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2025 Annual Report

Sunplus Technology Co., Ltd.

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BEFORE USING THIS REPORT**

Readers are advised that the original version of the report is in Chinese. If there is any conflict between these financial statements and the Chinese version or any difference in the interpretation of the two versions, the Chinese-language report shall prevail.

Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

The materials and information provided on this report have been issued by Sunplus and are posted solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any securities issued by us or otherwise.

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1. LETTER TO SHAREHOLDERS

BUSINESS REPORT

2025 Business Results

Sunplus consolidated net operating revenue totaled NT\$6,303 million and the gross profit was NT\$2,935 million in 2025. While R&D expense totaled NT\$2,183 million and the G&A expenses were NT\$509 million, marketing expense was NT\$335 million, The operating loss for 2025 was NT\$95 million. Including total non-operating net income NT\$303 million, The profit before tax reached NT\$208 million. Excluding the income tax expense NT\$141 million, The company's net profit after tax for 2025 was NT\$66 million. The net loss attributable to owner of the Company was NT\$215 million which the Loss per Share after tax for 2025 was NT\$0.37.

The consolidated net sales in 2025 decrease 2.04% compared to the same period last year. Gross profit margin is approximately 46%, decrease from 48% in the previous year. The operating loss of NT\$95 million in 2025 represents a decline from the Operating Profit of NT\$107 million in 2024, the profit decreased by 189.07%.

Non-operating revenue decrease from 686 million in 2024 to 303 million in 2025, mainly due to a decrease of NT\$335 million in gains from disposal of investments in associates in 2025 compared with 2024.

The IFRS Consolidated Statement exposes other comprehensive gains and losses in 2025, Including the difference between the conversion of financial statements of foreign operating institutions, unrealized gains and losses on equity instrument investments measured at fair value through other comprehensive income, remeasurements of defined benefit plans, the shareholding of related enterprises recognized by equity method, the total other comprehensive income after tax for 2025 is a net loss of NT\$169 million. The total comprehensive income for 2025 is NT\$-102 million, the total comprehensive income attributable to the owners of the company was a loss of NT\$385 million.

Product Research and Development and the Company's Business Plan

Sunplus technology focuses on the development of automotive chips, intelligent surround audio chips and audio-visual multimedia playback chips. Automotive chips include Intelligent Cockpit, Advanced Driver Assistance Systems, In-car sound effects, while intelligent surround audio chips encompass products such as Soundbar, Gaming Soundbar, Party Speaker, and Speakerphone. In addition, it also introduces the smart computing chip Plus1 suitable for AIoT applications.

In addition to being used in automobiles, In-Vehicle Infotainment (IVI) systems are also being promoted by Sunplus for use in two-wheeler instrument clusters, expanding the market and value of its automotive product line, and expanded its presence in multiple countries to increase product sales. In the SoundBar product line, besides incorporating Bluetooth wireless transmission, Sunplus is also actively promoting PC/Gaming Soundbar. In addition to increasing product unit prices, the sales growth of new products will be the main driver of revenue and profit growth for Sunplus.

The intelligent computing chip, Plus1, significantly reduces the development threshold for Edge Computing applications. The chip, developed on a 12-nanometer process and equipped with AI capabilities, it is being gradually applied in AIoT, long-term care, and consumer electronics. The next-generation 12nm AI chip continues to receive subsidies from the Ministry of Economic Affairs and further integrates voice input, natural language processing, and large-scale vision-language models, enabling contextual reasoning and voice interaction capabilities.

Generalplus' main product lines include consumer ICs, multimedia ICs, and MCU products. In the consumer IC segment, the Company has launched a new generation of 8-bit speech synthesis control ICs, providing customers with high-quality voice control solutions. It has also introduced a new generation of 8-bit LCD control ICs, integrating LCD control circuitry with audio playback units, while delivering high-quality audio solutions. In the multimedia segment, the Company has developed a new generation of 40nm 32-bit high-end multimedia chips, integrating an image processing unit and an AI accelerator to deliver more powerful multimedia computing performance. In the MCU segment, the Company has launched a new generation of 8-bit infrared remote control ICs, providing customers with LCD-regulated infrared remote control solutions. It has also introduced a new generation of 90nm 32-bit high-end motor control MCUs, offering customers high-performance motor control solutions.

80% of Sunplus Innovation Technology sales in 2025 come from PC-related cameras, and the other 20% of sales come from USB external cameras, driving pulls, high-speed cameras, and IoT-related. Benefiting from the expected AI PC penetration rate exceeding 50% amid a major replacement cycle, the Company aims to turn challenges into growth momentum, further enhance R&D efficiency, maintain its leadership in the notebook image sensing field, and accelerate the large-scale deployment of AI machine vision in vertical applications.

Subsidiaries in China include Shanghai Beyond Technology, Worldplus Technology, Sunplus Prof-tek Technology (Shenzhen), Sunmedia, CQPlus1 (Chongqing), Sunplus-EHUE. Mainly to support the Company's mainland customers in the Company's engineering services and business promotion.

External Competition, Regulations, and Macroeconomic Environment Impact

Looking back at 2025, demand for AI-related products increased significantly; however, the market experienced substantial fluctuations in consumer demand due to intensified US–China trade competition, US tariff policies, and a slowdown in the Chinese economy. In response to these changes, Sunplus continued to provide cost-effective products in its existing automotive, acoustic, and audio/video playback businesses, while actively developing new markets to expand product sales. Meanwhile, the Company has continued to invest in AI technology and product development, accelerating the development of its next-generation Plus1 products and applications to address market competition and strengthen its competitive advantages.

Looking ahead to 2026, uncertainties and challenges remain in economic development, driven by whether the Chinese economy can recover and by the global shortage of memory chips. The Company will continue to closely monitor changes in the international economic environment and focus on the market deployment and development of its existing products. At the same time, it is actively developing new products and expects its new AI-related Plus1 products to meet market demand and establish product competitiveness.

Future Company Development Strategy

Sunplus Technology and all subsidiary entities within the group will continue to deepen their core competencies in various fields, develop new products, and actively invest in advanced technologies to enhance product value and create new products and markets. We will adjust and optimize product lines and investments, observe market trends, actively expand markets, improve performance both within and beyond our core business, and accumulate new growth momentum. Repay the long-term support of shareholders.

All the best,
Chairman & CEO,



2. CORPORATE GOVERNANCE

2.1 Information on Directors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branch Offices Organization Chart

2.1.1 Directors

April 17th, 2026/Unit: shares

Title	Nationality or Registry	Name	Gender Age	Date Elected	Initial Date Elected	Term of Office	Share holding When Elected		Current Shareholding		Spouse & Minor Shareholding		Educational Background	Positions Currently held in Other Companies (Note 2)
							Amount	%	Amount	%	Amount	%		
Chairman & CEO	R.O.C.	Chou-Chye Huang	Male 71-80	2024.06.12	1990.07.09	3 years	92,737,817	15.67	92,737,817	15.67	1,370,993	0.23	M.S., Electrical Engineering, National Tsing Hua University, Taiwan	Note 1
Director	R.O.C.	TAIWAN LAF' E CO., LTD	-	2024.06.12	2024.06.12	3 years	10,000	0.00	10,000	0.00	0	0.00	-	None
	R.O.C.	Wen-Hsiung Jan	Male 51-60	2024.06.12	2009.05.11	3 years	0	0.00	0	0.00	0	0.00	MBA, International Business, National Taiwan University, Taiwan	Director: iCatch , Hiyes International Co., Ltd., OLEADER, Fine Ace Asset Management Co. Ltd., TSS2 Holdings Ltd., AEMC JAPAN Corporation., Phoenix No. 7 Innovation & Entrepreneurship Investment Co., Ltd. Independent Director: Biostar, Nien Hsing Textile, Champion Microelectronic Corp., CATCHER TECHNOLOGY CO., LTD. Chairman: AEMC, Advanced Pao Trusval Technology Co., Ltd., Eray Tech Co., Ltd.
Director	R.O.C.	Chih-Chieh Tsai	Male 51-60	2024.06.12	2024.06.12	3 years	0	0.00	0	0.00	0	0.00	Master's Degree in Business Administration, National Taipei University	Chairman: Jie Chu Management Consulting Co., Ltd. Supervisor: Taifu International Network Co., Ltd. Independent Director: Silergy Corp., Nishoku Technology Inc., BAOTEK INC.
Independent Director	R.O.C.	Tse-Jen Huang	Male 61-70	2024.06.12	2015.06.12	3 years	0	0.00	0	0.00	0	0.00	EMBA, National Taiwan University of Science and Technology	CPA and Head of Shengxin CO., CPAs Independent Director & Audit Committee Member and Compensation Committee Member: GenMont Biotech Incorporation Director: Playsee Inc.
Independent Director	R.O.C.	Rui-Qi Chen	Male 41-50	2024.06.12	2021.07.20	3 years	0	0.00	0	0.00	0	0.00	Master of Science (Technology and Digital Learning Program), Jiaotong University	Lawyer: WTW-Taipei Commercial Law Firm Chairman: Huachuang Financial Consultants (Ltd.) Director: Ginwin Technology Co., Ltd. Supervisor: Aether Services Taiwan Ltd.
Independent Director	R.O.C.	Cong-Ling Guo	Male 61-70	2024.06.12	2021.07.20	3 years	0	0.00	0	0.00	0	0.00	MS in Computer Engineering from Penn State University	None
Independent Director	R.O.C.	Shu-Jun Huang	Female 51-60	2024.06.12	2024.06.12	3 years	0	0.00	0	0.00	0	0.00	Executive MBA, Graduate Institute of Business Administration, College of Management, National Taiwan University	Chairman: Choice Delights Incorporated. Independent Director & Audit Committee Member and Compensation Committee Member: Sensortek Technology Ltd., Qisda Technology Ltd., Zero One Tech. Director: AURAS Technology Co.,Ltd.

Note1:

Chairman: Generalplus, Venturplus Group Inc., Venturplus Mauritius Inc., Venturplus Cayman Inc., Shanghai Sunplus, Sunplus Venture Capital, Lin Shih Investment, Weiyang Investment, Sunplus Management Consulting, Generalplus International (SAMOA)Inc., Sunplus Innovation Technology, Generalplus (MAURITIUS) Inc., Generalplus (Shenzhen), Sunplus Prof-tek, Sunmedia, Award Glory Ltd., Sunny Fancy Ltd., Giant Rock Inc., GlintMed, Worldplus Technology(Shen Zhen).

Chairman & President: Sunplus mMedia, Jumplux

President: Worldplus Holdings L.L.C

Director: Sinocon Industrial standards Foundation, iCatch, Zhu Ming Foundation

Executive Director: Shanghai Beyond Technology Co., Ltd., Shanghai Joyhorn Technology Co., Ltd.

Note 2: The chairman of the company and the general manager or equivalent (the top manager) are the same person, are relatives of each other, such as spouse or one parent, should explain the reasons, rationality, necessity and corresponding measures (such as increasing the number of independent directors and should (More than half of the directors have not served as employees or managers, etc.):

The chairman of the company also serves as the chief executive officer. To improve business efficiency and decision-making execution, the company has the following specific measures.

1. Among the seven members of the board of directors, except for the chairman, the other six directors do not concurrently serve as employees or managers.
2. Independent directors can fully discuss and make recommendations for the board of directors in each functional committee to implement corporate governance.
3. In 2021, the re-election of directors added an independent director.

2.1.2 Major Shareholders of Sunplus' Shareholders as Legal Entities

April 17th, 2026

TAIWAN LAF' E CO., LTD	Shareholder	Holding
	Wen-Hsiung Jan	18.42%
	Mei-Ling Chen	21.05%
	Yan-An Jan	15.79%
	Yan-Kai Jan	15.79%
	Yan-Chia Jan	15.79%
	Yan-Ning Jan	12.63%
	Wen-Ho Jan	0.53%

2.1.3 Information of directors

I. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

April 17th, 2026

Condition Name	Professional qualifications and experience	Independence situation	Number of independent directors of other public companies
Chou-Chye Huang	He is currently the Chairman and Chief Executive Officer of the Company. With more than five years of work experience required by the company's business, with professional leadership, operation management and strategic planning capabilities, to lead the company's sustainable operation and become a leader in the industry. None of the conditions in Article 30 of the Company Law.	(1) A director, supervisor or employee of another company who is not a director, supervisor or employee of another company controlled by the same person with more than half of the company's directors or shares with voting rights. (2) There is no relationship between spouses or relatives within the second degree of kinship with other directors. (3) Article 27 of the Company Law does not stipulate that the government, legal person or its representative shall be elected.	0
Representative of TAIWAN LAF'E CO., LTD: Wen-Hsiung Jan	He is currently the chairman of ECSC Inc. Technology (stock) Company. With more than five years of work experience required for corporate business, possess the ability of market strategy and business promotion and rich experience in operation and management. None of the conditions in Article 30 of the Company Law.	(1) A director, supervisor or employee of another company who is not a director, supervisor or employee of another company controlled by the same person with more than half of the company's directors or shares with voting rights. (2) There is no relationship between spouses or relatives within the second degree of kinship with other directors.	4
Chih-Chieh Tsai	Currently the Chairman of Jie-Chu Management Consulting Co., Ltd. with more than five years of experience relevant to the company's business operations. Demonstrates industry expertise and a strong understanding of international market dynamics. Does not fall under any of the disqualifying conditions set forth in Article 30 of the Company Act.	(1) A director, supervisor or employee of another company who is not a director, supervisor or employee of another company controlled by the same person with more than half of the company's directors or shares with voting rights. (2) There is no relationship between spouses or relatives within the second degree of kinship with other directors. (3) Article 27 of the Company Law does not stipulate that the government, legal person or its representative shall be elected.	3
Tse-Jen Huang	He is currently a certified public accountant and director of Shengxin United Certified Public Accountants, with more than five years of work experience required for corporate business, specializing in corporate financial accounting, which can improve the quality of corporate governance management of the board of directors and the supervision function of the audit committee.	The following independence conditions are met: (1) Non-employees of the company or its affiliates. (2) Non-directors and supervisors of the company or its affiliates. (3) Non-person shareholders who are not themselves and their spouses, minor children, or other natural person shareholders who hold more than 1% of the company's total issued shares or hold the top ten shares in the name of others. (4) Spouses, relatives within the second degree of kinship, or lineal relatives within the third degree of kinship, who are not the managers listed in (1) or the persons listed in (2) and (3). (5) Directors of corporate shareholders who do not directly hold 5% or more of the total issued shares of the company, who hold the top five shares, or who designate a representative to serve as a director or supervisor of the company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act, Supervisor or employee. (6) Directors, supervisors or employees of other companies whose shares are not held by the same person as directors or	1
Rui-Qi Chen	He is currently a lawyer at WTW-Taipei Commercial Law Firm. With more than five years of work experience required for corporate business, can provide risk management, legal strategy, compliance and management decision-making advice.	(6) Directors, supervisors or employees of other companies whose shares are not held by the same person as directors or	0

Condition Name	Professional qualifications and experience	Independence situation	Number of independent directors of other public companies
Cong-Ling Guo	He once served as the vice president of NVIDIA, with more than five years of work experience required by the company's business, has professional experience in the field and management practice expertise, and can provide professional advice on company strategic planning and product development.	whose majority of shares with voting rights are controlled by the same person. (7) Directors (directors), supervisors (supervisors) or employees of other companies or institutions that are not the same person or spouse as the chairman, general manager or equivalent of the company. (8) Non-directors (directors), supervisors (supervisors), managers or shareholders holding more than 5% of the shares of specific companies or institutions that have financial or business dealings with the company. (9) Non-professionals, sole proprietors, partnerships, companies or institutions that provide auditing services for companies or affiliated companies or who have received remunerations in the last two years with an accumulated amount of less than NT\$500,000 in business, legal, financial, accounting and other related services Business owners, partners, directors (council), supervisors (supervisors), managers and their spouses. However, this does not apply to the members of the Compensation Committee, Public Takeover Review Committee, or Special Committee on Mergers and Acquisitions who perform their functions in accordance with the Securities and Exchange Act or the Mergers and Acquisitions Act. (10) There is no relationship between spouses or relatives within the second degree of kinship with other directors. (11) There is no one of the conditions in Article 30 of the Company Law. (12) Article 27 of the Company Law does not stipulate that the government, legal person or its representative shall be elected.	0
Shu-Jun Huang	She is currently serves as the Chairman of CHOICE DELIGHTS INCORPORATED., with more than five years of work experience required by the company's business, has professional experience in the field and management practice expertise, and can provide professional advice on company strategic planning and product development.		3

II. Diversity and independence of the board of directors:

A. Diversity of the Board of Directors: Among the seven current board members of the Company:

(1) General board members: composed of members with a master's degree from the Institute of Electrical Engineering of Tsinghua University, a master's degree from the Institute of International Business Studies of National Taiwan University, and Master's Degree in Business Administration, National Taipei University.

(2) Independent director members: Composed of members with professional backgrounds and expertise, including an Executive MBA in Finance from the Graduate Institute of Finance at National Taiwan University of Science and Technology, a degree in Law from National Taiwan University, a Master's in Computer Engineering from Penn State University, and an Executive MBA from the Graduate Institute of Business at the College of Management, National Taiwan University.

(3) The company pays attention to the industrial experience and professional ability of the directors:

1. The target ratio of directors with industry experience is 50%: The company has 5 directors with industry experience: Chou-ChyeHuang, Wen-Hsiung Jan, Chih-Chieh Tsai, Cong-Ling Guo, and Shu-Jun Huang, accounting for 71.43%.

2. At least 1 professional director of finance, accounting and taxation: the company has director of finance, accounting and taxation, including director Tse-Jen Huang, with 100% seats.

3. At least 1 seat longer than legal affairs director: The company has legal affairs director Chen Rui-Qi, with 100% seats.

(4) The term of office of one independent director of the company is more than nine years, the term of office of two independent director is four years, and the term of one independent directors is one year.

(5) One director is between 71 and 80 years old, two directors aged between 61 and 70 years old, and four directors aged between 41 and 60 years old.

(6) The diversity orientation, complementarity and implementation of the directors of the Company have included the standards set out in Article 20 of the Company's "Code of Corporate Governance"; Including but not limited to basic conditions and values, professional knowledge and skills, etc., to ensure that members of the board of directors should generally have the knowledge, skills and qualities necessary to perform their duties.

(7) Explanation and Measures for Not Meeting One-Third Gender Representation on the Board of Directors:

Explanation:

Although the Company values gender equality in the composition of its Board of Directors, due to the characteristics of the industry, it is challenging to identify qualified female candidates in a short period of time. Among the seven directors, only one is female; therefore, the proportion of female directors does not reach one-third.

Measures:

The Company will continue to seek talent recommendations through various channels, such as from the industry and academic institutions, in order to enhance corporate governance effectiveness and implement the policy of board diversity.

B. Independence of the Board of Directors:

(1) The Company has one director with employee status, accounting for 14.29% of all directors; and four independent directors, accounting for 57.14% of all directors.

(2) None of the directors of the company has any of the conditions specified in Items 3 and 4 of Article 26-3 of the Securities and Exchange Act, and there is no relationship between the directors of spouses or relatives within the second degree of kinship.

C. The implementation status of the diversity policy is as follows:

Diversity Items Name of Director	Nationality	Gender	Also serves as an employee of the Company	Age			Tenure of Independent Director	Finance and Accounting	Law	Leadership and Decision-Making	Industry Experience	Management
				41~60	61~70	71~80						
Chou-Chye Huang	Republic of China (ROC)	Male	✓			✓	-			✓	✓	✓
Representative of TAIWAN LAF' E CO., LTD: Wen-Hsiung Jan	Republic of China (ROC)	Male	-	✓			-			✓	✓	✓
Chih-Chieh Tsai	Republic of China (ROC)	Male	-	✓			-			✓	✓	✓
Tse-Jen Huang	Republic of China (ROC)	Male	-		✓		10 years	✓		✓		✓
Rui-Qi Chen	Republic of China (ROC)	Male	-	✓			4 years		✓	✓		✓
Cong-Ling Guo	Republic of China (ROC)	Male	-		✓		4 years			✓	✓	✓
Shu-Jun Huang	Republic of China (ROC)	Female	-	✓			1 years			✓	✓	✓

2.1.4 Management Team

April 15th, 2025/Unit: shares

Title	Country of Citizenship	Name	Gender	Effective Date	Current Shareholding		Spouse's & Minor's Shareholding		Use the Name of Others to Hold Shares		Educational Background	Positions Currently held in Other Companies (Note 5)	With Spouse or Two Parents Relationship Manager			Remarks
					Amount	Ownership	Amount	%	Amount	%			Job Title	Name	Relationship	
Chairman & CEO	Republic of China	Chou-Chye Huang	male	1990.07.09	92,737,817	15.67%	1,370,993	0.23%	-	-	M.S., Electrical Engineering, National Tsing Hua University, Taiwan	Note:1	-	-	-	Note:7
Vice President	Republic of China	Jason Lin	male	2013.11.01	146,111	0.02%	8,637	0.00%	-	-	Master, Industrial Engineering, National Chiao-Tung University, Taiwan	Note:2	-	-	-	-
Vice President	Republic of China	Adam Wang	male	2021.04.01	10,000	0.00%	-	-	-	-	Master's Degree from the Institute of Control Engineering, National Chiao Tung University	None	-	-	-	-
Assistant VP	Republic of China	Alex Chang	male	2013.07.01	0	0.00%	-	-	-	-	Master, Industrial Engineering, National Chiao-Tung University, Taiwan	Note:3	-	-	-	-
Assistant VP	Republic of China	John Wu	male	2023.08.11	5,000	0.00%	-	-	-	-	Master of Biomedical Engineering, National Cheng Kung University	Note:4	-	-	-	-
Director of Finance & Accounting Division	Republic of China	Shu-Chen Cheng	female	2013.03.01	36,067	0.01%	-	-	-	-	Bachelor, Accounting, Tunghai University, Taiwan	Note:5	-	-	-	-
Head of Corporate Governance	Republic of China	Phoebe Chen	female	2021.04.01	19,177	0.00%	-	-	-	-	Master of Accounting, National Chengchi University	Note:6	-	-	-	-

Note 1:

Chairman: Generalplus, Venturplus Group Inc., Venturplus Mauritius Inc., Venturplus Cayman Inc., Shanghai Sunplus, Sunplus Venture Capital, Lin Shih Investment, Weiyang Investment, Sunplus Management Consulting, Generalplus International (SAMOA)Inc., Sunplus Innovation Technology, Generalplus (MAURITIUS) Inc., Generalplus (Shenzhen), Sunplus Prof-tek, Sunmedia, Award Glory Ltd., Sunny Fancy Ltd., Giant Rock Inc., GlintMed, Worldplus Technology(Shen Zhen).

Chairman & President: Sunplus mMedia, Jumplux

President: Worldplus Holdings L.L.C

Director: Sinocon Industrial standards Foundation, iCatch, Zhu Ming Foundation

Executive Director: Shanghai Beyond Technology Co., Ltd., Shanghai Joyhorn Technology Co., Ltd.

Note 2 :

Director: AutoSys , AutoSys Co.,Ltd.

General Manager: Sunplus Prof-tek(Shenzhen), Worldplus Technology(Shenzhen), Sunmedia(Chengdu)

Note 3 :

AVP: Jumplux, Shanghai Sunplus, Chongqing CQPlus1 Technology.

Note 4 :

Director: eNeural Technologies, Inc., AkiraNET Company

Note 5 :

Supervisor: Jumplux, Sunplus mMedia, GlintMed Innovation

Director & President: Shanghai Sunplus

President: Shanghai Sunplus, Shanghai Beyond Technology Co., Ltd., Shanghai Joyhorn Technology Co., Ltd.

Note 6:

Head of Corporate Governance: Generalplus, Sunplus Innovation Technology
Director: Sunplus mMedia, Jumplux, Shanghai Sunplus
Supervisor: Shanghai Beyond Technology Co., Ltd., Shanghai Joyhom Technology Co., Ltd.

Note 7:

When the general manager or equivalent (the top manager) and the chairman are the same person, are relatives such as spouse or one parent, they should disclose the reasons, rationality, necessity and corresponding measures (such as increasing the number of independent directors More than half of the directors have not served as employees or managers, etc.) related information:

The chairman of the company also serves as the chief executive officer. To improve operational efficiency and decision-making execution, the company currently has the following specific measures:

1. Among the seven members of the board of directors, except for the chairman, the other six directors do not concurrently serve as employees or managers.
2. Independent directors can fully discuss and make recommendations for the board of directors in each functional committee to implement corporate governance.
3. In 2021, the re-election of directors added an independent director.

2.2 Remuneration to Directors, Presidents, and Vice Presidents

2.2.1 The remuneration of the Executive Director, General Manager, and Deputy General Manager, and the remuneration of the Director

Remuneration to Directors (Disclosure of names in accordance with aggregated salary bands)

Units: NTS, shares

Title	Name (Note 1)	Remuneration to Directors								Remuneration to Directors who hold a Concurrent Post in the Company								(A)+(B)+(C)+(D) +(E)+(F)+(G) % of Net Income (Note 10)	Receive remuneration from non-subsidiary reinvestment business or parent company (Note 11)			
		Salary (A) (Note 2)		Pension (B)		Bonus from Profit Distribution (C) (Note 3)		Allowance (D) (Note 4)		(A)+(B)+(C)+(D) % of Net Income (Note 10)		Salary, Bonus, etc. (E) (Note 5)		Pension (F)		Employee Bonus from Profit Distribution (G) (Note 6)						
		Sunplus	Consolidated Subsidiaries (Note 7)	Sunplus	Consolidated Subsidiaries (Note 7)	Sunplus	Consolidated Subsidiaries (Note 7)	Sunplus	Consolidated Subsidiaries (Note 7)	Sunplus	Consolidated Subsidiaries (Note 7)	Sunplus	Consolidated Subsidiaries (Note 7)	Sunplus	Consolidated Subsidiaries (Note 7)	Cash Bonus	Stock Bonus			Cash Bonus	Stock Bonus	Sunplus
Chairman	Chou-Chye Huang	0	0	0	0	0	0	165,000	165,000	165,000/-0.08	165,000/-0.08	5,494,400	5,494,400	91,992	91,992	0	0	0	0	5,751,392/-2.67	5,751,392/-2.67	360,000
Director	TAIWAN LAF' E	0	0	0	0	0	0	120,000	120,000	120,000/-0.06	120,000/-0.06	0	0	0	0	0	0	0	0	120,000/-0.06	120,000/-0.06	None
	Wen-Hsiung Jan Representative of Legal Entity	0	0	0	0	0	0	35,000	35,000	35,000/-0.02	35,000/-0.02	0	0	0	0	0	0	0	0	35,000/-0.02	35,000/-0.02	430,000
Director	Chih-Chieh Tsai	0	0	0	0	0	0	565,000	565,000	565,000/-0.26	565,000/-0.26	0	0	0	0	0	0	0	0	565,000/-0.26	565,000/-0.26	None
Independent Director	Tse-Jen Huang	0	0	0	0	0	0	441,000	441,000	441,000/-0.20	441,000/-0.20	0	0	0	0	0	0	0	0	441,000/-0.20	441,000/-0.20	None
Independent Director	Rui-qi Chen	0	0	0	0	0	0	441,000	441,000	441,000/-0.20	441,000/-0.20	0	0	0	0	0	0	0	0	441,000/-0.20	441,000/-0.20	None
Independent Director	Cong-ling Guo	0	0	0	0	0	0	441,000	441,000	441,000/-0.20	441,000/-0.20	0	0	0	0	0	0	0	0	441,000/-0.20	441,000/-0.20	None
Independent Director	Shu-Jun Huang	0	0	0	0	0	0	438,000	438,000	438,000/-0.20	438,000/-0.20	0	0	0	0	0	0	0	0	438,000/-0.20	438,000/-0.20	None

1. Please state the policy, system, standards and structure of independent directors' remuneration payment, and describe the relevance to the amount of remuneration according to the responsibilities, risks, time invested, etc.
According to one of Article 18 of the company's articles of association, "when the directors of the company perform the duties of the company, the company may pay remuneration regardless of the company's business profits and losses. The remuneration is authorized by the board of directors to negotiate with the industry's usual level. Remuneration is distributed in accordance with the provisions of Article 29 of this Constitution."

