

Azion Corporation

Minutes of 2025 Annual Shareholders' Meeting

Meeting time: 9:00 am on June 24 (Tuesday), 2025

Meeting place: 5F., No.30, Beiping E. Rd., Jhongheng District, Taipei, Taiwan., R.O.C.

Meeting type: Hybrid shareholders' meeting

Number of Shares represented by shareholders presented:

Total outstanding shares of the Company are 46,603,757 shares, and shares represented by shareholders present are 28,326,545 shares (including 1,709,147 shares on video conference platform and casted through e-voting), accounted for 60.78% of total shares issued.

Chairman: Liao Wen Toh, the Chairman of the Board of Directors

Recorder: Kao Yu-Fen

I. Report items

i. 2024 Business Report.

Description: The Company's 2024 business report is attached. Please refer to Attachment 1.

Shareholder (Account No. 4448) raised the following question:

May I ask which members of the Board of Directors are attending today's shareholders' meeting? Regarding the Company's revenue changes, what is the approximate distribution ratio between the first and second halves of the year? Is it similar to other companies in the industry, where the second half tends to perform better?

Chairperson's response:

There are four members of the Board of Directors attending today's shareholders' meeting, including two Independent Directors (one of whom is the Convener of the Audit Committee) and two Directors. As for the revenue distribution ratio between the first and second halves of the year, since Azion's core business remains focused on system integration, revenue can only be recognized upon project acceptance. Therefore, it is difficult to precisely estimate the split between the first and second halves of the year.

ii. 2024 Audit Committee's Review Report.

Description: The 2024 Audit Committee's Review Report is attached. Please refer to Attachment 2.

iii. 2024 Distribution of Employees' and Directors' remuneration.

- Description:
1. Handled in accordance with Article 31 of the Company's Articles of Incorporation.
 2. After being reviewed and approved by the Board of Directors on January 21, 2025, the Company resolved to distribute NTD 4 million to employees and NTD 4 million to directors as remuneration for 2024.
 3. The above remuneration will be paid in cash.

iv. 2024 Distribution of cash dividends.

Description: In accordance with Article 31-1 of the Company's Articles of Incorporation, the Board of Directors is authorized to resolve the distribution of quarterly cash dividends on a quarterly basis. The quarterly distribution for 2024 is as follows:

(Unit: NTD)

Quarter	Cash dividends per share	Total cash dividends	Date approved by the Board of Directors	Distribution date
Q1 to Q3 2024	0	0	Omitted	Omitted
Q4 2024	1.38	64,313,185	March 12, 2025	May 5, 2025

II. Ratification items

Proposal 1 (Proposed by the Board of Directors)

Proposal: Adoption of the 2024 Business Reports and Financial statements.

- Description:
1. The Company's 2024 business report, consolidated financial statements and parent company only financial statements have been reviewed and approved by the Audit Committee, and approved by the Board of Directors.
 2. The consolidated financial statements and parent company only financial statements referred to above have been audited by CPAs Hsueh Chun-Min and Chen Chao-Ling of Deloitte Taiwan.
 3. The 2024 business report, consolidated financial statements and parent company only financial statements are attached. Please refer to Attachment 1 and Attachment 3.

Resolutions:

In Favor		Against:	Invalid	Abstained
Votes	%			
26,866,027	94.84%	50,842	0	1,409,676

*Including votes casted by e-voting

RESOLVED: The above proposal was accepted as submitted

Proposal 2 (Proposed by the Board of Directors)

Proposal: Adoption of the Proposal for Distribution of 2024 Earnings

Description: For the Company's 2024 earnings distribution table, please refer to Attachment 4.

Resolutions:

In Favor		Against:	Invalid	Abstained
Votes	%			
26,866,028	94.84%	50,838	0	1,409,679

*Including votes casted by e-voting

RESOLVED: The above proposal was accepted as submitted

III. Discussion items

Proposal 1 (Proposed by the Board of Directors)

Proposal: Amendments to the "Articles of Incorporation".

- Description:
1. Handled in accordance with Presidential Decree Hua-Zong-I-Yi No. 11300059631 dated August 7, 2024, and to meet the Company's operational needs.
 2. For the comparison table of amendments please refer to Attachment 5

Resolutions:

In Favor		Against	Invalid	Abstained
Votes	%			
26,865,000	51,869	882	0	1,4966,75

*Including votes casted by e-voting

RESOLVED: The above proposal was accepted as submitted

IV. Election Items

Proposal 1 (Proposed by the Board of Directors)

Proposal: Election of directors.

- Description: 1. The term of office for the current directors will expire on June 27, 2025. A full re-election of directors is proposed at this Annual General Shareholders' Meeting to meet operational needs. The term of incumbent directors shall end on the date of the re-election.
2. A total of nine directors (including four independent directors) shall be elected. The new term shall run from June 24, 2025 to June 23, 2028. Re-election is permitted.
3. Pursuant to the Company's Articles of Incorporation, directors shall be elected through the candidate nomination system. Shareholders shall elect directors from the list of nominated candidates, which has been reviewed and approved by the Board of Directors on May 6, 2025.

