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SIGMATRON INTERNATIONAL, INC.

ANNUAL REPORT 2024

30 SIGMATRON: 30 YEARS OF TRADING AS A PUBLIC COMPANY NASDAQ: SGMA

For over three decades, SigmaTron International, Inc. (SII) continues as an Electronic Manufacturing Services (EMS) provider of printed circuit board assemblies (PCBAs) and completely assembled (box-build) electronic products to customers in three diverse end-user markets: Industrial, Consumer and Medical/Life Sciences. The Company provides superior EMS value from customized engineering to component sourcing, manufacturing, test, and fulfillment. SII offers differentiated services through a global network of seven manufacturing facilities in the United States, Mexico, China, and Vietnam, with a companywide International Procurement Office (IPO) and Sustainability and Compliance Center (SCC) in Taiwan. The Company also offers a Design Services Center (DSC) hub from our headquarters in Elk Grove Village, Illinois.



CELEBRATING 30 YEARS AS A PUBLICLY TRADED COMPANY

SigmaTron, with private company roots that date back to the mid-1960s, celebrated its 30th listing benchmark as a Nasdaq publicly traded company on February 9, 2024. Nasdaq congratulated SII with a marquee feature on its seven-stories-tall tower's 10,000-square-foot video space at its world headquarters in New York City's Times Square. Nasdaq is the world's first electronic stock market with over 3,000 public companies listed across six continents.

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To Our Stockholders,

In fiscal year 2024, SigmaTron International Inc. (SII) pauses to mark our 30th year as a publicly traded company. Our journey began with SII's private company roots in the 1960s and continued to 1994 as our first year listed on the Nasdaq Exchange with just \$37 million in revenues. Based on our founding strategy established decades ago, SII's ecosystem of valued services and reputation for collaborative, personalized EMS vitally supports customers across the entire lifespan of their programs.

FY24 US ECONOMIC SLOWDOWN

In what analysts termed an “economic rollercoaster,” FY24 proved to be another challenging year for US-based companies. While they conclude that the country averted a recession in FY24, growth was markedly stalled with bank lending pressures continuing to build. Across nearly the entire fiscal year, economists were unconvinced of a “soft landing” following the Federal Reserve's most aggressive rate hike campaign since the 1980s. Beginning with the pandemic, persistent inflation, unique supply chain issues and geopolitical disruption in FY24, measures of uncertainty arose for all companies and SII. Key evidence of this challenged economy included:

- **Interest Rates** – Rates remained at a 23-year high between 5.25% and 5.5%. In FY24, the WSJ reported that “It appears incredibly unlikely that by June 2024 the U.S. will see the significant rate cuts forecasted by investors at the end of last year.”
- **US Inflation** – The US Labor Department reported inflation's rise to 3.5%, up from 3.2% last year.
- **US-China Trade War** – Beginning in 2018, the US Section 301 and 232 tariffs on China at 25% continued and subsequently flared with the US's announcement (Q1 FY25) of added tariffs of \$18 billion on China-made goods.

Yet, despite these economic challenges, SII's global leadership and teams remained steadfast, persevering in service to our customers who benefit by their collaboration with SII.

SIGMATRON ADDRESSES DETRIMENTS IN FY24

For SII, the fiscal year saw wide swings of peaks and valleys during which we recorded fleeting periods of solid revenues. Yet these periods of gains were offset, leading to reduced revenues and profit reported for the year, each outside our earlier forecasts and expectations.

Amid FY24's demanding economic landscape, among the detriments SII faced was tenuousness rooted in a few of our customers' individual markets and causing them to end

their fiscal years below forecast. So, as revised forecasts interdicted, SII adapted to certain EMS production delays and/or negated program commitments. Compounding program delays was timing that concurred with our typically slowest quarter(s) of the year. SII remained committed, powering forward through any revised forecasts or delays. Ahead, some adversity and residual factors in our pipeline may prove volatile especially as the 2024 US Presidential Election approaches.

OUR FY24 FINANCIAL RESULTS

Revenues from continuing operations decreased by \$40 million or 10%, to \$374 million for FY24 compared to \$414 million for FY23. Net income (loss) from continuing operations for FY24 was a loss of \$2.5 million, compared to net income of \$14 million the prior year. Basic and diluted income (loss) per share from continuing operations for FY24 was a loss of \$0.41, compared to \$2.34 income per share for FY23.

