

Coretronic Corporation
2025 Annual General Shareholder Meeting Minutes

Time : 9:00 a.m., June 18, 2025

Place : No. 2, Kebei 5th Rd., Zhunan Science Park, Miaoli County

Type of Meeting : Physical Meeting

Attendants: Total outstanding shares: 390,981,110 shares, total shares represented by shareholders present in person or by proxy: 277,954,793 shares (e-votes included). Percentage of shares held by shareholders present in person or by proxy: 71.09%.

Participated Directors : Wade Chang, Chairman

Han-Ping D.Shieh, Director

Hsing-Yi Chow, Independent Director, Chair of the Audit Committee

Audrey Tseng, Independent Director

Hung-Pin Ku, Independent Director

Participated : Shao-Pin Kuo, CPA of E&Y Taiwan

James Y. Chang Attorney-at-Law, Chang and Associates Attorneys-at-Law

Sarah Lin, President

Franck Ho, CFO

Chairman: Wade Chang

Recorder: Franck Ho

I. Announcing the meeting : The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address (omitted)

III. Report Items

1. 2024 Annual Business Report (see Attachment 1). (Acknowledged)
2. 2024 Audit Committee's Review Report (see Attachment 2). (Acknowledged)
3. The distribution of 2024 employees' compensation (for details, refer to page 3 of the meeting handbook). (Acknowledged)
4. The distribution of 2024 Earnings in cash and additional paid-in capital in cash (for details, refer to page 3 of the meeting handbook). (Acknowledged)
5. Material Transactions with related parties in 2024 (for details, refer to page 3 of the meeting handbook). (Acknowledged)

Proceedings of the meeting:

Summary of shareholders' statements and responses.

Shareholder (Account No. 260600) inquired about the Company's 2024 operating performance, the impact and response to tariffs and NTD appreciation, major announcements regarding derivative financial products, overseas expansion, and drones business. The Chairman designated the CFO to respond. The CFO explained that revenue in 2024 reached \$39.7 billion, a slight increase compared to 2023. However, the gross profit margin was lower than that of 2023, and operating expenses remained similar. Earnings per share was NT\$2.10, lower than \$3.56 recorded in 2023. The tariffs mainly affect projectors and drones that are directly sold to the United States. Currently, production of projectors sold to the United States has been moved back to Taiwan, and drones are originally made in Taiwan. The significant appreciation of NTD in the second quarter had an impact on foreign exchange gain and loss. There were losses, but they were basically still controllable. The

foreign exchange announcement was made in accordance with the Procedures for Acquisition or Disposal of Assets, which require disclosure when a loss on an individual derivative financial instrument contract exceeds 8%. As the transaction was conducted for hedging purposes, the corresponding foreign currency position generates a profit, and the gains and losses offset each other.

In recent years, the company's largest overseas investment has been in Vietnam, as LCD product customers have requested China+1 production policy in response to tariffs. There are no plan for large-scalar investments in other countries in the short term. This year, drones revenue has primarily comes from tenders, and drone shipments will continue to be planned based on customer demand.

Shareholder (Account No. 260600) inquired about the Company's declining gross profit margins from 2023 to 2025, the operations of the Vietnam plant, and the performance of its core business. The President responded that certain products at the Vietnam plant were unable to enter mass production as scheduled in Q4 of last year, leading to the absorption of fixed costs. The decline in gross profit margin was primarily due to weak demand for high-end projectors and the impact of tariffs. The exchange rate had the most significant impact in the first half of this year. The Vietnam plant currently manufactures TV, monitor and Notebook related products. Mass production of Notebook is expected to begin in August. The future production line installation will still depends on the final tariffs impose on Vietnam.

IV. Ratification Items

1. Ratification of 2024 Business Report and Financial Statements. (Proposed by the Board of Directors)

Description:

- (1) The 2024 financial statements of the Company had been audited by Ernst & Young.
- (2) Please refer to attachment 1 and 3 for 2024 Business Report and financial statements.
- (3) Please resolve.

Proceedings of the meeting:

Summary of shareholders' statements and responses.

Shareholder (Account No. 260600) inquired about the recession in the US and European markets, competition, future plans for subsidiary listing, and whether the Audit Committee conducted a review and follow-up on the Company's operations and financials in 2024. The President replied that the US and European markets are primarily for high-margin, high-end projectors. In the first half of the year, those markets were affected by weak customer demand, tariffs, and the ongoing conflict in Europe. As for competition, the projectors produced by the company use DLP technology, and its main competitors are Japanese brands that use LCD technology and have the highest market share. The CFO responded that the subsidiaries are currently focusing on business development. Future listing plans will be considered based on capital needs and operational conditions.

Hsing-Yi Chow, the Independent Director and Chairman of the Audit Committee, responded that the Audit Committee regularly communicates with the auditors. Shareholders can refer to the Audit Committee's review report on page 9 of the meeting handbook for information regarding the Company's financial situation.

Shareholder (Account No. 247241) inquired whether the auditors raised any significant concerns regarding of the Company or its subsidiaries' ability to continue as a going concern, and whether there were any significant uncertainties, particularly regarding the provisions for inventory in 2024. The CFO responded that there are no significant concerns about the Company's or its subsidiaries' ability to continue as a going concern. Regarding inventory provisions, these were primarily based on inventory aging and operational unit evaluations. The Company will continue negotiating with customers to digest outstanding orders.

Resolution: The proposal has been unanimously approved. There were 277,954,793 shares represented at the time of voting, which 270,238,481 shares voted for the proposal

(e-votes included); 36,869 shares voted against the proposal (e-votes included); 7,679,443 shares voted abstained the proposal (e-votes included); 0 shares voted invalid the proposal.

2. Ratification of the Proposal for the Distribution of 2024 Earnings. (Proposed by the Board of Directors)

Description:

(1) Please refer to attachment 4 for the Distribution of 2024 Earnings Table.

(2) Please resolve.

Proceedings of the meeting:

Summary of shareholders' statements and responses.

Shareholder (Account No. 260600) inquired about the operations of Yann Yuan Investment, its investment performance, and the profitability of Coretronic's investment in it, as well as Coretronic's investment structure in its subsidiaries. The CFO responded that the investment in Yann Yuan began in Q2 of 2021. Yann Yuan is a professional investment company mainly focused on technology and semiconductor-related sectors. It also aims to introduce client partnerships to help the Group's subsidiaries develop new businesses. Up to the first quarter of this year, the investment has generated approximately \$150 million in dividend income and an increase in net worth of about \$650 million. Regarding the number of indirect subsidiaries, the CFO noted that in addition to those with substantial operations, the others are holding companies established under the investment structure.

Resolution: The proposal has been unanimously approved. There were 277,954,793 shares represented at the time of voting, which 270,786,100 shares voted for the proposal (e-votes included); 38,516 shares voted against the proposal (e-votes included); 7,130,177 shares voted abstained the proposal (e-votes included); 0 shares voted invalid the proposal.

V. Discussion and Election Items

1. Proposal of Amending the Company's Articles of Incorporation. (Proposed by the Board of Directors)

(1) To comply with applicable laws and actual needs of the Company, it is proposed to amend the "Articles of Incorporation of the Company". The comparison table of amendments to the Company's Articles of Incorporation is attached as Attachment 5.

(2) Please resolve.

Proceedings of the meeting: There being no questions raised by the shareholders.

Resolution: The proposal has been unanimously approved. There were 277,954,793 shares represented at the time of voting, which 270,788,584 shares voted for the proposal (e-votes included); 53,394 shares voted against the proposal (e-votes included); 7,112,815 shares voted abstained the proposal (e-votes included); 0 shares voted invalid the proposal.

2. Proposal for the 12th Company's election of Directors. (Proposed by the Board of Directors)

(1) The 11th term of the office of Directors has been expired on June 9, 2025, it is planned to cooperate with the general meeting of shareholders to re-elect directors. According to the Company's Articles of Incorporation and the Board resolution, there shall be a board of Directors consisting of seven persons including three Independent Directors. The terms of the new Directors will be three years. The 12th term of the office of Directors start from June 18, 2025 and expire on June 17, 2028, the 11th term of Directors will be dismissed on the date the new directors are elected.

(2) The list of candidates for directors and their related information please refer to attachment 6.

(3) Please elect.

Proceedings of the meeting: There being no questions raised by the shareholders.

