Fitipower Integrated Technology Inc.
2025 Annual Shareholders' Meeting Minutes

Time and Date: 9:00 a.m., May 26 (Mon.), 2025

PLACE: No. 2, Zhanye 1st Rd., East Dist., Hsinchu Science Park Hsinchu City
(The Allied Association Room 202)

Type of Meeting: Physical Meeting

Attendants: Total shares represented by shareholders presented in person or by proxy 88,536,540 shares, accounting for 73.01% of the company's total outstanding shares of 121,253,603 shares (excluding 850 shares with no voting rights as provided by Article 179 of the Company Law)

Directors present: Chairman Lin, Yung-Chieh, Director Chiu, Shu-Hui, Independent Director Chen, Pi-Feng(Convener of the Audit Committee), Independent Director Chin, Lan-Fang, Independent Director Wang, Tien-Hao and Independent Director Chen, Chuan-Nan six members of the Board of Directors are present, which is over half of the seven seats on the board.

Present: KPMG CPA Lee, Fang-Yi

Chairman: Lin, Yung-Chieh Recorder：Chang, Jui-Ling

I. Call the Meeting to Order: (Omitted)

II. Chairperson Remarks: (Omitted)

III. Company Reports

1. 2024 Business Reports. (Attachment 1)
2. Audit Committee's Review Report on the 2024 Financial Statements. (Attachment 2)
3. The distribution of employees' and Board Directors' remuneration of 2024.

   Explanation:

   The earnings of the Company in 2024 is NT$2,311,246,452 in total (a.k.a. the profit before tax and deduction of the compensation for employees and board directors). Pursuant to Article 27 of the Articles of Incorporation, the planned compensation of employees to be distributed shall be NT$115,876,043 and NT$6,900,000 for directors remuneration, with the full amounts to be paid in cash.

4. Report on Cash Dividend Distribution for 2024.

   Explanation:

   1) Pursuant to Article 28 of the Company's Articles of Incorporation, the Board of

Directors—by the attendance of at least two-thirds of all directors and the affirmative vote of a majority of those present—is authorized to distribute all or part of the dividends, legal surplus reserve, and capital surplus in cash, and to report such distribution to the shareholders' meeting.

2) The net profit after tax for 2024 of the company is NT$1,946,074,455. It is proposed to allocate NT$194,607,446 as legal reserves and NT$12,650,799 as special reserves. After adding the unallocated profit at the beginning of the period, which is NT$4,828,985,018, the distributable earning is NT$6,593,102,826.

3) The distributable earning mentioned above is proposed to be distributed as cash dividends to shareholders, totaling NT$1,560,533,871 (NT$12.87 per share). The distribution of these dividends to shareholders will be prioritized from the profit of 2024.

4) The cash dividend distribution will be calculated to the nearest dollar, with amounts less than one dollar rounded down. The total amount of fractional shares less than one dollar will be transferred to the Employee Welfare Committee.

5) The chairman will be authorized to set the ex-dividend date and handle related operations.

6) If there are any changes to the company's share capital affecting the number of shares in circulation and causing changes in the dividend distribution rate that require adjustments, the chairman is authorized to handle it at the general shareholders' meeting.

5. The status of issuing common shares by private placement for cash capital injection.

Explanation:

1) At the Annual General Meeting held on May 31, 2024, the shareholders approved authorizing the Board of Directors—provided that no material change in control occurs—to, at an appropriate time within one year from the date of the resolution, conduct a private placement of common shares for cash pursuant to Article 43-6 of the Securities and Exchange Act and related regulations, in one or more tranches, for up to 10,000,000 shares.

2) According to a subsequent resolution of the Board of Directors, the above private placement of common shares for cash has not yet been implemented. As the one-year authorization period is about to expire, it is proposed that no further private placement be carried out within the remaining term.

IV. Ratification Items

1. Proposed by the Board

Adoption of the 2024 Business Report and Financial Statements.

Explanation:

1) The company's annual business report and the financial statements of 2024 are finished and have been checked and finalized by the accountants Hsiao, Pei-Ju and Lee, Fang-Yi of KPMG Taiwan. The business report and financial statements have

been approved by the board of directors and is recorded with the audit report by the audit committee.

2) The 2024 Business Report and the above-mentioned Financial Statements are attached. (Attachment 1 and 3)

Resolution:

RESOLVED, that the above proposal was hereby approved as proposed, shares present at the time of voting: 88,258,667; voting results is as follows:

Voting Results	The total represented share present (Including electronic votes)
Votes in favor	85,529,782 Votes % of the total represented share present 96.90 %
Votes against	23,696 Votes
Invalid Votes	0 Votes
Votes abstained / Not Voted	2,705,189 Votes

2. Proposed by the Board

Adoption of 2024 Earnings Distribution Plan.

Explanation:

1) The company's earning distribution of 2024 has been approved by the board of directors and has been submitted to the audit committee for a review report on record.

2) Please see the table of Distribution of 2024 Earnings on Attachment 4.

Resolution:

RESOLVED, that the above proposal was hereby approved as proposed, shares present at the time of voting: 88,258,667; voting results is as follows:

Voting Results	The total represented share present (Including electronic votes)
Votes in favor	85,845,638 Votes % of the total represented share present 97.26 %
Votes against	14,591 Votes
Invalid Votes	0 Votes
Votes abstained / Not Voted	2,398,438 Votes

V. Discussion Items

1. Proposed by the Board

To approve the proposal of issuing common shares by private placement through cash capital injection.

Explanation:

1) In alignment with operational growth and to seek opportunities for industrial

cooperation or strategic alliances aimed at expanding market presence and creating long-term shareholder value, it is proposed that the shareholders' meeting authorize the Board of Directors to judiciously select an appropriate time—without causing significant changes in management rights—to proceed with a private placement of common shares under Article 43-6 of the Securities and Exchange Act and related regulations. The number of shares issued will not exceed 10,000,000 shares and will be executed once or in stages within one year from the date of the shareholders' meeting resolution.

2) According to Article 43-6 of the Securities and Exchange Act and the "Directions for Public Companies Conducting Private Placements of Securities," the following details must be specified:

(I) Basis and Rationality for Private Placement Pricing:

(1) The pricing of the privately placed common shares shall be based on at least 80% of the higher of the following two standards calculated on the pricing date:

A. The simple arithmetic average of the closing prices of common shares on either the 1st, 3rd, or 5th business day before the pricing date, adjusted for bonus shares as well as dividends, plus any adjustment for a reduction in capital.