By fiscal year's end, SII reported a few persistent program delays in other submarkets that, when taken together, ultimately brought a 20% drop in demand and disappointing setback to our bottom line. In response, we implemented cost reductions. These include optimization of our inventory levels, the sale of our Elgin facility (Q4) and the right-sizing of our workforce. Certain SII operations adopted a shorter work week. We expect to continue this strategy until we see a rebound in soft demand.

For any fallout that may linger with respect to our customers and supplier networks, our teams and business model are expected to keep SII well positioned to capitalize on numerous opportunities, including those in new markets.

We expect to fully capitalize on FY25 opportunities already in play at fiscal year-end. We will remain watchful and prepared to tackle any new developments in FY25. This includes any changes in the post-election economy, residual supply chain constraints, and pockets of volatility within our diverse customer markets.

SII'S HIGHLY VALUED, GLOBAL SERVICE ARRAY

With corporate hubs in Elk Grove Village, Illinois, and Taichung City in Taiwan, **SII Information Technology (SII IT)** systems remained central to our value chain of proprietary services in FY24, delivering a consistently superior level of performance globally. Begun in prior years, SII IT again led deliberate steps to continuously update the Company's agile, internal IT systems, synthesizing them with industry-leading technologies at next levels to the benefit of customers and global employees alike.

SII IT's advancements this year include:

- **Key Differentiation** – An overall strength is SII's internal development and knowledge base which drives agility. This delivers clear advantage over competitors who rely on outside contractors and/or prepackaged software, each which slows implementation. With our internally developed systems, SII nets speed and flexibility in response to customer requirements.
- **Embedded IT Support: Our Supply Chain Management (SCM) Tools** – SII combines an industry standard enterprise resource planning (ERP) software with an internally developed suite of SCM tools to help add context to manufacturing data through enhanced dashboarding and analytical capabilities. Our ERP features a single global platform that integrates best practices to meet the needs of customers, suppliers and stakeholders across SII's breadth of operating geographies.
- **MRP Share** – In FY24, SII IT drove enhancements of our horizontal MRP tools that help address the ongoing challenge of managing appropriate inventory levels in response to customers' needs. Our MRP Share enables our teams to monitor total requirements and flag changes in near term demand for each customer. These tools also equip suppliers with complete customer forecast visibility, including current inventory and materials-on-order.
- **Investments in IT Infrastructure and Security** – SII is proactive and investing in upgrades to its general infrastructure and security aligned with ISO 27001 compliance guidelines. SII IT upgraded a number of firewalls, replaced our core network infrastructure and launched a next generation suite of endpoint protection software.

In FY25, SII IT will continue to help all divisions to limit industrywide challenges such as any residual supply chain constraints. Also, IT systems will promote superior visibility for supply and inventory levels, hallmarks of real time updates and solid customer communications.

We believe our IT-embedded technologies net superior, robust SCM systems on par with any in our industry. Another standout strength is our mature, decades-established communications network which seamlessly connects SII, its global suppliers and customers. Equally important is the dedicated support and geographic reach that flows from among our seven manufacturing sites. With high reliability, SII aligns customer needs with our time-tested, systemwide International Procurement Office (IPO).

Across three decades, our corporate **Supply Chain Management (SCM)** services continue as resilient, responsive and agile, offering a proprietary range of strategies which deliver global purchasing power. With benefits magnified by the direct support of our corporate management, customers cite SCM services as a highly valued, differentiating strength. This support was especially

lauded in FY24 as we saw an incremental return of SCM market dynamics to pre-pandemic levels. Thanks to our SCM and IPO software and exclusive tools and systems, SII best manages "top of mix" areas and delivers essential components and raw materials to our EMS programs systemwide.

30-YEAR OPERATING MILESTONES

Across the past three decades, SII's SCM established and subsequently grew our global network, and proudly cites five hallmarks of accomplishment:

1. Led the development of individually dedicated plant-focused purchasing teams systemwide.
2. Established and expanded our IPO that coordinates all logistics and quality apropos to suppliers in Asia and Southeast Asia and executes overall commodity management.
3. Innovated a suite of exclusive integrated systems that provides access to operational data by each SII procurement agent and program manager.
4. Developed SII's Tango suite of ERP related SCM tools which delivers unparalleled flexibility. These new and adaptive high-tech features change in tandem with changing market conditions.
5. Conceived, implemented and expanded a companywide Sustainability and Compliance Center (SCC) within SII's IPO to ensure customers meet essential social, governmental and industry specific requirements. These include Reach (EC 1907/2006), Conflict Minerals, Environmental/Sustainability, among others.

