	1,226,548	7
2200 Other payables	6(9) and 7	840,265	4	637,229	4
2230 Current tax liabilities		237,830	1	126,976	1
2280 Current lease liabilities		2,905	-	3,468	-
2320 Long-term liabilities, current portion	6(12)	322,888	2	-	-
2399 Other current liabilities, others	6(10)	210,598	1	303,639	2
21XX Current Liabilities		4,496,007	22	2,740,922	17
Non-current liabilities					
2530 Corporate bonds payable	6(12)	-	-	1,865,038	11
2570 Deferred income tax liabilities	6(22)	85,575	1	47,413	-
2580 Non-current lease liabilities		47,818	-	61,144	-
2600 Other non-current liabilities	6(5)(10)(11)	804	-	105,037	1
25XX Non-current liabilities		134,197	1	2,078,632	12
2XXX Total Liabilities		4,630,204	23	4,819,554	29
Equity					
Share capital	6(13)				
3110 Common stock		1,060,004	5	971,861	6
3130 Certificate of entitlement to new shares from convertible bond		16,245	-	246	-
3140 Advance receipts for share capital		1,692	-	2,286	-
Capital surplus	6(15)				
3200 Capital surplus		5,715,305	29	4,051,311	25
Retained earnings	6(16)				
3310 Legal reserve		1,142,209	6	943,255	6
3320 Special reserve		6,336	-	6,336	-
3350 Unappropriated retained earnings		6,927,340	35	5,586,669	34
Other equity interest					
3400 Other equity interest		338,316	2	40,276	-
3XXX Total equity		15,207,447	77	11,602,240	71
Significant Contingent Liabilities and Unrecognized Contract Commitments	9				
Significant Events after the Balance Sheet Date	11				
3X2X Total liabilities and equity		\$ 19,837,651	100	\$ 16,421,794	100

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

FOXSEMICON INTEGRATED TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
 (Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31				
		2024		2023		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(17) and 7	\$ 13,061,193	100	\$ 10,089,159	100
5000	Operating costs	6(4) and 7	(10,851,671)	(83)	(8,241,865)	(82)
5900	Gross profit from operation		2,209,522	17	1,847,294	18
	Operating expenses	6(20) and 7				
6100	Selling expenses		(250,518)	(2)	(228,899)	(2)
6200	Administrative expenses		(344,565)	(3)	(309,206)	(3)
6300	Research and development expenses		(64,196)	-	(63,295)	(1)
6450	Impairment (loss) gain		(565)	-	48	-
6000	Total operating expenses		(659,844)	(5)	(601,352)	(6)
6900	Net operating income		1,549,678	12	1,245,942	12
	Non-operating income and expenses					
7100	Interest income	6(1)	148,839	1	183,729	2
7010	Other income	6(18) and 7	52,019	-	61,047	-
7020	Other gains and losses	6(19)	164,176	1	(1,770)	-
7050	Finance costs		(11,349)	-	(21,904)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	6(5)				
			1,162,821	9	868,365	9
7000	Total non-operating revenue and expenses		1,516,506	11	1,089,467	11
7900	Profit before income tax		3,066,184	23	2,335,409	23
7950	Income tax expense	6(22)	(453,541)	(3)	(344,941)	(3)
8200	Profit for the year		\$ 2,612,643	20	\$ 1,990,468	20
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Remeasurement of defined benefit plan	6(11)	\$ 4,633	-	(\$ 925)	-
8316	Unrealized gain on valuation of financial assets at fair value through the comprehensive	6(2)				
			92,102	1	72,233	1
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		57,645	-	6,249	-
8310	Other comprehensive income that will not be reclassified to profit or loss		154,380	1	77,557	1
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation difference of foreign operations		239,959	2	(71,890)	(1)
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		3,943	-	(1,309)	-
8360	Other comprehensive income that will be reclassified to profit or loss		243,902	2	(73,199)	(1)
8300	Other comprehensive income for the year		\$ 398,282	3	\$ 4,358	
8500	Total comprehensive income for the year		\$ 3,010,925	23	\$ 1,994,826	20
	Basic earnings per share	6(23)				
9750	Total basic earnings per share		\$ 25.22		\$ 20.48	
9850	Total diluted earnings per share		\$ 22.70		\$ 18.22	

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

FOXSEMICON INTEGRATED TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
 (Expressed in thousands of New Taiwan dollars)