B. The simple arithmetic average of the closing prices of common shares over the 30 business days prior to the pricing date, adjusted similarly for bonus shares and dividends.

(2) The actual pricing date and issuance price of the private placement shares will be determined by the Board of Directors within the limits approved by the shareholders' meeting, based on future market conditions and the selection of strategic investors.

(3) Apart from complying with the regulations outlined in the " Directions for Public Companies Conducting Private Placements of Securities," the rationale for setting the price of the private placement also considers the strict limitations on the transferability of the securities within three years from the date of issuance. These restrictions include limits on the timing, the parties involved, and the quantity of shares that can be transferred. Furthermore, these securities cannot be publicly offered or listed with the regulatory authorities until three years after issuance, contributing to lower liquidity. Therefore, the setting of this private placement price is considered reasonable.

(II) Selection and Purpose of Specific Investors, Necessity, and Anticipated Benefits:

The targets for this private placement are strategic investors who meet the qualifications specified under Article 43-6 of the Securities and Exchange Act and the directives of the Financial Supervisory Commission dated September 12, 2023 (Document No. 1120383220), and who can assist our company in enhancing technology, improving quality, reducing costs, increasing operational efficiency, and expanding market reach, and who align with our company's management philosophy. The purpose, necessity, and expected benefits of engaging with these strategic investors are to meet our company's long-term development needs through their technology, knowledge, or distribution channels, which will aid in achieving the aforementioned benefits. Matters related to the appointment of specific individuals are proposed to be fully authorized to the Board of Directors by the shareholders' meeting.

(III) Necessary Reasons for Conducting a Private Placement, Amount, Use of Funds, and Expected Benefits:

(1) Reasons for Not Using a Public Offering:

Compared to a public offering, a private placement ensures a long-term partnership with strategic investors due to the three-year restriction on free transferability of the securities. Additionally, authorizing the Board of Directors to conduct a private placement based on the actual operational needs of the company will enhance the flexibility and responsiveness of fundraising. Therefore, it is proposed to issue securities through a private placement rather than a public offering.

(2) Private Placement Amount:

It is proposed to authorize the Board of Directors to execute the private placement of up to 10,000,000 shares of common stock, either in one go or in stages, within one year from the date of the shareholders' meeting resolution. The actual amount raised will be determined by the Board of Directors based on market conditions at the time, the company's actual needs, and negotiations with specific individuals.

(3) Use of Funds and Expected Benefits:

The funds raised from this private placement of common stock will be used for future strategic development, which is expected to enhance operational performance and strengthen the company's competitiveness, thereby positively benefiting shareholder equity.

<table>
<tr><th>Issuance</th><th>Anticipated Issue Amount</th><th>Use of Funds</th><th>Expected Benefits</th></tr>
<tr><td>1st</td><td>5,000 thousand shares</td><td rowspan="2">Strategic Alliance Development or Funding Future Strategic Development Needs</td><td rowspan="2">The funds are expected to meet the company's operational needs and enhance the future growth potential of the business, strengthening the company's competitiveness, enhancing operational efficiency, and improving shareholder equity.</td></tr>
<tr><td>2nd</td><td>5,000 thousand shares</td></tr>
<tr><td colspan="4">Regarding the first and second anticipated issuance amounts, during each actual implementation, it is possible to issue all or part of the previously unissued shares or subsequent anticipated shares, provided that the total number of shares issued does not exceed 10,000,000.</td></tr>
</table>

(IV) Will there be significant changes in management rights within one year before The Company will, in selecting subscribers, adhere to the principle that no material change in control shall occur as a result of this transaction.

(V) The rights and obligations of the privately placed common shares are identical to those of the common shares already issued by the company. Under Article

43-8 of the Securities and Exchange Act, the privately placed securities cannot be freely transferred within three years after delivery, except under specific conditions permitted by law. After three years from the delivery of these privately placed securities, the company plans to obtain a letter of consent that meets the listing standards of the Taiwan Stock Exchange and, following the completion of the public offering review process with the competent authority, will then apply for stock exchange listing.

3) The primary contents of this private placement plan, in addition to the private placement pricing, include but are not limited to the actual number of shares issued, the issue price, terms of the issue, amount raised, planned projects, expected timeline for the use of funds, expected benefits, and other relevant matters. Should there be a need to change or amend these due to legal modifications, regulations from the competent authorities, operational assessments, or impacts from the external environment, it is proposed that the shareholders' meeting authorize the board of directors to handle these matters based on the current market conditions.

4) It is proposed to request the shareholders' meeting to authorize the chairman or his designated representative to sign, negotiate, and amend all contracts and documents related to the private placement of common shares, and to handle all matters necessary for the issuance of the privately placed common shares.

5) The private placement securities proposal, in accordance with Article 43-6 of the Securities and Exchange Act, can be detailed at the Market Observation Post System (website: https://mops.twse.com.tw), by selecting (Investment Zone/Private Placement Area) and at our company's website (URL: https://www.fitipower.com), under (Investors/Shareholder Services/Shareholders' Meeting).

6) This proposal has been approved by the board of directors and is legally submitted for discussion at the shareholders' meeting.

Resolution:

RESOLVED, that the above proposal was hereby approved as proposed, shares present at the time of voting: 88,258,667; voting results is as follows:

Voting Results	The total represented share present (Including electronic votes)
Votes in favor	83,678,754 Votes % of the total represented share present 94.81 %
Votes against	1,857,189 Votes
Invalid Votes	0 Votes
Votes abstained / Not Voted	2,722,724 Votes

2. Proposed by the Board

Amendment to the “Articles of Incorporation” for discussion.

Explanation:

1) In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and to meet operational requirements, amendments to certain clauses of the Company's Articles of Incorporation are proposed. A comparison table detailing the amended Articles of Incorporation is attached. (Attachment 5)
2) This proposal has been approved by the Board and is submitted to the shareholders meeting for discussion.

Resolution:

RESOLVED, that the above proposal was hereby approved as proposed, shares present at the time of voting: 88,258,667; voting results is as follows:

Voting Results	The total represented share present (Including electronic votes)
Votes in favor	85,840,971 Votes % of the total represented share present 97.26 %
Votes against	26,496 Votes
Invalid Votes	0 Votes
Votes abstained / Not Voted	2,391,200 Votes

VI. Extemporary Motions: None.

VII. Adjournment: 9:23 a.m.

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

No questions raised by the present shareholders.