FY24'S EASING OF SUPPLY CHAIN ISSUES

While our industry saw the most persistent period of supply chain imbalance in recent history, SII logged general SCM improvements in industry dynamics and maintained our track record for reliability and integrity. Generally lead times have shortened and upward price pressures on components have eased. Specifics include:

- **Sophisticated Integrated Circuit Lead Times** – Lead times generally saw improvement to 16-26 weeks, down from 52 weeks or longer the prior year. Only a limited percentage of semiconductors require longer lead times.
- **Improved Material Forecasts** – In response to customer requests, SII's SCM has shortened material forecasts.
- **Reduced Inventories** – With improvements logged this year, it is predicted that inventory levels will continue to be reduced while still meeting delivery demands in FY25.
- **FY24's Geopolitical Events** – Despite Russia's war in Ukraine and the Israel-Hamas War, SII SCM saw no effects and acquired all customer-required materials for the period.

Combined with our core strengths, SCM leveraged our customer-facing suite of tools and services this year while continuously developing new and exclusive systems to further enhance SII's business execution and success. We advanced SII's proprietary SCORE® customer portal to further track customers' programs and materials status systemwide. We also developed Dashboard Summary reports to ease our customers' complete visibility. Vital to SII, our SCM's forward-looking and rigorous process remains at-the-ready to recognize, adapt and respond to shifts in customers' market conditions, whether gradual or abrupt.

Ahead in FY25, our SCM will:

- Further optimize inventory levels to help reduce working capital costs.
- Continue to invest in our exclusive ERP systems which support next level Design for Manufacturability and Test (DFx).
- Take steps to hone our business practices as they pertain to non-production, "cost adder" expenses such as 25% tariffs on China-made goods.

This year, our corporate **Design Services Center (DSC)** hub continued its decades-long reputation for high-quality services across the EMS lifecycle from product concept to end of life (EOL). In Q4 FY24, DSC relocated from Elgin to our Elk Grove Village headquarters in Illinois and embraces this opportunity to more fully integrate into SII with benefits flowing systemwide. Again in FY24, customers across markets increased their reliance on SII's time-tested expertise in electronics and mechanical engineering design, analytical and enablement tools, and original test development to support optimal EMS results. While price competitive, DSC's focus is to consistently deliver best-in-class design support, especially resonant for customers who value high field reliability over the long term. We earn our customers' trust through our robust performance track record and depth of industry acumen. DSC attentively tailors our services to each customer's needs from original concepts, complete design and DFx to joint development initiatives, each requiring close collaboration.

In FY25, DSC will focus on deepening ties with SII's engineering teams to hone best practices and shared technical information, integrating performance strengths inter-divisionally.

OUR GLOBALLY STRATEGIC OPERATIONS

Guided by our decades-long core strategy, SII offers customers a personalized, yet global network of seven manufacturing facilities with over 800,000 sq. ft. of manufacturing space in the United States, Mexico, China, and Vietnam, with just under 100,000 sq. ft. of newly expanded warehouse space in North America. Leveraging SII divisions' seven quality certifications, EMS excellence remains a hallmark of our corporate culture and judgment amid increasingly sophisticated customers who demand

internationally competitive pricing and quality for each program, every day. In today's rigorous EMS operating environment, SII's multidisciplinary, multi-divisional teams continued to foster trust and longevity for customers among our three diverse markets: Industrial, Consumer and Medical/Life Sciences.

Across 30 years and in response to customers' needs, SII has grown organically by way of expansion to an Asian operation (2004), and within Mexico (2005, 2012). We grew by acquiring Able Electronics (2005) in the US and Mexico, and Spitfire Controls in the US, Mexico and Vietnam (2012).

Through our Customer-Focused Management Teams we offer lean, Six Sigma philosophies and a solid track record of full-service reliable and flexible EMS production. Our well-honed processes promote cost savings and quality that optimizes time-to-market for some of the most sophisticated customers in our history. The customer case study in this report and the 16 case studies previously featured exemplify that our customers remain the lifeblood of our organization.

Key to SII's personalized service at each stage of the EMS lifecycle, we work diligently to drive the benefits of SII's scalability of volume and mix to our customers. We grasp customers' evolving product requirements, end-use market demands and timing, while maintaining close end-to-end communications.

Central to our corporate culture as a total solutions EMS provider, SII ensures that our plant equipment and other assets offer high availability, efficiency and performance systemwide. Each of SII's divisions share a common ERP system which helps our global supply chain spend to deliver highly competitive pricing—a frequently cited factor in many new program wins.