Election result : Newly Elected Directors List is as follows

Title	Name	Votes Received
Director	PicaBLD Corp.	41,516,854
Director	Ho Hung-ung	32,679,031
Director	Liao Hsiang-Ju	29,408,791
Director	Chen Yu-Chieh	29,408,239
Director	Loyal Investments Corp.	29,361,457
Independent Director	Hsu Tsai-Tien	19,769,117
Independent Director	Feng Sner-Te	19,696,335
Independent Director	Chen Cheng-Chun	19,563,566
Independent Director	Lin Wei-Wei	19,552,200

V. Other Items

Proposal 2 (Proposed by the Board of Directors)

Proposal: Motion to lift the non-competition restrictions for newly elected directors, submitted for discussion.

- Description: 1. Pursuant to Article 209 of the Company Act, any director who acts on their own behalf or on behalf of others in a business similar to that of the Company must disclose such conduct to the shareholders' meeting and obtain its approval.
2. The newly elected directors of the Company may invest in or operate other companies that engage in the same or similar business scope as that of the Company and may serve as directors or managers thereof. Provided that such conduct does not harm the interests of the Company, it is hereby proposed, in accordance with the law, that the shareholders' meeting approve the lifting of the non-competition restrictions on the directors and their representatives.
3. Proposed that the shareholders' meeting approve lifting the non-competition restrictions on the directors.

Resolutions :

In Favor		Against	Invalid	Abstained
Votes	%			
26,836,636	94.74%	45665	0	1,444,244

*Including votes casted by e-voting

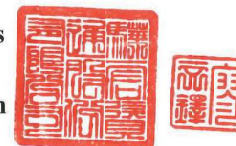
RESOLVED : The above proposal was accepted as submitted

VI. Extemporary Motions : None

VII. Adjournment : 9:54 am on June 24 (Tuesday), 2025

Board of Directors

Azion Corporation



Attachment 1

AZION Corporation 2024 Business Report

For the year ended December 31, 2024, AZION Group's audited consolidated operating revenue amounted to NTD 754 million and consolidated operating profit amounted to NTD 53.14 million. After adding non-operating income and expenses and deducting tax payable, the consolidated net profit for the year was NTD 71.95 million.

The Company's 2024 business performance and 2025 business outlook are presented as follows:

I. 2024 Business Report

(I) 2024 Business Plan Implementation Outcomes

In 2024, AZION Group's audited consolidated operating revenue amounted to NTD 754 million and consolidated gross profit amounted to NTD 175 million. After deducting consolidated operating expenses of NTD 122 million, consolidated operating profit amounted to NTD 53.14 million.

1. Operating revenue and gross profit

In 2024, AZION Group's consolidated operating revenue amounted to NTD 754 million, a decrease of 14.74% compared to NTD 885 million in 2023. In 2024, the consolidated operating gross profit amounted to NTD 175 million, a decrease of 25.43% compared to 2023.

2. Operating expenses, non-operating income and net income for the year

In 2024, AZION Group's consolidated operating expense amounted to approximately NTD 122 million, a decrease of 18.50% compared to 2023. In 2024, the non-operating income amounted to approximately NTD 33.07 million; including NTD 13.86 million recognized from investments not accounted for under the equity method and other non-operating income; after deducting the tax payable, the consolidated net profit of the AZION Group in 2024 was NTD 71.95 million.

3. Consolidated operating status of the Group

The consolidated operating revenue of the Group in 2024 is shown below (unit: NTD thousand):

	2023	2024
Consolidated net operating revenue	885,038	754,576
Consolidated operating income	85,207	53,139
Consolidated non-operating income and expenses	12,418	33,075
Net profit before tax	97,625	86,214
Net income for the period	76,026	71,956

(II) Budget execution: Not applicable as the Company does not disclose financial forecast for 2024.

(III) Analysis of financial income, expenditure and profitability (consolidation basis/continuing operations)

Item	2023	2024
Liabilities to assets ratio (%)	51.30%	48.20%
Long-term capital to property, plant and equipment (%)	11300.27%	12952.39%
Current ratio (%)	158.97%	183.96%
Quick ratio (%)	134.97%	167.17%
As a percentage of paid-in capital (%)	Operating profit (loss)	18.28%
	Net income (loss) before tax	20.95%
Net profit margin (%)	8.59%	9.54%
Earnings per share - basic (NTD)	1.64	1.54

(IV) Research and development status

As a professional system integration service provider, AZION Group focuses on serving customers. Its R&D activities also aim to support customers, products and business needs. The investment in R&D resources is mainly concentrated in the development and application of new technologies, and the introduction of new products and solutions.

As AI applications become the trend of industrial technology development, the "Future AI Laboratory" was established by the Group and SWT Solutions Inc. The aim is to help promote innovation and development in the field of AI to enhance its multi-functional applications and fulfill the corporate social responsibility in R&D, promotion and governance. The establishment of the AI Laboratory represents the Company's continuous investment in a sound product supply chain to ensure that customers are provided with upgraded solutions.