Attachment 1

2024 Business Reports

Year 2024 was filled with challenges for the global semiconductor industry. Although the global economy has been gradually recovering from the pandemic-induced downturn, overall economic momentum remained weak. High inflation and prolonged high interest rates extended the inventory adjustment cycle. At the same time, rising geopolitical tensions increased market uncertainty, lowering demand visibility across end markets. Customers continued to strictly manage inventories, further suppressing semiconductor demand.

Nevertheless, the rise of generative AI applications, alongside continued advancements in automotive and connectivity technologies, is creating structural and long-term growth opportunities for the semiconductor industry.

Fitipower responded proactively to these market shifts by closely monitoring supply-chain dynamics, continually introducing new products, and broadening its diversified product lineup. Although demand for large-, medium-, and small-format display driver ICs was dampened by market weakness, full-year shipments nonetheless grew year-over-year. Performance outside mainland China gradually strengthened, and improved coordination between production and sales led to effective inventory management. As a result, revenue in 2024 increased significantly compared with the prior year, delivering the third-highest operating performance in the company's history.

Facing global turbulence driven by geopolitical tensions, we partnered with customers to expand investments in technology and product lines, ensuring robust core profitability while continuing R&D investments to support our clients' rapid growth. Thanks to our solid earlier R&D efforts, Fitipower is poised for its next growth peak; we will continue to deploy resources aggressively to seize new market opportunities.

Financial Performance

In 2024, Fitipower's consolidated revenue reached NT$19,199.74 million, up 17.89% from NT$16,286.52 million in 2023. After-tax net profit was NT$2,491.59 million, versus NT$2,367.19 million in the prior year—a 5.25% increase. Earnings per share rose 20.99%, from NT$13.29 to NT$16.08. Gross margin was 28.61% (versus 32.43% in AD 2023), operating margin 11.48% (versus 14.40%), and after-tax net margin 12.98% (down 1.55 percentage points from 14.53%).

Technology Development

In 2024, R&D expenditure totaled NT$2,494 million, up 11.09% from NT$2,245 million in 2023, representing 12.99% of revenue. In the display-driver IC field, we not only provided competitive solutions for the mass market but also developed customized products for leading global high-end panel brands. Innovations included expanded Panel Power integrated products, high-resolution and high-refresh-rate TV drivers, low-frequency high-voltage power-saving driver ICs for notebooks and monitors, and deepened offerings for industrial control, projection, and automotive lines.

In power-management ICs, process optimizations and new-product development enabled volume production of High-Performance BLDC MCUs and High-PSRR LDOs. Solutions from this product line for consumer, industrial, communications, automotive, and IoT applications accounted for about 11% of full-year revenue—the highest share among all driver-IC suppliers.

We also broadened our semiconductor portfolio with full-series eDP timing-controller ICs in volume production and expanded e-paper IC applications to color e-readers and electronic shelf labels. Early efforts have driven sensor-IC growth in the smart-home market. With AIoT entering a rapid growth phase, our edge-computing initiatives are expected to take off in 2025.

Across display-driver ICs, power-management ICs, and other semiconductor solutions, we dedicate ample resources to develop products meeting green-environmental and ESG standards, offering comprehensive platforms to unleash customers' innovation potential. Going forward, Fitipower will continue expanding its logic-IC and analog-IC portfolios to create greater value for clients.

Environment, Sustainability, and Corporate Governance

Fitipower has always upheld sound corporate governance as a core value, believing that respecting all stakeholders is essential to achieving short-, medium-, and long-term sustainability goals. In 2024, we advanced sustainability through multiple initiatives:

- The Fitipower Environmental Sustainability Foundation hosted the "2nd Fitipower AI Green-Tech Sustainability Innovation Competition," where industry professors guided students in using Fitipower's development systems to propose AI-driven green-living solutions, fostering AI R&D and nurturing innovation and sustainability awareness.
- We enhanced our environmental, occupational health & safety, and information-security management systems, obtaining ISO 14001, ISO 45001, and ISO 27001 certifications. For suppliers, we revised management procedures, established codes of conduct, and conduct regular sustainability assessments.
- Looking ahead, we will further strengthen carbon management: since 2024 we have adopted Task Force on Climate-related Financial Disclosures (TCFD) and ISO 14064 greenhouse-gas inventory systems, aiming to complete data verification in Q1 2025. We will also conduct carbon-footprint assessments for key products to inventory emissions, manage risks, and advance toward net-zero carbon by 2050.

By developing highly efficient, low-power chips and fostering a friendly workplace culture, we strive to contribute to global energy conservation and environmental protection, spreading positive impact everywhere. Commitment to sustainable operations and sound governance will deliver greater returns to our shareholders.

Corporate Development

Talent is our most important asset. As a fast-growing fabless semiconductor company, Fitipower values talent development and workplace growth. In response to customer and partner needs, we have launched comprehensive solutions across edge computing, IoT, AI, automotive electronics, and e-paper, delivering highly differentiated added value and laying a solid foundation for future growth.

In 2024, our achievements in innovation, sustainability, corporate governance, and financial performance earned us multiple honors, including being named among Harvard Business Review Taiwan's Top 100 Listed-Company CEOs, ranking in Taiwan's Top 20% for corporate-governance evaluations, and selection in the Taiwan Corporate Directors Forum's Top 100 Foreign-Invested Firms.

Outlook

Entering 2025, despite ongoing global economic and geopolitical uncertainties, semiconductors remain the foundational technology of the modern digital economy, and their strategic importance and value within global supply chains will continue to rise. In the face of U.S.-China competition and export controls driving nations to invest heavily in chip industries and build autonomous supply chains—amid low-cost competition from China and IC-design talent shortages—we will leverage market shifts, balance non-China market expansion, and adhere to our core philosophy of technology and talent. Together with customers and the supply chain, we will co-develop forward-looking products to fuel the next wave of growth.

Upholding sound governance and continuously creating long-term profit growth for shareholders is our responsibility. We thank our shareholders for their ongoing trust and support. Fitipower will continue to advance sustainable development and enhance long-term corporate value.

Chairperson: Manager: Accounting Supervisor:

Attachment 2

Fitipower Integrated Technology Inc.
Audit Committee's Review Report

The Board of Directors had prepared and submitted the 2024 financial statements. The audit of the financial statements was completed by KPMG Taiwan and an audit report was issued. The audit of the aforementioned statements, along with issues such as the business reports and the report of earning distribution, submitted by the Board of Directors was conducted by the audit committee, and no inconsistency was found. The audit report was issued in accordance with the Securities and Exchange Act and the Company Act.