Embracing our high-tech principles, we continued to expand our suite of production controls again this year, driving next level Design for Manufacturability and Test (DFx). Our advanced, proprietary IT delivers critical inventory stocking and EMS program information at the speed and transparency customers come to expect from SII.

Our divisions launched a number of sustainability initiatives incrementally reducing the Company's reliance on nonrenewable energy. SII upgraded lighting of our plants and offices to LED bulbs, adding motion-activated on/off features. We also introduced electric forklifts and piloted a solar panel installation that is slated to be active by FY25 in our West Coast operation, modeling it companywide. Along with other upgrades, each improves efficiency in SII's energy use.

Ahead in FY25, SII plans to further automate manufacturing and inspection processes for added efficiency, speed and quality. Our operations will continue to tailor their overhead in response to changes in the marketplace.

30

30 YEARS OF TRADING
AS A PUBLIC
COMPANY
NASDAQ: SGMA

WE PAUSE WITH PRIDE IN FY24 TO MARK OUR 30TH YEAR AS A PUBLICLY-TRADED COMPANY. This timeline offers a journey that begins with SigmaTron's (SII) private company roots in the 1960s, continues to 1994 as our first year listed on the Nasdaq Exchange and then charts subsequent growth in size and reputation as an internationally recognized EMS provider of today.

With a focus on the future, we acknowledge our continuum of leadership at all levels who charted a course and led our growth organically and by acquisition. Together, we grew from \$37 million in revenues in 1994 to \$414 million in 2023, the highest in our history.

1994

1994: In February, SigmaTron International, Inc. began trading on the Nasdaq Exchange under the stock symbol: SGMA with operations in Acuña, Mexico, Elk Grove Village, IL, Las Vegas, NV and an international purchasing office in Taipei, Taiwan.

1994: In November, SMT Unlimited, L.P. became a 42.5% owned affiliate adding operations in Fremont, CA and offering leading edge assembly services for BGA Components.

2000

2001: Our Las Vegas, NV operation expanded to a 33,000-square-foot facility.

2004: SigmaTron opened our Wujiang/Suzhou China Operation.

2020

2020: SigmaTron maintains Essential Business Status in all global locations amid the COVID-19 pandemic.

2018: SigmaTron's IT capabilities expanded to a second location in Taichung City, Taiwan.

2018: The Company expands EMS to include the clean energy market with delivery of solar power controllers.

2022

2021: The Company powered forward through COVID-19 related turbulence and delivered on its promises, reaffirming its commitment to customers.

2022: SigmaTron reports banner financial results and serves customers with resiliency, despite historic geopolitical and industry issues that confronted the EMS industry as a whole.

Led by conscious decision making, a path to growth that began in two locations has been transformed into seven global manufacturing sites and four service centers in five countries around the world. Our diverse and sophisticated customer base which includes Fortune 100 industry leaders benefit by our personalized services: value engineering and design, with proprietary IT, SCM and Quality systems.

Underlying each of our timeline's benchmarks, are the men and women who shaped our progress: board members; investors and suppliers; employees at all

levels; and outside professionals whose support is immeasurable. Through their cooperative vision, SII's strong foundation and decades long "One Source. Global Options.®" philosophy was born and vibrantly continues.

In all, each benchmark stands as a tangible reminder of what exactly has made SigmaTron the Company it is today. Our hope is that by witnessing SII's 30-year timeline of commitment and the commitment of our Company's present and its past, you will come away with even greater confidence about our Company's future.

2005

2005: The Las Vegas, NV operation was sold in May.

2005: In July, SigmaTron acquired Able Electronics and its Hayward, CA and Tijuana, Mexico locations.

2005: SMT Unlimited, L.P., now in Hayward, CA, became a wholly owned entity of SigmaTron.

2005: Launched iSCORE®, an internal portal and SCORE®, the customer version.

2010

2011: The California operation is relocated from Hayward to Union City, more than doubling our production capacity.

2015

2015: Amid expanding customer demand and compliance complexity, we relocated what is now our Sustainability and Compliance Center (SCC) from Suzhou, China to Taipei City, Taiwan.

2013: Our Tijuana, Mexico plant relocated and expanded.

2013: A new tagline, "One Source. Global Options.®" with a new website helped communicate SigmaTron's place in the world.

2012

2012: SigmaTron established a domestic China operation.

SigmaTron acquired Spitfire Controls in May, adding manufacturing operations in Chihuahua, Mexico and Biên Hòa City, Vietnam and a Design Services Center, IL.