Election Results:

Title	Shareholder name /Name	Votes Received
Director	Wade Chang	270,075,092
Director	Hsun Chieh Investment Ltd. Legal Representative: Hsin-Chieh Hsu	260,810,938
Director	Hanns Prosper Investment Corporation Legal Representative: Yu-Chi Chiao	259,046,532
Director	Han-Ping D. Shieh	253,783,025
Independent Director	Hsing-Yi Chow	255,701,247
Independent Director	Audrey Tseng	252,381,369
Independent Director	Hung-Pin Ku	250,463,811

3. Proposal to release the newly-elected Directors and their corporate representatives from non-competition restrictions. (Proposed by the Board of Directors)

- (1) According to Article 209 of the Company Act, a director who conducts business within the business scope of the Company for himself or others shall explain at the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.
- (2) The newly-elected Directors or their Representatives who may participate in the operations of another company that engages in the same or similar business scope as the Company, it is proposed to release the non-competition restrictions on the directors without prejudice to the interests of the Company. The list of competition restrictions on Directors proposed to be released is attached as attachment 7.
- (3) Please resolve.

Proceedings of the meeting: There being no questions raised by the shareholders.

Resolution: The proposal has been unanimously approved. There were 277,954,793 shares represented at the time of voting, which 270,214,217 shares voted for the proposal (e-votes included); 540,767 shares voted against the proposal (e-votes included) ; 7,199,809 shares voted abstained the proposal (e-votes included); 0 shares voted invalid the proposal.

VI. Motions:

Proceedings of the meeting:

Summary of shareholders' statements and responses.

Shareholder (Account No. 260600) recommended that the Company develop more competitive products to improve gross profit margin and simplify its investment structure, expressing hope for better performance in the coming year. The Chairman appreciated the suggestion.

VII. Adjournment: 9:57 am.

Note: The minutes of this shareholders' meeting shall record the essentials of the proceedings and their results in accordance with the of Article 183, Paragraph 4 of the Company Act, for the content and procedures of the meeting, meeting video and audio shall prevail.

Coretronic Corporation

2024 Business Report

For the fiscal year of 2024, Coretronic reported consolidated sales revenue of NT\$39,669 million, reflecting a 0.5% YoY increase. The consolidated operating income totaled NT\$188 million, while pre-tax income reached NT\$878 million. Net income was NT\$658 million, with NT\$820 million attributable to the equity holders of the parent company. EPS for 2024 stood at NT\$2.1.

Sales breakdowns by product lines in 2024 as below: (Consolidated)

Product	2023	2024	Diff.
Energy Saving Products (unit/pc)	30,466,227	29,902,651	-1.85%
Visual Solutions Products (unit)	974,847	862,417	-11.53%

Reflecting on 2024, in response to the market demand for ultra-thin, narrow bezel, high-resolution, high-contrast, and energy-saving displays, we've continued to advance our core technologies in light guide plates, display technology, and system integration technology to enhance product competency. For injection-molded light guide plates, we introduced new IML and special precision-processed designs. By integrating these with specialized optical components, we achieved efficiency improvements of at least 50% to 70% compared to traditional backlight units. In our hot embossing process, we further refined and optimized both the process and microstructure design to develop a new PC/PMMA RS-IML. This solution offers high efficiency, low internal stress, resistance to material adhesion, and high productivity without the need for molds. It also delivers optical performance comparable to injection-molded types, with a reduced thickness of up to 0.3T—ideal for ultra-narrow bezel thin displays. Anticipating the energy-saving requirements of Energy Star 9.0 for monitor displays, we have also successfully developed mass production capabilities for displays up to 30.9 inches, achieving 15% to 25% higher efficiency than existing products.

In the HDR development, we have initiated mass production of Mini-LED area dimming and scanning backlight modules designed for narrow-bezel gaming laptops and FPDs. Alongside our specially developed optical alignment splicing light board, special diffusion plate/film and printing technologies have significantly enhanced optical performance, picture quality, and production stability. In response to emerging ESG requirements for future display technology, we have developed small- and medium-sized "front-light" products that are now entering trial production. These products meet the high transparency and high contrast demands of reflective LCDs. Their unique microstructure design further improves luminous efficiency, contributing to energy saving and carbon reduction efforts.

Furthermore, leveraging our core technologies in light guide plate, backlight modules, and special LCD cell and film processing, we have developed the sixth-generation switchable NB privacy module. This module is lighter, thinner, and offers enhanced privacy. It has already gained recognition from many customers, and further integration plans are underway. In addition, to address the privacy needs of next-generation OLED displays, we are currently testing working samples and discussing requirements with potential customers. By extending these related concepts to automotive and industrial applications, such as the development of one-way and two-way privacy protection technologies for automotive center information displays (CID) and passenger displays. These solutions allow drivers to dynamically switch the viewing angle in various scenarios, thereby reducing light interference that could compromise driving safety. The first-generation product has already entered mass production. In response to the improvement of vehicle anti-peeping

performance, we have completed several new designs and trials, which are now being promoted with multiple customers (ex. Partial privacy...).

In response to the trend towards large-size, high-brightness, and high-contrast automotive displays, we have successfully developed a 2D dynamic dimming LCD display. This display features an advanced optics structure, diffusion layer, LED design, and a 2.0~4 mm OD with low Halo effect while providing dynamic dimming functionality. Its outline can be traditional rectangle or even as a free form shape (ex. circle outline). Collaborative development with customers has also begun. In semi-system integration, it smoothly won orders from global customers with the integrated technology covering open cell, LGP, touch module, and assembly and production integration business model. Based on these advantages, the Company also integrated the open cell in privacy display technology to in-house splitting and polarizer to form an integrated process from front-end to LCM.

In the field of imaging products, adopting a complete product portfolio of blue laser, dual color laser (MCLA™), and three-color pure laser (RGB laser) as a solid-state light source technology development strategy, along with a high-efficiency cooling system, continues to maintain the No. 1 position in the DLP projection market. In the year 2024, the industry-leading 5,000-lumen theater-grade dual color laser projector was launched, supporting Dolby Vision and HDR10+ image calibration, achieving the ultimate performance and experience in audio-visual effects. In the future, more theater-grade products with higher brightness and better cost-performance ratio will be launched.

In response to the AI trend and continuous technological evolution, imaging products actively deploy AI smart projection applications and integrate advanced AI smart technologies, including voice control, intelligent image geometry calibration, personalized light sculpture projection, and personal smart desktops, providing intelligent and convenient user experiences. At the same time, efforts are made to combine smart projection capabilities with smart home devices to achieve seamless interconnection within the home smart ecosystem, meeting consumers' expectations for smart living. Additionally, algorithms developed through AI are used to simulate the optimal fan control mode, aiming for quiet, small, lightweight, low-noise, and energy-saving standards to achieve optimal system cooling management, enhance system light-to-heat conversion efficiency, improve design precision, shorten projector development time, and extend projector lifespan and product stability.

Under the global environment sustainability and company energy-saving carbon reduction policies, ESG thinking is integrated into the organizational and product levels, deeply rooted in the core objectives of imaging products, and further implemented at the supply chain, manufacturing, and green projector whole-machine inspection planning levels. Moreover, by using recycled materials in cartons, adopting PCR in appearance casings, continuously optimizing the energy consumption design of projectors, and effectively improving the carbon emission efficiency of factory assembly through modular design, three product models have currently obtained ISO 14067:2018 certification for the complete life cycle (raw material acquisition, manufacturing, distribution and sales, consumer use, waste disposal) of product carbon footprints. Through these execution projects and practical audits, the company's commitment to ESG initiatives is demonstrated, and corporate social responsibility is fulfilled through concrete actions.

Moving forward, we will remain committed to the mission of being a leader in digital display system technology, continue to drive innovation in display technologies and solutions while focusing on comprehensive solutions for cloud services, AI, and various smart environments. Our specific development strategies are as follows:

1. Intensely develop optical core technology to extend the cross-sector application of optical components, system products and semi-system products to increase product add value and price competitiveness and secure global competitiveness in the display and visual technology fields.