To measure the company's current operating scale and to consider the company's current operating conditions, the company's policies and regulations for the payment of independent directors' remuneration have a positive relationship with operating performance and future risks assumed. The payment of the sole director's remuneration shall be reported to the board of directors for resolution after the approval of the remuneration committee.

2. In addition to the disclosures in the above table, the directors of the company in the most recent year have received remuneration for providing services to all companies in the financial report (such as serving as consultants for non-employees): none.

Remuneration Band

Remuneration to Directors	Names of Directors			
	The total amount of the first four remuneration (A)+(B)+(C)+(D)		The total amount of the first seven remuneration (A)+(B)+(C)+(D)+(E)+(F)+(G)	
	Sunplus (Note 8)	Consolidated Subsidiaries (Note 9) H	Sunplus (Note 8)	All companies in the financial report (I) (Note 9)
Under NT\$1,000,000	Chou-Chye Huang, TAIWAN LAF' E, Representative of TAIWAN LAF' E Wen-Hsiung Jan, Chih-Chieh Tsai, Tse-Jen Huang, Rui-Qi Chen, , Cong-Ling Guo, Shu-Jun Huang	Chou-Chye Huang, TAIWAN LAF' E, Representative of TAIWAN LAF' E Wen-Hsiung Jan, Chih-Chieh Tsai, Tse-Jen Huang, Rui-Qi Chen, , Cong-Ling Guo, Shu-Jun Huang	TAIWAN LAF' E, Representative of TAIWAN LAF' E Wen-Hsiung Jan, Chih-Chieh Tsai, Tse-Jen Huang, Rui-Qi Chen, , Cong-Ling Guo, Shu-Jun Huang	TAIWAN LAF' E, Representative of TAIWAN LAF' E Wen-Hsiung Jan, Chih-Chieh Tsai, Tse-Jen Huang, Rui-Qi Chen, , Cong-Ling Guo, Shu-Jun Huang
NT\$1,000,000~NT\$2,000,000 (Not included)				
NT\$2,000,000~NT\$3,500,000 (Not included)				
NT\$3,500,000~NT\$5,000,000 (Not included)				
NT\$5,000,000~NT\$10,000,000 (Not included)			Chou-Chye Huang	Chou-Chye Huang
NT\$10,000,000~NT\$15,000,000 (Not included)				
NT\$15,000,000~NT\$30,000,000 (Not included)				
NT\$30,000,000~NT\$50,000,000 (Not included)				
NT\$50,000,000~NT\$100,000,000 (Not included)				
More than 100,000,000				
Total	8	8	8	8

Note 1: The names of directors should be listed separately (legal shareholders should separately list the names and representatives of legal shareholders), and the general directors and independent directors should be listed separately, and the amount of each payment should be disclosed in a summary manner.

If the director also serves as the general manager or deputy general manager, this table and the following table (3-1), or the following tables (3-2-1) and (3-2-2).

Note 2: It indicates the remuneration to directors (including salary, allowance, pension, bonus, rewards, and etc.) in the most recent fiscal year.

Note 3: It indicates the remuneration to directors from profit distribution in the most recent fiscal year according to the proposal submitted by BOD to shareholders' meeting for approval.

Note 4: It indicates the expenses generated from directors' business (including transportation fees, social activity fees, allowances, dormitories, company cars, and etc.) in the most recent fiscal year. If the Company provides a house, car/other transportation, or other allowances to directors, the relevant payments, calculated at actual cost or fair value, shall be disclosed. The remuneration paid to the company drivers shall be disclosed but not included in the remuneration to directors.

Note 5: It indicates the salaries, allowances, pensions, severance pay, bonuses, rewards, transportation fees, social activity fees, dormitories, cars, and etc., to directors who hold concurrently posts in the Company (including presidents, vice presidents, managers, or other employees). If the Company provides a house, car/other transportation, or other allowances to directors, the relevant payments, calculated at actual cost or fair value, shall be disclosed. The remuneration paid to the company drivers shall be disclosed but not included in the remuneration to directors.

And the salary fee recognized by IFRS 2 "Share Fundamental Contribution", including obtaining employee stock vouchers, restrictions on employee rights of new shares and participation in cash replenishment of shares and so on, should also be included in the remuneration.

The company's Chairman Huang and the chief executive officer are equipped with official car, and are provided with drivers to pay the relevant remuneration of NT\$624,000.

Note 6: It indicates the employee bonuses (including cash and stock) paid to directors who hold concurrently posts in the Company (including presidents, vice presidents, managers, or other employees). The amount of employee bonus according to the proposal of profit distribution submitted by BOD to shareholders' meeting for approval in the most recent fiscal year shall be disclosed. If there is no such proposal yet, the stock bonus may be calculated according to the stock bonus last year, and annex1-3 shall be filled in.

Note 7: The total amount remuneration paid to the Company's directors by all the companies in the consolidated financial statements (including Sunplus) shall be disclosed.

Note 8: The company pays each director the total amount of remuneration, and the name of the director is disclosed in the attributable grade

Note 9: The total amount of remuneration paid to each director of the company by all companies (including the company) in the consolidated report should be disclosed, and the name of the director should be disclosed in the attribution level

Note 10: Net profit after tax refers to net profit after tax in the most recent individual or respective financial report.

Note 11: a. This column should clearly list the amount of remuneration received by the company's directors from reinvested businesses other than subsidiaries or the parent company (if not, please fill in "none").

b. If the directors of the company receive remuneration from a subsidiary's reinvestment business or parent company, the remuneration received by the company's directors from a subsidiary's reinvestment business or parent company shall be included in column I of the remuneration scale and The field name is changed to "Parent company and all reinvestment businesses".

c. Remuneration refers to the remuneration, remuneration (including remuneration of employees, directors and supervisors) and business execution fees received by the directors of the company as directors, supervisors or managers of non-subsidiary investment companies or parent companies.

※The remuneration disclosed here shall not be applied for taxation purpose because those are calculated on a different basis.

Remuneration to Management Team

Remuneration to Presidents and Vice Presidents(Individual disclosure of names and compensation methods)

Unit: NT\$, shares

Title	Name (Note 1)	Salary (A) (Note 2)		Pension (B)		Reward, Allowance, etc. (C) (Note 3)		Bonus from Profit Distribution (D) (Note 4)				(A)+(B)+(C) +(D) % on Net Income (Note 8)		Receive remuneration from non-subsiary reinvestment business (Note 9)
		Sunplus	Consolidated Subsidiaries (Note 5)	Sunplus	Consolidated Subsidiaries (Note 5)	Sunplus	Consolidated Subsidiaries (Note 5)	Sunplus		Consolidated Subsidiaries (Note 5)		Sunplus	Consolidated Subsidiaries (Note 5)	
								Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
CEO	Chou-Chye Huang	4,578,600	4,578,600	91,992	91,992	915,800	915,800	0	0	0	0	5,586,392/ -2.59	5,586,392/ -2.59	360,000
VP	Jason Lin	2,746,400	2,746,400	163,248	163,248	592,000	592,000	0	0	0	0	3,501,648/ -1.62	3,501,648/ -1.62	None
VP	Adam Wang	2,494,400	2,494,400	108,000	108,000	441,000	441,000	0	0	0	0	3,043,400/ -1.41	3,043,400/ -1.41	None

* Regardless of title, where the job is equivalent to the general manager, deputy general manager (such as: president, chief executive, director ... etc.), should be exposed.

Remuneration Band

Remuneration to Management	Names of Presidents and Vice Presidents	
	Sunplus (Note 6)	All companies in the financial report (Note 7)
Under NT\$1,000,000		
NT\$1,000,000~NT\$2,000,000		
NT\$2,000,000~NT\$3,500,000	Adam Wang	Adam Wang
NT\$3,500,000~NT\$5,000,000	Jason Lin	Jason Lin
NT\$5,000,000~NT\$10,000,000	Chou-Chye Huang	Chou-Chye Huang
NT\$10,000,000~NT\$15,000,000		
NT\$15,000,000~NT\$30,000,000		
NT\$30,000,000~NT\$50,000,000		
NT\$50,000,000~NT\$100,000,000		
More than NT\$100,000,000		
Total	3	3

Note 1: Names of presidents and vice presidents shall be disclosed separately, and the remuneration shall be disclosed in total amount. If the director concurrently serves as the general manager or deputy general manager, this table and the above table (1-1), or (1-2-1) and (1-2-2).

Note 2: It indicates the remuneration to presidents and vice presidents, including salary, allowance, pension, and severance pay) in the most recent fiscal year.

Note 3: It indicates the bonuses, rewards, transportation fees, social activity fees, dormitories, cars, and etc., to presidents and vice presidents. If the Company provides a house, car/other transportation, or other allowances to presidents and vice presidents, the relevant payments, calculated at actual cost or fair value, shall be disclosed. The remuneration paid to the company drivers shall be disclosed but not included in the remuneration to directors. And the salary fee recognized by IFRS 2 "Share Fundamental Contribution", including obtaining employee stock vouchers, restrictions on employee rights of new shares and participation in cash replenishment of shares and so on, should also be included in the remuneration.

Chairman Huang and concurrently the CEO of the company is equipped with an official car and a driver to pay the relevant remuneration of NT\$756,000.

Note 4: It is to fill in the amount of employee compensation (including stocks and cash) approved by the board of directors for the distribution of the general manager and deputy general manager in the most recent year. And should also fill in table 1-3.

Note 5: The total amount remuneration paid to the Company's presidents and vice presidents by all the companies in the consolidated financial statements (including Sunplus) shall be disclosed.

Note 6: It indicates the numbers of presidents and vice presidents classified by the amount of their remuneration paid by Sunplus. If the Company is willing to disclose the names of presidents and vice presidents in each classification, the title of column shall be changed to "Names of Presidents and Vice Presidents".

Note 7: It indicates the numbers of presidents and vice presidents classified by the amount of their remuneration paid by all the companies in the consolidated financial statements (including Sunplus). If the Company is willing to disclose the names of presidents and vice presidents in each classification, the title of column shall be changed to "Names of Presidents and Vice Presidents".

Note 8: Net profit after tax refers to net profit after tax in the most recent individual or respective financial report.

Note 9: a. This column should clearly list the amount of remuneration received by the general manager and deputy general manager of the company from the investment company outside the subsidiary or the parent company (if not, please fill in "none").

b. If the general manager and deputy general manager of the company receive relevant remuneration from a subsidiary's out-of-investment business or parent company, the remuneration received by the general manager and deputy general manager of the company's out-of-subsidary investment business or parent company shall be incorporated into Remuneration level from column E of the table and change the name of the column to "Parent company and all reinvested businesses".

c. Remuneration refers to the remuneration, remuneration (including employees, directors and supervisors) and business execution received by the general manager and deputy general manager of the company as directors, supervisors or managers of non-subsidary companies or parent companies Fees and related remuneration.

※The remuneration disclosed here shall not be applied for taxation purpose because those are calculated on a different basis.

2.2.2 The remuneration of the top five highest-paid executives in listed and OTC companies (Note 1)

(Individual Disclosure of Names and Compensation Method) (Note: 1)

Title	Name (Note 1)	Salary (A) (Note 2)		Pension (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee remuneration amount (D) (Note 4)				(A)+(B)+(C)+(D) %of Net Income (Note 6)		Receive remuneration from non-subsidiary reinvestment business (Note 7)
		Sunplus	Consolidated Subsidiaries (Note 5)	Sunplus	Consolidated Subsidiaries (Note 5)	Sunplus	Consolidated Subsidiaries (Note 5)	Sunplus		Consolidated Subsidiaries (Note 5)		Sunplus	Consolidated Subsidiaries (Note 5)	
								Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
CEO	Chou-Chye Huang	4,578,600	4,578,600	91,992	91,992	915,800	915,800	0	0	0	0	5,586,392/ -2.59	5,586,392/ -2.59	360,000
VP	Jason Lin	2,726,400	2,726,400	163,248	163,248	592,000	592,000	0	0	0	0	3,501,648/ -1.62	3,501,648/ -1.62	None
VP	Adam Wang	2,494,400	2,494,400	108,000	108,000	441,000	441,000	0	0	0	0	3,043,400/ -1.41	3,043,400/ -1.41	None
Assistant VP	John Wu	2,297,066	2,297,066	156,288	156,288	520,000	520,000	0	0	0	0	2,973,354/ -1.38	2,973,354/ -1.38	None
Assistant VP	Alex Chang	2,372,000	2,372,000	108,000	108,000	414,000	414,000	0	0	0	0	2,894,000/ -1.34	2,894,000/ -1.34	None

Note 1: The term "top five highest remuneration executives" refer to company managers, and the identification standards for relevant managers are based on the former Ministry of Finance Securities and Futures Management Commission Taiwan Finance Certificate No. 0920001301 on March 27, 1992. The letter order stipulates the scope of application of "managers". As for the calculation and recognition principle of "the top five with the highest remuneration", it is based on the total amount of salary, retirement pension, bonus and special expenses received by the company managers from all companies in the consolidated financial report, as well as the amount of employee remuneration (i.e. A +B+C+D (the total of the four items), and then the top five with the highest remuneration will be selected. If a director concurrently serves as a former supervisor, he should fill in this form and the above form (1-1).

Note 2: The salaries, job allowances, and severance payments of the top five highest-paid executives for the most recent fiscal year should be reported.

Note 3: The various bonuses, incentive payments, travel allowances, special allowances, various subsidies, dormitories, assigned vehicles, and other in-kind benefits and remuneration amounts of the top five highest-paid executives for the most recent fiscal year should be reported. If housing, cars, other transportation, or personal expenses are provided, the nature and cost of the assets, the actual or fair market rental value, fuel expenses, and other payments should be disclosed. Additionally, if a driver is assigned, please note the related compensation paid by the company to the driver, although this should not be included in the remuneration total. Furthermore, the salary expenses recognized under IFRS 2 "Share-based Payment," including employee stock options, restricted stocks, and shares purchased through cash capital increase, should also be included in the remuneration.

The company's Chairman Huang, who also concurrently serves as the CEO, is provided with a company car and a driver, with related compensation amounting to 756,000 TWD.

Note 4: The amount of employee remuneration (including stock and cash) allocated to the top five highest-paid executives for the most recent fiscal year, as approved by the Board of Directors, should be reported. If it is not possible to estimate this amount, the proposed allocation for this year should be calculated based on the proportion of last year's actual allocation. Additionally, Form 1-3 should also be completed.

Note 5: The total remuneration paid to the company's top five highest-paid executives by all entities within the consolidated report (including the company itself) should be disclosed.

Note 6: Net profit after tax refers to the net profit after tax for the most recent fiscal year as reported in the individual or separate financial statements.

Note 7: a. This column should clearly state the amount of remuneration received by the top five highest-paid executives of the company from affiliated companies other than subsidiaries or the parent company (if none, please state "N/A").

b. Remuneration refers to the compensation, remuneration (including employee, director, and supervisor remuneration), and related expenses received by the top five highest-paid executives of the company in their capacity as directors, supervisors, or managers of affiliated companies other than subsidiaries or the parent company.

※The remuneration disclosed here shall not be applied for taxation purpose because those are calculated on a different basis.

Employee compensation Granted to Management Team

April 17th, 2026

Title	Name	Shares Bonus	Cash Bonus	Sum up	% on Net Income
Chairman & CEO	Chou-Chye Huang				
Vice President	Jason Lin				
Vice President	Adam Wang				
Assistant VP	Alex Chang				
Assistant VP	John Wu				
Director of Finance & Accounting Division	Shu-Chen Cheng				
Head of Corporate Governance	Phoebe Chen				

2.2.3 Analysis for remuneration paid by all the companies in the consolidated financial statements (including Sunplus) to directors, presidents and vice presidents as % net income in the most recent two years. Also, the relevant policy, standards and procedures, and the relation between remuneration and performance shall be stated.

1. Analysis of the ratio of the remuneration paid by Sunplus and all companies in the financial statements to the company's directors, president and vice president in the net profit (loss) after tax in the last two years:

Unit: NT\$K

Remuneration	2023		2024	
	Amount	% of Net income(Loss)	Amount	% of Net income (Loss)
Director				
President and Vice president	14,587	5.63%	14,777	-6.86%

2. Remuneration policies, standards and combinations, procedures for determining remuneration, and their relevance to business performance and future risks:

The company pays directors' remuneration in accordance with the company's articles of association and taking into account the usual standards of the industry. The remuneration policy of the management team is based on the salary level of the job equivalent to the same industry market, plus the achievement rate of the company's operation and individual performance in each field of responsibility, and give reasonable remuneration.

According to the articles of association of the company, if the company makes a profit in the current year, it shall allocate no less than 1% for employee compensation (No less than 10% of the employees' compensation amount specified herein shall be allocated to non-management employees) and no more than 1.5% for director compensation. However, when the company still has accumulated losses (including adjustments to the amount of undistributed surplus), it shall reserve the amount of compensation in advance.

All directors of the company receive a fixed remuneration, and each time they attend the meeting, they also receive the carriage fee. In addition, the proportion of directors' remuneration distribution is weighted based on the results of evaluation projects such as the mastery of the company's goals and tasks, the degree of participation in the company's operations, internal relationship management and communication, and the director's professional and continuous education, and the weighted results are assigned. The salary and remuneration of the company's managers not only refer to the usual level of payment in the industry, but also consider the evaluation items of professional seniority, work performance, goal achievement, and major contributions. Important evaluation items of work performance include: the practice of the company's core values, financial and operational indicators Management (such as product revenue, gross profit, delivery and R&D schedule), implementation of corporate social responsibility, and other special contributions, or major events, etc., after comprehensive considerations, and reasonable remuneration.

2.3 Corporate Governance Implementation

2.3.1 Information on the Operation of the Board of Directors

In 2025, the 13th Board of Directors held 9 meetings(A). The attendance of directors is as follows:

Title	Name (Note 1)	Attendance in Person (B)	By Proxy	Attendance Rate B/A (%) (Note 2)	Remarks
Chairman	Chou-Chye Huang	9	0	100	
Director	TAIWAN LAF' E Representative: Wen-Hsiung Jan	7	2	78	
Director	Chih-Chieh Tsai	9	0	100	
Independent Director	Tse-Jen Huang	9	0	100	
Independent Director	Rui-Qi Chen	9	0	100	
Independent Director	Cong-Ling Guo	9	0	100	
Independent Director	Shu-Jun Huang	9	0	100	

- If the operation of the board of directors falls under any of the following circumstances, the date of the board of directors, the period, the content of the proposals, the opinions of all independent directors and the company's handling of the opinions of the independent directors shall be stated:
 - Matters listed in Article 14-3 of the Securities and Exchange Act—The company has established an audit committee, and Article 14-3 does not apply. For the explanation of the matters listed in Article 14-5 of the Securities Exchange Act, please refer to the Operations of the Audit Committee (pages 18 to 21 of this annual report).
 - Except for the previously mentioned matters, other matters resolved by the board of directors with objections or reservations from independent directors and with records or written statements - none.
- The implementation of the director's recusal of the proposal of interest shall state the name of the director, the content of the proposal, the reason for the recusal of interest, and the circumstances of participation in voting:
 - On January 13, 2025, the Board of Directors discussed the “Proposal on the Distribution of Year-End Bonuses for Managers for Fiscal Year 2024”:
During the voting on this proposal, attending executives were required to recuse themselves in accordance with applicable laws. Chairman and Chief Executive Officer Mr. Huang did not participate in the year-end bonus distribution and was therefore not subject to conflict-of-interest recusal. After the Chair inquired all attending directors, the proposal was approved without objection.
 - On January 13, 2025, the Board of Directors discussed the “Proposal on Directors’ Compensation of the Company”:
As Director Mr. Tsai Chih-Chieh had a personal interest in this matter, he recused himself from discussion and voting in accordance with the law. Excluding the director who abstained due to conflict of interest, the proposal was approved without objection after the Chair inquired all other attending directors.
 - On February 12, 2025, the Board of Directors discussed the “Proposal on Disposal of Long-term Investments of the Company”:
As Chairman Mr. Huang Chou-Chieh and Director Mr. Chan Wen-Hsiung had personal interests in this matter, they recused themselves from discussion and voting in accordance with the law. The Chair appointed Independent Director Mr. Huang Tse-Jen as acting chairperson. The proposal was approved without objection after the acting chairperson inquired all other attending directors.
 - On March 12, 2025, the Board of Directors discussed the “Proposal on Lifting Non-competition Restrictions on Directors and Their Representatives of the Company”:
As Chairman Mr. Huang Chou-Chieh had a personal interest in this matter, he recused himself from discussion and voting in accordance with the law. The Chair appointed Independent Director Mr. Huang Tse-Jen as acting chairperson. The proposal was approved without objection after the acting chairperson inquired all other attending directors.
 - On March 12, 2025, the Board of Directors discussed the “Proposal on Disposal of Long-term Investments of the Company”:
As Chairman Mr. Huang Chou-Chieh and Director Mr. Chan Wen-Hsiung had personal interests in this matter, they recused themselves from discussion and voting in accordance with the law. The proposal was approved without objection after the acting chairperson inquired all other attending directors.
 - On March 20, 2025, the Board of Directors discussed the “Proposal on Disposal of Long-term Investments of the

Company”:

As Chairman Mr. Huang Chou-Chieh and Director Mr. Chan Wen-Hsiung had personal interests in this matter, they recused themselves from discussion and voting in accordance with the law. The proposal was approved without objection after the acting chairperson inquired all other attending directors.

(7) On May 14, 2025, the Board of Directors discussed the “Proposal on Disposal of Long-term Investments of the Company”:

As Chairman Mr. Huang Chou-Chieh and Director Mr. Chan Wen-Hsiung had personal interests in this matter, they recused themselves from discussion and voting in accordance with the law. The proposal was approved without objection after the acting chairperson inquired all other attending directors.

(8) On August 11, 2025, the Board of Directors discussed the “Proposal on Company-wide Salary Adjustment and Performance-based Salary Adjustment for Managers for Fiscal Year 2025”:

During the voting on this proposal, attending executives were required to recuse themselves in accordance with applicable laws. Chairman and Chief Executive Officer Mr. Huang did not participate in the salary adjustment and was therefore not subject to conflict-of-interest recusal. After the Chair inquired all attending directors, the proposal was approved without objection.

3. Listed companies are required to disclose information about the self-assessment (or peer assessment) of the board of directors, including the evaluation cycle and period, scope, method, and content of the assessment, and to fill in the implementation status of the board evaluation.

Our company revised the 'Board Performance Evaluation Method' at the board meeting held on January 19, 2022. The results of the board and functional committee performance evaluations for the year 2025 were reported at the board meeting held on March 13, 2026. Implementation status of the board evaluation:

Evaluation cycle	During evaluation	Assessment scope	Evaluation method	Evaluation content
Conducted annually	2025/01/01 ~ 2025/12/31	Board of Directors	Board Self-Assessment	Board Performance Evaluation: 1. Involvement in company operations. 2. Enhancing the quality of board decision-making. 3. Composition and structure of the board. 4. Selection and ongoing education of directors. 5. Internal control.
Conducted annually	2025/01/01 ~ 2025/12/31	Individual Directors	Self-Assessment of Board Members	Individual Director Performance Evaluation: 1. Understanding of company goals and objectives. 2. Awareness of director responsibilities. 3. Involvement in company operations. 4. Management of internal relationships and communication. 5. Director's professionalism and ongoing education. 6. Internal controls.
Conducted annually	2025/01/01 ~ 2025/12/31	Audit Committee	Self-Assessment of Board Members	Audit Committee Performance Evaluation: 1. Involvement in company operation. 2. Awareness of committee responsibilities. 3. Enhancement of committee decision-making quality. 4. Composition of the committee and member selection. 5. Internal controls.
Conducted annually	2025/01/01 ~ 2025/12/31	Compensation Committee	Self-Assessment of Board Members	Compensation Committee Performance Evaluation: 1. Involvement in company operations. 2. Awareness of committee responsibilities. 3. Enhancement of committee decision-making quality. 4. Composition of the committee and member selection. 5. Internal controls.

4. The objectives of strengthening the functions of the board of directors in the current year and the most recent year

(for example, the establishment of an audit committee, the enhancement of information transparency, etc.) and the assessment of implementation status

The company has set up functional committees such as auditing and remuneration to review relevant proposals in accordance with its powers and submit them to the board of directors for resolution to improve its supervisory functions and strengthen management functions. Board members continue to participate in refresher courses related to corporate governance topics, enrich new knowledge and enhance communication to continuously enhance board functions.

Note 1: The name of a legal entity shareholder and its representative shall be disclosed.

Note 2: (a) If a director or supervisor being relieved of office before year end, it shall be notified as a remark. The actual rate of attendance shall be calculated according to the meetings held when he/she is at the post.

(b) If there is a re-election before year-end, the new directors and supervisors along with the original ones shall be disclosed, and the date of directors and supervisors being elected shall be stated. The actual rate of attendance shall be calculated according to the meetings held when they are at posts.

2.3.2 Audit Committee

In 2025, the 4rd Audit Committee held 9 times(A). The attendance of the Audit Committee is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate B/A (%) (Note)	Remarks
Independent director	Tse-Jen Huang	9	0	100	
Independent director	Rui-Qi Chen	9	0	100	
Independent director	Cong-Ling Guo	9	0	100	
Independent director	Shu-Jun Huang	9	0	100	
Other matters to be recorded:					
1. If the operation of the audit committee falls under any of the following circumstances, the meeting date of the audit committee, the period, the content of the proposals, the independent directors' objections, reservations or major recommendations, the results of the audit committee's resolutions, and the company's response to the audit committee shall be stated. Handling of comments.					
(1) The matters listed in Article 14-5 of the Securities and Exchange Act.					
(2) Except for the previously mentioned matters, other matters that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors.					
The Audit Committee	The contents of the motion and follow-up		The matters listed in Article 14.5 of the Securities Exchange Act (Note 1、2)		unapproved by the Audit Committee, and more than two-thirds of all directors agreed to the matter
The 5th Meeting of the 4th Audit Committee – February 12, 2025	1. Report on the Execution of the Audit Plan for the Fourth Quarter of 2024 and Fiscal Year 2024.		v		None
	Results of the resolution of the Audit Committee: All members of the Audit Committee agreed to pass.				
	The company's handling of the opinions of the audit committee: all directors present agreed to approve it.				
"The 6th Meeting of the 4th Audit Committee – March 12, 2025	1. Proposal on the Report of Internal Control Self-Assessment Results and the Statement on Internal Control System for Fiscal Year 2024		v		None
	2. Proposal on the Report of Budget Execution for the Fourth Quarter of 2024 and the Financial Statements for Fiscal Year 2024.		v		None
	3. Proposal on the Consolidated Financial Statements for Fiscal Year 2024.		v		None

	4. Proposal on the Release of Non-competition Restrictions on Directors and Their Representatives of the Company.	v	None
	Results of the resolution of the Audit Committee: All members of the Audit Committee agreed to pass.		
	The company's handling of the opinions of the audit committee: all directors present agreed to approve it.		
The 9th Meeting of the 4th Audit Committee – May 14, 2025	1. Proposal on the Report of Budget Execution for the First Quarter of 2025 and the Consolidated Financial Statements.	v	None
	Results of the resolution of the Audit Committee: All members of the Audit Committee agreed to pass.		
	The company's handling of the opinions of the audit committee: all directors present agreed to approve it.		
The 10th Meeting of the 4th Audit Committee – August 11, 2025	1. Proposal on the Report of Budget Execution for the Second Quarter of 2025 and the Consolidated Financial Statements.	v	None
	Results of the resolution of the Audit Committee: All members of the Audit Committee agreed to pass.		
	The company's handling of the opinions of the audit committee: all directors present agreed to approve it.		
The 12th Meeting of the 4th Audit Committee – November 10, 2025	1. Proposal on the Internal Reassignment and Change of Engagement Partner of Deloitte & Touche.	v	None
	2. Proposal on the Report of Budget Execution for the Third Quarter of 2025 and the Consolidated Financial Statements		
	3. Proposal on the Amendment to the Company's Procedures for Acquisition or Disposal of Assets		
	4. Proposal on the Amendments to the Company's Internal Control System and Detailed Rules for Internal Audit Implementation		
	Results of the resolution of the Audit Committee: All members of the Audit Committee agreed to pass.		
	The company's handling of the opinions of the audit committee: all directors present agreed to approve it.		
The 13th Meeting of the 4th Audit Committee – December 25, 2024	1. Proposal for the Discussion of the Appointment of the Auditor and Independence Assessment for the 2025 Fiscal Year.	v	None
	Results of the resolution of the Audit Committee: All members of the Audit Committee agreed to pass.		
	The company's handling of the opinions of the audit committee: all directors present agreed to approve it.		