2024

2023: With 1994 founding revenues of \$37 million, SigmaTron grew FY23 revenues to \$414 million, the highest recorded in our history.

ONE SOURCE. GLOBAL OPTIONS.®

SIGMATRON
INTERNATIONAL



SII has provided high-level redesign, flexible manufacturing support and custom test for Baxter's Rotating Rack and Mini Rack Ovens. These award-winning ovens with patented baking technology are in current use by Baxter's customers and end-users globally who seek quality, efficiency and ease of use.



ITW/BAXTER DISCOVERS IN SIGMATRON VALUE ENGINEERING AND EMS INNOVATION FOR NEARLY A DECADE

ONE SOURCE. GLOBAL OPTIONS.™

SIGMATRON
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BAXTER SELECTED SIGMATRON INTERNATIONAL INC. (SII) NEARLY A DECADE AGO as it pursued a full-EMS solutions provider for design, hardware, prototypes, manufactured production and custom functional test. SII's turnkey services proved an ideal fit and replaced the transactional "board-only" approach of SII's predecessor. Earlier, SII's track record of success for ITW, Baxter's sister company, generated referrals ultimately launching an immediate win-win collaboration for each organization.

Collaboration began with SII diagnosing hardware and software issues from Baxter's former third-party provider for two separate printed circuit board assemblies (PCBA): one board for the Company's room-sized **Rotating Rack Oven OV500G2EE** and the other for its **Mini Rack Oven OV310**.

SII initially assigned two engineers from our decades-experienced Design Services Center. We effectively identified and resolved previously unknown data gaps in the product's legacy design and successfully consolidated two PCBA designs to one board. Also, we updated the real-time clock and other end-of-life components. Following SII's prototype and custom tests, this remains the all-new single PCBA still in use by Baxter today. In parallel, as the program entered actual production in our Elk Grove Village, Illinois,

manufacturing site, SII/Baxter logged enhanced functionality and major cost efficiencies. SII's oven program delivered over six months ahead of Baxter's schedule with continued EMS collaborations in the nine years to follow...and counting.

Baxter describes SII's service as "SII provides not just delivery of a PCB boxes and controls, but a simplified, right priced and holistically enhanced EMS system." Baxter also reports that amid the inherent challenge of high-SKUs and low-volumes, SII is willing to serve it all. When asked what distinguishes SII, Baxter reports that we continue to hit all key points on their list: quality, delivery and customer service. Baxter specifically gives SII high marks for what it terms sustaining "value engineering" with resilient production support, geographic footprint and manufacturing flexibility—each conforming to the product's rigorous Energy Star® rating.

Baxter continues, "Equally crucial engineering and test services, is/was SII's personalized support of Baxter through actual first production. As we faced a potential redesign like the kind SII served, it's not just all about cost reductions. Any redesign involves layers of risk mitigation; SII has proven to be a worthy partner providing us with low-risk and quality—each transcending mere cost reduction."

ITW

ILLINOIS TOOL WORKS (NYSE: ITW) is a global industrial company built around a differentiated and proprietary business model. The company's seven industry leading segments offer expertise and innovation capabilities with 19,300 unique patents to high-value, niche customer markets around the world. The **ITW FOOD EQUIPMENT GROUP LLC (FEG)** segment is an industry leading innovator serving institutional, industrial, restaurant and retail customers worldwide with 55 businesses in 23 countries, with 9,000+ employees. ITW FEG designs, manufactures and services advanced dishwashing, cooking, refrigeration and food processing equipment.

BAXTER

BAXTER – Founded in 1958 and a member of ITW's premium brands,

Baxter is a renowned innovator of manufactured quality cooking and bakery equipment worldwide. From its hub in Washington, it is the largest Bakery Rack Oven supplier in the US. For 17 consecutive years, ITW FEG and Baxter have been awarded Energy Star® Partner of The Year.

SIGMATRON NORTH AMERICA

SIGMATRON UNITED STATES

In FY24, SII's **Elk Grove Village (EGV), Illinois**, headquarters, manufacturing site and Design Services Center furthered its reputation for timely new product introduction (NPI) services and scalable manufacturing across customer markets.

With the DSC's relocation to EGV in Q4, SII is enhancing our track record of flexible manufacturing for advanced product builds. This year, EGV invested in process and quality improvements. Among these are new plant-facing dashboards to support communications and to speed visibility of forecast and inventory, while streamlining a program manager's (PM) response to changes in material requirements. EGV also launched rough-cut models, which extend equipment capacity loading, among other initiatives. We again attracted new program wins, some offset by certain downward fluctuations in market demand that may continue in FY25.