II. Summary of the 2025 business plan

AZION Group upholds the core management philosophy of "Inheritance and Sustainability" and continues to drive organizational transformation and enhance service value to create greater profitability and growth opportunities for the Company. Key points of the 2025 business plan are as follows:

- ✧ Strengthening fundamentals and maintaining existing markets and customers
- ✧ Establishing goodwill and continuously providing quality services
- ✧ Cultivating the market and expanding diverse cooperation opportunities
- ✧ Innovative layout and seeking new business opportunities

III. Future development strategies of the Company

"Inheritance and Sustainability" is the core business philosophy of AZION. The Company's future development strategies will be carried out according to the plan:

- ✧ Enhance corporate governance and strengthen the functions of the Board of Directors; adopt a people-oriented approach and demonstrate social care; and incorporate the spirit of corporate governance and sustainable development into the Company's core values.
- ✧ Through innovation, R&D and expansion, corporate value, competitiveness and profitability are being continuously improved, entering a positive cycle of corporate management.
- ✧ Adhere to the corporate vision of "co-creation, sharing, and co-prosperity", we jointly create the foundation for corporate profitability.

IV. Impacts from the external competitive environment, regulatory environment and general business environment

1. External competitive environment and general business environment

With the re-election of Trump as the President of the United States, the new year brings forth fresh challenges and changes in the global economic environment. Looking at the global trade outlook reports for 2025, it is clear that "Trump 2.0" is considered a key influencing factor. Trump's economic policies after taking office, including tax cuts for U.S. businesses, increased import tariffs, deregulation of unnecessary government controls, and the deportation of illegal immigrants, may lead to inflation and long-term economic decline in the U.S. As a result, Taiwan's economic development is likely to be affected by these changes. For many years, AZION has focused primarily on the Taiwan market, and the impact has thus been relatively limited. Nevertheless, the Company must continue to monitor and develop responsive strategies to address macroeconomic factors such as persistent inflation and slowing economic growth.

2. Regulatory environment

(1) Information security

In order to effectively prevent and respond to the possible impact of information security incidents, Since 2020, AZION Group has implemented ISO 27001-related standards and certification, and successfully passed the latest certification standards in 2024. In order to further strengthen the Company's information security management mechanism, the Board of Directors of AZION approved the establishment of an Information Security Office in 2023 to be responsible for the establishment of information security policies and systems, the promotion of information security management activities, review, response, coordination, and improvement of information security incidents. Not only the requirements of the external environment and the competent authorities must be complied with, but we also continue to provide secure information services with the highest standards in order to become the best information security partner for customers.

(2) Corporate sustainability

In response to the global market demand for strengthening corporate governance and concerning ESG trends for enterprises, the competent authorities have successively amended the regulations. A blueprint, including Corporate Governance 3.0 and sustainable development paths for TWSE/TPEX

listed companies, etc. have been proposed to promote corporate governance in phases too all listed companies, protecting the rights and interests of shareholders, and implementing the spirit of sustainable development.

Since 2022, AZION Group has established a Sustainable Development Committee to implement its core management philosophy of "Inheritance and Sustainability" through various dimensions, including environmental sustainability, social care, and corporate governance. In 2024, the Group further incorporated GHG inventory into the committee's responsibilities, gradually integrating ESG principles into corporate operations and management.

V. Conclusion

In 2024, AZION faced numerous challenges. Externally, the rapid advancement of innovative technologies such as AI and big data analytics posed significant pressure; internally, the Company underwent continuous organizational and personnel restructuring over the years. Nevertheless, thanks to the efforts of the management team and all employees, AZION maintained a stable level of profitability in 2024. Looking ahead to 2025, AZION will continue to uphold its core management philosophy of "Inheritance and Sustainability." Guided by the corporate vision of "co-creation, sharing, and mutual co-prosperity," the Company will further enhance its corporate value, competitiveness, and profitability through continuous innovation, R&D, and business expansion—thereby giving back to shareholders for their long-standing support.

Chairman/General Manager Liao Wentoh

Principal accounting officer Yeh Jih Fang

Attachment 2

2024 Audit Committee's Review Report

AZION Corporation|
Audit Committee's Review Report

For approval

The Board of Directors has prepared the Company's 2024 business report, financial statements (including consolidated financial statements) and motion for earnings distribution. The financial statements have been audited by Deloitte Taiwan, with an independent auditor's report issued.

The abovementioned business report, financial statements (including consolidated financial statements) and motion for earnings distribution have been reviewed by the Audit Committee and found no irregularities. Therefore, this report is presented in accordance with the Securities and Exchange Act and the Company Act.