Notes	Capital				Retained Earnings				Other equity interest		
	Common stock	Certificate of entitlement to new shares from convertible bond	Advance receipts for share capital	Total capital surplus, additional paid-in capital	Legal reserve			Unappropriated retained earnings	Financial statements translation differences of foreign operations	Other comprehensive income	Total equity
					Special reserve	Unappropriated retained earnings	Other comprehensive income				
2023											
Balance at January 1, 2023	\$ 967,921	\$ -	\$ 2,588	\$ 3,939,329	\$ 713,397	\$ 6,336	\$ 5,166,593	\$ 14,747	\$ 20,246	\$ 10,831,157	
Profit for the year	-	-	-	-	-	-	1,990,468	-	-	1,990,468	
Other comprehensive income for the year	-	-	-	-	-	-	(925)	(73,199)	78,482	4,358	
Total comprehensive income	-	-	-	-	-	-	1,989,543	(73,199)	78,482	1,994,826	
Appropriations of 2022 earnings	6(16)	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	-	229,858	-	(229,858)	-	-	-	
Cash dividends	-	-	-	-	-	-	(1,339,609)	-	-	(1,339,609)	
Conversion of convertible bonds	6(15)	6	246	-	3,853	-	-	-	-	-	4,105
Executive employee stock options	6(15)	3,934	-	(302)	39,814	-	-	-	-	-	43,446
Share-based payment (include subsidiaries)	6(15)	-	-	-	68,086	-	-	-	-	-	68,086
Changes in equity of associates and joint ventures accounted for using equity method	6(15)	-	-	-	229	-	-	-	-	-	229
Balance at December 31, 2023	\$ 971,861	\$ 246	\$ 2,286	\$ 4,051,311	\$ 943,255	\$ 6,336	\$ 5,586,669	(\$ 58,452)	\$ 98,728	\$ 11,602,240	
2024											
Balance at January 1, 2024	\$ 971,861	\$ 246	\$ 2,286	\$ 4,051,311	\$ 943,255	\$ 6,336	\$ 5,586,669	(\$ 58,452)	\$ 98,728	\$ 11,602,240	
Profit for the year	-	-	-	-	-	-	2,612,643	-	-	2,612,643	
Other comprehensive income for the year	-	-	-	-	-	-	4,633	243,902	149,747	398,282	
Total comprehensive income	-	-	-	-	-	-	2,617,276	243,902	149,747	3,010,925	
Appropriations of 2023 earnings	6(16)	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	-	198,954	-	(198,954)	-	-	-	
Cash dividends	-	-	-	-	-	-	(1,173,260)	-	-	(1,173,260)	
Conversion of convertible bonds	6(15)	77,439	15,999	-	1,458,254	-	-	-	-	-	1,551,692
Executive employee stock options	6(15)	10,704	-	(594)	146,127	-	-	-	-	-	156,237
Share-based payment (Include subsidiaries)	6(14)(15)	-	-	-	59,761	-	-	-	-	-	59,761
Disposal of equity instruments at fair value through other comprehensive income	6(2)	-	-	-	-	-	-	95,609	-	(95,609)	-
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(148)	-	-	-	-	-	(148)
Balance at December 31, 2024	\$ 1,060,004	\$ 16,245	\$ 1,692	\$ 5,715,305	\$ 1,142,209	\$ 6,336	\$ 6,927,340	\$ 185,450	\$ 152,866	\$ 15,207,447	