2. The implementation of the independent director's recusal of the interest-related proposal shall state the name of the independent director, the content of the proposal, the reason for the recusal of interest, and the circumstances of participating in voting: none.

3. Communication between independent directors, internal audit supervisors and accountants:

(1) Communication Policy between Independent Directors, the Chief Internal Auditor, and CPAs:

The independent directors shall hold regular communication meetings with the chief internal auditor and the certified public accountants at least once every quarter. The certified public accountants shall report on the audit or review results of the quarterly financial statements, while the chief internal auditor shall report on the execution of the Company's internal audit activities and the operation of the internal control system. Meetings may be convened

at any time in the event of any material irregularities.

(2) Summary of Communications between Independent Directors, the Chief Internal Auditor, and CPAs in 2025:

Date	Attendees	Key Communication Points	Communication Results
<p>March 12, 2025 Communication Meeting between Independent Directors, the CPAs, and the Chief Internal Auditor</p>	<p>Independent Director: Tse-Jen Huang Independent Director: Rui-Qi Chen Independent Director: Cong-Ling Guo Independent Director: Shu-Jun Huang Chief Internal Auditor: Pan Yu-Fen Certified Public Accountant (CPA): Yeh Tung-Hui</p>	<p>CPA Report: Audit results of the financial statements for Fiscal Year 2024. Internal Audit Office Report: 1. Report on the implementation status of the internal control self-assessment. 2. Proposal on the Internal Control Self-Assessment Results Report and the Internal Control System Statement for Fiscal Year 2024.</p>	<p>No objection</p>
<p>May 14, 2025 Communication Meeting between Independent Directors, the CPAs, and the Chief Internal Auditor</p>	<p>Independent Director: Tse-Jen Huang Independent Director: Rui-Qi Chen Independent Director: Cong-Ling Guo Independent Director: Shu-Jun Huang Chief Internal Auditor: Pan Yu-Fen Certified Public Accountant (CPA): Yeh Tung-Hui</p>	<p>CPA Report: Review results of the financial report for the First Quarter of 2025. Internal Audit Office Report: Report on the implementation status of internal audit activities for the First Quarter of 2025.</p>	<p>No objection</p>
<p>August 11, 2025 Communication Meeting between Independent Directors, the CPAs, and the Chief Internal Auditor</p>	<p>Independent Director: Tse-Jen Huang Independent Director: Rui-Qi Chen Independent Director: Cong-Ling Guo Independent Director: Shu-Jun Huang Chief Internal Auditor: Pan Yu-Fen Certified Public Accountant (CPA): Yeh Tung-Hui</p>	<p>CPA Report: Review results of the financial report for the Second Quarter of 2025. Internal Audit Office Report: Report on the implementation status of internal audit activities for the Second Quarter of 2025.</p>	<p>No objection</p>
<p>November 10, 2025 Communication Meeting between Independent Directors and the CPAs</p>	<p>Independent Director: Tse-Jen Huang Independent Director: Rui-Qi Chen Independent Director: Cong-Ling Guo Independent Director: Shu-Jun Huang Certified Public Accountant (CPA): Yeh Tung-Hui</p>	<p>CPA Report: Review results of the financial report for the Third Quarter of 2025.</p>	<p>No objection</p>

Note 1 : If an independent director resigns before the end of the year, the resignation date should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of audit committee meetings and the actual number of attendances during his tenure.

Note 2 : Before the end of the year, if an independent director is reelected, the new and old independent directors should be filled in, and the remarks column indicates that the independent director is old, new or re-elected and the date of re-election. The actual attendance rate (%) is calculated based on the number of audit committee meetings

during his tenure and his actual number of attendance.

Work focus of the audit committee:

The main functions of the audit committee of the company are to assist the board of directors in supervising the company's implementation of relevant accounting, auditing, financial reporting procedures and financial control. The matters reviewed by the Audit Committee of the Company in 2024 mainly include:

1. Appropriate expression of the company's financial statements.
2. Appointment and independence assessment of certified accountants.
3. Effective implementation of the company's internal control.
4. The company complies with relevant laws and regulations

Review financial reports

The board of directors prepared the company's 2024 business report, financial statements and Proposal for Loss Compensation, among which the financial statements were checked by Deloitte Certified Public Accountants, and a check report was issued. The above-mentioned business report, financial statement and surplus distribution proposal have been checked by the Audit Committee and found that there is no discrepancy.

Assess the effectiveness of the internal control system

The audit committee evaluated the effectiveness of the company's internal control policies and procedures, and believed that the company's risk management and control system was effective, and the company had adopted the necessary control mechanisms to supervise it.

Appoint a chartered accountant

To ensure the independence of the certified public accounting firm, the Company's Audit Committee has established an independence assessment form in accordance with Article 47 of the Certified Public Accountant Act and Statement of Auditing Standards No. 10 issued by the Accounting Research and Development Foundation. The assessment is used to evaluate whether the signing auditors are related parties of the Company, whether there exist any business or financial interest relationships between the auditors and the Company, and other relevant matters. In addition, pursuant to Article 29 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, the Audit Committee also takes Audit Quality Indicators (AQIs) into consideration when assessing the independence and competence of the auditors.

On December 24, 2025, the 13th Meeting of the 4th Audit Committee and the 15th Meeting of the 13th Board of Directors resolved that Certified Public Accountants Chen Ming-Hui and Fang Su-Li of Deloitte & Touche meet the requirements of independence and competence assessment.

2.3.3 Corporate Governance Implementation as Required by Taiwan Financial Supervisory Commission

Item	Implementation Status (Note 1)			Difference to "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies"
	Y	N	Summary	
1. Formulation of its own corporate governance principles	V		Sunplus and its subsidiaries Generalplus & Sunplus Innovation for the establishment of a good corporate governance system, participate in the "Code of Practice for Corporate Governance of Listed OTC", Code of Corporate Governance Practices, and disclosed on the public information observatory and company website. The rest of the subsidiaries has not formulated the related principles, however all of our rules and procedures are based on laws and regulations stipulated by authorities in charge.	No major Difference
2. Shareholding Structure and Shareholders' Rights	V		(1) The company and its subsidiaries, Generalplus Technology and Sunplus Innovation Technology, in addition to appointing professional stock agencies to handle related businesses, have set up a complete spokesperson system to properly handle shareholder suggestions and dispute-related matters. Subsidiaries that have not been issued publicly have stock-related specialists to properly handle shareholder suggestions, doubts and disputes.	No major Difference
1) The way handling shareholders' suggestions or disputes			(2) The Company and its subsidiaries Generalplus, and Sunplus Innovation use stock agency to grasp and understand the structure of major shareholders, and regularly declare the directors and managers of equity changes, to master the ultimate controlling shareholder of the major shareholders and major shareholders. Other subsidiaries shares regularly view the register of members at the end of each month, to master the ultimate controlling shareholder of the major shareholders and major shareholders.	No major Difference
2) The Company's possession of major shareholders list and the list of ultimate owners of these major shareholders	V		(3) 1. The company and Generalplus Technology have established "Investment Monitoring and Management Measures" to implement supervision of subsidiaries.	No major Difference
3) Risk management mechanism and fire wall between the Company and its affiliates	V		2. The company and Sunplus Innovation have established "Measures for Dealing with Related Persons", and Generalplus Technology has set up "Measures for Dealing with Group Enterprises and Related Persons". The remaining subsidiaries also have various management measures, which have clear regulations on transactions with related companies to achieve risk control and firewall mechanisms.	No major Difference
4) Disclosure agreement to prohibit that those insiders may not take advantage of undisclosed information of which they have learned to engage in insider trading.	V		(4) 1. The company, Generalplus Technology, and Sunplus Innovation Technology have formulated the "Management Procedures for Disclosure of Internal Material Information and Prevention of Insider Transactions" and "Operation Procedures for Integrity Management and Behavior Guidelines". The company and its subsidiaries have informed the company. Insiders strictly follow, prohibiting company insiders from using undisclosed information on the market to buy and sell securities. 2. In December 2022, the board of directors of our company, Generalplus Technology, and in April 2023, the board of directors of Sunplus Innovation Technology approved the revision of the "Management Procedures for Disclosure of Internal Material Information and Prevention of Insider Transactions", which clearly stipulates that directors shall not report to the company 30 days before the announcement of the annual financial report. Trading of company stocks during the closed period of 15 days before the quarterly financial report announcement. 3. The Company and Generalplus Technology send email reminders to the directors during the closed period, namely 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of each quarterly financial report in 2025, informing them that they are prohibited from trading the Company's shares during such periods.	No major Difference
3. Composition and Responsibilities of the BOD	V		(1) A. Article 20 of the Company's Code of Practice on Corporate Governance (the ability of the board of directors as a whole) has clearly defined the composition of the board of directors. In addition to being a director of a company manager, it is not appropriate to exceed one-third of the board of directors. Operational, operational and development needs to develop an appropriate diversification approach. The nomination and selection of the board of directors of the Company follows the requirements of the Articles of Association and adopts the nomination system for candidates. In addition to assessing the eligibility of each candidate's academic experience, it also complies with the "Director's Election Method" and the "Code of Corporate Governance" to ensure the directors. Diversity and independence of members.	No major Difference
1) Whether the board of directors has formulated a diversity policy, specific management objectives and implementation.			B. The directors of the company have industrial experience, business, accounting, legal and other professional backgrounds. For specific management objectives and implementation, please refer to pages 6 to 8 of this annual report.	No major Difference
2) In addition to setting up the remuneration committee and audit committee according to law, whether the company has voluntarily set up various other functional committees.	V		C. Generalplus Technology have established the "Code of Practice for Corporate Governance" and "Procedures for Election of Directors". The composition of the board of directors pays attention to diversity and generally possesses the professional knowledge, skills and qualities necessary to perform their duties.	No major Difference
3) Whether the company has formulated the board performance evaluation method and its evaluation method, and conducts performance evaluation annually and regularly, and reports the results of the performance evaluation to the board of directors, and applies it to individual directors' salary and nomination renewal.	V		D. Sunplus Innovation Company has achieved its goal : a. Independent directors account for 42.85% of the seats, in compliance with the statutory ratio b. The term of office of the independent directors did not exceed three terms. c. To enhance the Board's understanding of the Company's industry, the Company has set a target that directors with industry experience shall account for 50% of the Board. Currently, directors with industry experience comprise 57% of the Board, and the target has been achieved. d. In addition to the above, we also focus on gender equality in the composition of the board of directors. The target ratio of female directors is 10%. Currently, there is 1 female on the board of directors, and the ratio has reached 14%. In the future, we will continue to work hard to increase the proportion of female directors.	No major Difference
4) Regular evaluation of external auditors' independency			The directors of each subsidiary also have different expertise in various fields, and the policy of diversification of board members has been implemented.	No major Difference
			(2) The company, Generalplus Technology and Sunplus Innovation Technology have established salary and remuneration committees and audit committees in accordance with the law, which are composed of all independent directors. The company, Generalplus Technology and Sunplus Innovation Technology also have a dedicated unit to promote corporate integrity management, and regularly report implementation status and	No major Difference

Item	Implementation Status (Note 1)			Difference to "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies"
	Y	N	Summary	
			<p>results to the directors. In the future, other functional committees will be set up according to the legal environment, company operation and management needs assessment. Other subsidiaries currently have no salary and compensation committee, audit committee and other functional committees. In the future, they will be established according to the actual needs of the company.</p> <p>(3) 1. The company, Generalplus Technology and Sunplus Innovation Technology have successively formulated the "Board Performance Evaluation Method" in 2020 and 2021. The board of directors, individual directors and functional committees are regularly self-evaluated every year, and the results of performance evaluations are used as a reference for selecting or nominating directors; and the results of individual directors' performance evaluations are used as a reference for determining their individual remuneration.</p> <p>2. The remaining subsidiaries have not formulated the "Board Performance Evaluation Method", but they review the functions of the board from time to time. In the future, the feasibility of formulating the board performance evaluation method will be evaluated based on the legal environment, company operating conditions and management needs.</p> <p>(4)The company, Generalplus Technology and Sunplus Innovative Technology evaluate the independence and suitability of the certified accountants of their companies every year. In addition to requiring the certified accountants to provide "Detached Independence Statement" and "Audit Quality Indicators (AQIs)", they also follow Note 2 Standards and 13 AQI indicators are evaluated. Refer to the AQI index information to confirm that the audit experience and training hours of accountants and firms are better than the average level of the industry. The company's assessment results for the most recent year have been discussed and approved by the Audit Committee on December 24, 2025, and submitted to the board of directors on December 24, 2025 for approval of the independence and suitability assessment of accountants. At the end of the year, when the capital of each subsidiary reaches a certain amount or more, the independence of certified accountants will be evaluated, and the appointment of certified accountants will be decided by the board of directors.</p>	
4. Whether the listed OTC company is equipped with qualified and appropriate number of corporate governance personnel, and designated corporate governance directors, responsible for corporate governance related matters (including but not limited to providing directors and supervisors with the necessary information to perform business, assisting directors and supervisors to comply with laws and (According to the law, handle matters related to the meetings of the board of directors and shareholders' meetings, produce the minutes of the board of directors and shareholders' meetings, etc.)?)	V		<p>1. The company's board of directors passed a resolution on March 29, 2021 to appoint the manager of the chairman's office as the director of corporate governance. The director of corporate governance of Generalplus Technology and Sunplus Innovation Technology, and passed the resolution of the board of directors of Generalplus Technology and Sunplus Innovation Technology in February 2023. The head of corporate governance of the company has not concurrently served as the head of corporate governance and director of the subsidiary, but has not concurrently held positions in the company or other companies.</p> <p>2. The main responsibilities of the company's corporate governance officer include handling matters related to the board of directors and shareholders meeting in accordance with the law, and assisting the company in complying with the relevant laws and regulations of the board of directors and shareholders meeting, providing directors with the information needed to perform their business, and the latest legal development related to operating the company To assist directors in complying with the law.</p> <p>3. Key points of the company's business execution in 2025:</p> <p>(1) Consolidate the meeting agenda for the board of directors and committees, specify the convening matters and send a convening notice to the directors or members seven days before the meeting, and provide sufficient meeting materials so that the participants can accurately understand the relevant information about the proposals; When the director or committee member himself or the legal person represented by him has an interest, he also reminds him to avoid interest.</p> <p>(2) Responsible for the minutes of the board of directors and shareholders' meetings on the day of the board of directors and shareholders' meetings, and publish important information or announcements of important resolutions after the meeting to ensure the legality and accuracy of the disclosed information to ensure the equivalence of investor transaction information.</p> <p>(3) Handle the change registration of the company's various operations.</p> <p>(4) Evaluate the purchase of "Directors' and Managers' Liability Insurance" with a suitable amount of insurance, complete the insurance matters, and report the contents of the insurance to the board of directors.</p> <p>(5) Provide directors with relevant training information from time to time, reminding them to study and complete relevant declarations in accordance with the stipulated hours of the "Main Points for Implementation of Training for Directors and Supervisors of Listed OTC Companies".</p> <p>(6) From time to time, provide board members with information on new issued or revised laws and regulations related to directors' business execution, corporate governance or business operations.</p> <p>(7) Review the compliance status of the corporate governance evaluation indicators one by one every year, and propose improvement plans and corresponding measures for indicators that have not scored.</p> <p>(8) Provide operating information such as company business or finance according to directors' needs, and maintain smooth communication and exchanges between directors and business executives.</p> <p>(9) Report to the Board of Directors the results of the review on whether the independent directors meet the qualification requirements under relevant laws and regulations at the time of nomination, appointment, and during their term of office.</p> <p>4. Please note 3 for details of the training situation of the company's corporate governance supervisor.</p>	No major Difference
5. Communication channel with Stakeholders (Including but not limited to shareholders, employees, customers and suppliers), and set up a special area for stakeholders on the company website, and properly respond to important	V		<p>1. The company and its subsidiaries maintain good relationships with banks, suppliers, and other interested parties of the company, uphold the principle of good faith, provide adequate business information, and properly safeguard their legitimate rights and interests.</p> <p>2. The company's stakeholders are concerned about topics, communication methods, and implementation status. Note 4 in detail.</p> <p>3. The company, Generalplus Technology and Sunplus Innovation Technology have set up a special area for stakeholders on the company website,</p>	No major Difference

Item	Implementation Status (Note 1)			Difference to “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies”
	Y	N	Summary	
corporate social responsibility issues that stakeholders are concerned about.			set up different corresponding windows for different stakeholders, and set up a complete system and response mechanism to ensure that stakeholders are concerned. Appropriate response to the issue. The company has reported to the board of directors on the situation of communication with various stakeholders in 2025 on December 24, 2025. 4. The remaining subsidiaries also provide detailed contact information on the company's website. If necessary, interested parties can contact them by telephone, letter, fax, and e-mail at any time.	
6. Engaging professional shareholder services agent to handle shareholders meeting matters	V		Sunplus, Generalplus, Sunplus Innovation Technology : China Trust Commercial Bank Corporate Trust Operation and service Department Other subsidiaries have dedicated personnel in charge of shareholding affairs to properly handle various matters related to shareholders' meetings.	No major Difference
7. Information Disclosure 1) Establishment of corporate website to disclose information regarding the Company's financials, business, and corporate governance status 2) Other information disclosure channels (ex. English website, appointing responsible people to handle information collection and disclosure, appointing spokesman, webcasting investors conference) 3) Whether the company announces and declares the annual financial report within two months after the end of the fiscal year, and announces and declares the first, second, and third quarter financial reports and the monthly operating situation within the prescribed period.	V V	V	(1) Sunplus, Generalplus Technology and Sunplus Innovation Technology have set up Chinese websites to set up special areas to disclose financial business and corporate governance information. (2) Sunplus, Generalplus, and Sunplus Innovation Technology have established website, and have assigned spokesperson, acting spokesperson and designated specialists to disclose and collect the company's information. An English website is also available that provide the same information. Other subsidiaries are responsible for the collection and disclosure of company information, there is currently no speaker yet. (3) Generalplus Technology announced and filed its annual financial report within two months after the end of the fiscal year. Although Sunplus and Sunplus Innovation Technology did not announce and file the annual financial report within two months after the end of the fiscal year, it still announced and filed the annual financial report before the deadline prescribed by laws and regulations. Financial reports and financial reports for the first, second and third quarters and operating conditions in each month.	No major Difference No major Difference No major Difference
8. Other important information to facilitate better understanding of the Company's corporate governance (such as human rights, employee rights, employee wellness, community participation, social contribution, community service, investor relations, supplier relations, shareholders' rights, customer relations, the implementation of risk management policies and risk evaluation measures, the implementation of consumers/customers protection policies, and purchasing insurance for directors and supervisors.):	V		(1) Employee rights: Sunplus and its subsidiaries have made and followed the internal management procedures regarding employee rights under the regulations of the Labor Standards Act and Gender Equality in Employment Act. (2) Employee wellness: Sunplus and its subsidiaries have made and followed the internal management procedures regarding employee wellness. (3) Investor relations: Sunplus and its subsidiaries have set a investor relations professionals to communicate with investors and disclose the operations and financials. (4) Supplier relations: Sunplus and its subsidiaries have good relationship with suppliers and manage the supply chains efficiently. (5) Stakeholders: Sunplus and its subsidiaries respect all stakeholders and have established the channels to communicate with stakeholders. (6) Directors' training: The company and its subsidiaries encourage directors to participate in continuing education courses. The company also publishes directors' continuing education status at the public information observatory. (7) Implementation of risk management policies and risk evaluation measures: Internal rules and procedures are based on laws and regulations stipulated by authorities in charge (8) Customer: Sunplus and its subsidiaries provide best service to Customers based on internal rules and procedures (9) Sunplus, Generalplus and Sunplus Innovation Technology have taken liability insurance for directors and supervisors with respect to liabilities resulting from exercising their duties in Sunplus and subsidiaries.	No major Difference
9. Please review the results of the corporate governance evaluation issued by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd. in recent years, and to give priority to matters and measures that have not yet been improved: The Company has continuously reviewed its corporate governance system and information disclosure practices in accordance with the corporate governance evaluation indicators issued by the Taiwan Stock Exchange. In line with these indicators, the Company conducts annual reviews and improvements. In recent years, for items identified as areas for improvement under the evaluation, the Company has progressively completed the establishment of relevant systems and enhanced information disclosure, thereby achieving corresponding scores in the evaluation. Looking ahead, the Company will continue to monitor developments in ESG evaluation indicators and further strengthen its governance practices. The Company will also take into consideration domestic and international best practices in corporate governance as well as the latest regulatory requirements issued by competent authorities, and will timely assess the adoption of relevant measures to continuously enhance the quality of corporate governance.				

Note 1: Whether or not "yes" or "no" is checked, it should be stated in the summary description field.

Note 2: The evaluation criteria for the independence of the Company's accountants are as follows:

Accountant Independence Assessment Criteria

Evaluation items	Evaluation result	Whether it is independent
1. Whether the accountant has a direct or significant indirect financial interest relationship with the Company	No	Yes
2. Whether the accountant has a financing or guaranteeing action with the Company or the directors of the Company	No	Yes
3. Whether the accountant has a close business relationship or potential employment relationship with the Company	No	Yes
4. Whether the accountants and their members of the audit team are currently directors or managers in the current or the last two years or have a significant impact on the audit work	No	Yes
5. Whether the accountant has provided non-audit services to the Company that may directly affect the audit	No	Yes
6. Whether the accountant has any stock or other securities issued by the Company	No	Yes
7. Apart from performing business permitted by laws and regulations, do accountants represent the Company in legal cases or other disputes with third parties	No	Yes
8. Whether the accountant has a kinship with the directors, managers or persons who have a significant impact on the audit	No	Yes

AQIs 5 dimensions and 13 indicators

Dimension 1: Professionalism	Key assessment criteria
1-1 Review experience	Whether the senior inspectors have sufficient audit experience to perform the inspection work.
1-2 Training Hours	Whether accountants and senior auditors receive sufficient education and training every year to continuously acquire professional knowledge and skills.
1-3 turnover rate	Whether the firm maintains enough senior human resources.
1-4 Professional Support	Whether the firm has enough professionals (such as evaluators) to support the verification team.
Dimension 2: Quality Control	Key assessment criteria
2-1 Accountant load	Whether the accountant's workload is too heavy.
2-2 Check input	Check whether the input of team members is appropriate at each stage.
2-3 Case EQCR	Whether the EQCR accountant devotes enough time to the review of audit cases.
2-4 Quality Control Support Ability	Whether the firm has sufficient quality control manpower to support the inspection team.
Dimension 3: Independence	Key assessment criteria
3-1 Public fees for non-audit services	The Influence of the Proportion of Public Fees for Non-audit Services on Independence.
3-2 Customer Familiarity	The influence of the cumulative number of years of auditing cases in the firm's annual financial report on the independence.
Dimension 4: Monitor	Key assessment criteria
4-1 Missing external inspection and punishment	Whether the firm's quality control and audit cases are implemented in accordance with relevant laws and standards.
4-2 The competent authority issued a letter to improve	Whether the firm's quality control and audit cases are implemented in accordance with relevant laws and standards.
Dimension 5: Innovation Capability	Key assessment criteria
5-1 Innovation Capability	The accounting firm's commitment to improving audit quality, including the accounting firm's innovation capability and planning.

Note 3: Corporate Governance Executive Training Situation:

Name/Title	Date	Organizer	Course Title	Time
PhoebeChen Chairman's Office Manager/ Head of Corporate Governance	2025.09.03	ROC Corporate Management and Sustainable Development Association	NVIDIA's Trillion-Dollar Miracle: New Thinking on the Semiconductor Industry Revolution Behind Artificial Intelligence	3 hours
	2025.09.26	Securities and Futures Institute (SFI)	Insider Trading Prevention Advocacy Meeting for the Fiscal Year 2025	3 hours
	2025.11.27	ROC Corporate Management and Sustainable Development Association	Promoting Corporate Sustainable Development through Risk Management	3 hours
	2025.12.03	ROC Corporate Management and Sustainable Development Association	Types of Intellectual Property Rights, Rights Protection, and AI-Related Issues	3 hours

Note4: Stakeholders of the company are concerned about issues, communication methods and impl:

boundary	Stakeholder	Concerns	Communication route	Communication frequen	Contact window	2025 implementation status
Internal	Staff	Salary, Welfare, Education and Training, Occupational Health and Safety, Quality System, HSF Management	Staff communication meeting	Once every six months	Spokesperson Joseph Chuang, Director IR@sunplus.com	Hold 2 meetings and announce colleagues' questions and replies
			Employee welfare committee	Irregular	Spokesperson Joseph Chuang, Director IR@sunplus.com	Related to the Welfare Committee Forum in the internal life communication channel
			Labor Retirement Reserves Supervision Committee	Once per quarter	Spokesperson Joseph Chuang, Director IR@sunplus.com	4 meetings are held, and meeting minutes are available for inquiry
			Internal promotion	Irregular	Spokesperson Joseph Chuang, Director IR@sunplus.com	E-mail, posters, announcements, etc. irregular publicity
			Employee performance interview	2 times a year	Spokesperson Joseph Chuang, Director IR@sunplus.com	Conduct an employee performance interview in the middle of the year and at the end of the year, prepare a performance and future development analysis table for reference, and the achievement rate is over 90%
			Labor-management meeting	Once per quarter	Spokesperson Joseph Chuang, Director IR@sunplus.com	4 meetings are held, and meeting minutes are available for inquiry
			Occupational Safety and Health Committee	Once per quarter	Environmental Safety Tianlin Fu Frank.fu@sunplus.com	4 meetings are held, and meeting minutes are available for inquiry
	Board	Sustainable Development	Sustainable Development Implementation Report	Once per year	Spokesperson Joseph Chuang, Director IR@sunplus.com	On August 11, 2025, the board of directors will report on the implementation status in 2024.
			Greenhouse gas inventory and verification schedule planning report	Once per quarter	Spokesperson Joseph Chuang, Director IR@sunplus.com	Progress of the Greenhouse Gas Inventory and Verification Schedule Execution Report at the Board of Directors Meetings in February, May, August, and November.
		Communication with stakeholders	Report on the Communication between the Company and Stakeholders	At least once per year	Spokesperson Joseph Chuang, Director IR@sunplus.com	Report to the Board of Directors on December 24, 2025.
external	client	Customer appeal	Customer complaints	Cases based on customer complaints	Quality and Reliability Engineering Department Aleck Lin QA@sunplus.com	In 2025, there were a total of 55 customer complaint cases. Among them, 33 cases were attributed to Sunplus's responsibility. All cases were successfully resolved.
		Customer satisfaction	customer satisfaction survey	2 times a year	Quality Systems Department Cindy Chang QS@sunplus.com	In the two surveys at the beginning of the year and the middle of the year, the customer satisfaction o quality was 9.43 /9.3 points (out of 10 points), and HSF customers' satisfaction was 9.71/9.83 points. All relevant issues were closed.
		Product quality and hazardous substance requirements	mail	Irregular	Quality Systems Department Shuyi Yang QS@sunplus.com	Quality and hazardous substance requirements, a total of 53 external document specifications, all of which are properly processed
	Agent	Bad quarters inventory	Bad quarters inventory	Quarterly	Quality Systems Department Cindy Chang QS@sunplus.com	2025 Q1~Q4 All Complete
	Outsourcing factory	Green product requirements	GPM system	Update of reporting period, new product release, new specification requirements	Quality Systems Department Shuyi Yang QS@sunplus.com	371 report updates in 2025
		Supplier management approach	Quality/environmental assessment of existing outsourcing factories	Held once a year for each factory	Supplier Quality and Engineering Management Department Tiffany Ho QC@sunplus.com	Carry out assessment on the quality/environmental safety and health of existing outsourcing factories, counting 12 factory times
	Tenant	Relevant environmental protection and safety regulations	Meeting, E-mail, Line notification	Irregular	Environmental Safety Tianlin Fu Frank.fu@sunplus.com	On-site environmental, health, and safety measures are communicated through irregular phone calls and email exchanges.
	Government agencies	Statute compliance	Official document round trip, meeting, E-mail	Irregular	Spokesperson Joseph Chuang, Director IR@sunplus.com	1. Participate in seminars and symposia held by competent authorities 2. Cooperate with the competent authority in supervision and inspection 3. Set up a contact window to maintain good interaction with the competent authorities
	Shareholders and investors	Operational performance, Risk Management, Corporate Governance, Shareholder participation	Annual report	Once a year	Spokesperson Joseph Chuang, Director IR@sunplus.com	1. On May 23, 2025, the 2024 annual report will be uploaded on the Public Information Observatory 2. Quarterly upload of financial reports in 2025
			Financial report	Once per quarter		
			Legal person briefing meeting	twice a year	Spokesperson Joseph Chuang, Director IR@sunplus.com	Invited to attend two investor briefings on August 19, 2025, and December 3, 2025.
			Shareholder regular meeting	Once a year		A regular meeting of shareholders will be held on June 13, 2025.
			The official website sets up a special area for corporate social responsibility and stakeholders	at any time	Spokesperson Joseph Chuang, Director IR@sunplus.com	A special area for corporate social responsibility and stakeholders has been set up on the official website.
Set up a contact window for stock affairs and investor relations for two-way communication	at any time	Spokesperson Joseph Chuang, Director IR@sunplus.com	The services and investor relations contact window provides external communication channels.			