To

2025 Annual General Shareholders' Meeting of AZION Corporation

AZION Corporation|
Audit Committee's convener: Hsu Tsai-Tien

March 17, 2025

Attachment 3

AZION CORPORATION AND SUBSIDIARIES

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

Assets	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents (Notes 4 and 6)	\$ 346,536	30	\$ 389,558	32
Financial assets at amortized cost • current (Notes 4, 8, and 30)	53,148	5	63,649	5
Accounts receivable (Notes 4 and 9)	215,713	18	136,136	11
Accounts receivable from related parties (Notes 4, 9, and 29)	689	-	1,602	-
Finance lease receivable • current (Notes 4 and 10)	120,721	10	125,392	11
Other receivables (Notes 4 and 9)	3	-	133	-
Current tax assets (Note 4 and 23)	1,515	-	3,409	-
Inventories (Notes 4 and 11)	33,370	3	69,147	6
Prepayments (Note 29)	41,239	4	58,945	5
Other current assets	4,024	-	488	-
Total current assets	817,027	70	848,439	70
Non-current assets				
Financial assets at fair value through profit or loss • non-current (Notes 4 and 7)	28,899	3	18,040	1
Property, plant and equipment (Notes 4, 13 and 26)	5,608	1	6,017	1
Right-of-use assets (Notes 4 and 14)	28,528	2	1,298	-
Other intangible assets (Notes 4, 15, and 26)	4,434	-	6,561	1
Deferred tax assets (Notes 4 and 23)	16,444	1	13,339	1
Refundable deposits (Note 29)	32,045	3	40,011	3
Finance lease receivable • non-current (Notes 4 and 10)	236,406	20	277,908	23
Net defined benefit assets • non-current (Note 4 and 20)	1,100	-	2,018	-
Total non-current assets	353,464	30	365,192	30
TOTAL	\$ 1,170,491	100	\$ 1,213,631	100
Liabilities and equity				
Current liabilities				
Short-term borrowings (Notes 16, 26, and 30)	\$ 70,000	6	\$ 62,510	5
Contract liabilities • current (Notes 29)	12,583	1	27,128	2
Notes payable (Note 17)	-	-	358	-
Accounts payable (Note 17)	110,873	9	149,757	13
Accounts payable to related parties (Notes 17 and 29)	9,550	1	20,678	2
Lease liabilities • current (Notes 4, 14, and 26)	6,676	1	2,140	-
Other payables (Notes 18 and 26)	77,332	7	87,088	7
Other payables to related parties (Notes 18 and 29)	129	-	444	-
Current tax liabilities (Note 4 and 23)	2,263	-	25,907	2
Current provisions (Notes 4 and 19)	106,255	9	84,162	7
Current portion of long-term borrowings payable (Notes 16, 26, and 30)	46,655	4	71,633	6
Other current liabilities	1,778	-	1,889	-
Total current liabilities	444,121	38	533,604	44
Non-current liabilities				
Lease liabilities • non-current (Notes 4, 14, and 26)	22,161	2	-	-
Long-term borrowings (Notes 16, 26, and 30)	92,071	8	86,566	7
Deferred tax liabilities (Notes 4 and 23)	2,696	-	684	-
Guarantee deposits (Note 26)	3,086	-	1,608	-
Total non-current liabilities	120,014	10	88,858	7
Total liabilities	564,135	48	622,462	51
Equity attributable to owners of the Company				
Share capital	466,038	40	466,038	39
Capital surplus	11,229	1	11,229	1
Retained earnings				
Legal reserve	28,363	2	20,824	2
Unappropriated earnings	100,726	9	92,988	8
Total retained earnings	129,089	11	113,812	9
Total equity attributable to owners of the Company	606,356	52	591,079	49
Total equity	606,356	52	591,079	49
TOTAL	\$ 1,170,491	100	\$ 1,213,631	100

AZION CORPORATION AND SUBSIDIARIES

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE(Notes 4 and 29)				
Sales revenue	\$ 270,467	36	\$ 402,221	45
Service revenue	469,446	62	473,193	54
Other operating revenue	14,663	2	9,624	1
Total operating revenue	754,576	100	885,038	100
OPERATING COSTS (Notes 4, 11, 22, and 29)				
Cost of sales	230,078	31	347,254	39
Cost of services	345,851	46	300,042	34
Other operating costs	3,182	-	2,448	-
Total operating costs	579,111	77	649,744	73
GROSS PROFIT	175,465	23	235,294	27
OPERATING EXPENSES (Notes 20, 22, and 29)				
Selling expenses	46,064	6	44,651	5
Administrative expenses	74,465	10	101,188	12
Research and development expenses	2,869	-	3,448	-
Expected credit loss(gain)	(1,072)	-	800	-
Total operating expenses	122,326	16	150,087	17
OPERATING INCOME	53,139		85,207	10
NON-OPERATING INCOME AND EXPENSES (Notes 22 and 29)				
Interest revenue	2,729	-	2,152	-
Other income	22,400	3	12,268	1
Other gains and losses	9,606	1	(212)	-
Financial cost	(1,660)	-	(1,790)	-
Total non-operating income and expenses	33,075	4	12,418	1

(Continued)

AZION CORPORATION AND SUBSIDIARIES

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

	2024		2023	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	\$ 86,214	11	\$ 97,625	11
INCOME TAX EXPENSE (Notes 4 and 23)	14,258	2	21,599	2
NET INCOME	71,956	9	76,026	9
OTHER COMPREHENSIVE INCOME (LOSS) (Note 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(944)	-	(804)	-
Income tax benefit related to items that will not be reclassified subsequently	189	-	161	-
Other comprehensive income (loss) for the year, net of income tax	(755)	-	(643)	-
TOTAL COMPREHENSIVE INCOME	\$ 71,201	9	\$ 75,383	9
EARNINGS PER SHARE (Note 24)				
Basic earnings per share	\$ 1.54		\$ 1.64	
Diluted earnings per share	\$ 1.54		\$ 1.64	

(Concluded)