2. In BLM technology, the existing lithography technology will be deeply integrated with ultra-secret processing technology, and we will continue to develop various new edge-type LGP, direct type LGPs, special optical control films, and Mini-LED BLMs and its related optical diffusion film/plate and printing technology; we will continue to reduce the thickness, bezel width, optical films and LEDs and enhance the optical efficiency of BLMs to develop slim, small, lightweight, energy-efficient, HDR, and high-value added displays with privacy protection, for game consoles, tablets, notebooks, industrial monitors, automotive HUDs and touch screens, advanced monitors for medical and gaming, AIO monitors, slim and smart high-end TVs and smart home display modules. In terms of front light module technology, in response to the needs of different products, combined with our experience in optical design and light guide plate manufacturing, several size models have been developed and have entered the trial production stage.
3. In response to the changes in market business models and customer demands, product development has turned from BLMs to semi-system and integrated system products designed and manufactured in combination with tablets/notebooks/ automotive HUDs and displays, and TV outer parts. This move aims to provide the best possible design, production, and global after-sales services for Brand Name/SI, and panel customers through a highly flexible business model.
4. Mainstream products will focus on three strategic directions: (1) Focus on Technology: Deeply rooted in the strategy of developing Laser light source technology as the core, becoming the best solution product that aligns with ESG principles, and actively promoting the transformation of traditional light bulbs; (2) Pursuit of Excellence: Utilize the assistance of AI/intelligent applications to strengthen the close connection between intelligent applications and fields, and adopt a bottom-up design approach, pursuing cost optimization through modularization and simplification; (3) Integration and Expansion: Enhance the connection with the industrial ecosystem through strategic alliances with strategic suppliers and the integration of Taiwanese brand clients, expanding the application of niche markets and achieving a more intelligent, convenient, and product-advantaged experience.
5. For Pro-AV segment, continuously building and ensuring dual growth momentum for projectors : (1) Extend and secure the core advantages of 1-DLP technology by advancing HEP (High Brightness Extension) and fully deploying 4K/2K platforms. To explore the opportunities to expand applications in CEDIA and Simulation, broadening the scope simultaneously. (2) Build up the 3-DLP technology and product platform to drive the co-development and EMS/OEM manufacturing to achieve mass production and business expansion in 2025. At the same time, explore opportunities for contract manufacturing of 3LCD/LCoS technologies, to ensure the EMS cooperation business happen in 2026.
6. Extending projection technology and applications, keep looking for the opportunities in automotive projection application, and planning for the next growth momentum : (1) Expand the projection applications for both interior and exterior automotive, ensuring the first product is mass-produced by 2026 and exploring opportunities to other OEM automakers. (2) Keep monitoring the opportunities in rear seat entertainment and AR HUD applications, building related product technologies. Collaborate with Tier 1 customers on both POC and mass production projects, to ensure successful implementation and securing new growth drivers for future operations.
7. We will mass produce brand-new 2K and 8K smart laser ultra-short-throw projection TVs and provide customized pico projection module design and manufacturing services for the growing smart device market. We will also continue to refine our R&D and manufacturing capabilities of AR optical engine to meet the POC and mass production needs of international brands.

8. Plan and implement group resources allocation and ensure the information security with Digital optimization technology to enhance overall organizational performance; define information processes and system resource utilization required for business operations and quickly provide integrated information management platforms; design, plan, and implement cloud computing architecture, digital platforms and IoT environments and applications to promote the new business development within the group.
9. In response to the group's operations and growth, raise low-cost funding to support organizational development and develop strength for long-term development.

We will further consolidate the highest consensus among all employees to implement mid-to-long-term strategies with professional management and outstanding execution, staying true to our mission of "Developing Technology-oriented and Sustainable Business Operations." Simultaneously, we are committed to maximizing the interests of our shareholders and employees while continuously striving to become a benchmark for sustainable enterprises.

Sincerely,

Chairman: Wade Chang

President: Sarah Lin

Accounting Officer: Franck Ho

Audit Committee's Review Report

To: 2025 General Annual Shareholders' Meeting of Coretronic Corporation

The Board of Directors of the Company has delivered the 2024 business report, the financial statements and the proposed 2024 earnings distribution. The aforesaid 2024 financial statements of the Company and the consolidated financial statements had been audited by Ernst & Young. The Audit Committee has examined the above statements and found nothing out of order and thus prepared this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your ratification.

Coretronic Corporation

Chairman of the Audit Committee : Hsing-Yi Chow

March 17, 2025



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Independent Auditors' Report

To Coretronic Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Coretronic Corporation (“the Company”) as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the report of other auditors (please refer to the Other Matter – Making Reference to the Audit of Other Auditors section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 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, and we do not provide a separate opinion on these matters.

Valuation for inventories

The Company recognized the allowance write-down of inventories amounted to NT\$29,481 thousand as of December 31, 2024, due to the rapid technological changes and innovation for projectors, backlight, and FPD-related products. Considering the amount of inventories was significant and the assessment of the amount of inventories write-downs requires the management's important judgement, we determined this is a key audit matter. Our audit procedures included, but not limited to, evaluating and testing the design and operating effectiveness of internal controls around inventories; evaluating the methodologies and assumptions used, including the reasonableness of the allowance write-down of inventories; testing the source of the basic data, including the aging and net realizable value of inventories, and recalculating its correctness; evaluating the overall adequacy of the allowance write-down of inventories through analytical review procedures. We also assessed the adequacy of disclosures of inventories. Please refer to Notes 5 and 6 to the parent company only financial statements.

Revenue recognition

The Company recognized the revenue amounted to NT\$25,850,250 thousand for the year ended December 31, 2024. Main source of revenue comes from projectors, backlight, and FPD-related sales of products and related services. As revenue is the main operating activity of the company, the company recognized revenue when transferring a promised product or service to a customer. The terms of trade in the products agreed in their contracts are different when the performance obligations were satisfied. As a result of the higher complexity of revenue recognition, we determined the matter to be a key audit matter. Our audit procedures include, but not limited to, assessing the appropriateness of the accounting policy for revenue recognition; evaluating and testing the effectiveness of internal controls within the revenue recognition; performing product-specific analytical procedures; viewing their transactions certificate and performing cut-off procedures on selected samples for a period before and after the reporting date; tracing to relevant documentation, and testing details of transaction, including sales contracts, terms of trade and other contents, and verifying the appropriateness of the timing of revenue recognition. Please refer to Notes 4 and 6 to the parent company only financial statements.

Other Matter – Making Reference to the Audit of Other Auditors

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the report of the other auditors. These associates and joint ventures under equity method amounted to NT\$40,975 thousand, 0.08% of total assets as of December 31, 2023. The related shares of loss from the associates and joint ventures under the equity method amounted to NT\$9,128 thousand, (0.65)% of the net income before tax for the years ended December 31, 2023.

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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers 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 ability to continue as a going concern of the Company, 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 audit committee, are responsible for overseeing the financial reporting process of the Company.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only 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 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 internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 accompanying notes, 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 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 2024 parent company only financial statements 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.

Kuo, Shao-Pin

Huang, Ming-Ju

Ernst & Young

February 17, 2025

Notice to Readers

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS

As of December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2024	%	December 31, 2023	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$ 428,452	0.79	\$ 525,283	1.00
Financial assets at fair value through profit or loss - current	4, 6(2)	844,885	1.56	447,764	0.85
Trade receivables, net	4, 6(4), 16	6,356,283	11.73	6,435,156	12.27
Trade receivables - related parties, net	4, 6(4), 7	772,676	1.43	848,316	1.62
Other receivables	4, 8	108,417	0.20	166,319	0.32
Other receivables - related parties	4, 7	272,528	0.50	229,987	0.44
Inventories, net	4, 5, 6(5)	1,628,958	3.00	2,848,656	5.43
Prepayments		304,528	0.56	253,020	0.48
Other current assets		9,005	0.02	25,634	0.05
Total current assets		10,725,732	19.79	11,780,135	22.46
Non-current assets					
Financial assets at fair value through other comprehensive income - noncurrent	4, 6(3)	4,238,404	7.82	4,204,130	8.01
Investments accounted for using the equity method	4, 6(6), 6(20)	36,281,943	66.94	33,631,948	64.11
Property, plant and equipment, net	4, 6(7)	1,813,630	3.35	1,856,758	3.54
Right-of-use assets	4, 6(17)	577,751	1.07	584,810	1.11
Intangible assets	4, 6(8)	234,629	0.43	261,593	0.50
Deferred tax assets	4, 6(21)	195,994	0.36	87,972	0.17
Net defined benefit assets - noncurrent, net	4, 6(12)	84,166	0.15	17,543	0.03
Other noncurrent assets		50,645	0.09	35,690	0.07
Total non-current assets		43,477,162	80.21	40,680,444	77.54
Total assets		\$ 54,202,894	100.00	\$ 52,460,579	100.00