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

FOXSEMICON INTEGRATED TECHNOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 3,066,184	\$ 2,335,409
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense (including investment property and right-of-use assets)	6(6)(7)(8)	32,416	31,920
Additional provision recognized	6(10)	9,835	2,560
Interest expense		11,349	21,904
Amortization expense	6(20)	2,410	1,397
Loss on financial assets at fair value through profit or less	6(19)	(661)	(1,527)
Expected credit losses recognized (reversal)		565	48
Share-based payments	6(14)	43,518	48,774
Share of gain of subsidiaries associates and joint ventures accounted for using equity method	6(5)	(1,162,821)	(868,366)
Reversal of payables benefit	6(18)	(20,554)	(3,880)
Interest income		(148,839)	(183,729)
Dividends income	6(2)	(3,251)	(4,023)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss, mandatorily		(40)	(315)
Accounts receivable net		(889,281)	(235,677)
Other receivable		(882)	(965,402)
Inventories		(493,698)	(6,858)
Prepayment		(6,952)	(532)
Changes in operating liabilities			
Accounts payable		1,285,714	(651,425)
Other payable		(85,073)	(23,407)
Other current liabilities		(51,879)	(306,909)
Defined benefit plans asset		11	-
Accrued pension liabilities		-	(925)
Cash inflow generated from operations		1,588,071	288,893
Income taxes paid		(305,319)	(503,749)
Net cash flows from (used in) operating activities		<u>1,282,752</u>	<u>(214,856)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		148,839	183,729
Proceeds from disposal of property, plan and equipment	6(6)	23	70
Increase in other non-current assets		(226)	(6,349)
(Increase) decrease receivables arose from purchasing materials on behalf of others		(440,089)	(722,793)
Acquisition of property, plant and equipment	6(24)	(46,582)	(19,841)
Acquisition of Investments accounted for using equity method	6(5)	(2,929,692)	(1,477,338)
Receivables from other related parties decrease		127,585	527,938
Dividends received	6(5)	198,500	32,023
Acquisition of financial assets at fair value through profit or loss		(21,145)	(14,404)
Acquisition of financial assets at amortized cost		(3,250,000)	(5,443,680)
Disposal of financial assets at amortized cost		4,520,000	3,773,680
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(2)	113,510	-
Net cash flows used in investing activities		<u>(1,579,277)</u>	<u>(1,721,379)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of cash dividends	6(16)	(1,173,260)	(1,339,609)
Payments of lease liabilities		(2,906)	(3,387)
Interest paid		(1,281)	(1,601)
Executive employee stock options		156,237	43,446
Net cash flows used in financing activities		<u>(1,021,210)</u>	<u>(1,301,151)</u>
Net decrease in cash and cash equivalents		(1,317,735)	(3,237,386)
Cash and cash equivalents at beginning of year		3,521,365	6,758,751
Cash and cash equivalents at end of year		<u>\$ 2,203,630</u>	<u>\$ 3,521,365</u>

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

Foxsemicon Integrated Technology Inc.
Statement of Retained Earnings
For the year ended December 31, 2024

Unit: NT\$

Beginning undistributed earnings	4,214,454,018
2024 net profit after tax	2,612,643,346
2024 Defined benefit plan remeasurements	4,633,692
Disposal of financial assets measured at fair value through other comprehensive income	95,609,188
Sum of the total amount of after-tax net income for the period and other profit items adjusted to the current year's undistributed earnings	2,712,886,226
Appropriation:	
Legal reserve	(271,288,623)
Special reserve	0
Distributable earnings	6,656,051,621
Distribution:	
Dividends (NT\$ 14.5 per share)	(1,564,135,097)
Ending undistributed earnings	5,091,916,524

Chairman: Young-Way Liu



Manager: Kevin Chiu



Chief Accounting Officer:
Hsiao-Pei Chung



Foxsemicon Integrated Technology Inc.

Comparison Table for Before and After Revision of Rules of Procedures for Board Meetings

Article	Before revision	After revision	Reasons for revision
Article 11	<p>If less than one-half of all the directors are in attendance at the appointed meeting time, the Chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the Chair shall reconvene the meeting in accordance with the procedures in Article 2.</p> <p>The number of "all the directors," as used in the preceding paragraph and in Article 17, paragraph 2, subparagraph 2, shall be counted as the number of directors currently in office.</p>	<p>If less than one-half of all the directors are in attendance at the appointed meeting time, the Chair may announce postponement of the meeting time <u>on the same day</u>, provided that no more than two such postponements are made. If the quorum is still not met after two postponements, the Chair shall reconvene the meeting in accordance with the procedures in Article 2.</p> <p>The number of "all the directors," as used in the preceding paragraph and in Article 17, paragraph 2, subparagraph 2, shall be counted as the number of directors currently in office.</p>	<p>Revised in accordance with FSC Order Fa-Zi No. 1120383996 on January 11, 2024</p>
Article 12	<p>A Board Meeting shall proceed in the order of the agenda as provided in the meeting notice. However, the order may be changed upon the approval of a majority of Directors in attendance at the Board Meeting.</p> <p>The Chair may not declare the meeting adjourned without the approval of a majority of the Directors in attendance at the meeting.</p> <p>At any time during the course of a Board Meeting, if the number of Directors sitting at the meeting does not constitute a majority of the attending Directors, then upon the motion by a Director sitting at the meeting, the Chair shall declare a suspension of the meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis.</p>	<p>A Board Meeting shall proceed in the order of the agenda as provided in the meeting notice. However, the order may be changed upon the approval of a majority of Directors in attendance at the Board Meeting.</p> <p>The Chair may not declare the meeting adjourned without the approval of a majority of the Directors in attendance at the meeting.</p> <p>At any time during the course of a Board Meeting, if the number of Directors sitting at the meeting does not constitute a majority of the attending Directors, then upon the motion by a Director sitting at the meeting, the Chair shall declare a suspension of the meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis.</p> <p><u>If the chairperson is unable to preside over the board meeting while it is in progress or fails to announce the adjournment of the meeting in accordance with paragraph 2, the selection of the chairperson's proxy shall follow mutatis mutandis the provisions of Article 6, paragraph 3.</u></p>	<p>Revised in accordance with FSC Order Fa-Zi No. 1120383996 on January 11, 2024</p>