2.3.4 Disclosure of Operations of the Company's Compensation Committee:

1. Qualifications and Independence Analysis

2026/04/17

Status(Note 1)	Name	Condition	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of members of the salary and remuneration committee of other public offering companies
Independent Director (Convener)	Tse-Jen Huang		Please refer to the relevant content of Schedule 1 Director Information (1) on pages 5 to 8		1
Independent Director	Rui-Qi Chen				0
Independent Director	Cong-Ling Guo				0
Independent Director	Shu-Jun Huang				3

Note 1: Please provide specific details in the table regarding the work tenure, professional qualifications, experience, and independence status of each member of the Compensation Committee. If the member is an independent director, please annotate to refer to the relevant content on pages 5 to 8 of Annex 1 Director and Supervisor Information (1). Indicate whether they are an independent director or other (please add a note if they are the convener).

Note 2: Professional qualifications and experience: describe the professional qualifications and experience of individual compensation committee members.

Note 3: Condition of independence: state that the members of the Compensation and Remuneration Committee meet the conditions of independence, including but not limited to whether I, my spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the company or its affiliated companies; I, spouse, relatives within the second degree of relatives (or in the name of others) hold the number and proportion of the company's shares; whether it is a company that has a specific relationship with the company (refer to the listing of stocks or the establishment and exercise of powers of the company's compensation committee at the business office of a securities firm) The director, supervisor or employee of Article 6, Paragraph 1, Subparagraphs 5 to 8); the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.

Note 4: For disclosure methods, please refer to the Best Practice Reference Examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange

2. Operation

1. BOD appointed 4 independent director to be members of compensation committee.
2. The term of office of the current committee members: From July 12, 2024 to June 11, 2027, the 6th Compensation Committee held 2 meeting(A), membership qualifications and attendance The situation is as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate(B/A) (%) (Note)	Remarks
Convener	Tse-Jen Huang	2	0	100	
Member	Rui-Qi Chen	2	0	100	
Member	Cong-Ling Guo	2	0	100	
Member	Shu-Jun Huang	2	0	100	

Other information required to be disclosed:
 1. If the board of directors does not adopt or amend the recommendations of the compensation and remuneration committee, it shall state the date of the board of directors, the period, the content of the proposal, the result of the resolution of the board of directors, and the company's handling of the opinions of the compensation and compensation committee (for example, the compensation and compensation approved by the board of directors is superior to the compensation and compensation committee) The recommendations of the Compensation and Compensation Committee shall be stated and the reasons for the differences shall be stated): The Board of Directors has adopted and has not amended the recommendations of the Compensation and Compensation Committee.
 2. For matters resolved by the Compensation and Remuneration Committee, if members have objections or reservations and have a record or written statement, the date of the Compensation and Remuneration Committee, the period, the content of the proposal, the opinions of all members and the handling of the opinions of the members shall be stated: Remuneration Committee All members unanimously agreed to the resolutions of the Remuneration Committee without any objection or reservation.

Note:

- (a) If the member being relieved of office before year end, it shall be notified as a remark. The actual rate of attendance shall be calculated according to the meetings held when he/she is at the post.
- (b) If there is a re-appointment before year-end, the new member along with the original ones shall be disclosed, and the date of member being appointed shall be stated. The actual rate of attendance shall be calculated according to the meetings held when he/she is at the post.

3. Review salary and remuneration regularly The function of the company's salary and remuneration committee is to evaluate the company's directors and managers' salary and remuneration policies and systems with a professional and objective status. It meets at least two times a year and may hold meetings at any time as needed to make recommendations to the board of directors. For their decision-making reference

(1). The powers of the company's salary and remuneration committee

- (A) Review this regulation regularly and propose amendments.
- (B) Formulate and regularly review the policies, systems, standards and structures of the performance and remuneration of the company's directors and managers.
- (C) Regularly evaluate the performance of the company's directors and managers, and determine the content and amount of their remuneration.

(2). When the Salary and Compensation Committee performs its functions and powers, it shall be based on the following standards Ensure that the company's salary and remuneration arrangements comply with relevant laws and regulations and are sufficient to attract outstanding talents.

- (1) Ensure that the company's salary and remuneration arrangements comply with relevant laws and regulations and are sufficient to attract outstanding talents.
- (2) The performance evaluation and salary remuneration of directors and managers should refer to the normal level of payment in the industry, and consider the time invested by the individual, the responsibilities he undertakes, the achievement of the profit center goal, the performance of other positions, and the company has given the same in recent years. Salary and remuneration for position holders, as well as the rationality of the relationship between individual performance and the company's operating performance and future risks as assessed by the achievement of the company's short-term and long-term business objectives and the company's financial status.
- (3) Guide directors and managers to engage in behavior that exceeds the company's risk appetite in pursuit of remuneration.
- (4) The proportion of short-term performance bonuses for directors and senior managers and the payment time of part of the variable salary remuneration shall be determined in consideration of industry characteristics and the nature of the company's business.
- (5) The members of this committee shall not participate in the discussion and voting on the decision of their personal salary and remuneration.

4. The content of the proposals and resolutions of the Salary and Compensation Committee in 2024, and the company's handling of the opinions of the Salary Committee:

Compensation Committee	Proposal content and follow-up processing	Resolution result	Company's Compensation Committee Handling of opinions
The second time of the sixth session, 2025.01.13	1. Proposal for the Distribution of Year-End Bonuses to Managers for the Year 2024 2. Proposal for the 2025 Company-wide Compensation and Managerial Remuneration Policy 3. Discussion Proposal on Directors' Compensation of the Company	1. Agreed by all members 2. Agreed by all members 3. Agreed by all members	All the directors present at the board of directors agreed to pass
The Third time of the sixth session, 2025.08.11	1. Proposal for Company-wide Salary Adjustments and Managerial Salary Adjustment Performance for the Year 2025	1. Agreed by all members	All the directors present at the board of directors agreed to pass

2.3.5 The implementation of sustainable development initiatives and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, along with the reasons for these differences

Item	Implementation Status (Note 1)				Deviations from “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” and reasons																																																																																							
	Y	N	Summary (Note 2)																																																																																									
1. Has the company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the board of directors?	V		<p>1. In order to improve the management of sustainable development, the company organizes an interdepartmental organization for sustainable development, and sets up three working groups (see attached table) for economy, environment and society; the administrative management department is responsible for sustainable development policies, systems or The board of directors also authorizes the director of the department to deal with the proposal and implementation of relevant management guidelines and specific promotion plans, and regularly report the situation to the board of directors. The last time the company reported to the board of directors the promotion of sustainable development was August 11, 2025. The board of directors reviews sustainable development management measures, urges the company to practice sustainable development, and reviews its implementation effectiveness and continuous improvement at any time to ensure the implementation of sustainable development policies.</p> <table border="1"> <thead> <tr> <th rowspan="2">Corresponding department</th> <th rowspan="2">Chairman</th> <th rowspan="2">Finance and accounting</th> <th colspan="2">Administration</th> <th rowspan="2">EHS</th> <th rowspan="2">IT Department</th> <th rowspan="2">QS</th> <th rowspan="2">SQE</th> <th rowspan="2">PM/RD</th> <th rowspan="2">Sales</th> </tr> <tr> <th>Human resources</th> <th>Administration</th> </tr> </thead> <tbody> <tr> <td>Economy</td> <td>V</td> <td>V</td> <td></td> <td>V</td> <td></td> <td>V</td> <td>V</td> <td>V</td> <td>V</td> <td>V</td> </tr> <tr> <td>Environment</td> <td></td> <td></td> <td></td> <td>V</td> <td>V</td> <td></td> <td>V</td> <td>V</td> <td>V</td> <td></td> </tr> <tr> <td rowspan="4">Social/ Governance</td> <td colspan="2">Labor Condition and Dignified Labor</td> <td></td> <td>V</td> <td>V</td> <td>V</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="2">Human rights</td> <td>V</td> <td>V</td> <td>V</td> <td></td> <td>V</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="2">Society</td> <td>V</td> <td>V</td> <td>V</td> <td>V</td> <td></td> <td>V</td> <td>V</td> <td>V</td> </tr> <tr> <td colspan="2">Product responsibilities</td> <td></td> <td></td> <td></td> <td></td> <td>V</td> <td>V</td> <td>V</td> <td>V</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>V</td> <td></td> <td></td> <td>V</td> <td>V</td> </tr> </tbody> </table> <p>2. Generalplus Technology has established a sustainable promotion committee and a sustainable promotion cross-departmental working group. Sunplus Innovation Technology has established a Sustainability Promotion Task Force. Although other subsidiaries have not set up full-time (part-time) units to promote sustainable development, they have spared no effort in environmental protection and related social responsibility activities.</p>		Corresponding department	Chairman	Finance and accounting	Administration		EHS	IT Department	QS	SQE	PM/RD	Sales	Human resources	Administration	Economy	V	V		V		V	V	V	V	V	Environment				V	V		V	V	V		Social/ Governance	Labor Condition and Dignified Labor			V	V	V					Human rights		V	V	V		V				Society		V	V	V	V		V	V	V	Product responsibilities						V	V	V	V							V			V	V	No major Difference
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	Product responsibilities						V	V	V	V																																																																																		
						V			V	V																																																																																		
2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies? (Note 2)	V		<p>The company and its subsidiaries operate through sustainable development cross-departmental organizations and various management systems, using the company as the boundary of risk assessment, through internal meetings of sustainable development cross-departmental organizations and risk assessment meetings of various management systems, according to the principle of materiality, Risk assessments are carried out on environmental, social and corporate governance issues related to operations. The company's latest risk assessment completed the annual risk assessment on September 22, 2025.</p> <p>Based on the assessed risks, formulate relevant risk management policies or strategies as follows:</p> <table border="1"> <thead> <tr> <th>Major Issue</th> <th>Risk Assessment Projects</th> <th>Risk Management Policies or Strategies</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental protection, Energy saving, and Carbon reduction</td> <td>The company is committed to environmental protection and energy saving. Located in the upper reaches of the semiconductor industry, the company exerts its excellent R&D technology and continues to promote high-level semiconductor process technology to save chip energy consumption, thereby driving the use of power energy in downstream consumer electronics terminal products. Through the implementation of environmental management (EMS) and the institutionalized PDCA management cycle, the impact on the environment is effectively reduced; at the same time, plans and programs for implementation</td> </tr> </tbody> </table>		Major Issue	Risk Assessment Projects	Risk Management Policies or Strategies	Environment	Environmental protection, Energy saving, and Carbon reduction	The company is committed to environmental protection and energy saving. Located in the upper reaches of the semiconductor industry, the company exerts its excellent R&D technology and continues to promote high-level semiconductor process technology to save chip energy consumption, thereby driving the use of power energy in downstream consumer electronics terminal products. Through the implementation of environmental management (EMS) and the institutionalized PDCA management cycle, the impact on the environment is effectively reduced; at the same time, plans and programs for implementation	No major Difference																																																																																	
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				are formulated every year, and the progress of various goals is tracked and reviewed regularly to ensure the goals achieved.	
			Task Force on Climate-related Financial Disclosures (TCFD)	Based on the four major aspects of governance, strategy, risk management, indicators and goals, the company has evaluated the guiding principles and specific practices of planning.	
			Society	1. Occupational safety and health	1. The Company has obtained ISO 45001:2018 certification for its Occupational Health and Safety Management System, and regularly holds fire drills and occupational safety and health education and training every year to cultivate employees' emergency response and self-safety management capabilities.
				2. Product Security	2. All products of the company comply with various product and service laws and regulations regulated by the government, and comply with EU RoHS/REACH regulations on hazardous substances. And through strict quality system management, we provide customers with stable product quality. At the same time, in order to ensure customer service quality and improve customer satisfaction, we set up customer service hotlines and communication websites, and actively conduct customer service satisfaction surveys every year to strengthen the relationship with customers. The cooperative relationship with customers has become the cornerstone of the sustainable development of the enterprise through the mutual benefit and co-prosperity relationship with customers.
			Corporate Governance	Socioeconomic and Legal Compliance	Through the establishment of a governance organization and the implementation of an internal control mechanism, it is ensured that all personnel and operations of the company truly comply with relevant laws and regulations.
3. Environmental issues					

(1) Whether the company establishes an appropriate environmental management system according to its industrial characteristics.	V	<p>1. The company has dedicated environmental protection personnel to manage the legal environmental protection management work; the company's standards superior to the management system are implemented by the environmental management system chief auditor to implement system operation and management; it has passed the environmental management system ISO14001:2015 certification, following the recertification audit conducted in November 2025, the validity of the certificate has been extended to February 9, 2029.</p> <p>2. Subsidiaries are exempted from setting up special environmental protection personnel in accordance with the law, but there are still special personnel to promote relevant environmental management work.</p>	No major Difference
(2) Whether the company is committed to improving the utilization efficiency of various resources and using recycled materials with low impact on environmental load.	V	<p>1. The company and its subsidiaries have promoted paperless operations and the use of energy-saving lamps and water-saving appliances, while implementing the policy of turning off lights and saving water.</p> <p>2. The company optimizes the operating system of the factory facilities and actively promotes various waste reduction activities to increase the operating efficiency of the factory system and reduce the impact on the environment; with the goal of saving energy by 1% year by year, the company's 2025 annual electricity consumption is 5,155 kilowatt-hours. Due to an increase in tenants within the plant, overall electricity consumption at the facility rose. As a result, compared to 6,943 million kWh in 2024, the target has been achieved. The Company will continue implementing relevant energy-saving measures in hopes of reducing electricity consumption.</p> <p>3. The company and its subsidiaries abide by relevant environmental laws and regulations, actively respond to the recycling and classification of resources, and promote the use of various recycled materials and packaging materials to reduce the impact on the environment.</p>	No major Difference
(3) Whether the company assesses the potential risks and opportunities of climate change to the company now and in the future, And take relevant responsive measures.	V	The IC design industry is located in the upstream of the semiconductor industry. The company and its subsidiaries have no relevant manufacturing procedures. If there is a real risk caused by climate change, it should only increase the cost due to the increase in electricity and water used for air conditioning and office lighting. However, the optimization of the operating system of factory facilities reduces energy consumption and the impact on the environment; the company and its subsidiaries continue to promote advanced semiconductor process technology and practice Moore's Law in order to use excellent R&D technology to save chip energy consumption , and then drive the power energy usage of downstream consumer electronics terminal products. In terms of product design, provide more energy-saving solutions to increase product adoption.	No major Difference
(4) Does the company count greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies for greenhouse gas reduction, water and other waste management.	V	<p>1. In accordance with the ISO14064 standard, using ROC Year 113 (2024) as the baseline year for the inventory, and conducts the greenhouse gas emission inventory every year. Third-party verification is scheduled for 2026 (ROC Year 115). The inspection boundary is the company's own factory area. Our company has set a target to reduce indirect greenhouse gas emissions by 2% annually. In 2025 (ROC Year 114), the Company's greenhouse gas emissions amounted to 2,756.6503 metric tons of CO₂e, representing a decrease of 367.6266 metric tons of CO₂e, or 11.76%, compared with 3,124.2769 metric tons of CO₂e in 2024 (ROC Year 113). The target has been achieved.</p> <p>2. In the 2025 greenhouse gas emissions of 2,756.6503 tons of CO₂e, 84.429 tons of CO₂e (approximately 3.06%) are from direct emissions and removals under Scope 1, which include emissions from sources such as company vehicle fuel consumption, generator fuel use, and refrigerant leakage. The remaining emissions fall under Scope 2 and Scope 3, which are indirect emissions.</p> <p>3. "In 2025, the water consumption for the Company's own facility was 28.139 thousand tons, water savings of approximately 6.80% compared to 30.191 thousand tons in 2024.</p> <p>4. The company produced 93.24 tons of general industrial waste in 2025, with a monthly average of 7.77 tons, including general waste from business activities (D-1801), waste plastic mixture (D-0299), waste fiber mixture (D-0899) Three categories, and D-1801 category accounted for 79.29%; another IC defective product (hazardous industrial waste listed in the Environmental Protection Act) was 0.2 tons, and the output was very small; the total weight statistics, evaluation and difference analysis of industrial waste, It is in line with the content of "risk control, disaster prevention" and "energy saving, waste reduction, and sustainable environment" in the environmental safety and health management policy formulated by the company.</p> <p>5. In order to fulfill the commitment of environmental protection, the subsidiary has set the reduction of the company's overall carbon emissions as the company's long-term improvement goal, Generalplus Technology and Sunplus Innovative Technology and has carry out self-inspection, expecting to reduce greenhouse gas emissions year by year, and is committed to energy conservation, recycling Waste, compliance with environmental regulations, and commitment to pollution prevention and continuous improvement.</p>	No major Difference
4. Social issues			
(1) Has the company formulated relevant management policies and procedures in accordance with relevant regulations and international human rights conventions?	V	<p>The company and its subsidiaries abide by labor-related laws and regulations, and formulate relevant work rules to protect the rights and interests of employees preferentially, and provide information to enable employees to understand their rights and interests. The various management policies and procedures are summarized as follows:</p> <p>1. Human Rights Policy: In order to fulfill corporate social responsibility and protect the basic human rights of all colleagues, customers and stakeholders, the company and Generalplus Technology and Sunplus Innovative Technology strive to comply with and abide by the relevant provisions of various international human rights conventions, and follow the "United Nations Universal Declaration of Human Rights" and "United Nations Guiding Principles on Business and Human Rights" , "United Nations</p>	No major Difference

		<p>Global Covenant" and "United Nations International Labor Organization" and other international human rights conventions and labor standards related labor laws, respect internationally recognized basic human rights, including freedom of association, care for vulnerable groups, prohibition of child labor, elimination of forced labor in various situations, and elimination of Discrimination in employment and employment, protection of the legitimate rights and interests of employees, and formulation of relevant management policies and procedures in accordance with the law.</p> <p>2. Human rights risk mitigation measures: In order to mitigate human rights risks, the company and Generalplus Technology and Sunplus Innovative Technology are committed to the improvement of various working environments and working conditions.</p> <p>3. Relevant education and training: The company and Generalplus Technology arrange relevant laws and regulations publicity courses during working hours, and increase the efficiency of course absorption through the recording and design of e-learning online courses, so as to enhance employees' understanding of relevant laws and information. Please refer to Note 4 for detailed human rights concerns and corresponding practices.</p>	
(2) Whether the company has formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits), and appropriately reflected the operating performance or results in employee compensation?	V	<p>The company is committed to creating an equal and inclusive working environment, including gender and age diversity; at the same time, it also provides all colleagues with opportunities for promotion with consistent standards and implements the concept of equal rights and justice. The ratio of male employees to female employees is about 67:33.</p> <p>The company provide a leave system that is superior to the law, such as special vacation days that are superior to the law, 10 days of paid sick leave each year, and 19 days of national holidays and anniversaries. Each subsidiary provides a leave system that either exceeds or complies with legal requirements.</p> <p>The company in accordance with the Organizational Guidelines for Employee Welfare Committees promulgated by the Ministry of Labor, the company invites various departments to appoint members to form an employee welfare committee to coordinate the company's welfare committee funds and promote various welfare measures. The allocation ratio has always been 0.15% of revenue (the legal maximum ratio), allowing the Welfare Committee to plan more diverse and interesting welfare projects.</p> <p>If the company has a profit in the year, it should allocate no less than 1% as employee compensation(No less than 10% of the employee compensation amount shall be allocated to grassroots employees.) and no more than 1.5%. Remuneration for directors. However, when the company still has accumulated losses (including adjusting the amount of undistributed surplus), it should reserve the amount to make up in advance.</p> <p>The employee compensation and grassroots employee compensation referred to in the preceding paragraph may be distributed in the form of shares or cash, and the recipients may include employees of affiliated companies who meet the conditions prescribed by the Board of Directors. The directors' compensation referred to in the preceding paragraph shall be paid in cash only.</p> <p>The annual overall reward and remuneration issued by the company and its subsidiaries will be determined based on the achievement of the company's overall operating goals, the annual profit status, and the individual performance and investment of employees. Before July every year, the company will measure the overall salary level of its peers in the market, employees' individual performance, future development and other related principles, and appropriately adjust salaries for colleagues. Annual employee remuneration must be approved by the board of directors and reported at the shareholders' meeting, and disclosed in the company's annual report.</p>	No major Difference
(3) Whether the company provides a safe and healthy working environment for employees, and regularly implement safety and health education for employees.	V	<p>The company and its subsidiaries provide facilities and environments that are superior to occupational safety and health laws and regulations. Set up special organizations and personnel in accordance with the law to implement matters related to environmental safety and health management. And provide employees with a favorable environment for career development, offering various educational training and development programs.</p> <p>The relevant machinery and equipment in the company's workplaces are subject to regular automatic inspections according to the legal cycle, and labor operating environment monitoring is implemented every six months (every April and October) to ensure the safety of employees, the environment and equipment, and provide regular health inspections that are better than the laws and regulations. In 2025, no occupational accident occurred, and the number of cases, the number of employees and the ratio to the total number of employees were all zero. The company has passed the International Occupational Health and Safety Management System (ISO45001:2018) and the Ministry of Labor Occupational Safety Administration Health Workplace Certification; Occupational Health and Safety Management System Certification Certificate valid until February 24, 2028.</p> <p>Our company conducts disaster safety drills every six months to assist colleagues in familiarizing themselves with various drill procedures and environments, aiming to minimize injuries in the event of a disaster. Implemented on May 28, September 5, and October 13, 2025. Regarding fire prevention and disaster safety equipment, our company ensures proper maintenance. Monthly and irregular inspections are carried out by the facilities personnel, and annual fire equipment maintenance and reporting are completed by the end of November, certified by fire equipment professionals. There were no fire accidents in 2025, and both the number of fire incidents and casualties were zero.</p>	No major Difference
(4) Whether the company has established an effective career development training program for employees.	V	<p>The Human Resources Department of the company and its subsidiaries has formulated a complete training plan for the career development of colleagues, so that colleagues can perform duties in the existing positions, and at the same time learn the skills necessary for promotion. And has constructed a complete education and training development system, including general education, management, specific, professional, self-inspiration training (Self Development, SD) and other vocational courses.</p>	No major Difference

		In line with the company's operating goals and employee future development plans, to train professional and management talents needed by future organizations, the company has formulated "employee education and training management procedures", so that the promotion of various businesses and employee training can be followed. The object covers all employees of the company, including contracting and dispatching manpower, regardless of gender and other factors. In line with the company's development goals every year, through the education and training needs survey, through questionnaires, interviews or consensus meetings, etc., formulate an annual education and training plan, and announce it to all employees. In addition to providing appropriate training courses according to different professional abilities, colleagues can also propose training goals and submit internal and external course requirements independently. In addition to physical courses, we have also developed an e-learning platform within the training management system. to break through the limitations of time and space and provide opportunities for re-learning through digital teaching materials and course videos.	
(5) Whether the company complies with relevant regulations and international standards on customer health and safety, customer privacy, marketing and labeling of products and services, and formulates relevant consumer protection policies and appeal procedures.	V	The company and its subsidiaries maintain effective communication channels with customers, ensuring compliance with local regulations and international standards in product and service marketing and labeling. The Company, Generplus Technology, and Sunplus Innovation Technology all adhere to the principles of integrity in business operations and sustainable development. To safeguard customer rights and interests, the "Customer Rights Protection Policy" has been established to address customer issues through systematic and efficient processes and to enhance service quality. The Company maintains a dedicated "Customer Service" section, and both Generplus Technology and Sunplus Innovation Technology provide customer communication and contact channels on their official websites. Any customer inquiries will be handled by designated personnel to ensure that all reported issues are properly addressed.	No major Difference
(6) Whether the company has formulated supplier management policies, requiring suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights, and their implementation.	V	The company and its subsidiaries have long been aware of the environmental and social responsibility of the supply chain, and the requirements for suppliers are not limited to performance and quality. Colleagues in relevant departments conduct regular audits and liaise with suppliers to ensure that suppliers' environmental protection, occupational safety and health or labor rights and other issues comply with relevant norms and maintain due standards. If the supplier does not meet the requirements, it needs to improve and meet the standard within the specified time. If improvement is not possible, we will find other suppliers who can meet the expectations of the company and each subsidiary's ethical and environmental standards. In 2025, the company made 12 assessments on environmental protection, occupational safety and health or labor rights of suppliers and outsourced factories, and both suppliers and outsourced factories were able to meet the standards.	No major Difference
5. Does the company make reference to internationally-used report preparation standards or guidelines to prepare corporate social responsibility reports and other reports that disclose the company's non-financial information? Whether the pre-report report obtained the confidence or assurance opinion of the third-party verification unit.	V	The company compiled the 2024 Sustainability Report based on the GRI Universal Standards 2021 (GRI Universal Standards 2021) released by GRI in October 2021. The report includes a GRI Standards cross-reference table for indexing the content of each chapter. It discloses non-financial operational performance to stakeholders, covering corporate governance, green processes and environmentally friendly management measures, updates on employee occupational safety equipment, employee education and training, welfare policies, and achievements in corporate social responsibility, demonstrating the vision and mission of sustainable business operation. The Sustainability Report is published on the official website and the Taiwan Stock Exchange Market Observation Post, providing shareholders and stakeholders with convenient and rapid access to transparent non-financial performance information. Our company's Sustainability Report has not yet obtained assurance or guarantee opinions from third-party verification units. Generalplus Technology has compiled its 2024 Sustainability Report in accordance with the guidelines issued by the Global Reporting Initiative (GRI) and has obtained assurance opinions from third-party verification units. Sunplus Innovation Technology prepared its 2024 Sustainability Report in accordance with the standards issued by the Global Reporting Initiative, with reference to the disclosure framework of the Task Force on Climate-related Financial Disclosures and the sustainability disclosure standards of the Sustainability Accounting Standards Board. The report was verified by an independent third party with a limited assurance level and was published on the Company's official website and filed on the ESG digital platform in August 2025. Other subsidiary companies have not prepared sustainability reports, they spare no effort in environmental protection and related social responsibility activities in their senior management policies.	No major Difference Past corporate social responsibility reports and 2021 sustainability report
6. If a company has its own sustainable development code in accordance with the "Code of Practice for Sustainable Development of Listed OTC Companies", please describe the differences between its operation and the established code: The company, its subsidiaries Generalplus Technology and Sunplus Innovation Technology have formulated the "Sustainable Development Code of Practice" and "Sustainable Information Management Operating Procedure" and "The Operating Procedure of Sustainable Information Management", and there are internal rules for relevant issues such as sustainable operation, environmental protection, employee rights, social welfare and related information disclosure. Of each subsidiary has not yet formulated a corporate social responsibility policy, but relevant issues such as sustainable operation, environmental protection, employee rights, social welfare and related information disclosure are all regulated by internal systems. In order to fulfill corporate social responsibilities, the company and its subsidiaries will occasionally contribute to environmental protection, social contribution, social services, social welfare, consumer rights, human rights, safety and health and other social responsibility activities.			
7. Other important information to facilitate better understanding of the Company's corporate social responsibility practices (1) Sunplus and the subsidiaries for the professional IC design company, IC research and development and design based, department of non-polluting industries, there is no environmental pollution situation. (2) Sunplus and its subsidiaries are actively involved in relevant activities related to social welfare from time to time. (3) Based on the concept of professional services, the Company and its subsidiaries have formulated the relevant guidelines for the implementation of the relevant customers, in order to seek the fastest solution to customer questions. (4) The company and its subsidiaries manage the company's employees in accordance with the "Labor Standards Law" and relevant labor laws and regulations and other labor-related laws and regulations, and special personnel handle the employees' work matters to protect their basic rights and interests. (5) The company and its subsidiaries handle safety and health work in accordance with relevant laws and regulations on occupational safety and health to protect the health and safety of workers.			