AZION CORPORATION AND SUBSIDIARIES

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

	Shares (In thousands)	Share capital (Note 21)	Capital Surplus (Note 21)	Legal Reserve	Retained Earnings (Notes 21 and 23)	Treasury Shares (Note 21 and 25)	Total Equity
	Amount	Amount	Amount	Amount	Amount	Amount	Amount
BALANCE AT JANUARY 1, 2023	46,604	\$ 466,038	\$ 5,679	\$ 17,266	\$ 56,163	\$ (9,005)	\$ 536,141
Appropriation of 2022 earnings	-	-	-	3,558	(3,558)	-	-
Legal reserve	-	-	-	-	(35,000)	-	(35,000)
Cash dividends	-	-	-	-	76,026	-	76,026
Net income for 2023	-	-	-	-	(643)	-	(643)
Other comprehensive income for 2023	-	-	-	-	75,383	-	75,383
Total comprehensive income for 2023	-	-	-	-	-	-	-
Share-based payment	-	-	5,567	-	-	-	5,567
Treasury shares transferred to employees	-	-	-	-	-	9,005	9,005
Cancellation of treasury shares	-	-	(17)	-	-	-	(17)
BALANCE AT DECEMBER 31, 2023	46,604	466,038	11,229	20,824	92,988	-	591,079
Appropriation of 2023 earnings	-	-	-	7,539	(7,539)	-	-
Legal reserve	-	-	-	-	(55,924)	-	(55,924)
Cash dividends	-	-	-	-	71,956	-	71,956
Net income for 2024	-	-	-	-	(755)	-	(755)
Other comprehensive income for 2024	-	-	-	-	71,201	-	71,201
Total comprehensive income for 2024	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2024	46,604	\$ 466,038	\$ 11,229	\$ 28,363	\$ 100,726	\$ -	\$ 606,356

AZION CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 86,214	\$ 97,625
Adjustments for:		
Depreciation expense	11,319	11,191
Amortization expense	4,567	2,444
Expected credit loss(gain) recognized	(1,072)	800
Loss(Gain) on financial assets at fair value through profit or loss	(10,859)	88
Interest expense	1,660	1,790
Interest income	(2,729)	(2,152)
Dividend income	(3,000)	(2,500)
Share-based payments	-	5,567
Gain on disposal of property, plant and equipment, net	-	(4)
Loss on disposal of intangible assets	-	87
Write-down (reversal of write-down) of inventories	(911)	(1,004)
Loss on disposal of inventory	1,168	6,432
Unrealized loss on foreign currency exchange, net	300	731
Reversal of pension cost	(26)	(36)
Changes in operating assets and liabilities		
Accounts receivable	(78,505)	54,454
Accounts receivable from related parties	913	(1,260)
Other receivables	130	4
Other receivables from related parties	-	63
Inventories	35,520	28,154
Prepayments	17,706	(14,636)
Other current assets	(3,625)	(165)
Finance lease receivable	46,173	(183,641)
Contract liabilities- current	(14,545)	(14,761)
Notes payable	(331)	(12,020)
Accounts payable	(39,314)	37,423
Accounts payable to related parties	(11,128)	(1,903)
Other payables	(11,360)	17,245
Other payables to related parties	(315)	101
Current provisions	22,093	40,037
Other current liabilities	(111)	1,161
Cash generated from operations	49,932	71,315
Interest received	2,729	2,152

(Continued)

AZION CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2024	2023
Interest paid	(\$ 1,667)	(\$ 1,765)
Income tax paid	(36,912)	(2,992)
Net cash generated from operating activities	<u>14,082</u>	<u>68,710</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	-	(10,241)
Proceeds from disposal of financial assets at amortized cost	10,501	-
Acquisition of property, plant and equipment	(2,653)	(4,304)
Proceeds from disposal of property, plant and equipment	-	21
Increase in refundable deposits	-	(2,034)
Decrease in refundable deposits	7,966	-
Acquisition of intangible assets	(1,648)	(5,571)
Dividends received	<u>3,000</u>	<u>2,500</u>
Net cash from (used in) investing activities	<u>17,166</u>	<u>(19,629)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	7,490	57,510
Proceeds from long-term borrowings	60,000	112,000
Repayment of long-term borrowings	(79,473)	(72,668)
Increase in guarantee deposits received	1,478	880
Repayment of principal of lease liabilities	(7,972)	(10,205)
Cash dividends paid	(55,924)	(35,000)
Disposal of treasury shares	-	8,988
Net cash from (used in) financing activities	<u>(74,401)</u>	<u>61,505</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>131</u>	<u>(298)</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	(43,022)	110,288
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>389,558</u>	<u>279,270</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 346,536</u>	<u>\$ 389,558</u>

(Concluded)