Foxsemicon Integrated Technology Inc.
Comparison Table of the Articles of Incorporation Before and After Revision

Article	Before revision	After revision	Reasons for revision
Article 29	<p>If the company makes profits for the year, it shall set aside 3% to 8% as employee remuneration and less than 0.5% as the director remuneration. This shall be resolved by the Board and reported at the shareholders' meeting. However, when the Company has accumulated losses, it shall reserve the amount to make up the losses, then allocate the employee and director remuneration from the remainder according to the ratio mentioned in the preceding paragraph.</p> <p>Employee remuneration can be paid in cash or in shares to employees of companies controlled by the Company or the Company's subsidiaries who meet certain criteria, where such criteria shall be determined by the Board of Directors.</p>	<p>If the Company has profits for the year, it shall first set aside 3–8% as employee compensation (<u>20–80% of this employee compensation amount shall be allocated to base-level employees</u>), and set aside no more than 0.5% as directors' compensation, which shall be resolved by the board of directors and reported to the shareholders' meeting. However, when the Company has accumulated losses, it shall reserve the amount to make up the losses, then allocate the employee and director remuneration from the remainder according to the ratio mentioned in the preceding paragraph.</p> <p>Employee remuneration can be paid in cash or in shares to employees of companies controlled by the Company or the Company's subsidiaries who meet certain criteria, where such criteria shall be determined by the Board of Directors.</p>	Amended in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act
Article 34	<p>These Articles of Incorporation are formulated as approved by all initiators at the initiators' meeting on April 19, 2001.</p> <p>Amendment for the 1st instance: May 1, 2001</p> <p>Amendment for the 2nd instance: April 14, 2002</p> <p>Amendment for the 3rd instance: June 24, 2003</p> <p>Amendment for the 4th instance: May 20, 2004</p> <p>Amendment for the 5th instance: June 24, 2005</p> <p>Amendment for the 6th instance: June 27, 2006</p> <p>Amendment for the 7th instance: June 15, 2007</p> <p>Amendment for the 8th instance: June 27, 2008</p> <p>Amendment for the 9th instance: June 16, 2009</p> <p>Amendment for the 10th instance: June 14, 2010</p>	<p>These Articles of Incorporation are formulated as approved by all initiators at the initiators' meeting on April 19, 2001.</p> <p>Amendment for the 1st instance: May 1, 2001</p> <p>Amendment for the 2nd instance: April 14, 2002</p> <p>Amendment for the 3rd instance: June 24, 2003</p> <p>Amendment for the 4th instance: May 20, 2004</p> <p>Amendment for the 5th instance: June 24, 2005</p> <p>Amendment for the 6th instance: June 27, 2006</p> <p>Amendment for the 7th instance: June 15, 2007</p> <p>Amendment for the 8th instance: June 27, 2008</p> <p>Amendment for the 9th instance: June 16, 2009</p> <p>Amendment for the 10th instance: June 14, 2010</p> <p>Amendment for the 11th instance: June 28,</p>	Added the revision date

Article	Before revision	After revision	Reasons for revision
	Amendment for the 11th instance: June 28, 2011 Amendment for the 12th instance: June 27, 2013 Amendment for the 13th instance: June 25, 2014 Amendment for the 14th instance: May 27, 2016 Amendment for the 15th instance: May 26, 2017 Amendment for the 16th instance: May 29, 2018 Amendment for the 17th instance: July 26, 2021 Amendment for the 18th instance: May 27, 2022	2011 Amendment for the 12th instance: June 27, 2013 Amendment for the 13th instance: June 25, 2014 Amendment for the 14th instance: May 27, 2016 Amendment for the 15th instance: May 26, 2017 Amendment for the 16th instance: May 29, 2018 Amendment for the 17th instance: July 26, 2021 <u>Amendment for the 18th instance: May 27, 2022</u> <u>Amendment for the 19th instance: May 28, 2025</u>	

Appendix 1

Foxsemicon Integrated Technology Inc. Articles of Incorporation (Before Revision)

Chapter I General Provisions

Article 1: The Company is duly incorporated in accordance with the regulations governing corporations in the Company Act and bears the title of Foxsemicon Integrated Technology Inc.