(6) The company has passed ISO14001 environmental management system, ISO45001 international occupational safety and health management system to implement environmental, workplace and worker health and safety care.

Note 1: If the operation is checked "Yes", please explain the important policies, strategies, measures and implementations adopted; if the operation is checked "No", please explain the reasons and explain the plan for the future adoption of relevant policies, strategies and measures painting.

Note 2: The company has prepared corporate social responsibility report, the abstract statement can be used to indicate the way in which the corporate social responsibility report is reviewed and the index page is replaced.

Note 3: The principle of materiality refers to those who have a significant influence on the company's investors and other stakeholders in relation to environmental, social and corporate governance issues.

Note 4: In order to abide by the spirit of the international human rights conventions, and formulate and implement various human rights protection policies based on the content, Sunplus Technology implements the human rights protection policies based on the content of the [International Covenant on Civil and Political Rights] and the [International Covenant on Economic, Social and Cultural Rights]. , The company pays special attention to the following human rights issues, and the implementation practices are organized as follows:

Human rights concerns	Sunplus's corresponding human rights practices
Ensure equal job opportunities	1. No discrimination based on personal gender, race, socioeconomic status, age, marriage, family status, language, religion, party, nationality, appearance, facial features, pregnancy, physical and mental disabilities, etc. 2. Ensure that the employment policy is non-discriminatory, and implement the fairness of employment, salary system, employee training, evaluation and promotion opportunities.
Child labor is strictly prohibited	1. The company prohibits the employment of children and teenagers under the age of 18, so that children under 15 years of age, child labor over 15 years of age and under 16, and teenagers over 16 years of age and under 18 years of age can fully protect their right to school . 2. The company actively participates in public welfare and donations to relevant social welfare organizations, such as cooperation with family support centers and donations of public welfare funds, so that education rights and resource opportunities are more popular and equal
Freedom of assembly and association of employees	Provide diversified club activities and encourage employees to actively participate
Complaint channels and mechanisms	Provide effective complaint channels and handling mechanisms to avoid discrimination and harassment in the work environment
Establish a healthy and safe workplace environment	To provide employees with a healthy and safe workplace environment, the company continues to improve the working environment to reduce the risk of occupational disasters and protect the health of employees.
Provide employees with physical and mental health Work environment balanced with work	1. Provide diversified activities (such as sports courses, art lectures, and employee travel, etc.) to enrich the work-life balance of colleagues. 2. Establish good health care measures (medical room, visually impaired massage, health check, etc.) to protect the health of employees.
Meet the basic salary	Provide wages that are superior to the law.

Climate-related information of listed companies

Implementation status of climate-related information

Item	Implementation status
1. Describe the supervision and governance by the board of directors and management regarding climate-related risks and opportunities.	<ul style="list-style-type: none"> The company's cross-departmental sustainability team, under the purview of the 'Environmental Functional Committee,' is responsible for coordinating/assessing climate change risks and opportunities across the entire company (including goals and action plans), and disclosing them in the annual sustainability report, the company will regularly report the identification and management of climate change-related risks and opportunities to the board of directors, who will oversee the management process. The most recent report to the Board of Directors was presented on August 11, 2025. Generalplus Technology management identifies climate-related risks and opportunities, develops response strategies, and regularly reports to the board of directors for monitoring. Sunplus Innovative Technology has established a Sustainability Promotion Task Force, with the Executive Vice President as the convener. The Environmental Subcommittee within this task force handles climate-related issues and will provide regular reports to the board of directors on climate issues.
2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	<ul style="list-style-type: none"> Define short-term (1-3 years), medium-term (3-5 years), and long-term (5-10 years) climate-related risks and opportunities according to the internal target management schedule, and assess the potential impact of climate risk factors on the company's strategic, operational, and financial planning. The company has implemented the ISO 14064-1:2018 Greenhouse Gas Inventory standard for voluntary self-assessment and will continue to promote carbon reduction initiatives in the future, aiming to achieve carbon neutrality by 2050. The main financial impact of climate risks and opportunities for the company and Generalplus Technology is the increase in financial costs due to increased electricity consumption for air conditioning. The short-term, medium-term, and long-term financial impacts are all minimal. The main financial impacts of Sunplus Innovative Technology climate risks and opportunities are increased raw material costs and possible disaster losses caused by extreme climate, as well as delayed delivery due to transportation obstructions. However, the company has formulated response measures to reduce losses.
3. Describe the financial impact of extreme weather events and transition actions.	<ul style="list-style-type: none"> Taiwan will start imposing carbon fees in 2025, targeting major emitters with annual carbon emissions of 25,000 tons. However, there is a possibility of a continuous upward trend in the tax rate, possibly by 10% annually. Sunplus will continue to monitor policy developments. According to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) (AR6 Statistical Downscaling Version), extreme heat may lead to temporary power shortages. However, our company has comprehensive uninterrupted power supply systems, emergency generators, and data backup measures in place to mitigate operational risks. The company, Generalplus Technology, and Sunplus Innovative Technology are primarily engaged in IC design and do not engage in IC

	manufacturing activities. Therefore, the risk of production line shutdown due to prolonged drought is not considered a significant risk factor.
4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	The cross-departmental sustainability team, "Environmental Functional Committee," conducts internal communication or meetings based on the TCFD framework. It integrates with the company's existing ISO 14001 risk assessment operations to identify important issues, incorporating climate change issues into the risk management framework, and formulating control strategies and action plans accordingly. Generalplus Technology regularly analyzes and evaluates various climate risk factors, formulates relevant response measures and improvement plans, and collects the latest relevant risk information for review and management to avoid impacts on business operations. Sunplus Innovative Technology identifies and evaluates climate change risks and response measures according to the TCFD framework to identify potential crises and opportunities. The ESG environmental working group considers issues such as policy, regulations, market, technology, reputation, and physical risks, taking into account internal and external environmental changes. It identifies the transformational risks, physical risks, and opportunities posed by climate change to the company and formulates relevant responses.
5. When using scenario analysis to assess resilience to climate change risks, it is essential to elucidate the context, parameters, assumptions, analysis factors, and primary financial impacts.	<ul style="list-style-type: none"> • Simulate the scenario of limiting global warming to 1.5°C, as developed by the Nationally Determined Contributions (NDCs) and the International Energy Agency (IEA) 2-Degree Scenario (2DS), using 2025 as the baseline year, to estimate Sunplus Technology's carbon reduction ratio. • Implement energy-saving management for sectors with significant greenhouse gas emissions to achieve the greenhouse gas reduction targets outlined in the NDCs by 2050. • Achieving the energy-saving targets could result in reduced operating costs for equipment. • Generalplus Technology and Sunplus Innovative Technology currently have no plans in this regard.
6. If there is a transformation plan to manage climate-related risks, describe the contents of the plan, as well as the indicators and goals used to identify and manage physical risks and transformation risks.	<ul style="list-style-type: none"> • Sunplus Technology uses indicators such as electricity consumption and greenhouse gas emissions to assess climate-related risks. • Since 2012, the goal has been to reduce total electricity consumption by 1% annually. • The target is to reduce indirect greenhouse gas emissions by 2% annually. • Generalplus Technology and Sunplus Innovative Technology currently have no plans in this regard. • Sunplus Innovative Technology physical risk and transformation risk items, response strategies and objectives : <ul style="list-style-type: none"> (1) Taiwan's carbon fee collection mechanism: Continue ISO 14064-1 greenhouse gas voluntary inventory, control carbon emissions and accelerate the formulation of greenhouse gas emission reduction plans. (2) Strengthen emission reporting obligations: Actively track relevant government regulatory information and promptly adjust greenhouse gas management practices to meet compliance requirements. (3) Rising raw material costs: Establish partnerships with multiple suppliers while closely monitoring market and industry changes to ensure stable supply and prices.
7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.	The company, along Generalplus Technology and Sunplus Innovative Technology, currently do not have plans for internal carbon pricing.
8. If climate-related goals are set, it should be explained which activities are covered, the scope of greenhouse gas emissions, the planning schedule, and annual progress towards achievement. If carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve these goals, the source and quantity of offset carbon credits or the number of RECs should be explained.	<ul style="list-style-type: none"> • Sunplus Technology assesses climate-related risks using indicators such as electricity consumption and greenhouse gas emissions. • Since 2012, the goal has been to reduce total electricity consumption by 1% annually, and this goal has been achieved from 2011 (baseline year) to 2025. • The target is to reduce indirect greenhouse gas emissions by 2% annually. The target for indirect greenhouse gas emissions in 2025 was set at 60.97 metric tons of CO₂ equivalent, "In 2025, with the assistance of consultants, a review and actual calculation showed a reduction of 390.6264 tons of CO₂e, successfully meeting the target. • Through energy-saving measures, carbon offsetting is currently not used, in 2025, 10 bundled Renewable Energy Certificates (RECs) were obtained. • Generalplus Technology and Sunplus Innovative Technology currently have no plans in this regard.
9. Greenhouse gas inventory and verification status, along with reduction targets, strategies, and specific action plans (to be filled in sections 1-1 and 1-2).	<ul style="list-style-type: none"> • Sunplus Technology has been conducting voluntary greenhouse gas inventories since 2012. However, verification by an accredited institution has not yet been carried out on the inventory results. As a company with a capital of over 5 billion NT dollars but less than 10 billion NT dollars, we will complete the verification of greenhouse gas inventories for the parent company by the end of 2027 according to the regulations of the competent authority. Under the guidance of a consulting firm since November 2024. • The greenhouse gas inventory and verification status for the past two years are as described in section 1-1. • Reduction targets, strategies, and specific action plans are detailed in section 1-2.

1-1 Recent two-year greenhouse gas inventory and verification status

1-1-1 Greenhouse Gas Inventory Information

Provide the emissions (in metric tons of CO₂e), intensity (in metric tons of CO₂e per million dollars), and scope of data coverage for greenhouse gases over the past two years.

Company Basic Information <input type="checkbox"/> Company with Capital of Over 10 Billion NT Dollars, Steel Industry, Cement Industry <input checked="" type="checkbox"/> Company with Capital of Over 5 Billion NT Dollars but Less Than 10 Billion NT Dollars <input type="checkbox"/> Company with Capital of Less Than 5 Billion NT Dollars	According to the Sustainable Development Roadmap for Listed Companies, disclosure should include at least <input checked="" type="checkbox"/> Parent Company Individual Inventory <input type="checkbox"/> Consolidated Financial Report Subsidiary Inventory <input type="checkbox"/> Parent Company Individual Assurance <input type="checkbox"/> Assurance for Consolidated Financial Report Subsidiaries
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Scope One	Total Emissions (Metric tons CO ₂ e)		Intensity (Metric tons CO ₂ e per million dollars) (Note 2)		Assurance Institution	Explanation of Assurance Situation
	2024	2025	2024	2025		
Annual						
Parent Company	75.7731	86.4140	0.0464	0.0514	None	No assurance required yet
Subsidiary (Generalplus Technology)	48.5500	31.4200	0.0206	0.0148		
Subsidiary (Sunplus Innovative Technology)	10.7193	10.2704	0.0059	0.0051		
Other subsidiaries (Note5)	52.3806	62.3572	0.0551	0.0717		
...(Note1)						
Aggregate	187.4230	188.4769	0.0277	0.0287		
Scope Two	Total Emissions (Metric tons CO ₂ e)	Total Emissions (Metric tons CO ₂ e)	Intensity (Metric tons CO ₂ e per million dollars) (Note 2)	Intensity (Metric tons CO ₂ e per million dollars) (Note 2)	Assurance Institution	Explanation of Assurance Situation
Parent Company	2,834.5191	2,479.0025	1.7351	1.4753	None	No assurance required yet
Subsidiary (Generalplus Technology)	635.6300	592.4500	0.2694	0.2784		
Subsidiary (Sunplus Innovative Technology)	130.3642	137.6084	0.0717	0.0688		
Other subsidiaries (Note5)	517.9268	470.8848	0.5446	0.5411		
...(Note1)						
Aggregate	4,118.4401	3,644.8359	0.6091	0.5547		
Scope One	187.4230	188.4769	0.0277	0.0287		
Scope Two	4118.4401	3,644.8359	0.6091	0.5547		
Aggregate	4,305.8631	3,833.3128	0.6368	0.5834		

Note 1: Direct emissions (Scope 1, emissions directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, emissions from purchased electricity, heat, or steam), and other indirect emissions (Scope 3, emissions from activities not owned or controlled by the company, such as upstream or downstream emissions).

Note 2: Data coverage for direct emissions and energy indirect emissions should be conducted according to the schedule specified in Article 10 of this standard. Disclosure of other indirect emissions information is voluntary.

Note 3: Greenhouse Gas Inventory Standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).

Note 4: Intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue. However, data calculated based on revenue (in million NT dollars) should be disclosed at minimum.

Note 5: Other subsidiaries include : Jumplux Technology Inc. 、Sunplus mMedia Inc. 、Sunplus Prof-tek Technology (Shenzhen) Co., Ltd. 、Worldplus Technology (Shen Zhen)Co.,Ltd. 、Shanghai Sunplus Technology Co., Ltd. 、Shanghai Beyond Technology Co., Ltd., 、Shanghai Joyhorn Technology Co., Ltd. 、Sunmedia Technology Co., Ltd. 、Chongqing CQPlus1 Technology Co., Ltd. 、Beijing Sunplus-Ehue Tech Co., Ltd. 、Generalplus Technology (HK) Co.,Ltd. and Generalplus Technology (Shenzhen) Co.,Ltd.

1-1-2 Greenhouse Gas Assurance Information

The assurance status explanation for the most recent two years as of the date of the annual report publication, including the scope of assurance, assurance provider, assurance standards, and assurance opinions. According to the Taiwan Stock Exchange's "Sustainable Development Roadmap for Listed Companies," the Company is required to complete the inventory by 2025 and assurance by 2027; subsidiary companies in the consolidated financial statements are required to complete the inventory by 2026 and assurance by 2028. Currently, there is no need for assurance. However, in accordance with the Q&A requirements of the "Sustainable Development Roadmap for Listed Companies", the consolidated financial statements of the listed subsidiaries (Generalplus and Sunplus Innovation Technology) were completed according to the schedule of the parent company. Since 2012, the Company has conducted voluntary inventories and disclosed the results on the Company's website, annual reports, and ESG reports, currently receiving guidance from a consulting firm and preparing for the verification process.

Note 1: In accordance with the regulations stipulated in Article 10, Paragraph 2 of this guideline, if the Company fails to obtain a complete greenhouse gas assurance opinion by the publication date of the annual report, it should be noted that "Complete assurance information will be disclosed in the sustainability report." If the Company has not compiled a sustainability report, it should be noted that "Complete assurance information will be disclosed on the Market Observation Post System," and complete assurance information should be disclosed in the following year's annual report.

Note 2: Assurance providers should comply with the relevant regulations on assurance providers for sustainability reports formulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: The disclosure content can refer to the best practice examples on the Corporate Governance Center website of the Taiwan Stock Exchange.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

As The company operates in the IC design industry, over 99.9% of greenhouse gas emissions are categorized as indirect emissions. Therefore, our target is to reduce indirect greenhouse gas emissions by 2% annually. Since emissions mainly stem from purchased electricity for air conditioning and office lighting needs, we have implemented facility monitoring systems to enhance the efficiency of air conditioning equipment operation. Additionally, we have promoted energy-saving concepts and practices among employees to reduce unnecessary waste. In 2025, greenhouse gas emissions were 2,793.6923 tons of CO₂e, a decrease of 330.5846 tons CO₂e (10.58%) compared to 3,124.2769 tons CO₂e in 2024, successfully meeting the target. Relevant energy-saving measures will continue to be implemented with the goal of further reducing electricity consumption.

2.3.6 The situation and reasons for the performance of integrity management and the differences with the code of integrity management of listed OTC companies

The situation and reasons for the performance of integrity management and the differences with the code of integrity management of listed OTC companies

Item	Implementation Status (Note 1)			Deviations from “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and reasons
	Y	N	Summary	
1. Build Ethical corporate management principles				
(1) Has the company formulated the integrity management policy approved by the board of directors, and stated in the regulations and external documents the policies and practices of integrity management, and the board and senior management's commitment to actively implement the management policy.	V		The Company, Generalplus Technology and Sunplus Innovation Technology have formulated the "Integrity Management Operating Procedures and Behavior Guidelines" approved by the board of directors as a clear policy and practice for operating integrity, as well as the active implementation of operating policies by the board of directors and management. Commitment, and disclosed on the company website. The remaining subsidiaries uphold the business philosophy of "Integrity", "Creativity", "Quality", and "Service", formulate various internal management systems and measures within the company, and implement and implement irregular reviews.	No major Difference
(2) Whether the company has established an assessment mechanism for the risk of dishonesty, regularly analyzes and evaluates business activities with a high risk of dishonesty in the business scope, and formulates a plan to prevent dishonesty, and at least covers the "good faith management of listed companies "Code" Article 7, Paragraph 2, Prevention Measures.	V		The Company, Generalplus Technology and Sunplus Innovative Technology have established the "Code of Ethical Conduct for Employees", "Code of Ethical Conduct for Directors and Managers" and "Ethical Business Procedures and Behavior Guidelines", which expressly prohibit the provision or acceptance of non-compliance. Legitimate interests. The company and Sunplus Technology have a "reporting system", and Lingtong Technology has a "handling method for reporting cases of illegal and unethical or dishonest conduct", encouraging the reporting of any illegal or violation of the code of ethical conduct or conduct of integrity management . In addition, the company still requires colleagues in the management, production center, business and information units with high job sensitivity to sign the "Integrity Commitment"; when signing the annual distributor contract with the customer, they also sign the "Integrity Behavior Declaration"; According to the annual transaction amount, the relevant suppliers sign the "Declaration of Integrity Behavior". The remaining subsidiaries have clearly stipulated the reporting and punishment system for employees' integrity behaviors in the “Work Rules”, and effective implementation through internal control systems to reduce the risk of dishonest behaviors and to achieve preventive effects.	No major Difference
(3) Does the company clearly specify the operating procedures, behavior guidelines, disciplinary punishment and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-disclosure plan.	V		The Company, Generalplus Technology and Sunplus Innovative Technology have respectively set up a "whistleblowing system", "employee ethical code of conduct", "director and manager's code of ethical behavior", "handling methods for reporting illegal and unethical or dishonest conduct" and "Integrity Management Operation Procedures and Conduct Guidelines", clearly stipulate the relevant operation procedures and behavior guidelines for preventing dishonest behaviors. For colleagues to inquire at any time, we will also provide relevant promotion for new employees through education courses. For any suspected violations of business ethics and confirmed cases, the violators will be subject to severe disciplinary measures including termination of employment or business relationships, and appropriate legal action will be taken in due course. Subsidiary's "Work Rules" set out to prohibit dishonesty, punishment and appeal system for violations of regulations.	No major Difference
2. Implement integrity management				
(1) Whether the company evaluates the integrity records of the counterparties, and specifies the terms of integrity behavior in the contract signed with the counterparties.	V		The "Integrity Operation Procedures and Behavior Guide" of the company, Generalplus Technology, and the "Integrity Operation Guidelines" of Sunplus Innovative Technology clearly stipulate that when signing a contract, it should fully understand the other party's integrity management status and incorporate the company's integrity management policy into the contract terms. In addition, when the company signed an annual distributor contract with customers since 2017, it also signed a "Certificate of Integrity"; the relevant suppliers, who defined the annual transaction amount, also signed a "Certificate of Integrity". The remaining subsidiaries carefully evaluate the legality of the counterparties through customer credit evaluation and supplier management operations to avoid dishonest business activities.	No major Difference
(2) Does the company set up a special unit under the board of directors to promote corporate integrity management, and regularly (at least once a year) report to the board of directors on its integrity management policies and plans to prevent dishonest behaviors and supervision and implementation.	V		In order to improve the management of integrity management, the company and Gnerealplus Technology have designated the Chairman's Office as the dedicated unit for promoting corporate integrity management. The board of directors of Sunplus Innovation Technology has authorized the Finance and Accounting Department to be responsible for promoting integrity management policies, and is responsible for formulating and promoting integrity management policies and preventive plans. The specialized unit reports the implementation situation to the board of directors on a regular basis in December every year. The company's latest report to the board of directors was on December 24, 2025. The remaining subsidiaries actively promote the corporate integrity management concept from top to bottom. In the future, they will set up promotion units based on the actual situation of the company and report to the board of directors regularly. The Company's 2025 Integrity Management Policy and Dishonest Behavior Prevention Plan and Supervision Implementation: 1. Promote the integrity policy The company has set up a special area for the promotion of integrity policy to promote the integrity management policy to employees, and implement the core values and business philosophy based on integrity. New recruit training promotes the company's integrity policy and conducts quizzes to ensure that newcomers understand the company's integrity policy. The new employees hired in 2025 have completed this assessment. 2. "Integrity Behavior Statement" stipulates the terms of integrity management	No major Difference

			<p>(1) The company "Declaration of Integrity", which includes the prevention of conflicts of interest, the avoidance of profit or improper transfer of benefits, the fulfillment of confidentiality obligations, the prohibition of bribery and bribery, infringement of company confidentiality, goodwill, business conduct, etc.</p> <p>(2) The company requests suppliers and customers with higher risks of dishonest behavior within its business scope to sign the "Integrity Behavior Statement." In 2025, new signings of the "Integrity Behavior Statement" were completed.</p> <p>3. Signing of the Integrity Commitment Letter The company requests colleagues from the management, production center, sales, and information units with higher sensitivity in their positions to sign the "Integrity Commitment Letter." Its contents include conflict of interest prevention, avoidance of profiting or improper benefits, fulfillment of confidentiality responsibilities, and prevention of insider trading. It encourages reporting of any illegal or unethical behavior. In 2025, new signings of the Integrity Commitment Letter were completed.</p> <p>4. Establishing a convenient reporting channel The company has established a "whistleblowing system," which outlines the procedures for reporting and ensures confidentiality. It encourages both internal and external parties to report any illegal or unethical behavior that violates the code of conduct or integrity management guidelines. As of the end of 2025, no whistleblower reports have been received.</p>	
(3) Does the company formulate a policy to prevent conflicts of interest, provide appropriate reporting channels, and implement them.	V		The company and Generalplus Technology have established the "Integrity Operation Procedures and Behavior Guide", while Sunplus Innovative Technology has established both the "Integrity Operation Procedures and Behavior Guide" and the "Code of Integrity Management". The communication channels between the employees of Sunplus and its subsidiaries and the management are smooth. If any problems are found, they can be reported to the management. In addition, the departments in charge of integrity management related affairs handle related affairs in accordance with their duties and laws, prevent conflicts of interest and provide appropriate statements about the operation of channels.	No major Difference
(4) Whether the company has established an effective accounting system and internal control system for the implementation of integrity management, and the internal audit unit formulates the relevant audit plan based on the assessment results of the risk of dishonesty, and checks the compliance with the plan to prevent dishonesty, Or entrust an accountant to perform the audit.	V		The company, Generalplus Technology and Sunplus Innovation Technology have established an effective accounting system and internal control system to implement honest management. Internal auditors regularly check the implementation of the internal control system, and through self-inspection of the implementation of the system to ensure internal control The effectiveness of the system is used as the basis for issuing the internal control system statement and submitted to the board of directors for approval. The parent company has prepared and implemented an annual audit plan for its subsidiaries based on risk analysis.	No major Difference
(5) Does the company regularly organize internal and external education and training on integrity management.	V		The company and Generalplus Technology have established the "Integrity Operation Procedures and Behavior Guide", while Sunplus Innovative Technology has established both the "Integrity Operation Procedures and Behavior Guide" and the "Code of Integrity Management". Which builds integrity management into the corporate culture, and promotes it in various meetings from time to time. It also publicizes the integrity management operating procedures and behavior guidelines to the company's employees in internal announcements, and implements the company's core values and business philosophy based on integrity. In 2025, the company conducted integrity policy orientation courses and tests for new employees, totaling approximately 16 hours for 35 participants. Generalplus Technology has set up a special area on the internal website to publicize the integrity management procedures and behavior guidelines to the company's employees, and implement the company's core values and business philosophy based on integrity. Sunplus Innovation Technology has set up the integrity management policy on the homepage of the company website to convey the core values and business philosophy based on integrity to employees, and specially promote it for new employees. The remaining subsidiaries implement opportunity education in their daily business, and will hold education and training according to the actual situation of the company in the future.	No major Difference
3. Operation of the company's whistleblowing system				
(1) Whether the company has set a specific reporting and reward system, and established a convenient reporting channel, and assigned appropriate personnel for the acceptance of the reported object.	V		The company and Sunplus Innovation Technology have a "whistleblowing system", Generalplus Technology has "handling methods for reporting cases of illegal and unethical or dishonesty", and the remaining subsidiaries have "employee complaint methods". The company and its subsidiaries Appropriate persons in charge will be assigned to deal with them, as a convenient reporting channel for employees to report.	No major Difference
(2) Has the company established the standard operating procedures for the investigation of the complaint, follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism?	V		The company and its subsidiaries all have relevant methods for reporting and appealing, which specify the procedures for reporting, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality principles	No major Difference
(3) Whether the company has taken measures to protect the whistleblowers from improper disposal due to the whistleblowing.	V		The procedures for the protection of whistleblowers are clearly stipulated in the relevant reporting and appeal measures of the company and its subsidiaries.	No major Difference
4. Strengthen information disclosure				
Whether the company disclosed the content of its integrity management code and promoted its effectiveness on its website and public information observatory?	V		Sunplus, Generalplus Technology and Sunplus Innovation Technology have placed relevant regulations on integrity management on the company's internal website for colleagues to inquire at any time. The company's external websites and public information observatories place annual reports and the sustainability report, which also fully disclose relevant policy requirements and information on honest operation.	No major Difference
5. If a company has its own integrity management code in accordance with the "Code of Integrity Management of Listed OTC Companies", please describe the differences between its operation and the established code: The company and Generalplus Technology have established the "Integrity Operation Procedures and Behavior Guide", while Sunplus Innovative Technology has established both the "Integrity Operation Procedures and Behavior Guide" and the "Code of Integrity Management", and operate in accordance with the operating procedures and behavior guidelines. The company, its subsidiaries, manufacturers and organizations all adhere to the principle of good faith management.				

6. Other important information that helps to understand the company's integrity management and operation situation: (such as the company reviewing and revising its integrity management code and other situations)
Sunplus and its subsidiaries take honesty as the foundation, and strive for the integrity of all employees and are responsible to investors, customers and the society. The company has a mailbox for complaints and reports. If employees find any violation of the principle of good faith or harm to the reputation of the company, they can complain or report through the Internet. In addition, the company and its subsidiaries and the relevant manufacturers and partners are mostly long-term cooperation, and clearly set a contract, set up relevant full-time personnel to participate, and maintain a long-term stable cooperative relationship.