(continued)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS

As of December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2024	%	December 31, 2023	%
Current liabilities					
Short-term borrowings	6(9)	\$ 9,222,000	17.01	\$ 12,750,000	24.30
Financial liabilities at fair value through profit or loss - current	4, 6(10)	126,257	0.23	338,372	0.65
Contract liabilities - current	6(15)	275,348	0.51	410,841	0.78
Accounts payable		2,213,520	4.08	2,613,401	4.98
Accounts payable - related parties	7	5,704,192	10.53	4,911,399	9.36
Other payables		1,142,312	2.11	1,286,069	2.45
Other payables - related parties	7	6,394,704	11.80	4,992,033	9.52
Current tax liabilities	4, 6(21)	412,211	0.76	409,397	0.78
Provisions - current	4, 5, 6(13)	110,773	0.20	143,264	0.27
Lease liabilities - current	4, 6(17)	38,654	0.07	38,070	0.07
Other current liabilities		270,423	0.50	366,829	0.70
Total current liabilities		25,910,394	47.80	28,259,675	53.86
Non-current liabilities					
Long-term borrowings	6(11)	2,997,562	5.53	-	-
Deferred tax liabilities	4, 6(21)	141,967	0.26	14,663	0.03
Lease liabilities - noncurrent	4, 6(17)	569,884	1.05	573,072	1.09
Other noncurrent liabilities	6(6)	186,218	0.35	128,880	0.25
Total non-current liabilities		3,895,631	7.19	716,615	1.37
Total liabilities		29,806,025	54.99	28,976,290	55.23
Equity					
Share capital					
Common stock	6(14)	3,909,811	7.21	3,909,811	7.46
Capital surplus	6(14)	2,234,717	4.12	2,507,703	4.78
Retained earnings	6(14)				
Legal reserve		4,512,231	8.33	4,364,561	8.32
Special reserve		1,188,383	2.19	1,322,902	2.52
Unappropriated retained earnings		11,729,185	21.64	11,755,209	22.41
Total retained earnings		17,429,799	32.16	17,442,672	33.25
Other equity		822,542	1.52	(375,897)	(0.72)
Total equity		24,396,869	45.01	23,484,289	44.77
Total liabilities and equity		\$ 54,202,894	100.00	\$ 52,460,579	100.00

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	For the year ended December 31		For the year ended December 31	
		2024	%	2023	%
Net sales	4, 5, 6(15), 7	\$ 25,850,250	100.00	\$ 23,935,042	100.00
Operating costs	4, 6(5), 6(8), 6(12), 6(18), 7	23,408,528	90.55	20,917,025	87.39
Gross profit		2,441,722	9.45	3,018,017	12.61
Unrealized gross profit on sales	6(6)	174,824	0.68	147,236	0.61
Realized gross profit on sales		147,236	0.57	263,735	1.10
Gross profit, net		2,414,134	9.34	3,134,516	13.10
Operating expenses	6(8), 6(12), 6(16), 6(18)				
Selling expenses		274,623	1.06	266,860	1.11
General and administrative expenses		1,158,444	4.48	1,088,198	4.55
Research and development expenses		1,437,875	5.56	1,395,176	5.83
Expected credit loss (reversal of expected credit loss)		928	0.01	(113)	-
Total operating expenses		2,871,870	11.11	2,750,121	11.49
Operating (loss) income		(457,736)	(1.77)	384,395	1.61
Non-operating income and expenses					
Interest income	6(19)	28,185	0.11	17,104	0.07
Other income	4, 6(19)	311,013	1.20	340,328	1.42
Other gains and losses	6(19)	336,831	1.30	366,437	1.53
Finance costs	6(19)	(318,210)	(1.23)	(313,094)	(1.31)
Share of gain of subsidiaries, associates and joint ventures accounted for using the equity method	4, 6(6)	950,589	3.68	614,912	2.57
Total non-operating income and expenses		1,308,408	5.06	1,025,687	4.28
Income before income tax		850,672	3.29	1,410,082	5.89
Income tax expense	4, 6(21)	(30,346)	(0.12)	(18,159)	(0.07)
Net income		820,326	3.17	1,391,923	5.82
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit pension plans	6(20)	73,323	0.28	(2,247)	(0.01)
Unrealized gain from equity instrument investments measured at fair value through other comprehensive income	6(20)	34,274	0.13	1,136,182	4.75
Remeasurements of defined benefit pension plans of subsidiaries, associates and joint ventures accounted for using the equity method	6(20)	4,081	0.02	(1,657)	(0.01)
Unrealized (loss) gain from equity instrument investments measured at fair value through other comprehensive income from share of subsidiaries, associates and joint ventures accounted for using the equity method	6(20)	(101,085)	(0.39)	276,865	1.16
Income tax related to items that will not be reclassified	6(20), 6(21)	(19,495)	(0.07)	703	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	6(20)	1,269,896	4.91	(378,055)	(1.58)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	6(20)	185	-	(14)	-
Other comprehensive income, net of tax		1,261,179	4.88	1,031,777	4.31
Total comprehensive income		\$ 2,081,505	8.05	\$ 2,423,700	10.13
Basic Earnings Per Share (in New Taiwan Dollars)	6(22)	\$ 2.10		\$ 3.56	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(22)	\$ 2.09		\$ 3.53	

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Description	Common stock	Capital surplus	Retained earnings			Other equity		Total equity
			Legal reserve	Special reserve	Unappropriated retained earning	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income (loss)	
Balance as of January 1, 2023	\$ 3,909,811	\$ 2,808,225	\$ 4,121,627	\$ 1,276,610	\$ 12,024,401	\$ (1,464,373)	\$ 53,244	\$ 22,729,545
Acquisition or disposal of the interest of subsidiaries	-	80,443	-	-	-	-	-	80,443
Changes in subsidiaries' ownership	-	10,016	-	-	-	-	-	10,016
Reversal of special reserve	-	-	-	(88,227)	88,227	-	-	-
Appropriation and distribution of 2022 earnings:								
Legal reserve	-	-	242,934	-	(242,934)	-	-	-
Cash dividends	-	-	-	-	(1,368,434)	-	-	(1,368,434)
Special reserve	-	-	-	134,519	(134,519)	-	-	-
Cash dividends distributed from capital surplus	-	(390,981)	-	-	-	-	-	(390,981)
Net income for the year ended December 31, 2023	-	-	-	-	1,391,923	-	-	1,391,923
Other comprehensive (loss) income for the year ended December 31, 2023	-	-	-	-	(3,455)	(378,069)	1,413,301	1,031,777
Total comprehensive income (loss)	-	-	-	-	1,388,468	(378,069)	1,413,301	2,423,700
Balance as of December 31, 2023	3,909,811	2,507,703	4,364,561	1,322,902	11,755,209	(1,842,442)	1,466,545	23,484,289
Changes in subsidiaries' ownership	-	2,550	-	-	3,318	-	-	5,868
Changes in associates and joint ventures accounted for using the equity method	-	(1,850)	-	-	-	-	-	(1,850)
Appropriation and distribution of 2023 earnings:								
Legal reserve	-	-	147,670	-	(147,670)	-	-	-
Cash dividends	-	-	-	-	(899,257)	-	-	(899,257)
Reversal of special reserve	-	-	-	(134,519)	134,519	-	-	-
Cash dividends distributed from capital surplus	-	(273,686)	-	-	-	-	-	(273,686)
Net income for the year ended December 31, 2024	-	-	-	-	820,326	-	-	820,326
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	62,740	1,270,081	(71,642)	1,261,179
Total comprehensive income (loss)	-	-	-	-	883,066	1,270,081	(71,642)	2,081,505
Balance as of December 31, 2024	\$ 3,909,811	\$ 2,234,717	\$ 4,512,231	\$ 1,188,383	\$ 11,729,185	\$ (572,361)	\$ 1,394,903	\$ 24,396,869

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Description	For the years ended December 31		Description	For the years ended December 31	
	2024	2023		2024	2023
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$ 850,672	\$ 1,410,082	Acquisition of investments accounted for using the equity method	\$ (601,500)	\$ (251,804)
Adjustments for:			Proceeds from disposal of investments accounted for using the equity method	81,065	66,760
The profit or loss items which did not affect cash flows:			Acquisition of property, plant and equipment	(164,539)	(282,780)
Expected credit loss (reversal of expected credit loss)	928	(113)	Proceeds from disposal of property, plant and equipment	29,729	-
Depreciation (including right-of-use-assets)	195,712	184,603	Acquisition of intangible assets	(29,432)	(85,582)
Amortization (including other noncurrent assets)	56,396	37,257	Decrease in other noncurrent assets	1,619	4,369
Net gain on financial assets and liabilities at fair value through profit or loss	(609,236)	(401,745)	Net cash used in investing activities	(683,058)	(549,037)
Interest expenses	318,210	313,094			
Interest income	(28,185)	(17,104)	Cash flows from financing activities:		
Dividend income	(41,304)	(40,384)	(Decrease) increase in short-term borrowings	(3,528,000)	4,604,489
Share of gain of subsidiaries, associates and joint ventures accounted for using the equity method	(950,589)	(614,912)	Increase in other payables - related parties	1,407,633	217,577
Gain on lease modification	(46)	(31)	Cash payment for the principle portion of lease liabilities	(28,741)	(42,719)
Gain on disposal of property, plant and equipment	(1,106)	-	Decrease in other noncurrent liabilities	(26)	(782)
Gain on disposal of investments	(22,064)	-	Increase in long-term borrowings (including current portion of long-term borrowings)	3,000,000	-
Gain on disposal of other assets (recognized in other income)	(1,479)	(7,377)	Decrease in long-term borrowings (including current portion of long-term borrowings)	-	(2,995,163)
Unrealized gain from sales	174,824	147,236	Cash dividends	(1,172,943)	(1,759,415)
Realized gain from sales	(147,236)	(263,735)	Net cash (used in) provided by financing activities	(322,077)	23,987
Changes in operating assets and liabilities:			Net (decrease) increase in cash and cash equivalents	(96,831)	285,209
Trade receivables	77,945	(522,726)	Cash and cash equivalents at the beginning of the period	525,283	240,074
Trade receivables - related parties	75,640	171,374	Cash and cash equivalents at the end of the period	\$ 428,452	\$ 525,283
Other receivables	57,901	(49,819)			
Other receivables - related parties	(42,541)	43,269			
Inventories	1,219,698	935,765			
Prepayments	(51,508)	(83,748)			
Other current assets	14,191	1,525			
Contract liabilities - current	(135,493)	128,511			
Accounts payable	(399,881)	51,985			
Accounts payable - related parties	792,793	254,109			
Other payables	(157,529)	(517,771)			
Other payables - related parties	(4,962)	12,129			
Provisions - current	(32,491)	(54,396)			
Other current liabilities	(96,406)	94,613			
Net defined benefit liabilities	6,700	(6,536)			
Cash generated from operating activities	1,119,554	1,205,155			
Interest received	28,186	16,954			
Dividend received	92,747	81,985			
Interest paid	(304,438)	(315,365)			
Income tax paid	(27,745)	(178,470)			
Net cash provided by operating activities	908,304	810,259			