Article 2: The Company engages in the businesses as shown on the left:

- I. CB01010 Mechanical Equipment Manufacturing
- II. CC01080 Electronics Components Manufacturing
- III. F401010 International Trade
- IV. CF01011 Medical Devices Manufacturing
- V. F108031 Wholesale of Medical Devices
- VI. F208031 Retail Sale of Medical Apparatus
- VII. JA02010 Electric Appliance and Electronic Products Repair
- VIII. I301010 Information Software Services (limited to business outside of the region)
- IX. F119010 Wholesale of Electronic Materials (limited to business outside of the region)
- X. F118010 Wholesale of Computer Software (limited to business outside of the region)
- XI. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval. (limited to business outside of the region)

Research, development, design, manufacturing and sales of the following products:

- 1. Semiconductor equipment subsystem and system integration
- 2. Flat panel display equipment subsystem and system integration
- 3. Nano equipment R&D
- 4. LED lighting, LED display products and other application product
- 5. In Vitro Diagnostic Device (IVD) and related application product
- 6. Concurrently operating the import-export trading business relating to the Company's business.

Article 3: The Company shall be based in Hsinchu Science Park, and may, if necessary, set up branches or offices at various locations within the territory of ROC or abroad upon resolution of the Board of Directors and the Company.

Article 4: Deleted

Chapter II Shares

Article 5: The total authorized capital of the Company is NT\$ 500 million which may be distributed as 150 million shares (including 8.5 million employee stock options), with par value of NT\$ 10 each, upon the resolution of the Board of Directors.

Article 5-1: Treasury shares bought back by the Company may be transferred to employees of companies controlled by the Company or the Company's subsidiaries within Taiwan or abroad who meet certain criteria, where such criteria shall be determined by the Board of Directors.

The employee stock options may be issued to employees of companies controlled by the Company or the Company's subsidiaries within Taiwan or abroad who meet certain criteria, where such criteria shall be determined by the Board of Directors.

When the Company issues new shares, employees who subscribe to the shares may include employees of companies controlled by the Company or the Company's subsidiaries within Taiwan or abroad who meet certain criteria, where such criteria shall be determined by the Board of Directors.

The Company's restricted stock may be issued to employees of companies controlled by the Company or the Company's subsidiaries within Taiwan or abroad who meet certain criteria, where such criteria shall be determined by the Board of Directors.

Article 6: The total amount of the Company's investment in other businesses shall not be subject to the restriction of no more than 40 percent of its paid-in capital as provided in Article 13 of the Company Act regarding investment in other businesses.

Article 7: The Company's share certificates shall bear names, and shall be numbered and signed or affixed with seals by at least 3 Directors, and then shall be authenticated by the competent authority or the issuance registry institution accredited by the competent authority before issuance. After public offering, the Company may issue shares without printing share certificates.

Article 8: For transfer of shares, an application shall be filed, singed, and affixed with seals by transferor and transferee. An application shall be made to the Company for registration of such transfer. The shares shall not be set up as a defense against the Company, until the formalities for transfer are completed.

Article 9: Unless otherwise regulated, the loss of certificates is handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 10: The alteration of entries in the Company's shareholders' rosters shall be suspended by 60 days before the annual shareholders' meeting, or 30 days before a special shareholders' meeting, or within 5 days before the ex-dividend date on which Company decides to distribute stock dividends or other benefits.

Chapter III Shareholders' Meeting

Article 11: The Company's Shareholders' Meetings are classified into the following two kinds:

- I. Regular Shareholder' Meeting, which shall be convened by the Board of Directors annually within six months after closing of each accounting year.
- II. Special Shareholders' Meeting, which shall be convened whenever deemed necessary by the Board of Directors.

Article 12: The shareholders' meetings are convened by the Board of Directors and chaired by the Chairman. In case the Chairman is on leave or cannot exercise his powers and authorities for any reason, the Chairman shall designate one of the Directors to act on his behalf. In the absence of such a designation, the Directors shall elect from among themselves to act on behalf of the Chairman. If the meeting is convened by a person other than the Board of Directors, such person shall act as the chairperson at that meeting; if there are more than two persons with the authority to convene the meeting, the chairperson for the meeting shall be elected from among them.

Article 13: When the Company holds a shareholders' meeting, the meeting may be held by means of visual communication, or other methods announced by the central competent authorities.

The meetings held by means of visual communication shall be in accordance with regulations of the competent authority in charge of securities affairs, including the prerequisites, procedures, and other compliance matters.

Article 14: When a shareholder is unable to attend a shareholders' meeting for any reasons, he may appoint a proxy to attend his behalf by executing a power of attorney issued by the Company stating therein the scope of power authorized to the proxy.