In FY24, **Union City (UC), California**, West Coast Operations, continued its reputation for providing high quality EMS and consistent, on time deliveries to some of SII's most sophisticated, new and existing customer programs. Again this year, the division proudly built upon its reputation of offering desirable design alternatives. This includes DFM engineering services, incisive component substitutions and/or additions with inventory support. Together with our EGV operation UC will continue their long-term focus on enhanced quality, on time deliveries and close customer collaborations.

SIGMATRON MEXICO

SII's private company roots in Mexico date back to the mid-1960s with continuous service from our initial operation in Acuña. Now, Mexico's manufacturing economy has grown to the eighth largest in the world and ranks seventh in Deloitte's worldwide, competitive index calculator. Individually and as a whole, SII's three divisions in the region offer favorable labor and tariff costs to service the North American market under USMCA.

In FY24, **SII Acuña** continued to excel at high-volume production runs, quick model changeovers and multiple-model manufacturing simultaneously. The division's engineers collaborate with customers closely to streamline designs and enhance DFx. As of Q1 2024, the division also pursued specialized EMS solutions that transcend standard assembly requirements. In Q3, Acuña began to leverage SII's newly expanded 30,000 sq. ft. of cross-border warehouse space in nearby Del Rio, Texas. The expansion nets 56,400 sq. ft. of traditional space and 21,000 sq. ft. of in-bond space, with 1,200 sq. ft. of temperature- and humidity-controlled areas for sensitive components. This meets customers' needs to both receive raw material shipments and selectively store finished goods.

SII Chihuahua offers over 23 years of dedicated manufacturing experience and regional logistics simplicity, specializing in flexible, low- to-high volume runs with a mix of models. Chihuahua's EMS programs are supported by tenured teams with decades of experience including custom, in-house EMS test development. In Q1 FY24, the division passed ISO 13485:2016's audit stage, the manufacturing quality standard required for medical devices. In Q2 FY24, Chihuahua completed a two-year transition to SII's proprietary Tango MES, fully integrating it into all plant production. Gains include enhanced productivity and system visibility for each assembly including Kanban inventory levels, fully electronic replenishment and manufactured date of issue.

With benefits continuing in FY25, the division launched excess material reports with automated updates daily. Ahead, Chihuahua will focus on securing optimized costs for its top-tier components and should cull inventory by reverifying customer forecasts and reducing any overstocks.

SII Tijuana, together with its sister divisions in Mexico, offers skilled labor from a strategic transportation corridor to our US manufacturing and warehouse sites with critically aligned time zones and work schedules. Our tenured management team in Tijuana averages 19 years length of service and logged a stable employee retention rate of 98%. In FY25, the division's workforce expects to continue training, especially its Six Sigma Green and Black Belt leadership and engineering practices. Tijuana will also continue to focus on advanced processes to net improved quality, efficiency and profitability.

SIGMATRON ASIA

Within the Company's "Global Options" framework, our technically experienced engineering and manufacturing teams in our decades-established Asian operations in **Suzhou, China**, and **Biên Hòa City, Vietnam (SII Asia)** complement our North American operations and remain highly valued and strategic.

Our **Suzhou, China**, division pursued programs for both domestic sales and export while collaborating on EMS programs with sister divisions. The operation continued its focus on latest automated equipment, next-level manufacturing execution systems (MES) and an array of tools which optimize processes.

Amid many FY24 accomplishments, our China division innovated a unique automated pin-through-hole (PTH) inspection capability with potential benefits flowing to SII customers systemwide. Specifically, our China team's proprietary solution termed the MVS-1.0 machine vision system, began in Q1 FY24 with Stage A prototype development. By Q4, Suzhou progressed to Stages B and C (MVS-2.0) which features robotics to minimize handling and improve cycle time and inspections for varied defect types. By FY25, China's Stage D MVS-3.0

platform is expected to integrate machine learning capabilities and Industry 4.0 (AI) inspection.

SII Biên Hòa City, Vietnam's (VN) strategic location established back in Q1 FY13, continued its long manufacturing presence in SII's global footprint. VN offers direct access to some of the world's main shipping routes and leverages a highly favorable business and regulatory environment. The operation is seen by customers as an advantage as it long preceded the current wave of movement being driven by the US Section 301 Tariffs imposed on Chinese exports.