AZION CORPORATION

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

Assets	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents (Notes 4 and 6)	\$ 244,147	32	\$ 186,666	25
Financial assets at amortized cost • current (Notes 4, 8, and 31)	5,444	1	7,209	1
Accounts receivable (Notes 4 and 9)	50,344	6	26,303	4
Accounts receivable from related parties (Notes 4, 9, and 30)	7,612	1	7,680	1
Finance lease receivable • current (Notes 4 and 10)	-	-	1,697	-
Other receivables (Notes 4 and 9)	3	-	133	-
Other receivables from related parties (Notes 4, 9, and 30)	1,527	-	22,442	3
Current tax assets (Note 4 and 24)	110	-	156	-
Inventories (Notes 4 and 11)	4,083	-	22,985	3
Prepayments (Note 30)	12,405	2	25,379	4
Other current assets	24	-	155	-
Total current assets	<u>325,696</u>	<u>42</u>	<u>300,806</u>	<u>41</u>
Non-current assets				
Financial assets at fair value through profit or loss • non-current (Notes 4 and 7)	28,899	4	18,040	2
Investments accounted for using equity method (Notes 4 and 12)	363,214	47	391,211	53
Property, plant and equipment (Notes 4, 13 and 27)	2,842	-	1,923	-
Right-of-use assets (Notes 4 and 14)	13,758	2	550	-
Investment property (Notes 4, 15 and 30)	13,502	2	418	-
Other intangible assets (Notes 4, 16 and 27)	3,451	1	5,100	1
Refundable deposits (Note 30)	17,425	2	20,811	3
Net defined benefit assets • non-current (Note 4 and 21)	1,100	-	2,018	-
Total non-current assets	<u>444,191</u>	<u>58</u>	<u>440,071</u>	<u>59</u>
TOTAL	<u>\$ 769,887</u>	<u>100</u>	<u>\$ 740,877</u>	<u>100</u>
Liabilities and equity				
Current liabilities				
Short-term borrowings (Notes 17, 27, and 31)	\$ -	-	\$ 10,000	1
Contract liabilities • current (Note 4)	10,817	1	26,303	4
Notes payable (Note 18)	27	-	342	-
Accounts payable (Note 18)	49,775	7	35,541	5
Accounts payable to related parties (Notes 18 and 30)	12,819	2	21,671	3
Other payables (Note 19)	32,502	4	31,313	4
Other payables to Related parties (Notes 19 and 30)	100	-	424	-
Current tax liabilities (Note 4 and 24)	465	-	-	-
Current provisions (Notes 4 and 20)	26,280	3	20,669	3
Lease liabilities • current (Notes 4, 14, and 27)	6,431	1	1,807	-
Other current liabilities	276	-	376	-
Total current liabilities	<u>139,492</u>	<u>18</u>	<u>148,446</u>	<u>20</u>
Non-current liabilities				
Deferred tax liabilities (Note 4 and 24)	2,696	-	684	-
Lease liabilities • non-current (Notes 4, 14, and 27)	21,140	3	-	-
Guarantee deposits (Notes 27)	203	-	668	-
Total non-current liabilities	<u>24,039</u>	<u>3</u>	<u>1,352</u>	<u>-</u>
Total liabilities	<u>163,531</u>	<u>21</u>	<u>149,798</u>	<u>20</u>
Equity				
Share capital	466,038	61	466,038	63
Capital surplus	11,229	1	11,229	2
Retained earnings				
Legal reserve	28,363	4	20,824	3
Unappropriated earnings	100,726	13	92,988	12
Total retained earnings	<u>129,089</u>	<u>17</u>	<u>113,812</u>	<u>15</u>
Total equity	<u>606,356</u>	<u>79</u>	<u>591,079</u>	<u>80</u>
TOTAL	<u>\$ 769,887</u>	<u>100</u>	<u>\$ 740,877</u>	<u>100</u>

AZION CORPORATION

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

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 30)				
Sales revenue	\$ 72,244	26	\$ 39,174	18
Service revenue	208,225	74	177,265	82
Other operating revenue	<u>3</u>	<u>-</u>	<u>313</u>	<u>-</u>
Total operating revenue	<u>280,472</u>	<u>100</u>	<u>216,752</u>	<u>100</u>
OPERATING COSTS (Notes 4, 11, 23, and 30)				
Cost of sales	63,363	23	48,319	22
Cost of services	<u>160,206</u>	<u>57</u>	<u>123,586</u>	<u>57</u>
Total operating costs	<u>223,569</u>	<u>80</u>	<u>171,905</u>	<u>79</u>
GROSS PROFIT	<u>56,903</u>	<u>20</u>	<u>44,847</u>	<u>21</u>
OPERATING EXPENSES (Notes 9, 21, 23, and 30)				
Selling expenses	10,915	4	10,560	5
Administrative expenses	31,258	11	37,272	17
Research and development expenses	2,854	1	3,438	2
Expected credit loss(gain)	<u>3</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
Total operating expenses	<u>45,030</u>	<u>16</u>	<u>51,269</u>	<u>24</u>
OPERATING INCOME(LOSS)	<u>11,873</u>	<u>()</u>	<u>(6,422)</u>	<u>(3)</u>
NON-OPERATING INCOME AND EXPENSES (Notes 23 and 30)				
Interest revenue	1,460	-	1,274	1
Other income	11,530	4	7,449	3
Other gains and losses	12,090	4	(296)	-
Financial cost	(830)	-	(227)	-
Share of profit of subsidiaries and associates accounted for using the equity method	<u>38,630</u>	<u>14</u>	<u>74,030</u>	<u>34</u>
Total non-operating income and expenses	<u>62,880</u>	<u>22</u>	<u>82,230</u>	<u>38</u>