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

Independent Auditors' Report

To Coretronic Corporation

Opinion

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

In our opinion, based on our audits and the report of other auditors (please refer to the Other Matter – Making Reference to the Audit of Other Auditors section of our report), the consolidated financial statements referred to above 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 cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 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, and we do not provide a separate opinion on these matters.

Valuation for inventories

The Group recognized the allowance write-down of inventories amounted to NT\$621,218 thousand as of December 31, 2024, due to the rapid technological changes and innovation for projectors, backlight, and FPD-related products. Considering the amount of inventories was significant and the assessment of the amount of inventories write-downs requires the management's important judgement, we determined this is a key audit matter. Our audit procedures included, but not limited to, evaluating and testing the design and operating effectiveness of internal controls around inventories; evaluating the methodologies and assumptions used, including the reasonableness of the allowance write-down of inventories; testing the source of the basic data, including the aging and net realizable value of inventories, and recalculating its correctness; evaluating the overall adequacy of the allowance write-down of inventories through analytical review procedures. We also assessed the adequacy of disclosures of inventories. Please refer to Notes 5 and 6 to the Group's consolidated financial statements.

Revenue recognition

The Group recognized the revenue amounted to NT\$39,668,943 thousand for the year ended December 31, 2024. Main source of revenue comes from projectors, backlight, and FPD-related sales of products and related services. As revenue is the main operating activity of the Group, the Group recognized revenue when transferring a promised product or service to a customer. The terms of trade in the products agreed in their contracts are different when the performance obligations were satisfied. As a result of the higher complexity of revenue recognition, we determined the matter to be a key audit matter. Our audit procedures include, but not limited to, assessing the appropriateness of the accounting policy for revenue recognition; evaluating and testing the effectiveness of internal controls within the revenue recognition; performing product-specific analytical procedures; viewing their transactions certificate and performing cut-off procedures on selected samples for a period before and after the reporting date; tracing to relevant documentation, and testing details of transaction, including sales contracts, terms of trade and other contents, and verifying the appropriateness of the timing of revenue recognition. Please refer to Notes 4 and 6 to the Group's consolidated financial statements.

Other Matter – Making Reference to the Audit of Other Auditors

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the report of the other auditors. These associates and joint ventures under equity method amounted to NT\$40,975 thousand, 0.07% of consolidated total assets as of December 31, 2023. The related shares of loss from the associates and joint ventures under the equity method amounted to NT\$9,128 thousand, (0.57)% of the consolidated net income before tax for the year ended December 31, 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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Group, 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 audit committee, are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 internal control of the Group.
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 ability to continue as a going concern of the Group. 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 accompanying notes, 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 2024 consolidated financial statements 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.

Others

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

Kuo, Shao-Pin

Huang, Ming-Ju

Ernst & Young
February 17, 2025

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the R.O.C. and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the R.O.C.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Note	December 31, 2024	%	December 31, 2023	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$ 12,982,509	22.83	\$ 16,555,958	29.77
Financial assets at fair value through profit or loss - current	4, 6(2)	849,817	1.50	452,577	0.82
Financial assets at amortized cost - current	4, 6(4)	4,624,412	8.13	1,258,522	2.26
Notes receivable, net	4, 6(5), 6(20)	1,323	-	28,264	0.05
Trade receivables, net	4, 6(6), 6(20)	9,575,959	16.84	9,885,356	17.78
Trade receivables - related parties, net	4, 6(6), 6(20), 7	891	-	639	-
Other receivables	4,7,8	1,315,869	2.31	888,419	1.60
Current tax assets	4, 6(25)	190,311	0.33	39,742	0.07
Inventories, net	4, 5, 6(7)	7,363,307	12.95	8,588,936	15.45
Prepayments		1,151,220	2.02	921,490	1.66
Other current assets		223,124	0.39	146,781	0.27
Total current assets		38,278,742	67.30	38,766,684	69.73
Non-current assets					
Financial assets at fair value through other comprehensive income - noncurrent	4, 6(3)	5,246,290	9.22	5,308,046	9.55
Investments accounted for using the equity method	4, 6(8)	-	-	40,975	0.07
Property, plant and equipment, net	4, 6(9), 8	10,108,052	17.77	8,431,972	15.16
Right-of-use assets	4, 6(21)	2,147,302	3.78	1,804,091	3.24
Investment property, net	4, 6(10), 8	125,771	0.22	136,161	0.24
Intangible assets	4, 6(11)	290,678	0.51	310,952	0.56
Deferred tax assets	4, 6(25)	358,300	0.63	238,534	0.43
Net defined benefit assets - noncurrent	4, 6(15)	129,284	0.23	55,891	0.10
Other noncurrent assets	8	193,566	0.34	510,598	0.92
Total non-current assets		18,599,243	32.70	16,837,220	30.27
Total assets		\$ 56,877,985	100.00	\$ 55,603,904	100.00