As a country, VN offers a desirable labor participation rate of 69% as reported in FY24, along with quality infrastructure, high levels of technical education and a manufacturing base insulated from the tariffs and geostrategic risks. (Forbes, 2024). Led by a seasoned management team, VN logged a 98% employee retention rate this year amid their highly competitive labor rates.

This year, VN's reputation continued for cost-effective, high-quality EMS with 24/7 communications from design optimization through product launch. Also, VN worked closely with SII's IPO team to coordinate supply chain information and provide components to keep production running smoothly. As in prior years, VN's engineering team collaborated in parallel with their US counterparts to innovate and streamline test processes, optimizing DfX while keeping efficient pace with production volumes.

Ahead, the division will continue to leverage SII's suite of proprietary tools and processes, while providing intra-team connectedness among global PMs, work teams and customers.

OUR STRATEGY REMAINS OUR OPERATING STRENGTH

In FY24's demanding operating environment, certain fallouts for the Company may linger into the early quarters of FY25. SII's decades-experienced teams, talent and business model remain well positioned. Our agile manufacturing and supply chain philosophies, cost efficiencies and committed workforce will help power us forward. SII is committed to move past any operational challenges that may lie ahead and restore our profitability to prior levels and beyond.

In the fiscal year ahead, SigmaTron will continue to exert our operating strengths including global scale and market diversity and to further advance our processes and improve quality and productivity.

Our operating strengths include:

- Flexibility on a global scale: One Source, Global Options®... for over 30 years.
- Decades-established and trusted service array: Supply Chain Management, Design Services Center, Quality and IT Systems (US and Taiwan).
- EMS excellence and personalized service for a global company our size.
- Steady hand of senior management in direct support of a skilled, committed global workforce.
- An EMS backlog that meets the pace and program demands of three diverse markets: Industrial, Consumer, and Medical/Life Sciences and nine submarkets including: automotive, commercial cooking, fluid controls, LED lighting, marine, pools, safety, monitoring sensors, and renewable energy. At fiscal year's end, the Company saw significant new opportunities and in relatively new marketplaces that we believe will pay off by mid to late FY25 and beyond.

In parallel, we will accelerate our growth strategies for complete-build EMS, while supporting specialized end-user markets and unique requirements. We will continue to hone our customer-centric organizational culture—one defined and clarified around its common values: EMS excellence, program field reliability and personal accountability.

As we look ahead, I wish to thank all those who helped SII to navigate FY24 and its challenges—our customers and professional and supply chain partners. SII acknowledges our leadership team, global employees and our Board of Directors for persevering amid unprecedented headwinds to meet the needs of all Company stakeholders in FY25 and beyond.

Sincerely,

Gary R. Fairhead,
Chief Executive Officer

John P. Sheehan,
President

SigmaTron International, Inc.
September 20, 2024

SigmaTron International: Superior Customer Service From Our Global Operations

Manufacturing

International Procurement Office

Information Technology Office

Design Services Center

Warehouse

UNITED STATES

SIGMATRON US: HEADQUARTERS

■ MIDWEST MANUFACTURING OPERATIONS

■ CORPORATE INFORMATION TECHNOLOGY (IT) OFFICE

■ CORPORATE DESIGN SERVICES CENTER

2201 Landmeier Road
Elk Grove Village, IL 60007
Tel: 847-956-8000
124,300 sq. ft.

■ WEST COAST OPERATIONS

30000 Eigenbrodt Way
Union City, CA 94587
Tel: 510-477-5000
117,000 sq. ft.

WAREHOUSES

■ California Warehouse: San Diego

2055 Dublin Drive, Suite 300
San Diego, CA 92154
Tel: 619-415-8101
30,240 sq. ft.

■ Texas Warehouse: El Paso

9 Butterfield Trail Blvd., Suite B
El Paso, TX 79906
Tel: 915-995-0660
18,180 sq. ft.

■ Texas Warehouse: Del Rio

103 Avenue J
Del Rio, TX 78840
Tel: 830-775-0335
44,000 sq. ft.

MEXICO

■ TIJUANA OPERATIONS

Calle Hacienda del Colorado
No. 21603 T-1,
Parque Industrial Presidentes
Tijuana, B. C. Mexico 22215
Tel: 52-664-626-8680 1
112,100 sq. ft.

■ CHIHUAHUA OPERATIONS

Miguel de Cervantes No. 151
Complejo Industrial Chihuahua
Chihuahua, Mexico 31136
Tel: 52-614-44-20200
113,000 sq. ft.