(Continued)

AZION CORPORATION

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

	2024		2023	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	\$ 74,753	26	\$ 75,808	35
INCOME TAX EXPENSE (Note 4 and 24)	<u>2,797</u>	<u>1</u>	<u>(218)</u>	<u>-</u>
NET INCOME	<u>71,956</u>	<u>25</u>	<u>76,026</u>	<u>35</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 21 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plan	(944)	-	(804)	-
Income tax benefit related to items that will not be reclassified subsequently	<u>189</u>	<u>-</u>	<u>161</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>(755)</u>	<u>-</u>	<u>(643)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 71,201</u>	<u>25</u>	<u>\$ 75,383</u>	<u>35</u>
Earnings per share (Note 25)				
Basic earnings per share	<u>\$ 1.54</u>		<u>\$ 1.64</u>	
Diluted earnings per share	<u>\$ 1.54</u>		<u>\$ 1.64</u>	

(Concluded)

AZION CORPORATION

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

	Share capital (Note 22)	Capital Surplus (Note 22)	Retained Earnings (Notes 22 and 24)	Treasury Shares (Note 22 and 26)	Total Equity
	Shares (In thousands)	Amount	Legal Reserve	Unappropriated Earnings	Total
BALANCE AT JANUARY 1, 2023	46,604	\$ 466,038	\$ 17,266	\$ 56,163	\$ 536,141
Appropriation of 2022 earnings	-	-	3,558	(3,558)	-
Legal reserve	-	-	-	(35,000)	(35,000)
Cash dividends	-	-	-	-	-
Net income for 2023	-	-	-	76,026	76,026
Other comprehensive income for 2023	-	-	-	(643)	(643)
Total comprehensive income for 2023	-	-	-	75,383	75,383
Share-based payment	-	-	-	-	-
Treasury shares transferred to employees	-	-	-	-	5,567
BALANCE AT DECEMBER 31, 2023	46,604	466,038	20,824	92,988	591,079
Appropriation of 2023 earnings	-	-	7,539	(7,539)	-
Legal reserve	-	-	-	(55,924)	(55,924)
Cash dividends	-	-	-	-	-
Net income for 2024	-	-	-	71,956	71,956
Other comprehensive income for 2024	-	-	-	(755)	(755)
Total comprehensive income for 2024	-	-	-	71,201	71,201
BALANCE AT DECEMBER 31, 2024	46,604	466,038	28,363	110,726	606,356

AZION CORPORATION

STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 74,753	\$ 75,808
Adjustments for:		
Depreciation expense	8,837	8,926
Amortization expense	2,170	1,546
Expected credit loss(gain) recognized	3	(1)
Loss(Gain) on financial assets at fair value through profit or loss	(10,859)	88
Interest expense	830	227
Interest income	(1,460)	(1,274)
Dividend income	(3,000)	(2,500)
Share-based payments	-	5,567
Share of profit or loss of subsidiaries and associates accounted for using the equity method	(38,630)	(74,030)
Gain on disposal of property, plant and equipment, net	-	(3)
Loss on disposal of intangible assets	-	87
Gains on disposal of right-of-use assets	-	-
Write-down (reversal of write-down) of inventories	50	(506)
Loss on disposal of inventory	-	59
Unrealized loss(gain) on foreign currency exchange, net	(126)	294
Reversal of pension cost	(26)	(36)
Changes in operating assets and liabilities		
Accounts receivable	(24,044)	10,586
Accounts receivable from related parties	68	1,602
Other receivables	130	-
Other receivables from related parties	915	1,044
Inventories	18,852	15,969
Prepayments	12,974	(1,452)
Other current assets	135	(156)
Finance lease receivable	1,697	11,216
Contract liabilities - current	(15,486)	(731)
Notes payable	(315)	(12,008)
Accounts payable	14,234	270
Accounts payable to related parties	(8,852)	(2,817)
Other payables	102	564

(Continued)

AZION CORPORATION

STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	2024	2023
Other payables to related parties	(\$ 324)	\$ 138
Current provisions	5,611	5,972
Other current liabilities	(100)	(49)
Cash generated from operations	38,139	44,400
Interest received	1,460	1,274
Interest paid	(833)	(233)
Income tax paid	(85)	(110)
Net cash generated from operating activities	<u>38,681</u>	<u>45,331</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	1,765	-
Proceeds from disposal of financial assets at amortized cost	-	5,646
Acquisition of property, plant and equipment	(1,850)	-
Proceeds from disposal of property, plant and equipment	-	3
Decrease(Increase) in refundable deposits	3,386	(2,552)
Increase in other receivables from related parties	-	(20,000)
Decrease in other receivables from related parties	20,000	-
Acquisition of intangible assets	(249)	(4,230)
Dividends received from investments accounted for using equity method	66,627	26,266
Dividends received from associates	<u>3,000</u>	<u>2,500</u>
Net cash generated from investing activities	<u>92,679</u>	<u>7,633</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase(Decrease) from short-term borrowings	(10,000)	5,000
Increase(Decrease) in guarantee deposits received	(465)	229
Repayment of principal of lease liabilities	(7,616)	(9,049)
Cash dividends paid	(55,924)	(35,000)
Disposal of treasury shares	-	8,988
Net cash used in financing activities	(<u>74,005</u>)	(<u>29,832</u>)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>126</u>	(<u>294</u>)
NET INCREASE(DRECREASE) IN CASH AND CASH EQUIVALENTS	57,481	22,838
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>186,666</u>	<u>163,828</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 244,147</u>	<u>\$ 186,666</u>