Yours sincerely,
2025 Shareholders General Meeting of Fitipower Integrated Technology Inc.

Convener of the Audit Committee: Chen Pi-Feng

Apr. 1, 2025

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Fitipower Integrated Technology Inc.:

Opinion

We have audited the consolidated financial statements of Fitipower Integrated Technology Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as of December 31, 2024 and 2023, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the report of another auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of JADARD TECHNOLOGY INC. and its subsidiaries, a subsidiary of the Group. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for JADARD TECHNOLOGY INC., is based solely on the report of another auditor. The financial statements of JADARD TECHNOLOGY INC. reflect total assets constituting 43.39% and 39.02% of consolidated total assets at December 31, 2024 and 2023, respectively, and total operating revenues constituting 49.01% and 32.60% of consolidated total operating revenues for the years then ended, respectively.

Fitipower Integrated Technology Inc. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion with other matters paragraph.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

1. Inventory valuation

   Refer to Note 4(h) for accounting policy on inventory, Note 5 for accounting estimations and assumption uncertainty of inventory valuation, and Note 6(e) for the disclosure of inventories.

   Description of key audit matter:

   Inventories are measured at the lower of cost and net realizable value. Due to the rapid changes in the environment and the continuous updating of production technology, there is a risk that the original products may become obsolete or no longer meet the market demand. The demand for and prices of the related products may fluctuate, and the estimation of the net realizable value of inventories depends on the subjective judgment of the management of the Group. Therefore, the valuation of inventories has been identified as a key audit matter.

   How the matter was addressed in our audit:

   For the valuation of the inventories, we understand the Group's policy on the write-down of inventories and evaluate whether the methods and assumptions used to provide an allowance for the write-down of inventories are reasonable. Also, we obtain the calculation details of the provision for the write-down of inventories, and check whether those details are consistent with the accounting records. In addition, we performed procedures including sampling to examine the accuracy of inventory aging report and the net realizable value report.

2. Revenue recognition

   Refer to Note 4(n) for accounting policy of revenue recognition and Note 6(s) for the details of sales revenue.

   Description of key audit matter:

   The major business activities of the Group are the manufacture and sale of integrated circuits. The Group also offers research and development services with respect to the products presented above. Revenue is the key indicator to evaluate the performance by investors and management, and thus, needs significant attention in our audit.

   How the matter was addressed in our audit:

   We understand the main revenue types and transaction conditions, and evaluate the accuracy of the period of revenue recognition; check the sales contracts of major sales objects, and test the Group's internal control methods regarding shipment operations and revenue recognition processes; perform trend analysis of the ten largest customers, so as to assess whether there is any material abnormality; select shipments for a period before and after the balance sheet date of the Group, and check relevant documents and forms to determine whether the sales revenue is included in the appropriate period of the financial statements.

KPMG

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hsiao, Pei-Ju and Lee, Fang-Yi.

KPMG

Taipei, Taiwan (Republic of China)
February 26, 2025

Notes to Readers

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

The auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FITIPOWER INTEGRATED TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents(note (6)(a))	$ 1,779,772	7	1,933,863	8
1110	Current financial assets at fair value through profit or loss(notes (6)(b)and (13))	7,580,755	28	10,583,314	43
1136	Current financial assets at amortised cost, net(notes (6)(a)and (8))	2,709,190	10	132,710	1
1170	Accounts receivable, net(note (6)(d))	3,387,897	13	2,296,971	9
1197	Finance lease payment receivable	-	-	11,177	-
1200	Other receivables, net	570,776	2	347,830	1
130X	Inventories, net(note (6)(e))	2,480,359	9	1,945,787	8
1410	Prepayments and other current assets(note (6)(f))	441,972	2	56,596	-
		18,950,721	71	17,308,248	70
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss(notes (6)(b)and (13))	1,134,497	4	-	-
1517	Non-current financial assets at fair value through other comprehensive income(notes (6)(c)and (13))	1,339,321	5	14,330	-
1535	Non-current financial assets at amortised cost, net(note (6)(a))	3,470,450	13	5,668,370	23
1600	Property, plant and equipment(note (6)(i))	1,060,944	4	1,028,598	4
1755	Right of use assets(note (6)(j))	100,842	-	76,512	-
1780	Intangible assets(note (6)(k))	193,169	1	63,003	-
1840	Deferred tax assets(note (6)(o))	47,763	-	63,706	-
1900	Other non-current assets(note (6)(l))	372,444	2	649,514	3
		7,719,430	29	7,564,033	30
	Total assets	**$ 26,670,151**	**100**	**24,872,281**	**100**