■ ACUÑA OPERATIONS

Carretera Presa La Amistad
KM 6.5 S/N
Parque Industrial
Ciudad Acuña,
Coahuila, Mexico CP 26248
Tel: 830-774-7216
115,000 sq. ft.

ASIA

■ CHINA OPERATIONS

386 Hua Hong Road
Suzhou, China 215200
Tel: 86-512-6340-8518-101
202,000 sq. ft.

■ TAIWAN INTERNATIONAL PROCUREMENT OFFICE (IPO), SUSTAINABILITY AND COMPLIANCE CENTER (SCC)

9F., No. 180, Sec. 1,
Keelung Road, Xinyi Dist.,
Taipei City, Taiwan 11006
Tel: 886-2-27601656
4,685 sq. ft.

■ TAIWAN INFORMATION TECHNOLOGY (IT) OFFICE

12F., No. 375, Sec. 2,
Taiwan Blvd., West Dist.,
Taichung City, Taiwan 403020
1,650 sq. ft.

■ VIETNAM OPERATIONS

No.13, Plot 103/4, Street No.5,
Amata Industrial Park
Biên Hòa City, S.R. Vietnam
26,479 sq. ft.

GLOBAL QUALITY CERTIFICATIONS:

ISO 9001:2015

ISO 13485:2016

ISO 14001:2015

IATF 16949:2016

ITAR Registered

FDB Certification

Safety Certification

30 30 YEARS OF TRADING
AS A PUBLIC
COMPANY
NASDAQ: SGMA

ONE SOURCE. GLOBAL OPTIONS.®

SIGMATRON
INTERNATIONAL

CORPORATE OFFICES
SigmaTron International, Inc.
2201 Landmeier Road
Elk Grove Village, IL 60007

Tel 847.956.8000

INVESTOR RELATIONS
800.700.9095

www.sigmatronintl.com

30 30 YEARS OF TRADING
AS A PUBLIC
COMPANY
NASDAQ: SGMA

OFFICERS

Gary R. Fairhead*
Chairman of the Board
and Chief Executive Officer

John P. Sheehan*
President

James J. Reiman*
Chief Financial Officer, Vice President,
Finance, Treasurer and Secretary

Gregory A. Fairhead*
Executive Vice President
and Assistant Secretary

Daniel P. Camp**
Vice President,
Acuña Operations

Rajesh B. Upadhyaya*
Executive Vice President,
West Coast Operations

Hom-Ming Chang*
Vice President,
China Operations

Curtis W. Campbell
Vice President of Sales

Dennis P. McNamara
Vice President, Engineering

Michael L. Schillaci
Vice President,
Information Technology

Keith D. Wheaton
Vice President,
Business Development
West Coast Operations

* Executive Officers

** Mr. Camp served in his role through
Oct. 6, 2023 and retired thereafter.

BOARD OF DIRECTORS

Gary R. Fairhead
Chairman of the Board
and Chief Executive Officer,
SigmaTron International, Inc.

Linda K. Frauendorfer
Independent Consultant

Bruce J. Mantia^{1,2,3}
Retired Partner
Ernst & Young LLP

Paul J. Plante^{1,2}
Director, Cardinal Vending
and Markets, LLC

Thomas W. Rieck^{1,3}
Of Counsel, Rieck and Crotty, P.C.

Dilip S. Vyas^{2,3,4}
Independent Consultant

¹ Member of the Audit Committee

² Member of the Compensation Committee

³ Member of the Nominating Committee

⁴ Lead Director

CORPORATE INFORMATION

SEC Counsel
Greenberg Traurig, LLP
77 West Wacker Drive
Chicago, Illinois 60601

Corporate Counsel
Howard & Howard
Attorneys PLLC
200 South Michigan Avenue
Chicago, Illinois 60604

**Independent
Public Accountants**
BDO USA, LLP
330 North Wabash Avenue
Chicago, Illinois 60611

Form 10-K
If you would like a free copy of
the Form 10-K report filed with
the Securities and Exchange
Commission, please call
James J. Reiman at the
SigmaTron corporate office,
1.800.700.9095.

**Stock Transfer Agent
and Registrar**
American Stock Transfer
& Trust Company, LLC
6201 15th Avenue
Brooklyn, New York 11219

Stock Information
SigmaTron's common stock
has been trading on the Nasdaq
System under the symbol SGMA
since the Company's initial
public offering in February 1994.

The Company has 6 million
shares of common stock
outstanding.

SigmaTron has not paid cash
dividends on its common
stock since completing its
February 1994 initial public
offering and does not intend
to pay any dividends in the
foreseeable future.