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

As of December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Note	December 31, 2024	%	December 31, 2023	%
Current liabilities					
Short-term borrowings	6(12)	\$ 12,513,727	22.00	\$ 13,512,487	24.30
Financial liabilities at fair value through profit or loss - current	4, 6(13)	126,257	0.22	347,557	0.62
Contract liabilities - current	6(19)	807,187	1.42	776,210	1.40
Notes payable		564	-	352	-
Accounts payable		6,933,246	12.19	7,567,334	13.61
Accounts payable - related parties	7	13,300	0.02	34,476	0.06
Other payables	7	3,680,014	6.47	3,934,309	7.08
Current tax liabilities	4, 6(25)	651,753	1.15	691,243	1.24
Provisions - current	4, 6(16)	389,566	0.68	522,524	0.94
Lease liabilities - current	4, 6(21)	157,434	0.28	188,905	0.34
Other current liabilities		590,728	1.04	789,580	1.42
Current portion of long-term borrowings	6(14)	57,143	0.10	301,879	0.54
Total current liabilities		25,920,919	45.57	28,666,856	51.55
Non-current liabilities					
Long-term borrowings	6(14)	3,340,419	5.87	114,838	0.21
Deferred tax liabilities	4, 6(25)	173,138	0.30	46,387	0.08
Lease liabilities - noncurrent	4, 6(21)	975,053	1.72	1,045,656	1.88
Net defined benefit liabilities - noncurrent	4, 6(15)	38,757	0.07	50,273	0.09
Other noncurrent liabilities		29,345	0.05	32,491	0.06
Total non-current liabilities		4,556,712	8.01	1,289,645	2.32
Total liabilities		30,477,631	53.58	29,956,501	53.87
Equity attributable to owners of the parent					
Share capital					
Common stock	6(17)	3,909,811	6.88	3,909,811	7.03
Capital surplus	4, 6(17)	2,234,717	3.93	2,507,703	4.51
Retained earnings	6(17)				
Legal reserve		4,512,231	7.93	4,364,561	7.85
Special reserve		1,188,383	2.09	1,322,902	2.38
Unappropriated retained earning		11,729,185	20.62	11,755,209	21.14
Total retained earnings		17,429,799	30.64	17,442,672	31.37
Other equity		822,542	1.45	(375,897)	(0.67)
Total equity attributable to owners of the parent		24,396,869	42.90	23,484,289	42.24
Non-controlling interests	6(17)	2,003,485	3.52	2,163,114	3.89
Total equity		26,400,354	46.42	25,647,403	46.13
Total liabilities and equity		<u>\$ 56,877,985</u>	<u>100.00</u>	<u>\$ 55,603,904</u>	<u>100.00</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Note	For the year ended December 31		For the year ended December 31	
		2024	%	2023	%
Net sales	4, 5, 6(19), 7	\$ 39,668,943	100.00	\$ 39,491,708	100.00
Operating costs	4, 6(7), 6(11), 6(15), 6(21), 6(22), 7	32,618,778	82.23	31,620,007	80.07
Gross profit		7,050,165	17.77	7,871,701	19.93
Operating expenses	6(11), 6(15), 6(20), 6(21), 6(22)				
Selling expenses		1,899,949	4.79	1,807,683	4.58
General and administrative expenses		2,120,492	5.35	2,220,479	5.62
Research and development expenses		2,856,039	7.20	2,901,998	7.35
(Reversal of expected credit loss) expected credit loss		(14,567)	(0.04)	10,871	0.03
Total operating expenses		6,861,913	17.30	6,941,031	17.58
Operating income		188,252	0.47	930,670	2.35
Non-operating income and expenses					
Interest income	6(23)	454,921	1.15	407,553	1.03
Other income	4, 6(23)	526,010	1.32	481,600	1.22
Other gains and losses	6(23)	166,143	0.42	220,990	0.56
Finance costs	6(23)	(448,437)	(1.13)	(443,307)	(1.12)
Share of (loss) of associates and joint ventures accounted for using the equity method	4, 6(8)	(8,468)	(0.02)	(9,128)	(0.02)
Total non-operating income and expenses		690,169	1.74	657,708	1.67
Income before income tax		878,421	2.21	1,588,378	4.02
Income tax expense	4, 6(25)	(220,575)	(0.55)	(386,349)	(0.98)
Net income		657,846	1.66	1,202,029	3.04
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit pension plans	6(24)	83,423	0.21	(4,289)	(0.01)
Unrealized (loss) gain from equity instrument investments measured at fair value through other comprehensive income	6(24)	(66,811)	(0.17)	1,413,047	3.58
Income tax related to items that will not be reclassified subsequently to profit or loss	6(24), 6(25)	(21,516)	(0.05)	1,112	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	6(24)	1,309,124	3.30	(406,506)	(1.03)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	6(24)	185	-	(14)	-
Other comprehensive income, net of tax		1,304,405	3.29	1,003,350	2.54
Total comprehensive income		\$ 1,962,251	4.95	\$ 2,205,379	5.58
Net income (loss) for the periods attributable to :					
Shareholders of the parent	6(26)	\$ 820,326		\$ 1,391,923	
Non-controlling interests	6(17), 6(27)	\$ (162,480)		\$ (189,894)	
Total comprehensive income (loss) for the periods attributable to :					
Shareholders of the parent		\$ 2,081,505		\$ 2,423,700	
Non-controlling interests		\$ (119,254)		\$ (218,321)	
Basic Earnings Per Share (in New Taiwan Dollars)	6(26)	\$ 2.10		\$ 3.56	
Diluted Earnings Per Share (in New Taiwan Dollars)	6(26)	\$ 2.09		\$ 3.53	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

CORETRONIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2024 and 2023

(Amounts in thousands of New Taiwan Dollars)

Description	Equity attributable to owners of the parent								Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings			Other equity		Total		
			Legal reserve	Special reserve	Unappropriated retained earning	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income (loss)			
Balance as of January 1, 2023	\$ 3,909,811	\$ 2,808,225	\$ 4,121,627	\$ 1,276,610	\$ 12,024,401	\$ (1,464,373)	\$ 53,244	\$ 22,729,545	\$ 2,350,939	\$ 25,080,484
Acquisition or disposal of the interest of subsidiaries	-	80,443	-	-	-	-	-	80,443	37,604	118,047
Changes in subsidiaries' ownership	-	10,016	-	-	-	-	-	10,016	(960)	9,056
Reversal of special reserve	-	-	-	(88,227)	88,227	-	-	-	-	-
Appropriation and distribution of 2022 earnings:										
Legal reserve	-	-	242,934	-	(242,934)	-	-	-	-	-
Cash dividends	-	-	-	-	(1,368,434)	-	-	(1,368,434)	-	(1,368,434)
Special reserve	-	-	-	134,519	(134,519)	-	-	-	-	-
Cash dividends distributed from capital surplus	-	(390,981)	-	-	-	-	-	(390,981)	-	(390,981)
Net income (loss) for the year ended December 31, 2023	-	-	-	-	1,391,923	-	-	1,391,923	(189,894)	1,202,029
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	(3,455)	(378,069)	1,413,301	1,031,777	(28,427)	1,003,350
Total comprehensive income (loss)	-	-	-	-	1,388,468	(378,069)	1,413,301	2,423,700	(218,321)	2,205,379
Decrease of non-controlling interests	-	-	-	-	-	-	-	-	(6,148)	(6,148)
Balance as of December 31, 2023	3,909,811	2,507,703	4,364,561	1,322,902	11,755,209	(1,842,442)	1,466,545	23,484,289	2,163,114	25,647,403
Acquisition or disposal of the interest of subsidiaries	-	2,550	-	-	3,318	-	-	5,868	(4,333)	1,535
Changes in associates and joint ventures accounted for using the equity method	-	(1,850)	-	-	-	-	-	(1,850)	-	(1,850)
Appropriation and distribution of 2023 earnings:										
Legal reserve	-	-	147,670	-	(147,670)	-	-	-	-	-
Cash dividends	-	-	-	-	(899,257)	-	-	(899,257)	-	(899,257)
Reversal of special reserve	-	-	-	(134,519)	134,519	-	-	-	-	-
Cash dividends distributed from capital surplus	-	(273,686)	-	-	-	-	-	(273,686)	-	(273,686)
Net income (loss) for the year ended December 31, 2024	-	-	-	-	820,326	-	-	820,326	(162,480)	657,846
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	62,740	1,270,081	(71,642)	1,261,179	43,226	1,304,405
Total comprehensive income (loss)	-	-	-	-	883,066	1,270,081	(71,642)	2,081,505	(119,254)	1,962,251
Disposal of subsidiary	-	-	-	-	-	-	-	-	(34,583)	(34,583)
Decrease of non-controlling interests	-	-	-	-	-	-	-	-	(1,459)	(1,459)
Balance as of December 31, 2024	\$ 3,909,811	\$ 2,234,717	\$ 4,512,231	\$ 1,188,383	\$ 11,729,185	\$ (572,361)	\$ 1,394,903	\$ 24,396,869	\$ 2,003,485	\$ 26,400,354

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
CORETRONIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024 and 2023
(Amounts in thousands of New Taiwan Dollars)