		December 31, 2024		December 31, 2023	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2120	Current financial liabilities at fair value through profit or loss(note (6)(b))	$ 10,158	-	-	-
2130	Current contract liabilities(note (6)(s))	36,036	-	32,581	-
2170	Accounts payable	2,247,212	9	1,829,927	7
2200	Other payables	1,041,476	4	770,849	4
2230	Current tax liabilities	67,650	-	518,842	2
2250	Current provisions(note (6)(l))	19,737	-	43,855	-
2280	Current lease liabilities(note (6)(m))	42,398	-	29,771	-
2300	Other current liabilities	21,619	-	19,880	-
		3,486,286	13	3,245,705	13
	Non-Current liabilities:				
2570	Deferred tax liabilities(note (6)(o))	208,894	1	76,974	-
2580	Non-current lease liabilities(note (6)(m))	59,772	-	46,829	-
2645	Guarantee deposits received	498,357	2	306,305	1
		767,023	3	430,108	1
	Total liabilities	4,253,309	16	3,675,813	14
	Equity attributable to owners of parent:(notes 6(g), (h), (p) and (q))				
3110	Ordinary share	1,212,545	5	1,212,545	5
3200	Capital surplus	8,544,547	32	8,621,547	35
	Retained earnings:				
3310	Legal reserve	1,375,997	5	1,160,976	5
3320	Special reserve	26,923	-	28,704	-
3350	Unappropriated retained earnings	6,775,059	25	6,330,352	25
		8,177,979	30	7,520,032	30
3400	Other equity	(14,272)	-	(26,923)	-
3500	Treasury shares	(7,307)	-	(8,158)	-
	Total equity attributable to owners of parent:	17,913,492	67	17,319,043	70
36XX	Non-controlling interests	4,503,350	17	3,877,425	16
	Total equity	22,416,842	84	21,196,468	86
	Total liabilities and equity	**$ 26,670,151**	**100**	**24,872,281**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FITIPOWER INTEGRATED TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenue(notes (6)(s) and (7))**	$ 19,199,740	100	16,286,520	100
5000	**Operating costs(notes (6)(e), (l) and (12))**	13,707,114	71	11,004,044	68
5900	**Gross profit from operations**	5,492,626	29	5,282,476	32
6000	**Operating expenses:(notes (6)(d), (k), (l), (m), (n), (q), (t), (7) and (12))**				
6100	Selling expenses	420,334	2	353,227	2
6200	Administrative expenses	374,389	2	338,250	2
6300	Research and development expenses	2,494,331	13	2,245,262	14
6450	Impairment losses (impairment gains and reversal of impairment losses) determined in accordance with IFRS 9	76	-	(308)	-
		3,289,130	17	2,936,431	18
6900	**Net operating income**	2,203,496	12	2,346,045	14
7000	**Non-operating income and expenses:(notes (6)(b), (m) and (u))**				
7100	Interest income	262,106	1	222,468	1
7010	Other income	197,146	1	106,299	1
7020	Other gains and losses	161,229	1	129,508	1
7050	Finance costs	(8,047)	-	(2,559)	-
		612,434	3	455,716	3
7900	**Profit before income tax**	2,815,930	15	2,801,761	17
7950	Less: Income tax expenses(note (6)(o))	324,339	2	434,562	2
8000	**Profit**	2,491,591	13	2,367,199	15
8300	**Other comprehensive income: (notes (6)(o) and (p))**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(13,160)	-	(7,932)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	(13,160)	-	(7,932)	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	316,744	2	(149,258)	(1)
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(114,239)	(1)	-	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	35,008	-	2,471	-
	Components of other comprehensive income that will be reclassified to profit or loss	167,497	1	(151,729)	(1)
	Other comprehensive income	154,337	1	(159,661)	(1)
8500	**Total comprehensive income**	**$ 2,645,928**	**14**	**2,207,538**	**14**
	Profit attributable to:				
8610	Owners of parent	$ 1,946,074	10	2,150,213	14
8620	Non-controlling interests	545,517	3	216,986	1
		$ 2,491,591	**13**	**2,367,199**	**15**
	Comprehensive income attributable to:				
8710	Owners of parent	$ 1,958,725	10	2,151,994	13
8720	Non-controlling interests	687,203	4	55,544	1
		$ 2,645,928	**14**	**2,207,538**	**14**
	Earnings per share (expressed in dollars)(note (6)(r))				
9750	Basic earnings per share	**$ 16.08**		**13.29**	
9850	Diluted earnings per share	**$ 16.00**		**13.23**	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FITIPOWER INTEGRATED TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent											
			Retained earnings			Total other equity interest						
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized losses on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2023	$ 1,865,453	8,615,095	853,945	43,782	6,054,591	(28,704)	-	(28,704)	(9,449)	17,394,713	3,748,796	21,143,509
Profit	-	-	-	-	2,150,213	-	-	-	-	2,150,213	216,986	2,367,199
Other comprehensive income	-	-	-	-	-	9,713	(7,932)	1,781	-	1,781	(161,442)	(159,661)
Total comprehensive income	-	-	-	-	2,150,213	9,713	(7,932)	1,781	-	2,151,994	55,544	2,207,538
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	307,031	-	(307,031)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(15,078)	15,078	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,582,499)	-	-	-	-	(1,582,499)	-	(1,582,499)
Capital reduction	(652,908)	-	-	-	-	-	-	-	1,291	(651,617)	-	(651,617)
Changes in ownership interests in subsidiaries	-	4,479	-	-	-	-	-	-	-	4,479	(4,479)	-
Share-based payments transactions	-	1,973	-	-	-	-	-	-	-	1,973	-	1,973
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	77,564	77,564
Balance at December 31, 2023	1,212,545	8,621,547	1,160,976	28,704	6,330,352	(18,991)	(7,932)	(26,923)	(8,158)	17,319,043	3,877,425	21,196,468
Profit	-	-	-	-	1,946,074	-	-	-	-	1,946,074	545,517	2,491,591
Other comprehensive income	-	-	-	-	-	140,050	(127,399)	12,651	-	12,651	141,686	154,337
Total comprehensive income	-	-	-	-	1,946,074	140,050	(127,399)	12,651	-	1,958,725	687,203	2,645,928
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	215,021	-	(215,021)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(1,781)	1,781	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,288,127)	-	-	-	-	(1,288,127)	-	(1,288,127)
Changes in ownership interests in subsidiaries	-	(85,736)	-	-	-	-	-	-	-	(85,736)	85,736	-
Share-based payments transactions	-	8,736	-	-	-	-	-	-	-	8,736	96,002	104,738
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(243,016)	(243,016)
Treasury shares transferred to employees	-	-	-	-	-	-	-	-	851	851	-	851
Balance at December 31, 2024	$ 1,212,545	8,544,547	1,375,997	26,923	6,775,059	121,059	(135,331)	(14,272)	(7,307)	17,913,492	4,503,350	22,416,842