Article 15: Except for shares that have no voting right as described in Article 179 of the Company Act, a shareholder shall have one voting right in respect of each share in his possession.

Article 16: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Chapter 4 Board of Directors, Audit Committee, and Managerial Officers

Article 17: The Company has 5 - 9 Directors with a three-year term. The Company adopts the nomination system with Article 192-1 of the Company Act, and the shareholders shall elect directors from among the nominees listed in the roster of director candidates, the directors may be re-elected after the term. The total shareholding ratio of the Directors shall be in accordance with regulations of the competent authority in charge of securities affairs.

Article 17-1: If the business requires, the Company may take out liability insurance policies to insure itself against liabilities for compensation in accordance with the law that may arise due to operational decisions made by Directors during their terms of service.

Article 17-2: Pursuant to Articles 14-2 and 183 of the Securities and Exchange Act, there shall be no less than two Independent Directors among the number of Directors to be elected as referred to in the preceding article, and the Independent Directors shall represent no less than one-fifth of the number of Directors.

Article 18: The Board of Directors is composed of Directors, and the duties thereof are as follows:

- I. Preparation of the business plan
- II. Proposal of earnings distribution or loss recovery
- III. Proposal of capital increase or decrease
- IV. Formulation of important charters and company organizational rules
- V. Appointment and discharge of the Company's President and managers.
- VI. Establishment and dissolution of branches
- VII. Proposal of budgets and final accounts
- VIII. Other duties authorized by the Company Act or resolution of the Shareholders' Meetings.

Article 19: The Board of Directors shall elect a chairman of the Board of Directors from among the Directors by a majority vote at a meeting attended by over two-thirds of the Directors. The Chairman shall represent the Company externally.

Article 20: In convening a Board Meeting, a notice shall be delivered to each Director no later than seven days prior to the scheduled meeting date. However, in the case of emergency, a Board Meeting may be convened at any time.

The aforementioned meeting notice may be effected by means of electronic transmission, corresponding, or fax.

Unless otherwise provided for in Company Act, the Board of Directors' meeting shall be convened by the Chairman. Unless otherwise provided for in the Company Act, resolutions of the Board Meetings shall be adopted by a majority of the Directors at a meeting attended by a majority of the Directors.

Article 21: The Chairman is the chair of the Board Meeting. In case the Chairman is on leave or cannot exercise his powers and authorities for any reason, the Chairman shall designate one of the Directors to act on his behalf. In the absence of such a designation, the Directors shall elect from among themselves to act on behalf of the Chairman. Directors shall attend the Board Of Directors' meeting in person. If any Director cannot attend the meeting in person for any reason, he may appoint another Director to act on his behalf. A Director designated as the aforementioned proxy may accept a proxy from one person only.

Article 22: The Company has established the Audit Committee in accordance with the laws and regulations and the Audit Committee consists entirely of Independent Directors. The duty, organizational rules, execution of power, and other compliance matters of the Audit Committee shall be in accordance with regulations of the competent authority.

Article 23: The Board of Directors is authorized to determine the remuneration of the Company's Directors based on their participation in the Company's operation, level of contribution, and remuneration level of the peer companies in the same industry.

Article 24: The Company may have a President and several Vice Presidents. The appointment, discharge and the remuneration shall be handled in accordance with Article 29 of the Company Act.

Article 25: The President shall manage the Company's operation according to the resolution of the Board Meetings.

Chapter V Accounting

Article 26: The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year Financial statements shall be prepared at the end of each fiscal year.

Article 27: In accordance with Article 228 of the Company Act, at the end of each fiscal year, the Board of Directors shall prepare the following statements and reports and propose them to the Shareholders' Meeting for approval.

- I. Business report
- II. Financial statements
- III. Proposal of earnings distribution or loss recovery

Article 28: The distribution of dividends and bonuses is calculated based on the shareholding of each shareholder. The Company shall not pay dividends or bonuses, if there is no surplus earnings

Article 29: If the company makes profits for the year, it shall set aside 3% to 8% as employee remuneration and less than 0.5% as the director remuneration. This shall be resolved by the Board and reported at the shareholders' meeting. However, when the Company has accumulated losses, it shall reserve the amount to make up the losses, then allocate the employee and director remuneration from the remainder according to the ratio mentioned in the preceding paragraph.

Employee remuneration can be paid in cash or in shares to employees of companies controlled by the Company or the Company's subsidiaries who meet certain criteria, where such criteria shall be determined by the Board of Directors.