Description	For the year ended December 31		Description	For the year ended December 31	
	2024	2023		2024	2023
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$ 878,421	\$ 1,588,378	(Increase) decrease in financial assets at amortized cost - current	(3,365,890)	3,464,423
Adjustments for:			Proceeds from disposal of investments accounted for using the equity method	52,725	-
The profit or loss items which did not affect cash flows:			Proceeds from disposal of subsidiary	32,700	-
Expected credit loss (reversal of expected credit loss)	(14,567)	10,871	Acquisition of property, plant and equipment	(2,560,418)	(1,660,013)
Depreciation (including investment property and right-of-use assets)	1,298,091	1,403,075	Proceeds from disposal of property, plant and equipment	89,512	108,641
Amortization (including other noncurrent assets)	99,999	90,274	Acquisition of intangible assets	(66,818)	(39,663)
Interest expenses	448,437	443,307	Proceeds from disposal of intangible assets	-	2,847
Interest income	(454,921)	(407,553)	Increase in prepayment of land use rights	(122,644)	(162,804)
Dividend income	(67,992)	(66,994)	(Increase) decrease in other noncurrent assets	(4,406)	9,578
Transfer of property, plant and equipment to expense	545	539	Net cash (used in) provided by investing activities	(5,945,239)	1,723,009
Transfer of intangible assets to expenses	7,295	78			
Loss on disposal of property, plant and equipment	14,925	17,265			
Loss on disposal of Intangible assets	18	94			
Share-based payment expense	(1,782)	9,042			
(Gain) loss on disposal of investments	(9,538)	77,835			
Casualty loss	72,581	-			
Share of loss of associates and joint ventures accounted for using the equity method	8,468	9,128			
Net (gain) on financial assets and liabilities at fair value through profit or loss	(618,540)	(400,165)			
Changes in operating assets and liabilities:			Cash flows from financing activities:		
Notes receivable	12,183	1,407	(Decrease) increase in short-term borrowings	(998,760)	3,688,638
Trade receivables	309,751	339,950	Increase in long-term borrowings	3,287,100	112,900
Trade receivables - related parties	(252)	(109)	Repayment of long-term borrowings	(301,341)	(3,526,798)
Other receivables	(407,289)	377,421	(Decrease) increase in guarantee deposits	(3,396)	9,009
Inventories	1,190,638	1,856,467	Increase in other noncurrent liabilities	250	-
Prepayments	(239,970)	(134,323)	Cash dividends	(1,172,943)	(1,759,415)
Other current assets	(78,812)	52,869	Cash payment for the principal portion of lease liabilities	(190,177)	(267,106)
Other operating assets	7,988	13,979	Acquisition of subsidiaries' ownership	-	(10,178)
Contract liabilities	28,143	247,145	Proceeds from disposal of subsidiaries' ownership (without a change of control)	-	123,591
Notes payable	212	(529)	Change in non-controlling interests	(36,042)	368
Accounts payable	(633,117)	283,186	Net cash provided by (used in) financing activities	584,691	(1,628,991)
Accounts payable - related parties	(21,176)	(14,534)			
Other payables	(497,051)	(594,698)	Effect of exchange rate changes on cash and cash equivalents	1,129,457	(352,074)
Provisions - current	(132,958)	(128,581)			
Other current liabilities	(198,771)	(82,445)	Net (decrease) increase in cash and cash equivalents	(3,573,449)	4,190,959
Net defined benefit assets/liabilities	(1,486)	(46,713)	Cash and cash equivalents at the beginning of the period	16,555,958	12,364,999
Cash provided by operating activities	999,473	4,945,666	Cash and cash equivalents at the end of the period	\$ 12,982,509	\$ 16,555,958
Dividend received	67,992	66,994			
Interest received	434,707	500,525			
Interest paid	(442,865)	(455,658)			
Income tax paid	(421,665)	(608,512)			
Net cash provided by operating activities	637,642	4,449,015			

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

Coretronic Corporation
2024's Earnings Distribution Table

Unit : NTD

Item	Amount	
	Subtotal Total	Total
Beginning of Unappropriated Retained Earnings		10,842,802,127
Plus: Remeasurements of defined benefit pension plans	66,056,776	
Cumulative of Unappropriated Earnings		10,908,858,903
Net income of 2024	820,325,753	
Minus: Appropriated For 10% Legal Reserve	(88,638,253)	
2024's Earnings Available For Distribution		731,687,500
Earnings Available For Distribution (Cumulative)		11,640,546,403
Cash Dividends To Shareholders (NTD 1.0 per share)		(390,981,110)
End of Unappropriated Retained Earnings		11,249,565,293
<p>Note 1 : According to the ruling issued by MOF on April 30, 1998 (Ref. 871941343), when distributing earnings it should be taxed as per the year that the earnings were gained. Coretronic adopts last in first out method when distributing earnings, which is to say, first distribute earnings from the most current year and then the previous year's when not sufficient.</p> <p>Note 2 : The cash dividend distribution is calculated based on whole NT dollar, rounded down to the nearest whole NT dollar. Any fractional amounts less than one NT dollar will be adjusted by rounding the decimal places from largest to smallest, and the account numbers will be adjusted in order from the front to the rear to ensure the total cash dividend distribution is accurate.</p>		

Chairman: Wade Chang

President : Sarah Lin

Accounting Officer: Franck Ho

Comparison Table of Amendments to the Company's Articles of Incorporation

Current Provisions	Proposed Amendments	Note
<p>Article 5</p> <p>The Company's principal executive offices shall be located in the Science-Based Industrial Park in Hsinchu, Taiwan, R.O.C. The Company may, upon approval of the board of directors and competent authority, establish branch offices in Taiwan or abroad. After the public offerings, the Company shall not go private without the resolution of the shareholder meeting. The article shall not be changed in the period of the Company lists in OTC or Taiwan Stock Market.</p>	<p>Article 5</p> <p>The Company's principal executive offices shall be located in the Science Park in Hsinchu, Taiwan, R.O.C. The Company may, upon approval of the board of directors and competent authority, establish branch offices in Taiwan or abroad. After the public offerings, the Company shall not go private without the resolution of the shareholder meeting. The article shall not be changed in the period of the Company lists in OTC or Taiwan Stock Market.</p>	<p>In conjunction with the amendment of the law, the name of " Science-Based Industrial Park in Hsinchu " was changed to " Science Park in Hsinchu "</p>
<p>Article 7</p> <p>The total authorized capital of the Company shall be NT\$10 billion, divided into 1 billion(includes 70 million shares for the use of stock option certificates, preferred stock with warrants or corporate bonds with warrants) shares with a par value of NT\$10 each. Subject to practical need, the board of the directors is authorized to issue such shares by installments.</p> <p><u>The Company buy back its shares according to Company Act. Qualification requirements of entitled employees, including the employees of the controlled companies meeting certain specific requirements.</u></p> <p><u>The company's employee stock option certificate is issued to including the employees of the controlled companies meeting certain specific requirements.</u></p> <p><u>When the company issues new shares, new shares reserved for employees of the controlled companies meeting certain specific requirements.</u></p> <p><u>The company issuing restricted stock for employees including the employees of the controlled companies meeting certain specific requirements.</u></p>	<p>Article 7</p> <p>The total authorized capital of the Company shall be NT\$10 billion, divided into 1 billion(includes 70 million shares for the use of stock option certificates, preferred stock with warrants or corporate bonds with warrants) shares with a par value of NT\$10 each. Subject to practical need, the board of the directors is authorized to issue such shares by installments.</p> <p><u>The Company buy back its shares according to Company Act., issuing employee stock option, issuing restricted stock for employees, issuing new shares for employees, including the employees of the controlled companies meeting certain specific requirements. The conditions and allocation method shall be authorized by a resolution of the Board of Directors.</u></p> <p><u>If the Company issue employee stock options or buy back shares for transfer to employees, and the subscription price or transferred price is lower than the statutory limit, it shall submit the matter to the shareholders' meeting according to the relevant laws.</u></p>	<p>To amend with applicable laws</p> <p>The original Article 26 is moved to this Article</p>

Current Provisions	Proposed Amendments	Note
<p>Article 11</p> <p>Shareholder meetings <u>shall be convened as follows:</u></p> <p>(1) General shareholder meetings shall be convened <u>by the board of directors</u> within six (6) months following the end of each fiscal year.</p> <p>(2) Special shareholder meetings may be convened according to the laws whenever it is necessary.</p> <p><u>Directors may not convene the shareholders' meeting, the shareholders who own shares exceeds three percent (3%) of the total issued shares may convene the shareholder meeting by themselves with the permission of the authority.</u></p>	<p>Article 11</p> <p><u>There are two types of</u> shareholder meetings:</p> <p>(1) General shareholder meetings shall be convened <u>at least once a year</u> within six (6) months following the end of each fiscal year.</p> <p>(2) Special shareholder meetings may be convened according to the laws whenever it is necessary.</p>	<p>To comply with applicable laws</p> <p>Matters not necessary for the articles of association shall be deleted.</p>
<p>Article 12</p> <p>The chairman of the board shall preside at shareholder meetings if the shareholder meeting is convened by the board of directors. When the chairman of the board is unable to preside at a meeting, the directors present shall elect one from among themselves as proxy.</p> <p>If the shareholder meeting is convened by others with legitimate right, the one who convenes it shall preside at the meeting. When more than one conveners are present, they shall elect one from among themselves to preside.</p>	<p>Article 12</p> <p>The chairman of the board shall preside at shareholder meetings if the shareholder meeting is convened by the board of directors. When the chairman of the board is unable to preside at a meeting, the directors present shall elect one from among themselves as proxy.</p> <p>If the shareholder meeting is convened by others with legitimate right, the one who convenes it shall preside at the meeting. When more than one conveners are present, they shall elect one from among themselves to preside.</p>	<p>To comply with applicable laws</p>
<p>Article 18</p> <p>The Company will have a board of directors consisting of seven to nine directors, <u>who will be elected by the shareholder meeting from persons with disposing capacity.</u> Each director will serve an office term of three years and may be re-elected. The board of directors is authorized to approve the number of directors. <u>Compensation for the directors shall be determined by the board of directors in accordance with the domestic and international business standards. The Company shall establish at least three (3) independent directors to be included in the</u></p>	<p>Article 18</p> <p>The Company will have a board of directors consisting of seven to nine directors. Each director will serve an office term of three years and may be re-elected. The board of directors is authorized to approve the number of directors. <u>Among the aforementioned board positions, the number of independent directors shall not be less than three. Election of directors shall adopt the candidate nomination measure and elected by shareholders' meeting from the list of director candidates.</u> <u>Matters regarding professional</u></p>	<p>To comply with applicable laws</p> <p>Item 8 of the Article 25 is moved to this Article</p>