Note 1: Whether the operation is checked "Yes" or "No", it should be stated in the summary description field.

2.3.7 Other important information that enhances understanding of the company's governance operations:

None

2.3.8 Internal Control System Execution Status and Information

a) Statement of Internal Control System

Sunplus Technology Co., Ltd. Statement of Internal Control System

Date: **March 13th, 2026**

Based on the findings of a self-assessment, Sunplus states the following with regard to our internal control system during **January 1st – December 31st, 2024**:

1. The company knows that it is the responsibility of the board of directors and managers of the company to establish, implement and maintain an internal control system, and the company has already established such a system. Its purpose is to achieve the goals of operation effectiveness and efficiency (including profit, performance, and asset safety protection, etc.), report reliability, timeliness, transparency, and compliance with relevant norms and compliance with relevant laws and regulations, and provide reasonable ensure.
2. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system Subject to change. However, the company's internal control system has a self-monitoring mechanism. Once a defect is identified, the company will take corrective action.
3. The company judges whether the design and implementation of the internal control system are effective based on the items for judging the effectiveness of the internal control system stipulated in the "Guidelines for the Establishment of Internal Control Systems for Publicly Issued Companies" (hereinafter referred to as "the Guidelines"). The internal control system judgment items adopted in the "Processing Criteria" are based on the process of management control, and the internal control system is divided into five components: (1)Control environment, (2)Risk assessment, (3)Control operations, (4)Information and communication, and (5)Supervise operations. Each constituent element in turn includes several items. For the aforementioned items, please refer to the provisions of the "Handling Guidelines".
4. The company has adopted the above-mentioned internal control system to judge projects and evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the evaluation results in the preceding paragraph, the company believes that the company's internal control system (including the supervision and management of subsidiaries) on December 31, 2024 included the understanding of the effectiveness of operations and the degree of achievement of efficiency goals, and the reporting system. Reliable, timely, transparent and in compliance with relevant norms and relevant laws and regulations, the design and implementation of relevant internal control systems are effective, which can reasonably ensure the achievement of the above goals.
6. This statement will become the main content of the company's annual report and prospectus, and will be made public. If there are falsehoods, concealment, or other illegal matters in the above-mentioned disclosed content, it will involve legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This statement was approved by the company's board of directors on March 13, 2026. Among the seven directors present, there was no objection, and they all agreed with the content of this statement, and hereby declare.

Sunplus Technology Co., Ltd.



Chou-Chye Huang
Chairman & CEO

- b) For those who have commissioned an accountant to conduct a special review of the internal control system, the accountant's review report should be disclosed:
Not applicable

2.3.9 Important resolutions of the shareholders meeting and the board of directors for the year of 2025 and up to the printing date of the annual report

2025 The implementation of the resolution of the shareholders' meeting			
Date	Decision Maker	Resolution matters and implementation	
2025.06.13	Shareholders' General Meeting	1. Accept the company's 2024 annual business report and financial statement. Implementation status: The relevant forms have been submitted to the competent authority for reference and announcement in accordance with the Company Law and other relevant laws and regulations. 2. Approval of the Proposal for Covering the Company's 2024 Losses Implementation Status: No dividends were distributed for the year. 3. Approval of the amendment to the Company's Articles of Incorporation. Implementation status: Effective upon resolution by the shareholders' meeting. 4. Approval of the Proposal to Lift the Non-Compete Restrictions on d Directors and Their Representatives. Implementation Status: Effective upon resolution by the Shareholders' Meeting.	
2025 and as of the date of publication of the annual report of the board of directors important matters			
Date	Decision Maker	Case	Result
2025.03.12	Board Meeting	1. Discussion on the 2014 Financial Statements 2. Discussion on the 2024 Business Report 3. Discussion on the Proposal for Covering the 2024 Losses 4. Discussion on the Proposal to Lift Non-Compete Restrictions for Directors and Their Representatives 5. Discussion on the 2025 Annual Shareholders' Meeting and the Acceptance of Shareholder Proposals	The proposal was passed after the chairman consulted all the directors present without objection.
2025.05.14	Board Meeting	1. Discussion on the 2025 Q1 Business Operation Report and Consolidated Financial Statements	The proposal was passed after the chairman consulted all the directors present without objection.
2025.08.11	Board Meeting	1. Discussion on the 2025 Q2 Business Operation Report and Consolidated Financial Statements. 2. Discussion on the internal reassignment and replacement of the signing CPA at Deloitte Taiwan.	The proposal was passed after the chairman consulted all the directors present without objection.
2025.11.10	Board Meeting	1. Discussion on the 2024 Q3 Business Operation Report and Consolidated Financial Statements	The proposal was passed after the chairman consulted all the directors present without objection.
2025.12.24	Board Meeting	1. Discussion on the Appointment of the Accountant and Independence Assessment for 2026	The proposal was passed after the chairman consulted all the directors present without objection.
2026.03.13	Board Meeting	1. Discussion on the 2025 Financial Statements 2. Discussion on the 2025 Business	The proposal was passed after the chairman consulted all the directors present without objection.

2025 The implementation of the resolution of the shareholders' meeting		
Date	Decision Maker	Resolution matters and implementation
		Report 3. Discussion on the Proposal for Covering the Company's 202 Losses 4. Discussion on Lifting the Non-Compete Restrictions for Directors and Their Representatives 5. Discussion on the 2025 Annual Shareholders' Meeting and the Acceptance of Shareholder Proposals

2.3.10 For the fiscal year 2025 and as of the date of report publication the directors have different opinions and record or written statements by the board of directors through important resolutions, its main content:

None

2.4 Information on audit fees

Unit: NT\$K

Audit Firm	Name of Auditor	Accountant audit period	Audit public expenses	Non-audit public fees	Total
Deloitte & Touche	Tung-Hui Yeh Ya-Yun Chang	114.1.1 ~ 114.06.30	5,100	1,550	6,650
	Ming-Hui Chen Tung-Hui Yeh	114.7.1 ~ 114.12.31			

Non-audit public expenses are expenses related to tax visas, tax application cases, transfer pricing reports, and non-supervisor salary declaration verification.

- (1) If the accounting firm is changed and the audit fee paid in the year of change is lower than the audit fee of the year before the change, the amount of the audit fee before and after the change and the reasons shall be disclosed: no such case.
- (2) If the public audit fee is reduced by more than 10% compared with the previous year, the amount, proportion and reason for the reduction of the public audit fee shall be disclosed: None.

2.5 Replacement of Auditors:

- (1) Regarding the Former Auditor

Date of Replacement	Approved by the Board of Directors on November 10, 2025.		
Reasons for the Replacement and Explanation	Due to an internal adjustment within the accounting firm, the signing CPAs will be changed from Mr. Dong-Hui Yeh and Ms. Ya-Yun Chang to Mr. Ming-Hui Chen and Mr. Dong-Hui Yeh effective from the third quarter of 2025.		
Indicate whether the termination or non-acceptance of the engagement was initiated by the client or the CPA.	Situation	Party	Principal
	Actively terminate the engagement	Not applicable	Certified Public Accountant (CPA)
	Decline to continue the engagement		
Audit opinions other than unqualified opinions issued within the most recent two years, and the reasons therefor.	The interim review reports for the years 2025 and 2024 contained qualified opinions. This was mainly due to the fact that the financial statements of certain immaterial subsidiaries included in the consolidated financial statements, as well as information relating to investments accounted for under the equity method, were recognized and disclosed based on financial reports for the same periods that had not been reviewed by independent auditors.		

Date of Replacement	Approved by the Board of Directors on November 10, 2025.		
Whether there are any disagreements with the issuer	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedures
			Others
	No	✓	
	Explanation		
Other Disclosure Matters (as required under Items 4 to 7 of Subparagraph 1, Paragraph 6, Article 10 of this Standard)	None		

(2) Regarding the Successor Auditor

Firm Name	Deloitte & Touche
Name of the CPA	Ming-Hui Chen 、Tung-Hui Yeh
Date of Engagement	Approved by the Board of Directors on November 10, 2025.
Matters and results of consultations regarding the accounting treatment methods or accounting principles for specific transactions prior to engagement, as well as the opinions that may be issued on the financial statements.	None
Written opinion of the successor auditor on matters of disagreement with the predecessor auditor	None

2.6 Chairman, Presidents, and Managers in Charge of Finance and Accounting Who Held a Position in Sunplus' Independent Audit Firm or Its Affiliates during the Recent Year:

Not applicable.

2.7 Net Change in Shareholding and Net Changes in Shares Pledged by Directors, Management, and Shareholders with 10% Shareholding or More

2.7.1 Changes in equity of directors, managers and major shareholders

Unit: Shares

Title	Name	2025		Ended of April 17th, 2026	
		Shareholding Increased (decreased)	Shares Pledged (Released)	Shareholding Increased (decreased)	Shares Pledged (Released)
Chairman& CEO	Chou-Chye Huang	0	(15,810,963)	0	0
Director	TAIWAN LAF' E Co., Ltd.	0	0	0	0
Director	Wen-Hsiung Jan	0	0	0	0
Director	Chih-Chieh Tsai	0	0	0	0

Title	Name	2025		Ended of April 17th, 2026	
		Shareholding Increased (decreased)	Shares Pledged (Released)	Shareholding Increased (decreased)	Shares Pledged (Released)
Independent Director	Tse-Jen Huang	0	0	0	0
Independent Director	Rui-Qi Chen	0	0	0	0
Independent Director	Cong-Ling Guo	0	0	0	0
Independent Director	Shu-Jun Huang	0	0	0	0
VP	Jason Lin	0	0	0	0
VP	Adam Wang	0	0	0	0
AVP	Alex Chang	0	0	0	0
AVP	John Wu	0	0	0	0
Director of Finance & Accounting Division	Shu-Chen Cheng	0	0	0	0
Head of Corporate Governance	Phoebe Chen	0	0	0	0

2.7.2 Stock Trade

Name (Note 1)	Transfer Reason	Transaction Date	Name of Counter Party	Nature of Relationship	Amount of Shares	Transaction Price
-	-	-	-	-	-	-

2.7.3 Shares Pledge with Related Parties

Ended of April 17th, 2026 ; Unit: Shares

Name (Note 1)	Reason of Pledge (Note 2)	Date of Change	Name of Counter Party	Nature of Relationship	Amount of Shares	Percentage of Shareholding	Percentage of Shares Pledge	Transaction Price
Chou-Chye Huang	Redemption	114.05.02	Mega International Commercial Bank Co., Ltd. Hsinchu Science Park Xin'an Branch -	-	2,871,852	15.67%	31.42%	-
Chou-Chye Huang	Redemption	114.05.21	Mega International Commercial Bank Co., Ltd. Hsinchu Science Park Xin'an Branch	-	2,128,148	15.67%	31.42%	-
Chou-Chye Huang	Redemption	114.05.27	Taipei Fubon Commercial Bank Co., Ltd. Anhe Branch	-	3,400,000	15.67%	31.42%	-
Chou-Chye Huang	Redemption	114.06.02	Taipei Fubon Commercial Bank Co., Ltd.	-	6,008,890	15.67%	31.42%	-
Chou-Chye Huang	Redemption	114.06.06	Taiwan Cooperative Bank Co., Ltd. Hsinchu Branch	-	1,402,073	15.67%	31.42%	-

Note 1: Including Directors, managers and shareholders holding more than 10%

Note 2: Reasons for shares pledged or released

2.8 Top 10 Shareholders & Related Parties

April 17, 2026; Unit: shares / %

Name	Current Shareholding		Shareholding under Spouse & Minor		Shareholding under Others' Name		Relationship with related-parties	
	Amount of Shares	Holding %	Amount of Shares	Holding %	Amount of Shares	Holding %	Name	Relationship
Chou-Chye Huang	92,737,817	15.67%	1,370,993	0.23%	-	-	-	-
De-Zhong Liu	12,197,523	2.06%	1,141,943	0.19%	-	-	-	-
Polunin Emerging Markets Small Cap Fund, LLC	9,609,919	1.62%	9,609,919	-	-	-	-	-
Wen-Qin Lee	6,792,000	1.15%	1,085,000	0.18%	-	-	-	-
JPMorgan Chase Bank Taipei Branch is entrusted with the custody of the Van Gard Emerging Markets Stock Index Fund Investment Account of the Manager of the Van Gard Group	4,258,000	0.72%	-	-	-	-	-	-
J.P. Morgan Bank, N.A., Taipei Branch, as Custodian for the Investment Account of J.P. Morgan Securities Ltd.	4,208,915	0.71%	-	-	-	-	-	-
Chase Managed Advanced Starlight Advanced Aggregate International Stock Index	4,169,752	0.70%	-	-	-	-	-	-
Chih-Hao Gong	3,929,964	0.66%	537,361	0.09%	-	-	-	-
Ling Hsu Investment Co., Ltd	3,559,996	0.60%	-	-	-	-	-	-
Trust Investment Account of New York Life Group held in custody by the Banking Department of Standard Chartered Bank (Taiwan) Ltd.	3,018,531	0.51%	-	-	-	-	-	-

2.9 Long-term Investment Ownership

December 31st, 2025/Unit: thousand shares, %

Long-term Investments (Note)	Sunplus Investment		Shareholding of Director, Supervisor, Management or Subsidiary		Synthetic Shareholding	
	Amount of Shares	Holding %	Amount of Shares	Holding%	Amount of Shares	Holding %
Generalplus Technology	37,117	34	14,896	14	52,013	48
Sunplus Innovation Technology	29,890	50	4,108	7	33,998	57
iCatch Technology Inc.	10,112	11	104	-	10,216	11
Sunplus mMedia Inc.	22,441	90	2,559	10	25,000	100
Jumplux Technology	13,200	55	10,800	45	24,000	100

Note: Except companies listed above, all other Equity Method Long-term Investments are held by the parent company. No comprehensive shareholding situation.

3. FUNDRAISING STATUS

3.1 Capitalization

3.1.1 Source of Equity

April 17th, 2026

Month/Year	Price (NT\$)	Authorized capital		Issued capital		Remark		
		Shares (thousand shares)	Amount (NT\$K)	Shares (thousand shares)	Amount (NT\$K)	Funding (NT\$K)	Funding Except Cash	Note
08/1990	10	2,300	23,000	620	6,200	Cash Offering 6,200	None	Not IPO yet
08/1990	10	2,300	23,000	1,150	11,500	Cash Offering 5,300	None	Not IPO yet
03/1992	10	2,300	23,000	2,300	23,000	Cash Offering 11,500	None	Not IPO yet
12/1993	10	6,000	60,000	6,000	60,000	Cash Offering 20,900 Capitalization of Profits 16,100	None	Not IPO yet
09/1994	10	19,800	198,000	19,800	198,000	Cash Offering 60,000 Capitalization of Profits 78,000	None	Not IPO yet
06/1995	10	39,600	396,000	39,600	396,000	Capitalization of Profits 198,000	None	06/28/1995 SFC No. 37335
06/1996	10	64,360	643,600	64,360	643,600	Capitalization of Profits 247,600	None	06/26/1996 SFC No. 40155
06/1997	10	105,500	1,055,000	105,500	1,055,000	Capitalization of Profits 411,400	None	06/10/1997 SFC No.46641
06/1998	10	184,000	1,840,000	184,000	1,840,000	Capitalization of Profits 785,000	None	06/08/1998 SFC No.49408
06/1999	10	269,120	2,691,200	269,120	2,691,200	Capitalization of Profits 851,200	None	06/23/1999 SFC No.57760
06/2000	10	600,000	6,000,000	370,000	3,700,000	Capitalization of Profits 1,008,800	None	06/03/2000 SFC No.48003
09/2000	10	600,000	6,000,000	390,000	3,900,000	Cash Offering for GDR 200,000	None	09/18/2000 SFC No 72620
06/2001	10	700,000	7,000,000	534,000	5,340,000	Capitalization of Profits 1,440,000	None	06/27/2001 SFC No 140791
12/2001	10	700,000	7,000,000	544,742	5,447,424	Merger from Grandtech 10,742	None	12/12/2001 SFC No 173137
06/2002	10	1,000,000	10,000,000	694,950	6,949,500	Capitalization of Profits	None	05/30/2002 SFC No.129546

Month/Year	Price (NT\$)	Authorized capital		Issued capital		Remark		
		Shares (thousand shares)	Amount (NT\$K)	Shares (thousand shares)	Amount (NT\$K)	Funding (NT\$K)	Funding Except Cash	Note
						957,334 And Capital Surplus 544,742		
07/2003	10	1,000,000	10,000,000	777,504	7,775,040	Capitalization of Profits 130,590 And Capital Surplus 694,950	None	05/22/2003 SFC No.0920122560
06/2004	10	1,000,000	10,000,000	875,254	8,752,544	Capitalization of Profits 355,500 And Capital Surplus 622,004	None	06/15/2004 SFC No.0930126644
07/2005	10	1,050,000	10,500,000	945,570	9,455,700	Capitalization of Profits 487,576 And Capital Surplus 175,051 Employee Stock Option 40,529	None	07/11/2005 FSC No. 0940127940 TSE No.09400288741
11/2005	10	1,050,000	10,500,000	948,147	9,481,472	Employee Stock Option 25,772	None	TSE No.09400340711
03/2006	10	1,050,000	10,500,000	948,730	9,487,297	Employee Stock Option 5,825	None	TSE No.09500052761
06/2006	10	1,050,000	10,500,000	949,784	9,497,844	Employee Stock Option 10,547	None	TSE No.09500116511
06/2006	10	1,200,000	12,000,000	1,021,358	10,213,578	Capitalization of Profits 508,844 And Capital Surplus 189,230 Employee Stock Option 17,660	None	FSC No.0950126238
11/2006	10	1,200,000	12,000,000	1,022,777	10,227,773	Employee Stock Option 14,195	None	TSE No.0950030505
01/2007	10	1,200,000	12,000,000	512,212	5,122,119	Capital Reduction 5,114,358 Employee Stock Option 8,703	None	FSC No.0950159014
03/2007	10	1,200,000	12,000,000	512,954	5,129,537	Employee Stock Option 7,418	None	TSE No.0960005441
09/2007	10	1,200,000	12,000,000	554,240	5,542,399	Capitalization	None	FSC

Month/Year	Price (NT\$)	Authorized capital		Issued capital		Remark		
		Shares (thousand shares)	Amount (NT\$K)	Shares (thousand shares)	Amount (NT\$K)	Funding (NT\$K)	Funding Except Cash	Note
						of Profits 288,622 And Capital Surplus 102,415 Employee Stock Option 21,825		No.0960038299
11/2007	10	1,200,000	12,000,000	556,051	5,560,514	Employee Stock Option 18,115	None	TSE No.0960037136
03/2008	10	1,200,000	12,000,000	556,750	5,567,504	Employee Stock Option 6,990	None	TSE No.09700075761
05/2008	10	1,200,000	12,000,000	556,893	5,568,931	Employee Stock Option 1,427	None	TSE No.09700142371
09/2008	10	1,200,000	12,000,000	598,203	5,982,028	Capitalization of Profits 301,637 And Capital Surplus 111,092 Employee Stock Option 368	None	FSC No.0970036239
02/2009	10	1,200,000	12,000,000	596,910	5,969,099	Treasury Stock write-off 12,929	None	TSE No.0980003591
03/2014	10	1,200,000	12,000,000	591,995	5,919,949	Treasury Stock write-off 4,915	None	TSE No.10300058351

April 17th, 2026/Unit: shares

Type	Authorized Capital				Remark
	Issued Shares	Treasury Stock Shares	Un-issued Shares	Total	
Common Share	591,994,919	0	608,005,081	1,200,000,000	N/A

SHELF REGISTRATION

Type	Shares Expected to Issue		Issued Shares		Objective and Expected Benefit of Issued Shares	Expected time of Un-issued Shares	Remark
	Total Shares	Amount	Amount	Price			
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

3.1.2 Major Shareholders

April 17th, 2026

Shareholding	Shares Owned	Holding %
Name		
Chou-Chye Huang	92,737,817	15.67%
De-Zhong Liu	12,197,523	2.06%
Polunin Emerging Markets Small Cap Fund, LLC	9,609,919	1.62%
Wen-Qin Lee	6,792,000	1.15%
JPMorgan Chase Bank Taipei Branch is entrusted with the custody of the Van Gard Emerging Markets Stock Index Fund Investment Account of the Manager of the Van Gard Group	4,258,000	0.72%
J.P. Morgan Bank, N.A., Taipei Branch, as Custodian for the Investment Account of J.P. Morgan Securities Ltd.	4,208,915	0.71%
Chase Managed Advanced Starlight Advanced Aggregate International Stock Index	4,169,752	0.70%
Chih-Hao Gong	3,929,964	0.66%
Ling Hsu Investment Co., Ltd	3,559,996	0.60%
Trust Investment Account of New York Life Group held in custody by the Banking Department of Standard Chartered Bank (Taiwan) Ltd.	3,018,531	0.51%

3.1.3 Dividend Policy

a) Dividend policy in the “Article of Incorporation”

If the company has a surplus after the annual final accounts, in addition to paying profit-seeking enterprise income tax and making up for losses in previous years, 10% of the statutory surplus reserve shall be allocated first, but this is not the case when the statutory surplus reserve has reached the total capital. Next, the special surplus reserve shall be appropriated or reversed in accordance with the laws or regulations of the competent authority. The remaining surplus, together with the accumulated undistributed surplus in the previous period, shall be shareholder dividends. The board of directors shall prepare a distribution proposal and submit it to the shareholders' meeting for resolution. However, the ratio of surplus distribution and the ratio of cash dividends to shareholders may be adjusted by resolution of the shareholders' meeting depending on the actual profit and capital status of the year. The total shareholder dividends for the annual surplus distribution shall not be less than 10% of the newly added distributable surplus for the year, but may not be distributed if it is less than 1% of the paid-in capital. The aforementioned cash dividends shall not be less than 10% of the total dividends payable to shareholders.

b) Dividends for 2025

As the Company incurred a loss in fiscal year 2025, no dividends will be available for distribution for the current year. The proposed distribution of cash dividends from the capital reserve at this shareholder meeting is as follows: Not applicable.

c) Expected Variation: None

3.1.4 The impact of the stock dividends proposed at this shareholders' meeting on the company's operating performance and earnings per share

The company has not prepared and announced the financial forecast for 2026, so there is no need to disclose this information.

3.1.5 Profits Distributed as Employee Rewards and Directors and Supervisors’

Compensation

- a) **The percentage or range of remuneration for employees, directors, and supervisors as stipulated in the company's articles of association.**

If the company makes profits in the year, no less than 1% should be appropriated as employee remuneration (at least 10% of the employee compensation amount shall be allocated to non-managerial employees) and no more than 1.5%. Remuneration for directors. However, if the company still has accumulated losses (including adjustments to the amount of undistributed surplus), it shall reserve the compensation amount in advance.

The employee remuneration mentioned in the preceding paragraph may be paid in stock or in cash, and the recipients may include the employees of the affiliated company who meet the requirements set by the board of directors. The remuneration of the directors referred to in the preceding paragraph shall be paid in cash only.

The first two items shall be implemented by a resolution of the board of directors and shall be reported to the shareholders' meeting

- b) **The accounting treatment for any differences between the estimated and actual amounts of accruals for employee, director, and supervisor remuneration for the current period, including the basis of estimation, calculation basis for stock-based employee compensation in terms of shares, and the actual distribution amount.**

The company estimates employee and director remuneration based on a percentage stipulated in the articles of association, accruing them at a certain ratio and recognizing them as current expenses. Any differences between the actual distribution amount and the estimated amount are treated as accounting estimate adjustments and are adjusted in the year in which the adjustment is resolved at the shareholders' meeting.

- c) **The proposed distribution of employee compensation and director compensation for 2025 approved by the board of directors**

The Company incurred a loss for fiscal year 2025; hence, no employee or director remuneration was distributed.

- d) **The previous year's surplus was used to distribute employee dividends and remuneration for directors and supervisors**

Approval by shareholder’ meeting on June 13, 2025:

	Amount(NTD)
Cash rewards to Employee	\$0
Cash bonus to Directors	0
Total	\$0

There is no difference between the above distribution and the resolution of the Board of Directors of the Company don March 12, 2025.

3.1.6 Buyback of Common Shares

None

3.2 The handling of corporate bonds shall include outstanding corporate bonds and corporate bonds in process, and disclose relevant matters and their impact on shareholders’ rights and interests with reference to the provisions of Article 248 of the Company Law : None.

3.3 The handling of special shares shall include the special shares in circulation and in process, and disclose the relevant issuance conditions, impact on shareholders’ rights and interests, and matters stipulated in Article 157 of the Company Law: None.

3.4 Issuance of GDR: None

3.5 Employee Stock Options Plan

3.5.1 As of the printing date of the annual report, the status of outstanding employee stock options that have not yet matured should be disclosed, along with their impact on shareholder equity: None

3.5.2 As of the printing date of the annual report, the names, acquisition details, and subscription status of the top ten executives who have obtained employee stock options should be disclosed: None

3.6 Restricted Employees Stock

3.6.1 For IPOs with limited employee rights that have not fully met the vested conditions, the status of the IPOs as of the publication date of the annual report and the impact on shareholders' rights and interests should be disclosed: None.

3.6.2 Names of the managers who have acquired new shares with restricted employee rights and the top ten employees with the number of shares acquired up to the date of publication of the annual report: None

3.7 Handling of issuing new shares for mergers or acquisitions of other companies' shares

3.7.1 The issuance of new shares for mergers or acquisitions of other companies' shares completed during the most recent fiscal year and up to the printing date of the annual report: None

3.7.2 The issuance of new shares for mergers or acquisitions of other companies' shares, which have been approved by the Board of Directors during the most recent fiscal year and up to the printing date of the annual report: None

3.8 Fund utilization plan and implementation: not applicable

4. BUSINESS HIGHLIGHT

4.1 Business Activities

4.1.1 Business Scope

a) Major Business

- CC01080 Manufacturing of electronic component
- I501010 Product Designing
- F401010 International Trading
- I301010 Software Design Services
- I301020 Data Processing Services
- CE01010 General Instruments Manufacturing
- IG01010 Biotechnology Services
- R&D, Manufacturing, Testing, Selling of
 - (1) ICs
 - (2) modules
 - (3) Application software
 - (4) IPs
 - (5) Trading and Agency Business of ICs
 - (6) High-sensitivity biochip detection technology platforms and applications.
 - (7) Biochemical and molecular biology-related testing equipment and reagents.