Article 29-1: If there are earnings from the company's end of year settlement, it shall first be allocated for tax payments and to make up any accumulated losses, followed by setting aside 10% as legal reserve to the extent of the amount of the company's paid-in capital. Special reserve is then allocated or reversed in accordance with the law or regulations of the authority. The remainder is combined with the unappropriated surplus profits from previous year, the Board of Directors shall formulate the distribution proposal of surplus profits for submission to the shareholders' meeting for approval by resolution. The shareholders' stock dividends are distributed after the approval.

The company policy for dividends distribution depends on several factors, such as, the current and future investment environment, funds requirements, domestic and overseas competition, and the capital budget of the company, balancing the rights and interests of the shareholders' and the company's long-term financial planning. The shareholders' dividends are allocated based on the accumulated distributable earnings, which shall be more than 15% of the distributable earnings for the year. When allocating the shareholders' dividends, it may be in the form of cash or stock, which the cash dividends shall be more than 10% of the total shareholders' dividends.

Any cash distribution of dividends, profit, legal reserve, or capital reserve, whether in whole or in part, must be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of attending directors, and reported in the upcoming shareholders' meeting.

Article 30: The distribution of dividends to shareholders shall be limited to those shareholders whose names appear on the register of shareholders 5 days prior to the ex-dividend date when the dividends and bonus are determined to be distributed.

Chapter VI Supplementary Provisions

Article 31: The Company may provide guarantees in accordance with statutory laws and regulations.

Article 32: The Company's organizational rules and regulations for implementation shall be formulated separately.

Article 33: Any matters not provided for herein shall be subject to the Company Act.

Article 34: These Articles of Incorporation are formulated as approved by all initiators at the initiators' meeting on April 19, 2001.

Amendment for the 1st instance: May 1, 2001

Amendment for the 2nd instance: April 14, 2002

Amendment for the 3rd instance: June 24, 2003

Amendment for the 4th instance: May 20, 2004

Amendment for the 5th instance: June 24, 2005

Amendment for the 6th instance: June 27, 2006

Amendment for the 7th instance: June 15, 2007

Amendment for the 8th instance: June 27, 2008

Amendment for the 9th instance: June 16, 2009

Amendment for the 10th instance: June 14, 2010

Amendment for the 11th instance: June 28, 2011

Amendment for the 12th instance: June 27, 2013

Amendment for the 13th instance: June 25, 2014

Amendment for the 14th instance: May 27, 2016

Amendment for the 15th instance: May 26, 2017

Amendment for the 16th instance: May 29, 2019

Amendment for the 17th instance: July 26, 2021

Amendment for the 18th instance: May 27, 2022

Appendix II

Foxsemicon Integrated Technology Inc. Rules of Procedure for Shareholder Meetings

Article 1: Unless otherwise required by laws and regulations, the Shareholders' Meeting of the Company shall be conducted in accordance with these Rules.

Article 2: The Shareholders' Meeting shall furnish a signature book for the shareholders attending the meeting to sign in, or require the attending shareholders to submit their sign-in cards in lieu of signing the book. The number of shares present shall be calculated based on the signature book or sign-in cards submitted by the shareholders.

Article 3: The attendance and voting at the Shareholders' Meeting shall be calculated based on the number of shares held.

Article 4: The Shareholders' Meeting shall be held in the place where the Company is located or at any other place that is convenient for the shareholders to attend and appropriate to convene such meeting, and the Shareholders' Meeting shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.

Article 5: If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. In case the Chairman is on leave or cannot exercise his powers and authorities for any reason, the Chairman shall designate one of the Directors to act on his behalf.

If the Shareholders' Meeting is convened by a person with the authority to convene other than the Board of Directors, such person shall act as the Chair at that meeting.

Article 6: The attorneys, certified public accountants, or related persons retained by the Company may attend a Shareholders' Meeting in a non-voting capacity.

Staff at the Shareholders' Meetings shall wear ID badges or arm badges.

Article 7: The Company shall make an uninterrupted recording of the entire process of the Shareholders' Meeting by audio or video, and keep it for least one year.

Article 8: The Chair shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the Chair may announce a postponement of the meeting, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. In the event that the meeting is attended by shareholders not up to the specified quorum but representing more than one-third or more of the total issued shares after two postponements, a tentative resolution may be made in accordance with paragraph one of Article 175 of the Company Act.

In the event that the number of shares represented by attending shareholders reaches more than half of the total issued shares before that same meeting is adjourned, the Chair may resubmit the tentative resolution(s) made at the meeting for a vote in accordance with Article 174 of the Company Act.