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FITIPOWER INTEGRATED TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from operating activities:		
Profit before tax	$ 2,815,930	2,801,761
Adjustments:		
Adjustments to reconcile profit or loss:		
Depreciation expense	461,718	429,321
Amortization expense	171,593	105,955
Expected credit loss (reversal of expected credit loss)	76	(308)
Net gain on financial assets or liabilities at fair value through profit or loss	(40,340)	(120,806)
Interest expense	8,047	2,559
Interest income	(262,106)	(222,468)
Dividend income	(185)	(218)
Compensation cost of share-based payment transaction	104,738	43,167
Loss (gain) on disposal of property, plant and equipment	(580)	250
Impairment loss and disposal loss on inventory	91,279	94,281
Impairments loss on non-financial assets	-	15,527
Total adjustments to reconcile profit or loss	534,240	347,260
Changes in operating assets and liabilities:		
Decrease in finance lease payment receivable	11,177	12,828
(Increase) decrease in accounts receivable	(1,091,002)	362,670
Increase in other receivables	(28,206)	(8,707)
(Increase) decrease in inventories	(625,851)	466,779
(Increase) decrease in prepayments and other current assets	(385,376)	26,620
Increase in other non-current assets	(69,173)	(16,351)
(Increase) decrease in accounts payable	417,285	(69,983)
(Increase) decrease in other payable	274,037	(111,403)
Decrease in current provisions	(24,118)	(29,289)
Increase (decrease) in current contract liabilities	3,455	(100,915)
Increase (decrease) in other current liabilities	1,739	(18,747)
Total changes in operating assets and liabilities	(1,516,033)	513,502
Cash inflow generated from operations	1,834,137	3,662,523
Interest received	59,057	39,702
Interest paid	(5,662)	(3,522)
Income taxes paid	(656,107)	(702,881)
Net cash flows from operating activities	1,231,425	2,995,822
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(1,428,582)	(22,262)
Acquisition of financial assets at fair value through profit or loss	(11,037,613)	(10,885,154)
Proceeds from disposal of financial assets at fair value through profit or loss	12,962,019	10,063,812
Increase in financial assets at amortized cost	(378,560)	(5,800,880)
Acquision of property, plant and equipment	(433,111)	(378,788)
Proceeds from disposal of property, plant and equipment	1,544	1,118
Acquisition of intangible assets	(300,828)	(86,704)
Decrease in refundable deposits	335,701	1,731,231
Cash dividends received	185	218
Net cash flows from investing activities	(279,245)	(5,377,409)
Cash flows from financing activities:		
Decrease in short-term borrowings	-	(220,734)
Increase in guarantee deposits received	173,963	143,922
Payment of lease liabilities	(47,187)	(47,317)
Cash dividends paid	(1,288,127)	(1,582,499)
Capital reduction payments to shareholders	-	(651,617)
Proceeds from transfer of treasury shares to employees	851	-
Change in non-controlling interests	(243,016)	77,564
Net cash flows used in financing activities	(1,403,516)	(2,280,681)
Effect of exchange rate changes on cash and cash equivalents	297,245	(162,816)
Net decrease in cash and cash equivalents	(154,091)	(4,825,084)
Cash and cash equivalents at the beginning of period	1,933,863	6,758,947
Cash and cash equivalents at the end of period	$ **1,779,772**	**1,933,863**

See accompanying notes to consolidated financial statements.

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Fitipower Integrated Technology Inc.:

Opinion

We have audited the financial statements of Fitipower Integrated Technology Inc.("the Company"), which comprise the balance sheet as of December 31, 2024 and 2023, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

Other Matter

We did not audit the financial statements of JADARD TECHNOLOGY INC. and its subsidiaries, which represented investment in accounted for using the equity method of the Company. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for JADARD TECHNOLOGY INC. and its subsidiaries, is based solely on the report of another auditor. The investment in JADARD TECHNOLOGY INC. and its subsidiaries accounted for using the equity method constituting 25.85% and 23.13% of total assets at December 31, 2024 and 2023, respectively, and the related share of profit of subsidiaries for using the equity method constituting 30.53% and 10.48% of total profit before tax for the years then ended, respectively.

Key Audit Matters

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

1. Inventory valuation

   Refer to Note 4(g) for accounting policy on inventory, Note 5 for accounting estimations and assumption uncertainty of inventory valuation, and Note 6(e) for the disclosure of inventories.

Description of key audit matter:

Inventories are measured at the lower of cost and net realizable value. Due to the rapid changes in the environment and the continuous updating of production technology, there is a risk that the original products may become obsolete or no longer meet the market demand. The demand for and prices of the related products may fluctuate, and the estimation of the net realizable value of inventories depends on the subjective judgment of the management of the Company. Therefore, the valuation of inventories has been identified as a key audit matter.

How the matter was addressed in our audit:

For the valuation of the inventories, we understand the Company's policy on the write-down of inventories and evaluate whether the methods and assumptions used to provide an allowance for the write-down of inventories are reasonable. Also, we obtain the calculation details of the provision for the write-down of inventories, and check whether those details are consistent with the accounting records. In addition, we performed procedures including sampling to examine the accuracy of inventory aging report and the net realizable value report.

2. Revenue recognition

Refer to Note 4(n) for accounting policy of revenue recognition and Note 6(r) for the details of sales revenue.

Description of key audit matter:

The major business activities of the Company are the manufacture and sale of integrated circuits. The Company also offers research and development services with respect to the products presented above. Revenue is the key indicator to evaluate the performance by investors and management, and thus, needs significant attention in our audit.

How the matter was addressed in our audit:

We understand the main revenue types and transaction conditions, and evaluate the accuracy of the period of revenue recognition; check the sales contracts of major sales objects, and test the Company's internal control methods regarding shipment operations and revenue recognition processes; perform trend analysis of the ten largest customers, so as to assess whether there is any material abnormality; select shipments for a period before and after the balance sheet date of the Company, and check relevant documents and forms to determine whether the sales revenue is included in the appropriate period of the financial statements.

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hsiao, Pei-Ju and Lee, Fang-Yi.

KPMG

Taipei, Taiwan (Republic of China)
February 26, 2025

Notes to Readers

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

The auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and parent company only financial statements, the Chinese version shall prevail.

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

FITIPOWER INTEGRATED TECHNOLOGY INC.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:				
1100	Cash and cash equivalents(note (6)(a))	$ 422,045	2	312,496	2
1110	Current financial assets at fair value through profit or loss(notes (6)(b) and (13))	6,880,136	34	10,077,096	51
1170	Accounts receivable, net(note (6)(d))	2,279,753	11	2,017,647	10
1197	Finance lease payment receivable	-	-	11,177	-
1200	Other receivables, net(note (7))	39,626	-	28,595	-
130X	Inventories, net(note (6)(e))	1,381,063	7	997,387	5
1410	Prepayments and other current assets(note (6)(f))	18,672	-	11,883	-
		11,021,295	54	13,456,281	68
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss(notes (6)(b) and (13))	460,351	2	-	-
1517	Non-current financial assets at fair value through other comprehensive income(notes (6)(c) and (13))	10,198	-	14,330	-
1550	Investments accounted for using equity method, net(notes (6)(g)and (13))	7,750,421	38	5,104,571	26
1600	Property, plant and equipment(notes (6)(h)and (7))	567,666	3	558,152	3
1755	Right of use assets(note (6)(i))	81,267	-	51,722	-
1780	Intangible assets(note (6)(j))	127,676	1	42,380	-
1840	Deferred tax assets(note (6)(n))	21,869	-	37,276	-
1900	Other non-current assets(note (6)(k))	331,155	2	475,413	3
		9,350,603	46	6,283,844	32
	Total assets	$ 20,371,898	100	19,740,125	100