(Concluded)

Attachment 4

AZION Corporation
2024 Earnings Distribution Table

Unit: NTD

Item	Amount
Undistributed earnings at the beginning of the period	29,525,148
Add: Net income from January 1 to December 31, 2024	71,955,869
Less: 2024 remeasurement of defined benefit plans	(755,551)
Subtotal	100,725,466
Appropriation: Legal reserve	(7,120,032)
Distributable earnings	93,605,434
Item of distribution	
Common stock cash dividends from Q1 to Q3 of 2024	0
Common stock cash dividends in Q4 2024 (NTD 1.38 per share)	(64,313,185)
Undistributed earnings at the end of the period	29,292,249

Note: Cash dividends are handled by the Company's Board of Directors and are reported to the shareholders' meeting.

Chairman	Liao Wentoh
President	Liao Wentoh
Principal accounting officer	Yeh Jih Fang

Attachment 5

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

Before amendment	After amendment	Description of amendments
<p>Article 14</p> <p>The shareholders meeting is divided into annual general meetings and extraordinary general meetings. The general meeting shall be convened by the board of directors once a year within 6 months after the end of fiscal year. The special meeting is convened when necessary. The Company may hold shareholders' meetings by videoconference or in other manners as announced by the central competent authority. Unless otherwise specified by the competent authority, the conditions, operating procedures, and other matters required for video-conference shall be followed.</p>	<p>Article 14</p> <p>The shareholders meeting is divided into annual general meetings and extraordinary general meetings. The general meeting shall be convened by the board of directors once a year within 6 months after the end of fiscal year. The special meeting is convened when necessary.</p> <p>The Company may hold shareholders' meetings by videoconference or in other manners as announced by the central competent authority. Unless otherwise specified by the competent authority, the conditions, operating procedures, and other matters required for shareholders' meeting via video conference shall be followed.</p>	Text is amended in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.
<p>Article 18-1</p> <p>In accordance with Article 14-2 of the Securities and Exchange Act and Article 183, among the abovementioned number of directors, the number of independent directors shall not be less than two, and shall not be less than two and one-fifth of the number of director seats. The shareholders' meeting elects the independent directors from the list of candidates under the candidate nomination system.</p> <p>【Below has not been amended】</p>	<p>Article 18-1</p> <p>In accordance with Article 14-2 and Article 183 of the Securities and Exchange Act and relevant regulations promulgated by the competent authority, the Company shall appoint independent directors among the aforementioned number of directors. The number of independent directors shall not be fewer than two three and shall account for no less than one fifth third of the total number of directors. Independent directors shall be elected from the list of candidates nominated under the candidate nomination system at the shareholders' meeting.</p> <p>【Below has not been amended】</p>	In accordance with the Directions for Compliance for the Establishment of the Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers issued by the Taipei Exchange on October 4, 2024.
<p>Article 31</p> <p>If the Company makes a profit for the year, the remuneration to employees and directors to be distributed is as follows:</p> <p>I. 0.1% to 8% as remuneration to employees</p> <p>II. Under 5% as remuneration to directors</p> <p>Remuneration to employees may be distributed in the form of share capital increase. However, if the Company still has accumulated losses, an amount shall first be reserved to offset them. The above remuneration may be distributed to employees of the subordinate company who meet the criteria set forth by the Board of Directors or its authorized personnel.</p>	<p>Article 31</p> <p>If the Company makes a profit for the year, the remuneration to employees and directors to be appropriated distributed is as follows:</p> <p>I. 0.1% to 8% as remuneration to employees. At least 10% of the amount allocated for employee remuneration shall be distributed as remuneration to entry-level employees.</p> <p>II. Under 5% as remuneration to directors. Remuneration to employees may be distributed in the form of share capital increase. However, if the Company still has accumulated losses, an amount shall first be reserved to offset them. The above remuneration may be distributed to employees of the subordinate company who meet the criteria set forth by the Board of Directors or its authorized personnel.</p>	Pursuant to the Presidential Decree Hua-Zong-I-Yi No. 11300069631 dated August 7, 2024, the Company shall act in accordance with the amended provisions of Article 14, Paragraph 6 of the Securities and Exchange Act.
<p>Article 34</p> <p>The Articles of Incorporation were established on December 21, 1991.</p> <p>The 1st amendment was made on May 25, 1993.</p> <p>【.....omitted.....】</p> <p>The 37th amendment was made on June 28, 2022.</p>	<p>Article 34</p> <p>The Articles of Incorporation were established on December 21, 1991.</p> <p>The 1st amendment was made on May 25, 1993.</p> <p>【.....omitted.....】</p> <p>The 37th amendment was made on June 28, 2022.</p> <p>The 38th amendment was made on June 24, 2025.</p>	Added the date of amendment