Article 9: The agenda for the Shareholders' Meeting shall be set by the Board of Directors if such meeting is convened by the Board of Directors. The meeting shall proceed as scheduled in the agenda, and no changes may be made unless otherwise resolved at the Shareholders' Meeting.

The preceding paragraph shall apply mutatis mutandis to meetings convened by a person other than someone of the Board of the Directors, but with the right to do so.

The Chair shall not announce adjournment of the meeting until the agenda in the two preceding paragraphs is completed (including extraordinary motions), unless duly resolved in the meeting.

After a meeting is adjourned, the shareholders shall not elect another Chair to resume the meeting at the same location or at any other venue. During the session of a Shareholders' Meeting, if the Chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chair of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.

Article 10: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his shareholder account number (or attendance number), and account name. The order in which shareholders speak will be set by the Chair.

An attending shareholder who submits a speaker's slip but does not speak at the meeting shall be deemed to have not spoken. In the event of any discrepancies between the contents of the shareholder's speech and those recorded on the slip, the contents of the shareholder's speech shall prevail.

When an attending shareholder is speaking at the meeting, no other shareholders may interrupt the speaking shareholder, unless permitted by the Chair and the speaking shareholder; the Chair shall stop any violations.

Article 11: Unless otherwise permitted by the Chair, a shareholder may not speak more than twice on the same proposal, and each speech may not exceed five minutes.

The Chair may stop the speaking of any shareholder that is in violation of the preceding paragraph or whose speech exceeds the scope of the proposal.

Article 12: In the event that a juristic (corporate) person is appointed to attend a Shareholders' Meeting as proxy, it may designate only one representative to attend the meeting.

When a juristic (corporate) person shareholder appoints two or more representatives to attend a Shareholders' Meeting, only one representative may speak on the same proposal.

Article 13: After an attending shareholder has spoken at the meeting, the Chair may answer either in person or through a designee.

Article 14: When the Chair deems that a proposal has been sufficiently discussed to put it to a vote, the Chair may announce the discussion closed and call for a vote.

Article 15: The personnel monitoring the casting of ballots and the personnel counting the ballots shall be designated by the Chair, provided that all personnel monitoring the casting of the ballots shall be shareholders of the Company.
The voting results shall be announced on the spot and recorded.

Article 16: During the meeting, the Chair may announce a break, taking the time into consideration.

Article 17: Unless otherwise provided for in the Company Act or the Articles of Incorporation, the passage of a proposal requires a majority of voting rights represented by the attending shareholders.
If, during the voting course, no one voices an objection upon solicitation of the Chair, the proposal is deemed passed, with equivalent force as a resolution by vote.

Article 18: If there is an amendment or an alternative to a proposal, the Chair may combine the amendment or alternative into the original proposal, and determine their orders for voting. If any one among them is passed, the other proposal(s) shall be deemed as rejected, and no further voting is required.

Article 19: The Chair may instruct security personnel (or guards) to assist in maintaining the order at the meeting venue. Such security personnel (or guards) shall wear arm badges marked with "Security" while assisting in maintaining the order on site.

Article 20: These Rules shall take effect upon the approval by the Shareholders' Meeting, and the same shall apply to any amendments thereto.

Article 21: The procedures of the shareholders' meeting, handling of motions, method of resolutions, and other related matters shall be subject to the Rules. Unless otherwise provided by the Company Act, Securities and Exchange Act, and the Articles of Incorporation, any matters not provided for herein shall be subject to the discretion of the Chair.

Appendix 3

Foxsemicon Integrated Technology Inc. **Directors' Shareholding**

Date: March 30, 2025

Title	Name	No. of shares held	As a percentage of total issued shares (%)
Chairman	Hyield Venture Capital Co., Ltd. Rep.: Young-Way Liu	6,953,272	6.44%
Director	Kevin Chiu	189,254	0.18%
Director	Jong-Khing Huang	-	-
Independent Director	Hsi-Chih Chen	-	-
Independent Director	Kang-Chih Li	-	-
Independent Director	Shu-Hui Wu	-	-
Independent Director	Ya-Hui Huang	-	-
The total number of shares held by all Directors is 7,142,526, accounting for 6.62 % of total issued shares.			

Note 1: The Company's paid-in capital is NT\$1,080,229,070, and the number of issued shares is 108,022,907 shares.

2. Under Article 26 of the Securities and Exchange Act, the Directors shall hold no less than 8,000,000 in total.
3. Under Article 2 of the Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, where the number of seats of Independent Directors exceeds half of that of the Directors, and the public company has established an audit committee, the public company is not subject to the requirement where the total registered shares owned by the directors and supervisors shall not be less than a certain percentage of total issued shares.