Code	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities:				
2120	Current financial liabilities at fair value through profit or loss (note (6)(b))	$ 10,158	-	-	-
2130	Current contract liabilities(notes (6)(r)and (7))	13,330	-	8,125	-
2170	Accounts payable	1,328,951	7	1,086,347	6
2200	Other payables	700,392	4	598,818	3
2230	Current tax liabilities	58,991	-	518,731	3
2250	Current provisions(note (6)(k))	19,737	-	43,855	-
2280	Current lease liabilities(note (6)(l))	33,641	-	21,870	-
2300	Other current liabilities	14,115	-	13,625	-
		2,179,315	11	2,291,371	12
	Non-Current liabilities:				
2570	Deferred tax liabilities(note (6)(n))	206,890	1	73,686	-
2580	Non-current lease liabilities(note (6)(l))	48,492	-	30,270	-
2630	Long-term deferred revenue	9,775	-	12,705	-
2645	Guarantee deposits received	13,934	-	13,050	-
		279,091	1	129,711	-
	Total liabilities	2,458,406	12	2,421,082	12
	Equity attributable to owners of parent:(notes 6(o) and (p))				
3110	Ordinary share	1,212,545	6	1,212,545	6
3200	Capital surplus	8,544,547	42	8,621,547	44
	Retained earnings:				
3310	Legal reserve	1,375,997	7	1,160,976	6
3320	Special reserve	26,923	-	28,704	-
3350	Unappropriated retained earnings	6,775,059	33	6,330,352	32
		8,177,979	40	7,520,032	38
3400	Other equity	(14,272)	-	(26,923)	-
3500	Treasury shares	(7,307)	-	(8,158)	-
	Total equity	17,913,492	88	17,319,043	88
	Total liabilities and equity	$ 20,371,898	100	19,740,125	100

See accompanying notes to parent company only financial statements.

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

FITIPOWER INTEGRATED TECHNOLOGY INC.

Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenue(notes (6)(r) and (7))**	$ 9,789,156	100	10,976,678	100
5000	**Operating costs(notes (6)(e), (k), (7) and (12))**	6,263,231	64	6,737,952	61
5900	**Gross profit from operations**	3,525,925	36	4,238,726	39
	Operating expenses:(notes (6)(j), (k), (l), (m), (p), (s), (7) and (12))				
6100	Selling expenses	221,071	2	243,974	2
6200	Administrative expenses	253,097	3	242,898	2
6300	Research and development expenses	1,700,191	17	1,554,771	14
		2,174,359	22	2,041,643	18
6900	**Net operating income**	1,351,566	14	2,197,083	21
	Non-operating income and expenses:(notes (6)(b), (g), (l) and (t))				
7100	Interest income	11,798	-	5,539	-
7010	Other income	11,753	-	23,126	-
7020	Other gains and losses	138,140	1	136,958	1
7050	Finance costs	(1,589)	-	(122)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	676,802	7	209,572	2
		836,904	8	375,073	3
7900	**Profit before income tax**	2,188,470	22	2,572,156	24
7950	Less: Income tax expenses(note (6)(n))	242,396	2	421,943	4
8000	**Profit**	1,946,074	20	2,150,213	20
8300	**Other comprehensive income: (note (6)(n) and (o))**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(4,132)	-	(7,932)	-
8330	Share of other comprehensive income of subsidiaries accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(9,028)	-	-	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	(13,160)	-	(7,932)	-
8360	**Components of other comprehensive income that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	175,058	1	12,184	-
8380	Share of other comprehensive income of subsidiaries accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(114,239)	(1)	-	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	35,008	-	2,471	-
	Components of other comprehensive income that will be reclassified to profit or loss	25,811	-	9,713	-
	Other comprehensive income	12,651	-	1,781	-
8500	**Total comprehensive income (after tax)**	$ 1,958,725	20	2,151,994	20
	Earnings per share (expressed in dollars)(note (6)(q))				
9750	Basic earnings per share	$ 16.08		13.29	
9850	Diluted earnings per share	$ 16.00		13.23	

See accompanying notes to parent company only financial statements.

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

FITIPOWER INTEGRATED TECHNOLOGY INC.

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Ordinary shares	Capital surplus	Retained earnings: Legal reserve	Retained earnings: Special reserve	Retained earnings: Unappropriated retained earnings	Total other equity interest: Exchange differences on translation of foreign financial statements	Total other equity interest: Unrealized losses on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity
Balance at January 1, 2023	$ 1,865,453	8,615,095	853,945	43,782	6,054,591	(28,704)	-	(28,704)	(9,449)	17,394,713
Profit	-	-	-	-	2,150,213	-	-	-	-	2,150,213
Other comprehensive income	-	-	-	-	-	9,713	(7,932)	1,781	-	1,781
Total comprehensive income	-	-	-	-	2,150,213	9,713	(7,932)	1,781	-	2,151,994
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	307,031	-	(307,031)	-	-	-	-	-
Reversal of special reserve	-	-	-	(15,078)	15,078	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,582,499)	-	-	-	-	(1,582,499)
Capital reduction	(652,908)	-	-	-	-	-	-	-	1,291	(651,617)
Changes in ownership interests in subsidiaries	-	4,479	-	-	-	-	-	-	-	4,479
Share-based payment transactions	-	1,973	-	-	-	-	-	-	-	1,973
Balance at December 31, 2023	1,212,545	8,621,547	1,160,976	28,704	6,330,352	(18,991)	(7,932)	(26,923)	(8,158)	17,319,043
Profit	-	-	-	-	1,946,074	-	-	-	-	1,946,074
Other comprehensive income	-	-	-	-	-	140,050	(127,399)	12,651	-	12,651
Total comprehensive income	-	-	-	-	1,946,074	140,050	(127,399)	12,651	-	1,958,725
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	215,021	-	(215,021)	-	-	-	-	-
Reversal of special reserve	-	-	-	(1,781)	1,781	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,288,127)	-	-	-	-	(1,288,127)
Changes in ownership interests in subsidiaries	-	(85,736)	-	-	-	-	-	-	-	(85,736)
Share-based payment transactions	-	8,736	-	-	-	-	-	-	-	8,736
Treasury shares transferred to employees	-	-	-	-	-	-	-	-	851	851
Balance at December 31, 2024	**$ 1,212,545**	**8,544,547**	**1,375,997**	**26,923**	**6,775,059**	**121,059**	**(135,331)**	**(14,272)**	**(7,307)**	**17,913,492**

See accompanying notes to parent company only financial statements.