Product Segments and Sales Amount

Unit: NT\$K ; %

Product Categories	2025	
	Amount	Percentage %
IC income	5,907,042	93.72
Other	396,097	6.28
Total	6,303,139	100.00

Plan to develop new products (services)

Company	Plans to develop new products
Sunplus Technology	(1) Automotive Infotainment System Chips (2) Automotive Smart Cockpit System Chips (3) Automotive Driver Assistance System Chips (4) Automotive Cockpit Acoustic System Chips (5) Automotive Instrument Cluster System Chips (6) Immersive High-Resolution Audio Chips (7) Bluetooth Audio Integrated Chip (8) Edge AI Audio Chip (9) Multifunction Wireless Audio Modules (10) Visual AI System Chip (11) Edge Computing Generative AI System Chip (12) Multimodal Large Model Edge AI System Chip
Generalplus Technology	(1) Consumer Product Line A. Next-Generation 4-bit CPU Voice Synthesis Control OTP Chip (A) Built-in SPU (Speech Processing Unit) to handle audio synthesis tasks (B) Optimized peripherals to provide a more cost-effective chip B. Next-Generation 8-bit CPU Voice Synthesis Control OTP Chip (A) Built-in SPU (Speech Processing Unit) for audio synthesis processing. (B) Built-in touch-control peripherals and high-resolution digital audio amplification circuitry to provide high-audio-quality control chips. C. Next-Generation 16-bit μ nSP CPU Voice Synthesis Control Flash Chip (a) Integrated microphone amplifier circuitry and

Company	Plans to develop new products
	<p>high-resolution digital audio amplification circuitry.</p> <p>(b) Built-in Flash memory enabling fast program code updates.</p> <p>D. Next-Generation 8-bit CPU LCD Display Controller Chip</p> <p>(a) Built-in LCD boost and control circuitry.</p> <p>(b) Supports wide-voltage operation and OTP (One-Time Programmable) memory for fast program code updates.</p> <p>(2) Multimedia Product Line</p> <p>A. Next-Generation 22nm Multimedia Application SoC</p> <p>(a) Built-in Sunplus' self-developed deep learning accelerator, with a big.LITTLE architecture, which improves user experience without increasing computing power. Supports various algorithms such as face/person/gesture recognition, green screen-free portrait background removal and blurring, age transformation, cartoonization, gaze detection, human pose estimation, dual-person background removal, dual-person makeup, multi-object recognition, and 3D object recognition, further enhancing end-customer experience.</p> <p>(b) Next-generation ISP: Supports HDR. The de-noise engine has been enhanced with improvements to STNR, RAWNR, Chroma De-noise, and 3DNR. WDR, local contrast enhancement, and AWB/AE support multi-mode adjustment. A 3D LUT has also been added to enable various scene styles and color profiles.</p> <p>(c) Supports EIS with Gyro, including dewarping H/W acceleration and hardware sensor + gyro timestamp functionality.</p> <p>(d) Supports 4Kp30 H.264 codec.</p> <p>(e) Supports 2Kp30 full-format H.264 decoder.</p> <p>(f) Dual PPU provides high-efficiency 2D graphics rendering acceleration.</p> <p>(g) GPU supports OpenGL ES 2.0 up to 720p30 or 1080p15.</p> <p>(h) Integrates Frame Buffer Compression IP to improve DDR bandwidth efficiency.</p> <p>(i) Next-generation DDR PHY data rate increased to 1,600 Mbps.</p> <p>(j) New-generation DMA2D engine accelerates HMI applications.</p> <p>(k) MIPI TX/LVDS combo analog IP.</p> <p>B. Developed AI algorithms, including multi-person pose estimation combined with ID tracking algorithms, generative AI algorithms, and ADAS algorithms. Developed Electronic Image Stabilization (EIS) algorithms to enhance the added value of dashcam, gaming console, and camera products.</p> <p>(3) MCU Product Line</p> <p>A. Next-Generation 32-bit Motor Control MCU</p> <p>(A) Optimized high-speed operational amplifiers and analog-to-digital converters to drive brushless DC motors for power tools and fan applications.</p> <p>(B) Optimized peripheral circuits to provide customers with more cost-effective products compared to the previous generation.</p> <p>B. Next-Generation 8-bit Touch MCU</p> <p>(A) Improved touch response speed and</p>

Company	Plans to develop new products
	<p>anti-interference capability. (B) Optimized peripheral circuits to provide customers with more cost-effective products compared to the previous generation.</p>
Sunplus Innovation Technology	<p>(1) Image Processing Controller IC Products A. ISP ICs for Embedded Laptop Cameras (a) 4K2K image processing controller IC. (b) Embedded AI camera controller IC for laptops supporting Windows Hello Human Presence. B. ISP ICs for External USB Webcams (a) USB 3.0 high-quality 4K2K AI intelligent external webcam controller IC. (b) USB 2.0 five-megapixel AI intelligent external webcam controller IC. (2) Safety & Sensing Application ICs [Under Development] Targeting automotive safety, industrial surveillance, and specialized environmental sensing applications, solutions with “perception redundancy” capabilities are being developed: A. AI Thermal Imaging Processing IC: Combines non-contact temperature sensing with AI algorithms, suitable for industrial safety monitoring and night vision assistance. B. Multi-Sensor Fusion Processing Platform: Integrates infrared and visible-light imaging to provide more reliable edge computing capabilities and meet high-safety sensing requirements. (3) Smart HMI and Medical Imaging Applications [Under Development] A. Smart HMI (Human-Machine Interface) Controller IC: Integrates voice recognition, gesture control, and display driver technologies to provide the interactive core for next-generation smart home appliances and in-vehicle systems. B. Low-Power IoT Smart Vision MCU: Enhances edge AI recognition efficiency while extending device standby time. C. High-Resolution Medical Endoscopic Imaging Controller IC: A low-latency, high-color-accuracy imaging solution developed for medical-grade precision applications.</p>
Jumplux Technology	<p>(1) Front-mounted car specification USB3.2 TYPE C Media HUB IC (2) Automotive-grade peripheral communication ICs for OEM applications</p>

4.1.2 Industry Overview

Industry Status and Exhibition

Global economic conditions

According to reports from the World Semiconductor Trade Statistics (WSTS) and Gartner, the global semiconductor market in 2025 has been influenced by both geopolitical factors and structural AI-driven demand, resulting in highly volatile growth. The global semiconductor market size reached USD 791.7 billion in 2025, and is projected to continue growing significantly by 26% in 2026, approaching the USD 1 trillion mark. The primary growth drivers are AI-related logic ICs and memory ICs.

Taiwan's IC industry reached NTD 6.5 trillion in 2025 and is expected to grow by 18.3% to NTD 7.7 trillion in 2026. AI remains the core driver of market expansion, not only fueling demand for cloud data centers and AI servers, but also extending into edge devices. The focus of chip and model development is shifting from "semantic understanding" toward "perception and action" with decision-making capabilities, ushering in the era of Physical AI.

Overall, the semiconductor industry is at a critical turning point, transitioning from a "digital brain" paradigm to "physical action." High computing performance, low power consumption, diversified architectures, perception, and action capabilities will become the primary battlegrounds for future competition.

Global Economic Outlook for 2026: Seeking Resilient Growth Amid Fragility

According to the latest assessments by key international organizations, including the International Monetary Fund (IMF), World Bank, and Organisation for Economic Co-operation and Development (OECD), global economic growth in 2026 is expected to remain within the range of 3.1% to 3.3%. This forecast reflects a "new normal" of low growth, low inflation, but heightened uncertainty following prolonged global anti-inflation efforts. Expanding technology investments, private-sector adaptability, and gradually easing monetary policies are expected to remain the key drivers supporting growth, while geopolitical tensions and sharp shifts in trade policies continue to pose significant downside risks.

Deep Divergence in Regional Economic Growth Paths

The global economic landscape in 2026 is expected to exhibit significant regional divergence. Advanced economies are projected to grow by approximately 1.5% to 1.8%. Supported by its leadership in AI technology and continued tax reduction policies, the United States is expected to maintain growth of around 2.0%, despite ongoing pressure from the slow return of inflation to target levels. Its strong domestic market and technological capabilities remain key advantages.

In contrast, the Eurozone continues to face challenges related to energy transition and rigid labor markets. Although long-term initiatives such as the European Green Deal provide fiscal support, the region's growth forecast remains modest at around 1.5%, while high energy costs continue to weaken the international competitiveness of its manufacturing sector.

Emerging markets and developing economies are expected to remain the primary engines of global growth, with projected growth rates above 4%. India, benefiting from digital transformation and infrastructure expansion, is forecast to achieve growth of approximately 6.1% in 2026, making it the world's fastest-growing major economy. Meanwhile, China continues to undergo long-term structural adjustments following its real estate crisis, with projected growth slowing to between 4.2% and 4.5%. This shift in global growth momentum is profoundly reshaping semiconductor market deployment and supply chain dynamics.

Semiconductor Industry Outlook for 2026: A Historic Leap Beyond the Trillion-Dollar Threshold

The year 2026 is widely regarded as a pivotal turning point for the semiconductor industry. As AI technology transitions on a large scale from training to inference, global semiconductor market revenue is projected to reach between USD 975 billion and USD 1 trillion, setting a historic industry record.

However, the foundation of this prosperity is characterized by extreme structural asymmetry.

Structural Expansion Driven by the AI Super Cycle

The development of AI infrastructure is expanding beyond traditional cloud data centers into edge computing, smart devices, and in-vehicle computing platforms. The semiconductor market is expected to maintain a strong annual growth rate of approximately 25% to 26% in 2026. Logic ICs and memory ICs will serve as the two primary growth drivers, with both categories projected to achieve growth rates exceeding 30%.

Particularly noteworthy is the phenomenon of "value concentration." By 2026, generative AI-related chips are expected to contribute approximately 50% of global semiconductor revenue while accounting for only 0.2% of total global chip shipments. This means that a very small number of high-end products—such as GPUs, advanced accelerators, and HBM—will dominate industry value creation, while broader traditional application markets, including PCs, smartphones, and entry-level automotive chips, are expected to experience only moderate recovery and may even face structural shortages due to resource crowding effects.

The Return of the Memory Super Cycle and Extreme Price Volatility

The memory market is projected to reach approximately USD 200 billion in revenue in 2026, accounting for one quarter of the overall semiconductor market. Driven by the insatiable demand for bandwidth and capacity in AI computing, High Bandwidth Memory (HBM) remains in a prolonged state of structural undersupply.

Analysts forecast that in the first half of 2026, prices for mainstream memory configurations could rise by as much as 50%. This sharp price volatility not only increases the cost of AI servers, but also raises concerns among automotive manufacturers developing smart cockpit systems and advanced autonomous driving technologies, as memory demand in automotive electronics continues to grow rapidly.

In terms of capital expenditure (CapEx), memory manufacturers are cautiously expanding production capacity. Capital spending for DRAM and NAND is expected to increase by 14% and 5%, reaching USD 61 billion and USD 21 billion, respectively. While this conservative expansion strategy helps preserve profitability, it also implies that if demand exceeds expectations—for example, driven by a surge in automotive edge computing—the market could quickly enter a severe supply shortage cycle.

Embracing the Golden Era of Trillion-Dollar Semiconductors and Smart Mobility

The year 2026 marks the semiconductor industry's entry into the trillion-dollar threshold and represents a deep phase of transformation for the automotive sector's digital evolution. Although the explosive growth of AI has caused significant short-term disruptions and resource competition for automotive electronics, the long-term deployment of AI at the vehicle edge (Edge AI) is the final piece required to enable true autonomous driving and software-defined vehicles.

For semiconductor companies, success in 2026 will depend on balancing “capturing AI-driven profitability” with “maintaining a diversified market portfolio.” Overreliance on a single application such as generative AI may expose the industry to bubble risks, while continued investment in the automotive sector—with its stringent safety requirements and long product life cycles—serves as a stabilizing cornerstone for long-term resilience.

For the Automotive Industry: A Full-Scale Battle of Computing Power, Energy, and Carbon Credits

For the automotive industry, 2026 represents a comprehensive competition centered on “computing power, electricity, and carbon credits.” Automakers must demonstrate unprecedented decisiveness in architectural innovation, direct supply chain integration, and ESG compliance. Companies capable of effectively translating AI computing efficiency into superior driving experiences, while building resilient supply chains amid complex geopolitical conditions, will emerge as winners in this major industry reshuffle and define the future of human mobility.

Toward a New Intelligent Audio Era in the AI Agent Economy

The year 2026 is widely regarded as the starting point for large-scale deployment of “Physical Intelligence,” as AI transitions from virtual cloud environments to real-world applications. According to International Data Corporation (IDC), spending on agentic AI in Taiwan is expected to account for 17% of total AI expenditure by 2029, becoming a key driver of the next wave of enterprise transformation. This shift will also drive Taiwan's AI platform spending to grow from USD 134.32 million in 2025 to USD 608.41 million in 2029.

Intelligent Audio in the Consumer Sector: The Rise of Agentic AI

In the consumer intelligent audio industry, devices are expected to gain significantly enhanced sensing and real-time interaction capabilities, evolving from passive voice-command receivers into proactive assistants powered by agentic AI. Consumers' expectations for audio devices are no longer limited to sound quality; instead, they increasingly value portable and practical AI assistants that can continuously sense the user's environment, what they are listening to or watching, and proactively provide real-time translation or context-aware recommendations. These systems may further extend to initiating product suggestions, content discovery, and even assisting with purchasing decisions.

With the advancement of semiconductor process technologies entering mass production, audio chips are expected to deliver higher computational performance with lower power consumption. At the same time, improvements in latency and privacy will enable more AI inference to be performed directly on-device (edge processing), rather than relying on cloud-based computation.

However, despite strong AI-driven demand, the diversion of high-end memory and key components toward AI servers has created supply constraints in the consumer electronics sector. This has resulted in component shortages, shipment limitations, and rising costs for consumer audio products, introducing significant uncertainty into the market landscape.

In recent years, demand for computing power in AI and intelligent products has been continuously increasing. Driven by the joint development efforts of major global technology companies, AI technologies have advanced rapidly. The current AI wave has evolved from earlier visual neural networks to today's generative AI for text, images, and self-generated content. As software and algorithm innovation continues with strong participation from startups, demand for computing platforms is also steadily rising. However, specifications remain highly uncertain, and requirements for cost and power consumption are continuously being adjusted in a dynamic and iterative manner.

Building on its long-standing expertise in AI and SoC technologies, Sunplus Technology focuses primarily on edge AI applications, particularly in sensing and understanding the physical world. From sensor-level input to AI computing units, and from perception processing to AI model deployment, Sunplus integrates both front-end and back-end systems as well as hardware and software to build a complete AI ecosystem.

Taiwan holds a unique position in the AI chip industry. It has a comprehensive semiconductor supply chain, ranging from wafer fabrication and memory integration to advanced packaging technologies. In addition, with government support, hardware IP and software development have attracted numerous startups, enabling the formation of a complete and robust AI supply ecosystem.

Overall, this represents a new and significant opportunity that should not be missed. However, due to the early-stage nature of these emerging technologies, end products are still evolving rapidly. Continuous changes in final product requirements remain a key issue that must be closely monitored to avoid misalignment between development outcomes and current market demand.

Industry Upstream–Midstream–Downstream Relationships

The company is responsible for product specification definition, IC design and system design, wafer probing, and after-sales service. Processes such as photomask production, wafer fabrication, wafer dicing, IC packaging, and final testing are outsourced to specialized foundry partners.

Taiwan’s semiconductor manufacturing supply chain is highly complete. Upstream and downstream manufacturing facilities are concentrated in and around the Hsinchu Science Park, forming a semiconductor cluster effect that significantly improves overall manufacturing efficiency and production productivity.

Product Development Trends and Competitive Landscape

Company	Main Product	Product development trends and competitive situation
Sunplus	IC products are applied in automotive smart cockpit systems, advanced driver-assistance systems (ADAS), and various home audio systems, including soundbars and DVD players. They are also used in visual AI chips, Edge Computing Generative AI System-on-Chip (SoC) and for licensing high-speed interface IP, high-performance data converter IP, and analog IP.	<p>Sunplus’ flagship product is a single-chip Display Audio SoC supporting smartphone connectivity features such as Apple CarPlay and Google Android Auto. The company has expanded into smart cockpit systems, with multiple customers beginning mass production of smart cockpit products in 2025. In 2026, Sunplus will continue to invest system and IC development resources in this area. Sales of automotive instrument cluster systems (including four-wheel and two-wheel vehicles) showed strong growth in 2025. Shipments are expected to continue increasing in 2026, with ongoing development of new systems and new ICs.</p> <p>Sunplus Technology has long focused on the development of single-chip solutions for home audio systems. By integrating various acoustic algorithms, the latest Bluetooth wireless transmission technologies, and AI-based edge audio processing, the company builds a comprehensive audio ecosystem through continuous technological innovation.</p> <p>In 2025, Sunplus launched a new-generation 3D immersive high-resolution audio SoC, combining AI edge audio computing to enable intelligent scene-aware voice enhancement, delivering an exceptional listening experience. The product has received strong market acceptance and wide adoption.</p> <p>In 2026, Sunplus will continue investing in the</p>

Company	Main Product	Product development trends and competitive situation
		<p>development of next-generation Bluetooth audio SoCs, enabling wireless speakers to be placed freely without complex setup while automatically optimizing sound fields. This will further enhance immersive audio experiences, expand innovative application scenarios, and drive a new cycle of growth momentum.</p> <p>Sunplus Technology also provides IP licensing for high-speed interfaces, data converters, and analog technologies.</p> <p>In the field of intelligent AI products, major technology companies in both the United States and China have heavily invested in high-performance or cost-efficient edge AI chips. In addition to its existing spatial vision AI SoC portfolio, Sunplus is also expanding into Vision-Language-Action (VLA) multimodal large-model chips. These solutions are designed for applications such as robotics, unmanned vehicles, and unmanned aerial systems, as well as other Physical AI products.</p> <p>These advanced platforms are capable of perceiving multi-sensor inputs, understanding spatial and semantic information, and enabling autonomous decision-making and actions.</p>
Generalplus	<ul style="list-style-type: none"> A. Educational learning platform B. Smart interactive toy market C. Wireless charging market D. Imaging product market E. Brushless Motor Market 	<p>A. Education and Learning Platforms Our company has established a solid foundation in the education and learning market, consistently leading peers in both hardware and software technologies. From early 8-bit and 16-bit platforms to the current mainstream and specialized 32-bit platforms, we offer a more complete and integrated solution with superior performance compared to domestic competitors. Our 16/32-bit platforms, leading the industry, combine CPU flexibility with powerful DSP (Digital Signal Processor) computing capabilities. These platforms fully support the high-quality audio and interactive multimedia features essential for education and learning. Additionally, our solutions are highly integrated SoC designs, featuring unique hardware acceleration units not available from competitors. This enables customers to develop and manufacture products more quickly while achieving high-speed computation through specialized hardware acceleration, thereby enhancing product value to meet rapidly changing market demands. Regarding hardware acceleration, we adopt a differentiated approach by providing numerous specialized functions that software alone cannot</p>

Company	Main Product	Product development trends and competitive situation
		<p>achieve, including GPU (Graphics Processing Unit), SPU (Sound Processing Unit), and DLA (Deep Learning Accelerator). We not only offer competitive hardware platforms but also deliver complete development tools and libraries to customers, facilitating rapid and efficient development. This allows customers to easily create essential educational content complemented by interactive and inspiring special features that promote effective learning. This comprehensive offering is one of the key reasons our products remain highly competitive.</p> <p>B. Smart Interactive Toy Market In the interactive toy sector, our company has consistently led the market towards more interactive smart toys, covering platforms from 8-bit and 16-bit to 32-bit. We launched interactive dolls combining voice and image recognition, which won Time Magazine’s Best Toy Invention Award and represented one of the earliest applications of AI technology in toys. With AI technology increasingly applied across consumer products in recent years, our early investment in AI has allowed us to accumulate substantial hardware and software IP (Intellectual Property). For the smart toy market, we have begun collaborating with customers to create next-generation products that integrate AI technology concepts, expected to lead market trends and create entirely new interactive toys. Compared with competitors, our unique smart interactive technology and complete total solutions have earned strong customer loyalty. Known for technological leadership and rapid responsiveness, along with long-term customer relationships, clients are eager to partner with us to co-create more valuable products for the future.</p> <p>C. Wireless Charging Market Our company has over ten years of development experience in wireless charging and is a leading domestic manufacturer for mass production in this field. Besides being one of the first to obtain WPC Qi certification, we lead the country in production volume. Our accumulated experience ensures our products enjoy broad customer recognition for compatibility and efficiency. In product development, we continuously release more highly integrated transmitter chips and actively launch new products aligned with the latest WPC specifications.</p> <p>D. Imaging Products Market Beyond strengthening our market share in the existing dashcam market with higher integration, greater stability, and cost-performance advantages, we are also expanding into other consumer imaging fields based on our image processing expertise. These include children’s cameras, outdoor multifunction cameras, live streaming gimbals, and personalized care products. We continue to introduce new applications and products to the market. Moving</p>

Company	Main Product	Product development trends and competitive situation
		<p>forward, we aim to enhance product value, consolidate market share, and diversify applications by developing multi-camera systems and intelligent driver assistance systems.</p> <p>E. Brushless Motor Market Our company has over a decade of experience in brushless motor technology and has accumulated related expertise. We provide corresponding solutions for control methods ranging from square wave with Hall sensors to sine wave sensorless control. In recent years, responding to market trends toward miniaturization, we have successively launched integrated ICs combining driver functions. Application areas have expanded from high market share electric bicycles and scooters to small household appliances like fans, vacuum cleaners, and hair dryers, as well as industrial fans and handheld power tools. To cope with fierce competition in the Chinese market, we continuously develop new competitive products to maintain overall profitability.</p>
Sunplus Innovation Technology	<p>The company is currently focusing its R&D and sales resources on high-margin and high value-added applications. Its main product lines are divided into three categories:</p> <ol style="list-style-type: none"> 1. Image processing control ICs 2. Security and sensing products 3. Smart HMI control ICs 	<p>The development trends of each product line are described as follows:</p> <p>A. Image Processing Control ICs Image processing control ICs are backend ICs (commonly referred to as ISP chips) used in webcam modules for image adjustment, encoding, and USB transmission. Their core components include a digital signal processor (DSP), microcontroller unit (MCU), and USB interface. These ICs process and compress image signals received from image sensors before transmitting them to computer systems. To respond to changes in the end market and increasing demand for product differentiation, the Company has shifted its strategic focus toward higher-margin high-end notebook (High-end NB) and AI PC markets. The Company focuses on products supporting HD, FHD, 5-megapixel, and 4K2K resolution specifications, while integrating Edge AI capabilities to deliver high-quality imaging solutions. With the growing adoption of Microsoft Windows 11 and AI PC specifications, products from major brand customers are required to pass stringent image quality certifications. The Company's R&D and quality assurance teams have established comprehensive measurement environments and verification technologies, supported by extensive image tuning experience, enabling the Company to provide customers with comprehensive image optimization and technical support services. In addition, for the Windows Hello biometric authentication system, the Company's image control ICs compatible with RGB-IR sensors have successfully obtained certification. Going forward, the Company will continue optimizing chip performance to meet the high-end market's requirements for security and reliability in biometric authentication systems.</p> <p>B. Security and Sensing Products With the advancement of AI and sensing</p>

Company	Main Product	Product development trends and competitive situation
		<p>technologies, imaging applications are undergoing a significant transformation from simple “seeing” to deeper “perceiving.” The Company is actively expanding into the high-growth sensing market and investing in the development of control technologies related to infrared thermal imaging sensors. In terms of technology deployment, the Company is committed to the in-house development of core infrared thermal imaging technologies. The Company has successfully developed Thermal ISP technology and highly integrated advanced image processing functions such as NUC (Non-Uniformity Correction) and AGC (Automatic Gain Control).</p> <p>Looking ahead, the Company will continue focusing on the development of underlying core technologies, including Readout Integrated Circuits (ROIC). This technology strategy not only helps reduce overall system costs, but also significantly enhances development efficiency, product flexibility, and market competitiveness.</p> <p>C. Smart HMI</p> <p>To address the increasingly complex human-machine interaction requirements of IoT and smart devices, the Company has launched its Smart HMI (Human-Machine Interface) product line. This series of products features a fully upgraded architecture centered on highly integrated microcontroller units (MCUs) and neural processing units (NPUs), combined with memory components, dedicated input/output circuits, and peripheral communication interfaces, with a focus on delivering ultra-low-power and high-performance computing control solutions. In response to the widespread adoption and increasing intelligence of low-power IoT devices, the Company’s Smart HMI chips are capable not only of independently performing embedded system control tasks, but also of significantly integrating Edge AI technologies. Leveraging the built-in computing power of the NPU, AI models are primarily utilized to enable advanced functions such as low-latency and highly accurate voice recognition, audio processing, and gesture control.</p> <p>These capabilities empower end devices with stronger local data processing and real-time decision-making abilities, fully addressing market trends toward smarter, more diversified, and low-power human-machine interface devices.</p> <p>Product Competitive Landscape</p> <p>A. Image Processing Control ICs</p> <p>According to the latest reports from research institutions (such as TrendForce), the demand for image processing in built-in cameras and the specifications required are increasing due to the AI PC replacement cycle and upgrades in high-end notebook (NB) specifications. In the global NB camera image processing IC (ISP) design market, the Company holds an approximately 40% market share worldwide and is a leading player alongside major domestic competitor Realtek.</p> <p>Both companies offer comprehensive product</p>

Company	Main Product	Product development trends and competitive situation
		<p>portfolios covering HD, FHD, and high-resolution 5-megapixel and 4K ICs, and are actively competing in the development of Edge AI technologies. The Company will continue to strengthen its leading position in the high-end market by delivering superior image quality and highly integrated AI-based solutions.</p> <p>B. Security and Sensing Products Infrared Thermal Imaging Sensors represent a niche market characterized by high technical barriers and high profitability. The core competitiveness in this field lies in the design capabilities of underlying Readout Integrated Circuits (ROICs) and complex thermal imaging processing algorithms. In the past, this market has been dominated by a small number of specialized international manufacturers. Leveraging its long-term accumulated expertise in image processing technologies, the Company has entered this high-growth market by combining value-added sensor fusion solutions. Compared with traditional thermal imaging suppliers, the Company is able to provide solutions with higher system integration and greater development flexibility, thereby helping to break existing market barriers.</p> <p>C. Smart HMI The IoT human-machine interface and low-power control IC market is a highly diversified and fragmented application field, with no single dominant market leader at present. In response to the growing demand for intelligent interaction, most traditional competitors still rely primarily on standalone microcontroller (MCU) solutions. In contrast, the Company adopts a highly integrated dual-core architecture combining an MCU with a neural processing unit (NPU). This approach focuses on delivering low-latency and highly accurate AI-driven audio voice recognition and gesture control capabilities. By doing so, the Company achieves strong product differentiation in this highly competitive and mature market, providing significant advantages for market penetration and expansion.</p>
Jumplux Technology	Factory-installed regulations USB2.0 MediaHub IC Factory-installed regulations USB2.0 OTG HUB IC Automotive-grade for OEM installation USB2.0 Dual-Role HUB IC	<p>In recent years, the Company has successfully achieved mass production of multiple automotive-grade USB 2.0 hub product lines, including standard hubs, OTG hubs supporting host/device switching, and dual-role hubs with bidirectional role-switching capability. These products have been widely adopted in intelligent cockpit and in-vehicle infotainment systems by leading automotive manufacturers in China, establishing stable shipment volumes and strong customer trust.</p> <p>With the significant increase in computing power of cockpit SoCs and the growing demand for high-volume data transmission, demand for USB 3.2 hub solutions is expected to gradually increase in the future.</p>

4.1.3 Technology and Development

a) R&D expenditure

Unit: NT\$K, %

Year	2025
Expense	2,182,897
Percentage to Revenue	35%

b) R&D Accomplishment

Company	Accomplishment
Sunplus	<ul style="list-style-type: none"> (1) H.264 decoder (2) MPEG2/MPEG4 decoder (3) Servo Control (4) HDMI DVD Chip Product (5) JPEG decoder (6) Video encoder (7) CarPlay / Android Autod single chip and system platform (8) ADAS system platform 9) Various immersive surround sound field algorithms (10) The latest Bluetooth audio wireless transmission technology (11) Various Artificial Intelligence Speech Processing Technologies (12) Vision AI Processing (13) Generative AI Accelerator Chip
Generalplus	<p>(1) The Company has launched a new generation of 8-bit voice synthesis control ICs, integrated with OTP and a push-pull power amplifier, providing customers with a high-quality voice control solution. In addition, a new generation of 8-bit LCD control ICs has been introduced, integrating LCD control circuitry and audio playback functionality, supporting up to 2,000 LCD display segments while also delivering high-quality audio solutions.</p> <p>(2) The Company has developed a new generation of 40nm 32-bit high-end multimedia chip, integrating an image processing unit and an artificial intelligence (AI) accelerator to deliver enhanced multimedia computing performance. The Company has also successfully developed multiple deep learning algorithms, including multi-person simultaneous tracking and pose estimation, pose detection in two-person overlapping scenarios, and combined gesture and facial recognition (e.g., salute actions), further strengthening its intelligent image recognition capabilities.</p> <p>(3) The Company has launched a new generation of 8-bit infrared remote control ICs, integrated with OTP and LCD voltage regulation circuitry, providing customers with LCD-regulated infrared remote control solutions. In addition, a new generation of 90nm 32-bit high-performance motor control MCU with embedded Flash has been introduced, delivering efficient motor control solutions. The Company has also successfully developed and obtained certification for the latest Wireless Power Consortium (WPC) Qi 2.2 / 25W standard, demonstrating its R&D achievements and competitiveness in wireless charging technology.</p>
Sunplus Innovation Technology	<p>New Technologies Developed in 2025</p> <ul style="list-style-type: none"> (1) eUSB2V1 Compliant 5MP AI Camera Controller for Notebook and PC (2) eUSB2V1 Compliant 4K UHD AI Camera Controller for Notebook and PC (3) Thermal ISP IP
Jumplux	<ul style="list-style-type: none"> (1) USB Display IC (2) Automotive Mediahub IC (3) Automotive OTG HUB IC (4) Automotive Dual-Role HUB IC

4.1.4 Business Plan

Short-term business plan:

Sunplus Technology offers automotive chip products and system platforms, including smartphone connectivity-enabled Display Audio (DA) infotainment SoCs, cost-effective intelligent cockpit system SoCs, digital instrument cluster SoCs, and automotive audio DSPs.