Current Provisions	Proposed Amendments	Note
<u>number of directors. Election of directors shall adopt the candidate nomination measure and elected by shareholders' meeting from previous candidates.</u> <u>Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held, determination of independency, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.</u>	<u>qualification, restrictions on shareholdings, concurrent positions held, determination of independency, method of nomination and election, and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.</u> <u>Compensation for the directors shall be determined by the Board of Directors in accordance with the domestic and international business standards.</u> <u>The board of directors of the Company may resolve to purchase liability insurance for the directors.</u>	
<p>Article 25 10%~20% of profit of the current year shall be distributed as employees' compensation.If the Company have losses from previous year, the losses shall be compensated in advance.Employee compensation distributed shall be made in stocks or cash including employees of the Company and may include employees of the controlled companies. (.....Skip) <u>The board of directors of the Company may resolve to purchase liability insurance for the directors.</u></p>	<p>Article 25 10%~20% of profit of the current year shall be distributed as employees' compensation.If the Company have losses from previous year, the losses shall be compensated in advance. <u>The employee remuneration ratio referred to in the previous paragraph, no less than 1% shall be allocated to grassroots employees.</u> Employee compensation distributed shall be made in stocks or cash including employees of the Company and may include employees of the controlled companies. <u>The conditions and method of issuance are authorized to be determined by the Board of Directors.</u> (.....Skip)</p>	<p>To comply with applicable laws and actual needs of the Company</p> <p>Item 8 is moved to Article 18</p>
<p><u>Article 26</u> <u>If the Company issue employee stock option certificates or buy back shares to transfer to employees, and the subscription price or transferred price is lower than the limited price of the relevant laws, it shall be proposed to the shareholder meeting according to the relevant laws.</u></p>	deleted	Article 26 is moved to Article 7
<p><u>Article 27</u> <u>Dividends and bonuses shall be distributed to those shareholders whose names are listed on the registrar of</u></p>	deleted	Matters not necessary for the articles of association

Current Provisions	Proposed Amendments	Note
<u>shareholders as of the record date set for purposes of the distribution.</u>		shall be deleted
<u>Article 28</u> Any rules or measures related to the Articles of Incorporation shall be stipulated separately by the board of directors.	<u>Article 26</u> Any rules or measures related to the Articles of Incorporation shall be stipulated separately by the board of directors.	Revise Article number
<u>Article 29</u> Matters not prescribed under the Articles of Incorporation shall be in accordance with the Company Law.	<u>Article 27</u> Matters not prescribed under the Articles of Incorporation shall be in accordance with the Company Law.	Revise Article number
<u>Article 30</u> This Articles of Incorporation adopted on June 18, 1992; (.....Skip) ; 22nd amended on June 12, 2020;The Articles of Incorporation shall be effective from the date they are approved by the shareholders meeting. The same applies in case of amendments.	<u>Article 28</u> This Articles of Incorporation adopted on June 18, 1992; (.....Skip) ; 22nd amended on June 12, 2020 ; <u>23nd amended on June 18, 2025</u> ;The Articles of Incorporation shall be effective from the date they are approved by the shareholders meeting. The same applies in case of amendments.	Revise Article number and updating of the date of amendment

Coretronic Corporation
List of Director Candidates

Candidates Category	No.	Gender	Name	Main Education	Main Current/Selected Past Positions	Main Current Position
Director	1	Male	Wade Chang	Master of NTU-Fudan EMBA, National Taiwan University	Chairman, Coretronic Corporation	Chairman, Coretronic Corporation (5371)
	2	Male	Hsun Chieh Investment Ltd. Legal Representative: Hsin-Chieh Hsu	<ul style="list-style-type: none"> • Bachelor in Accounting, National Chengchi University • Master in Business Administration, Tunghai University 	<ul style="list-style-type: none"> • Independent Director, Gem Terminal Industry Co., Ltd. • Investment Manager, Hotung Venture Capital Corporation • Deputy Manager of Project Investment Department, Mercuries Life Insurance Co., Ltd. 	Senior Vice President, Hsunchieh Investment Co., Ltd.
	3	Male	Hanns Prosper Investment Corporation Legal Representative: Yu-Chi Chiao	<ul style="list-style-type: none"> • Doctor of Business Administration, City University of Hong Kong • Doctor of Business Administration, Fudan University 	<ul style="list-style-type: none"> • Director and President, Walsin Lihwa Corp. • Supervisor, Winbond Electronics Corp. • Chairman, Hanns Touch Holdings Company (formerly HannsTouch Solution) • Director, HannStar Board Corp. 	<ul style="list-style-type: none"> • Chairman and President, HannStar Display Corp. (6116) • Legal Person Director and Representative, HannsTouch Holdings Company (3049) • Director, Walsin Lihwa Corporation (1605)
	4	Male	Han-Ping D.Shieh	<ul style="list-style-type: none"> • BS in Physics, National Taiwan Univ. • Ph.D. in Electrical and Computer Engineering, Carnegie Mellon Univ. 	<ul style="list-style-type: none"> • Research Staff Member, IBM TJ Watson Research Center • Professor, founding Director of Display Institute, Dean of College of Electrical and Computer Eng., Chair Professor and Senior Vice President, National Chiao Tung University, Vice Chancellor, Taiwan 	Life Chair Professor, National Yang Ming Chiao Tung Univ. (NYCU).

Candidates Category	No.	Gender	Name	Main Education	Main Current/Selected Past Positions	Main Current Position
					University System	
Independent Director	1	Male	Hsing-Yi Chow	Ph.D. in Business, Indiana University-Bloomington, US	<ul style="list-style-type: none"> • President, National Chengchi University • Dean, College of Commerce, National Chengchi University • Associate Dean, College of Commerce, National Chengchi University • Chairman, Department of Finance, National Chengchi University • Supervisor of Taipei Exchange 	<ul style="list-style-type: none"> • Emeritus Professor, Department of Finance, National Chengchi University • Independent Director, Yuanta Securities • Independent Director, Yuanta Financial Holding Co., Ltd. (2885) • Independent Director, Lien Hwa Industrial Holdings Corporation (1229)
	2	Female	Audrey Tseng	<ul style="list-style-type: none"> • Master of Business Administration, Executive MBA of National Taiwan University and Fudan University • Master of Commerce, Department of Accounting, National Chengchi University 	<ul style="list-style-type: none"> • Deputy Chairman / Assurance Leader/ Market Leader of PwC Taiwan • Synergies Leader of PwC CaTSH (Greater China) 	<ul style="list-style-type: none"> • Advisory member, Bio Taiwan Committee • Director, BRIM Biotechnology Inc. (6885) • Director, St.Shine Optical Co.,Ltd. (1565) • Independent Director, ASUSTeK Computer Inc. (2357) • Independent Director, Delta Electronics, Inc. (2308) • Independent Director, Bionime Corporation (4737)
	3	Male	Hung-Pin Ku	BS in Law, National Taipei University	<ul style="list-style-type: none"> • Independent Director, IDEAL BIKE CORPORATION • Lawer, KU, HUNG PIN Law Firm 	Lawer, KU, HUNG PIN Law Firm

List of competition restrictions on Directors proposed to be released

Position	Name	Released restriction
Director	Hsun Chieh Investment Ltd.	Director, Harvatek Corporation, Director, United Microelectronics Corporation, Director, PixArt Imaging Inc., Director, Unimicron Technology Corp.
	Hsun Chieh Investment Ltd. Legal Representative: Hsin-Chieh Hsu	Supervisor, Wavetek Microelectronics Corporation Legal Person Director and Representative, EmBestor Technology Inc.
	Hanns Prosper Investment Corporation Legal Representative: Yu-Chi Chiao	Chairman and President, HannStar Display Corp. Legal Person Director and Representative, HannsTouch Holdings Company Director, Walsin Lihwa Corporation
	Han-Ping D.Shieh	Director, Silicon Motion, Inc. Legal Person Director and Representative, FocalTech Systems Co., Ltd. Independent Director, Dynapack International Technology Corp. Independent Director, Key Ware Electronics Co., Ltd.
Independent Director	Hsing-Yi Chow	Independent Director, Lien Hwa Industrial Holdings Corporation
	Audrey Tseng	Director, BRIM Biotechnology Inc. Director, St.Shine Optical Co., Ltd. Legal Person Director and Representative, H2U Corporation Independent Director, Onward Therapeutics SA (Switzerland) Independent Director, ASUSTeK Computer Inc. Independent Director, Delta Electronics, Inc. Independent Director, Bionime Corporation