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

FITIPOWER INTEGRATED TECHNOLOGY INC.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		2024	2023
Cash flows from operating activities:			
Profit before tax	$	2,188,470	2,572,156
Adjustments:			
Adjustments to reconcile profit or loss:			
Depreciation expense		247,383	228,098
Amortization expense		139,919	80,719
Net gain on financial assets or liabilities at fair value through profit or loss		(28,571)	(114,520)
Interest expense		1,589	122
Interest income		(11,798)	(5,539)
Dividend income		(185)	(218)
Compensation cost of share-based payment transaction		8,736	1,973
Share of gain of subsidiaries accounted for using equity method		(676,802)	(209,572)
Gain on disposal of property, plan and equipment		(384)	-
Impairment loss and disposal loss on inventory		53,460	68,158
Impairment loss on non-financial assets		-	8,544
Realized profit on from sales		(2,930)	(2,930)
Total adjustments to reconcile profit or loss		(269,583)	54,835
Changes in operating assets and liabilities:			
Decrease in finance lease payment receivable		11,177	12,828
(Increase) decrease in accounts receivable		(262,106)	476,743
(Increase) decrease in other receivables		(10,832)	15,735
(Increase) decrease in inventories		(437,136)	804,922
(Increase) decrease in prepayments and other current assets		(6,789)	4,423
Increase in other non-current assets		(60,755)	(51,752)
Increase (decrease) in current contract liabilities		5,205	(83,727)
Increase (decrease) in accounts payable		242,604	(346,621)
Increase (decrease) in other payable		103,161	(96,164)
Decrease in current provisions		(24,118)	(29,290)
Increase (decrease) in other current liabilities		490	(5,514)
Total changes in operating assets and liabilities		(439,099)	701,583
Cash inflow generated from operations		1,479,788	3,328,574
Interest received		11,599	5,505
Interest paid		(1,589)	(1,085)
Income taxes paid		(588,532)	(701,163)
Net cash flows from operating activities		901,266	2,631,831
Cash flows from investing activities:			
Acquisition of financial assets at fair value through other comprehensive income		-	(22,262)
Acquisition of financial assets at fair value through profit or loss		(9,871,180)	(10,564,785)
Proceeds from disposal of financial assets at fair value through profit or loss		12,646,518	9,741,943
Acquisition of investments accounted for using equity method		(2,008,192)	-
Acquision of property, plant and equipment		(220,413)	(195,820)
Proceeds from disposal of property, plant and equipment		384	-
Decrease in refundable deposits		205,027	586,695
Acquisition of intangible assets		(225,215)	(74,037)
Cash dividends received		5,359	1,903
Net cash flows used in investing activities		532,288	(526,363)
Cash flows from financing activities:			
Increase in guarantee deposits received		884	12,282
Payment of lease liabilities		(37,613)	(34,902)
Cash dividends paid		(1,288,127)	(1,582,499)
Capital reduction payments to shareholders		-	(651,617)
Proceeds from transfer of treasury shares to employees		851	-
Net cash flows used in financing activities		(1,324,005)	(2,256,736)
Net increae (decrease) used in cash and cash equivalents		109,549	(151,268)
Cash and cash equivalents at the beginning of period		312,496	463,764
Cash and cash equivalents at the end of period	$	**422,045**	**312,496**

See accompanying notes to parent company only financial statements.

Attachment 4

Fitipower Integrated Technology Inc.

2024 Earnings Distribution Plan

Unit: NT$

Item	Amount
2024 Net income after tax	1,946,074,455
Less: Provision for legal reserve (10%)	(194,607,446)
Add: Reversal of special reserve	12,650,799
Distributable earnings for 2024	1,764,117,808
Add: Undistributed earnings from previous years	4,828,985,018
Distributable earnings as of the end of 2024	6,593,102,826
Distribution items	
Dividends to shareholders - cash (NT$12.87 per share)(Note)	(1,560,533,871)
Undistributed earnings at the end of the period	5,032,568,955

Note:The number of issued and outstanding shares of 121,253,603 as of March 31, 2025 is used as the basis for this calculation.

Chairperson: Manager: Accounting Supervisor:

Attachment 5

Fitipower Integrated Technology Inc.
Comparison Table of Articles of Incorporation

Art. No.	After	Before	Description
Article 3	The Company has the headquarters in Hsinchu Science Park, and may establish branch offices in appropriate locations in Taiwan and abroad if necessary, by resolution of the board of directors.	The Company has the headquarters in Hsinchu Science Industrial Park (HSIP), and may establish branch offices in appropriate locations in Taiwan and abroad if necessary, by resolution of the board of directors.	To reflect the change in the name of the competent authority
Article 27	If the Company makes a profit in a year, the Company shall distribute not less than 5% as compensation to employees, of which at least 10% shall be allocated to rank-and-file employees, and not more than 1% as compensation to directors. However, if the Company has accumulated losses, the Company shall reserve the amount to cover them in advance. Employees entitled to receive shares or cash in accordance with the provisions mentioned above may include employees of parents or subsidiaries of the Company meeting certain specific requirements. The aforementioned compensation to directors may be made in cash only. The first two items shall be resolved by the board of directors and reported to the shareholders' meeting.	If the Company makes a profit in a year, the Company shall distribute not less than 5% as compensation to employees and not more than 1% as compensation to directors. However, if the Company has accumulated losses, the Company shall reserve the amount to cover them in advance. Employees entitled to receive shares or cash in accordance with the provisions mentioned above may include employees of parents or subsidiaries of the Company meeting certain specific requirements. The aforementioned compensation to directors may be made in cash only. The first two items shall be resolved by the board of directors and reported to the shareholders' meeting.	Revised in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act.
Article 30	These Articles of Incorporation were established on June 22, 1995. 【Amendment History: First Amendment through Twenty-Fifth Amendment (omitted)】 The 26th amendment was made on May 31, 2024. The 27th amendment was made on May 26, 2025.	These Articles of Incorporation were established on June 22, 1995. 【Amendment History: First Amendment through Twenty-Fifth Amendment (omitted)】 The 26th amendment was made on May 31, 2024.	Added a record of the number and date of each amendment, as follows