Global production of light vehicles in 2026 is projected to reach approximately 93.6 million to 95.03 million units. Compared with 2025, the growth rate is expected to be around 1.7%. However, some institutions such as S&P Global Mobility anticipate a slight decline in output, reflecting saturation in mature markets and adjustments in regional export strategies. The Japanese market is expected to experience a mild recovery, while the Southeast Asian market is projected to outperform the global average, with sales growth of approximately 5.5%.

In 2026, Sunplus Technology will prioritize resource allocation for its automotive product line to expand market share in China's export markets, North America, Japan, and Southeast Asia. The Company will also increase investment in the development of digital instrument cluster systems for two-wheeled vehicles.

In the development of smart home audio products and system platforms, the Company leverages various acoustic algorithms, advanced wireless transmission technologies, and AI-enabled edge audio processing to provide global leading home appliance and professional audio brands with integrated innovative audio technologies, building a comprehensive audio ecosystem.

In 2025, the Company launched its second-generation 3D immersive high-resolution audio single-chip solution, integrating AI-based edge audio computing and built-in intelligent scene-aware voice enhancement, delivering an exceptional listening experience that has gained strong market recognition and adoption. According to market research firm Futuresource, the soundbar market is expected to rebound in 2026, with the penetration of built-in 3D audio exceeding 40%, creating significant new business opportunities for Sunplus in the audio market. In addition, the Company continues to invest in next-generation Bluetooth audio single-chip development, improving transmission speed and bandwidth while integrating indoor positioning capabilities. This enables wireless speakers to be freely placed within living spaces and perform sound field optimization without complex setup, redefining immersive audio experiences. These innovative applications are expected to drive new growth momentum for the Company's audio products.

AI-enabled smart products leverage high-performance spatial perception technologies and AI computing capabilities to expand into a wide range of application markets, including agriculture, healthcare, elderly care monitoring, unmanned aerial vehicles, robotic vacuum cleaners, and lawn mowers.

In 2026, the Company plans to further develop a multimodal large-model SoC, featuring spatial computing and audio recognition capabilities. The chip will incorporate a high-performance main processor and an AI acceleration engine, along with rich interfaces for connecting to various mechanical systems, enabling Vision-Language-Action (VLA) capabilities required for physical AI applications.

This solution is expected to address a key industry challenge—the lack of high-performance, low-power main processors for systems such as robotics and drones—thereby supporting the development of next-generation intelligent physical AI systems.

Generalplus Technology short-term development strategy focuses on stabilizing relationships with existing customers while actively expanding into new markets, with the goal of increasing market share and profitability.

On the manufacturing side, the Company will continue to strengthen cooperation with key wafer foundries, packaging, and testing partners, while actively developing new domestic and international partnerships. This will enhance production flexibility and establish supply chain information connectivity to ensure stable supply and efficient production.

In terms of product strategy, the Company works closely with customers to develop competitive new products, strengthening innovation and value creation while maintaining a balanced product portfolio and reducing operational risks.

From an operational management perspective, the Company not only focuses on increasing market share and profitability across product lines, but also emphasizes risk diversification, R&D innovation, and talent development. In addition, it leverages strategic alliances to create mutually beneficial partnerships.

Through comprehensive financial planning and resource integration, the Company aims to maximize the efficiency of its resources and lay a solid foundation for sustainable future growth.

In its product market strategy, Sunplus Innovation engages in in-depth collaboration with leading brand customers and strategic partners to enable early-stage technology development and achieve first-mover advantages in the market. Leveraging its long-standing expertise in image processing technology (ISP), the

Company develops highly integrated and ultra-low-power products, offering customers cost-effective solutions and comprehensive product portfolios.

The Company regularly updates the development roadmaps for its three core product lines—image processing, security and sensing, and Smart HMI—in accordance with market demand, in order to strengthen long-term customer partnerships and strategic alliances.

In terms of product and service strategy, in response to evolving market trends and diverse edge computing requirements from customers, the Company develops appropriate hardware-software integrated solutions and product portfolios. It also provides standard reference design solutions, such as thermal imaging sensing modules and Smart HMI voice control development boards, enabling customers to rapidly develop and mass-produce products, significantly reducing the time from design adoption to mass production.

Jumplux Technology continues to focus on the automotive front-end peripheral IC market. In 2025, revenue contribution from its top ten customers has exceeded 90%. The Company’s customer base includes leading Tier-1 suppliers in mainland China, with products widely adopted in globally recognized joint-venture automotive brands, domestic Chinese brands, and multiple new energy vehicle startups.

Looking ahead to 2026, with the evolution of intelligent cockpit architectures, mainstream SoC platforms are experiencing increasing demand for external interface expansion. The Company’s newly developed SPD10XX Dual-Role HUB product line is scheduled to enter mass production in 2026. Together with its ongoing development roadmap for USB 3.2 and USB Type-C products, the Company is well positioned to support the technological transition toward high-speed in-vehicle data transmission.

Driven by China’s domestic substitution trend in automotive-grade semiconductors and ongoing supply chain localization policies, the Company is expected to steadily increase its market share in the Chinese market, further strengthening its competitive position.

Long-term development:

Sunplus Technology includes all of the Group's consolidated entities, will continue to deepen its core competitiveness in all areas, strive to expand the market to increase market share, develop high value-added products to improve gross margin, observe the boom and market trends, adjust and optimize the product line Reinvestment to improve the performance of industry and industry investment, at the same time, it actively invests in the development of advanced technologies and products, expands the scale of operations, enriches the operating team and enhances the company’s visibility and image, in the hope of creating more profit for all shareholders.

4.2 Market Status

4.2.1 Market Analysis

a) Market Analysis by Region

Unit: NT\$K, %

Area	2024	
	Amount (NT\$K)	Percentage (%)
Asia	3,647,660	57.87
Taiwan	2,654,028	42.11
Others	1,451	0.02
Total	6,303,139	100.00

b) Market Share

According to estimates from the Industrial Technology Research Institute's Industrial Economics and According to statistics from the Industrial Technology Research Institute (ITRI) – Industry, Science and Technology International Strategy Center (ISTI), the output value of Taiwan’s IC industry reached NT\$6,522.5 billion in 2025, representing a year-on-year growth of 22.7%. Among this, the IC design segment accounted for NT\$1,424.5 billion, with a year-on-year growth of 12.0%.

The Company’s consolidated revenue in 2025 was NT\$6.30 billion, corresponding to an estimated market share of approximately 0.442%.

According to the latest forecast released by ITRI ISTI, Taiwan’s IC design industry output is expected to reach NT\$1,521.4 billion in 2026.

c) Demand and Growth

According to the latest forecast released by the Industrial Technology Research Institute (ITRI) – Industry, Science and Technology International Strategy Center (ISTI), Taiwan’s semiconductor (IC) industry output value in 2026 is expected to officially surpass the NT\$7 trillion milestone, reaching NT\$7.715 trillion.

Compared with NT\$6.5225 trillion in 2025, the year-on-year growth rate has been significantly revised upward from the original estimate of 10% to 18.3%, reflecting stronger-than-expected growth momentum driven by AI demand.

The IC design segment is expected to grow by 6.8% in 2026. In comparison with the 12.0% year-on-year growth recorded in 2025, the growth rate in 2026 is expected to moderate to a more stable level.

Company	Product Application Market	Demands and Growth Factors
Sunplus	Car infotainment & ADAS	In 2026, global light passenger vehicle production and sales are expected to grow by approximately 1.7% year-on-year. Sunplus is expected to continue increasing its market share in the automotive OEM (front-end installation) market, including both domestic and export markets in China as well as Southeast Asia. Orders from leading aftermarket brands are also expected to increase, while shipments of instrument cluster products continue to grow steadily. Overall semiconductor production and supply conditions remain stable. However, supply of memory-grade bare dies remains tight, with rapidly increasing prices. In addition, automotive-grade products are characterized by long production and qualification cycles.
	Smart Audio Products	The soundbar market is expected to rebound from a cyclical low in 2026, with the penetration of built-in 3D audio estimated to exceed 40%. This trend is expected to create greater business opportunities for Sunplus’ audio product portfolio. Although memory supply conditions in the market remain tight—representing a common industry-wide challenge—the impact is relatively mitigated for Sunplus, as its products utilize embedded small-system memory designs. In addition, the Company maintains strong relationships with its supply chain partners, which helps reduce supply-side disruptions. As a result, Sunplus is able to maintain normal shipment levels and may even benefit from certain customers switching to alternative solutions due to supply shortages.
	Smart AI products	In 2026, demand for AI-powered unmanned vehicles is expected to continue growing. The key factors driving this trend include production capacity and the supply-demand dynamics of memory components, which also affect the overall production momentum of system-level products.
Generalplus	Education and learning toys	Electronic education toys because of its excellent interaction and sound and light effects, can help children to learn from the shape, name, number to text and so on, through fun games and interactive processes, due to the prevalence of smart phones and tablet PCs, for school age children and adolescents, in the electronic trend, manufacturers have also begun to launch such as Tablet PC learning platform, children in the subtle, but also because the learning effect is better than traditional books development of fast learning, so the market continues to grow rapidly. In response to the rapid development of the electronic education and e-learning market, the Company’s 8-bit, 16-bit, and 32-bit SoC platforms are equipped with a wide range of voice compression and playback technologies, as well as black-and-white, grayscale, and color LCD driving capabilities supporting various display resolutions. Combined with touchscreen functionality, recording features, and technologies such as speech synthesis, speech recognition, and voice scoring, the Company has established a comprehensive product portfolio from entry-level to high-end solutions, which has been widely adopted across the industry. The 32-bit SoC platform further provides powerful computing capabilities, integrating networking and multimedia functions, and

Company	Product Application Market	Demands and Growth Factors
		<p>incorporating intelligent human-machine interfaces into products, effectively achieving the goal of accelerating learning through interactive entertainment.</p> <p>In recent years, the Company has also integrated various sensor technologies, including AI voice, facial detection and recognition, and motion detection, making products more diverse and interactive. This enhances both learning effectiveness and user engagement. As digital learning continues to grow in popularity, it is driving sustained market demand.</p>
	Intelligent interactive toys	<p>The field of smart interactive toys is the company's key development direction and is the IC design company with the highest market share. In addition, in high-end products, 16 / 32-bit SoC control chips are also used in countless products every year, such as karaoke, electronic pianos, children's cameras, TV interactive entertainment platforms and wearable devices. In addition, intelligent photorealistic pets and robots are currently the hottest topics. Under the trend of aging, more products have been designed to be used by older ethnic groups.</p>
	Wireless charging	<p>All major smartphone brands worldwide have officially adopted wireless charging, indicating that the market continues to follow this trend. There are now over 500 million devices globally equipped with built-in wireless charging capabilities, and it is expected that the shipments of transmitters and receivers will continue to increase over the next decade. Particularly after the introduction of the new Qi 2.0 standard, which addresses the previous issues of misalignment and inefficiency commonly encountered in wireless charging, the widespread adoption of the technology is expected to be greatly facilitated. Moreover, the growth in the automotive market is also a focal point for the future development of wireless charging.</p>
	Image product market	<p>Our company has been operating in the field of imaging-related products for many years, with a solid technological foundation. In recent years, the market for dash cams has gradually matured, but Generalplus has consistently maintained a certain market share and continues to introduce updated products. For example, we launched electronic rearview mirrors with voice control to enhance competitiveness. Additionally, in the market, we have ventured into new products such as smart door locks, hunting cameras, compact camera and personal health care products, among others.</p> <p>We will continue to cultivate the market by focusing on differentiated and higher-end product development in the future.</p>
	Brushless DC Motor Market	<p>Under the trend of energy saving and carbon reduction in the brushless DC motor market, the rapid development of the overall market is beyond doubt! The company has been working in this field for many years, especially in the field of electric bicycles in mainland China, which has a market share of more than 30%. The application products also extend from electric bicycles, scooters, all the way to home appliances, machine tools, industrial control motors and other related applications. With the continuous increase of DC brushless motor products in the market, the company estimates that this product line can maintain an average annual growth rate of more than 10% in the next five years.</p>
Sunplus Innovation	<p>Embedded ISP chips for notebook computers and image processing control chips for USB external webcams / Microcontroller ICs for PC peripheral devices and low-power IoT imaging microcontroller ICs</p>	<p>Driven by several years of pandemic-related remote working and learning demand, notebook computers and video conferencing systems experienced significant growth in earlier years. Although the market faced challenges from slowing end-device demand and inventory digestion from the second half of 2022 through 2024, the emergence of the AI PC replacement cycle in 2025, along with the deepening adoption of Edge AI and IoT applications across various sectors, has led to a recovery in market momentum and comprehensive product specification upgrades. New technologies such as sensor fusion, AI voice recognition, and gesture recognition</p>

Company	Product Application Market	Demands and Growth Factors
		<p>have further accelerated this transformation.</p> <p>In terms of wafer capacity, the Company’s major products have already adopted 12-inch wafer manufacturing processes, providing relatively stable capacity expansion and yield performance. Looking ahead, demand for intelligent and sensing capabilities in end markets is expected to continue growing significantly. The Company will continue to develop differentiated, high-quality, and high-margin image processing ICs, infrared thermal imaging technologies, and Smart HMI solutions, providing customers with industry-leading products to maintain and expand its market competitiveness.</p>
Jumplux	Factory-installed peripheral market	<p>Benefiting from the trend toward adopting high-computing-power consumer-grade SoCs as mainstream solutions for intelligent cockpit integration, there remains a gap between the native interface availability of these platforms and the increasing demand for multi-channel in-vehicle data transmission. In addition, major Chinese automotive manufacturers are placing growing emphasis on achieving greater self-sufficiency and controllability in key semiconductor components. As a result, the Company’s hub product line has continued to steadily increase its market share in the Chinese market.</p> <p>At the same time, the Company continues to invest in the development of other automotive peripheral ICs, further expanding its presence in the automotive electronics market, deepening collaboration with automakers, and promoting innovation in intelligent vehicle technologies.</p>

d) Advantages and disadvantages of competitive advantages and development prospects

(1) Competition Analysis

(a) Accumulation and impartation of the experience of the R&D team

The company since its inception in 1990 that is positioned as IC design company, management team has established a complete product development, technology management, marketing and other systems, and passed on to the backward employees, so that technology without fault, customers less complain, the staff personal growth achievements. In addition, Sunplus and actively establish a patent layout, so that the core IP research and development can create more value.

(b) Focus on high-level consumer IC market, enlarge the distance from competitors

Since the IC market is extremely competitive and stagnation is an ever-present trap, we keep on bringing in a large number of R&D resources to develop new high-level consumer products and widening the distance between us and other competitors. Meanwhile, Sunplus’ numerous product lines give us a tremendous advantage over our competitors. We are the kind of customer that prized by most wafer foundries because our wafer demand does not fluctuate when a few products are eliminated. Due to our steady stream orders to our wafer suppliers, we enjoy more consistent wafer supply during peak seasons over our competitors. This also allows us to keep our wafer costs at a competitive rate.

(c) Strategic cooperation with upper stream and down- stream factories

In recent years, Sunplus has increased cooperation between our upper stream and down-stream factories. We believe that this new strategic and more dynamic cooperation relationship will bring positive contributions to our production and marketing in the long term.

(d) Maintain long-term and stable cooperative relationship with customers

Consumer electronic products rely on IC to raise their added-on value; consequently the manufacturers and brand-names choose their IC suppliers with extreme caution by evaluating their product specification, features, delivery term, yield rate, and sales service. IC design houses have to work in coordination with customers to build up long-term relationship and facilitate the cooperation.

(2) Advantages

- (a) Sunplus offers high value-added products to enable customer to win the market.
- (b) The growing demand for SoC complicates IC product development and raises the entry barrier, which benefits IC design companies with rich resources like Sunplus.
- (c) Sunplus has strong IC design capability to meet customers' requirements for time to market and costs reduction.
- (d) Sunplus has built up long-term relationship with wafer foundries due to our steady demand for wafers, and therefore we can get stable supply and lower prices from wafer foundries.
- (e) Having achieved mass production success in both automotive OEM and aftermarket markets, our company has established a solid foothold in the supply chain, making it relatively easier for other newcomers to enter the automotive supply chain.
- (f) As the world's first to introduce Dolby Atmos integrated chips, we have commenced mass production with major international household electronics and professional audio brand manufacturers. With a high level of integration platform maturity and comprehensive professional development tools, our customers have high confidence in solution development.
- (g) Establish close collaboration with AI partners and ecosystem alliances, and adopt appropriate regional strategies to deepen market penetration in different geographic markets.
- (h) As physical AI technologies gradually mature and market demand becomes increasingly evident, significant opportunities for edge AI SoCs are emerging.

(3) Disadvantages

- (a) The competitors are mainly international and big IC design companies.
- (b) Revenue and growth are slowing down due to poor PC demands.
- (c) SoC design and integration of features and functions, which developing products costs are a lot more than before, has become the trend of IC design.
- (d) Consumer application demands link to world economics.
- (e) There is high entry-barrier to get into automotive market.
- (f) Risks associated with trade tensions and geopolitical factors between China and the United States.
- (g) Rapid advancements in AI technology lead to rapidly changing demands, and semiconductor industry development cycles of over a year may not keep pace with market demand fluctuations.
- (h) Supply of known-good memory bare dies remains tight, with prices rising significantly.
- (i) The rapid growth of AI applications has led to memory shortages and price increases, causing downstream customers to face component supply constraints that hinder mass production.

(4) Business Strategy

- (a) Developing new and high value-added products.
- (b) Process migration to make per wafer productivity higher and drive cost down.
- (c) Expanding strategic partnership with clients to create win-win situation.
- (d) Collaboration with partners to broaden IP licensing sources.
- (e) We not only rely on a single market but seek opportunities in multiple markets, including different regions, application areas, and automotive manufacturers, to mitigate the risks associated with market uncertainties.
- (f) Leverage software technologies to reduce memory requirements and support compatibility with different suppliers, enabling customers to achieve greater flexibility and balance across multiple sources of supply.

4.2.2 The significant applications and manufacturing processes of our main products:

a) Important Applications:

Automotive Cockpit Systems:

Automotive infotainment and driver assistance system chips integrate video encoding and decoding technologies, smartphone connectivity, and rich multimedia features. They provide various intelligent driving assistance functions to ensure a safer and more comfortable journey for both drivers and passengers.

Two-Wheeler and Four-Wheeler Digital Instrument Systems:

Digital instrument control system chips combine smartphone connectivity with built-in hardware for functional safety and information security, enhancing the driving experience for users.

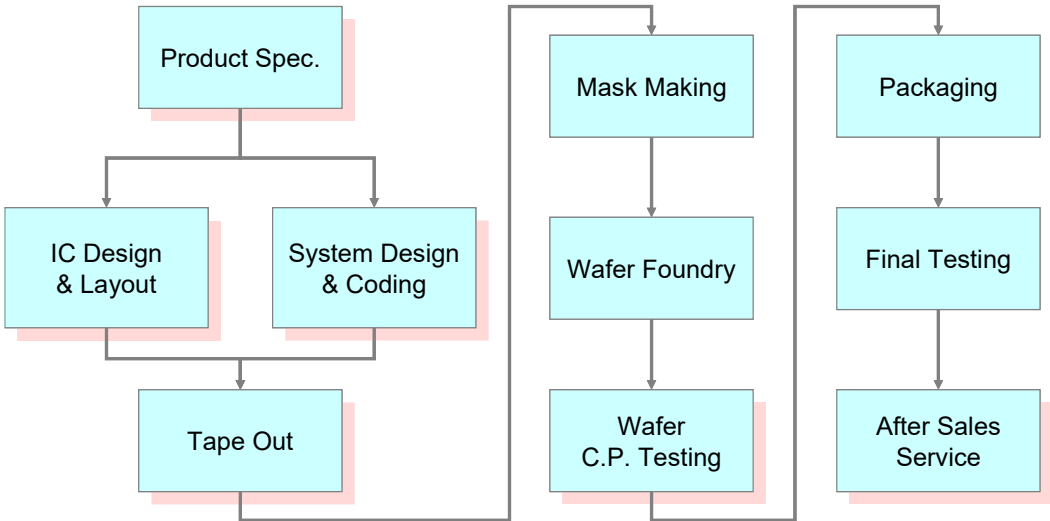
Smart Audio Products:

Immersive high-resolution audio chips utilize high-performance DSP computing technology embedded within the chip, combined with innovative 3D immersive acoustic algorithms and the latest AI audio processing. This allows users to effortlessly enjoy home theater-quality sound. Additionally, composite wireless audio functions are developed to deliver multi-channel surround sound and special effects, achieving the best listening experience with Sound Plus Technology.

Smart AI Products:

Vision sensing combined with AI recognition is applied to machine vision detection for smart cameras and autonomous robots. Smart cameras can be used for eldercare monitoring, baby care, and pet companionship. Autonomous robots include robotic vacuum cleaners, lawn mowers, and even unmanned aerial vehicles (UAVs). In addition to hardware computing power requirements, AI model training and data collection for various scenarios are crucial elements in the AI product development process.

b) IC Development Flow



In the product development flow, Sunplus focuses on IC design, system design, wafer testing and sales services but out-sources most aspects of the manufacturing including mask making, wafer fabrication, packaging, and final testing.

4.2.3 Major Suppliers

The major materials are wafers, at present the main suppliers for domestic and foreign wafer foundry manufacturers, whose wafer supplements are sufficient and stable.

Main raw material name	Major suppliers	Supply status
Wafer	A, B, C, D	Quality and supply stability, long-term cooperation, the supply situation is good.

4.2.4 Major Customers and Suppliers in the Recent Two Years

a) Major Customers

Unit: NT\$K

2024				2025			
Customer	Sales Amount	% of Total Sales	Relation with Sunplus	Customer	Sales Amount	% of Total Sales	Relation with Sunplus
A	887,005	13.79	No	A	781,878	12.40	No
B	683,299	10.62	No	B	611,082	9.70	No
C	534,741	8.31	No	C	591,784	9.39	No
Others	4,329,041	67.28		other	4,318,395	68.51	
Net sales	6,434,086	100.00		net sales	6,303,139	100.00	

b) Major Supplier

Unit: NT\$K

2024				2025			
Supplier	Purchasing Value	% of Total Purchasing	Relation with Sunplus	Supplier	Purchasing Value	% of Total Purchasing	Relation with Sunplus
A	910,088	42.18	No	A	1,120,116	47.12	No
B	316,153	14.65	No	B	354,184	14.90	No
D	201,366	9.33	No	C	239,646	10.08	No
Others	729,967	33.84		other	663,095	27.90	
Net purchase	2,157,574	100.00		Net sales	2,377,041	100.00	

4.3 Personnel Structure

Year		2024	2025	As of April 17, 2026.
Workforce Structure by Job Function	R&D	762	757	748
	Production	61	58	58
	Administration	225	221	218
	Total	1,048	1,036	1,024
Average Age		39.71	37.90	38.11
Average Years Served		10.43	10.22	10.21
Workforce Structure by Education Degree	Ph.D.	1%	1%	1%
	Master	42%	42%	43%
	Bachelor	48%	48%	47%
	Other Higher Education	7%	7%	7%
	High School	2%	2%	2%
	Total	100%	100%	100%

4.4 Environmental Protection & Expenditures

4.4.1 Environmental Protection

The company is a professional IC design manufacturer of high-tech integrated circuits. It is engaged in the research and development of semiconductors in the Hsinchu Science Industrial Park. All products are entrusted to well-known domestic and foreign integrated circuit manufacturers to manufacture wafers, without any environmental protection regulations. Hazardous pollution sources and related matters that do not violate environmental protection regulations. Most of the company's operations are office operations, and there are no facilities and equipment that generate harmful pollution sources, and no expenditure on environmental protection operations; products are entrusted to wafer foundries, packaging, and testing foundries that have the best combination of quality, cost, and production efficiency. Reduce the consumption of defective products and effectively reduce environmental protection expenses directly and indirectly. If there are defective products, they are currently cleaned by qualified manufacturers for free, and there is no cleaning cost. Based on the concept of realizing environmental protection and showing care and responsibility for the society, the company has established an environmental protection system and promised and announced that it has passed ISO 14001:2015 certification; in addition, in order to reduce the impact of electronic waste on the ecological environment, Sunplus Technology provides customers with products that do not contain hazardous substances and are satisfactory. At present, all Sunplus products comply with regulations and customer requirements, and have passed IECQ QC080000 certification.

To mitigate the impact of the greenhouse effect on the climate, Sunplus Technology currently conducts self-assessments in accordance with the ISO 14064:2018 standard. Using 2025 (ROC Year 114) as the greenhouse gas inventory base year, and the company performs GHG emissions inventories annually, with the results disclosed in its Sustainability Report (ESG Report). These inventories have not yet undergone external verification. It is expected to undergo third-party verification in 2026.

According to the results of the company's self-assessments, the annual greenhouse gas (GHG) emissions over the past three years (2023–2025) were 3,164.523, 3,203.059, and 2,756.6503 metric tons of CO₂ equivalent, respectively.

In 2025, total GHG emissions amounted to 2,756.6503 metric tons of CO₂ equivalent. Of this, Scope 1 emissions—direct GHG emissions and removals—accounted for 84.4293 metric tons of CO₂ equivalent, approximately 3.06% of the total. These direct emissions were primarily from sources such as fuel consumption by company vehicles, generator fuel usage, and refrigerant leakage.

The remaining emissions fell under Scope 2 and Scope 3, which include indirect emissions from purchased electricity and other upstream/downstream activities.

Sunplus belongs to the IC design industry. More than 97% of the greenhouse gas emissions are indirect emissions. The emission sources mainly come from the water and electricity needed for air conditioning and office lighting. The factory monitoring system has been used to make the operation of air conditioning equipment more efficient, and at the same time, publicize energy-saving concepts and actions to colleagues, aiming to reduce unnecessary waste by more than 2% per year.

At present, the existing monitoring system is used to control energy-saving measures. In addition, it also actively strengthens employees' environmental protection awareness, promotes waste reduction, recycling, energy saving and water saving, and saves energy and resource consumption, in order to reduce the impact on the environment.

In 2025, the water consumption of the Company's owned facilities was 28.139 thousand metric tons, representing a decrease of approximately 6.80% compared to 30.191 thousand metric tons in 2024.

Regarding waste, the company generated 93.24 tons of general industrial waste, with a monthly average of 7.77 tons. This includes three types: general business activity waste (D-1801), mixed plastic waste (D-0299), and mixed fiber waste (D-0899), with D-1801 accounting for 79.29%. The general industrial waste is collected and transported by licensed disposal contractors to the Hsinchu City Environmental Protection Bureau's resource recycling and incineration facility for treatment. The annual transportation cost is approximately NT\$100,000.

Additionally, defective IC products classified as listed hazardous industrial waste under environmental regulations amount to only 0.32 tons, a very small volume. These are currently collected free of charge by qualified contractors, with no disposal fees incurred.

The company's total industrial waste weight statistics, assessments, and variance analyses comply with its environmental, safety, and health management policies, specifically regarding "risk control and disaster prevention" and "energy saving, waste reduction, and environmental sustainability."

4.4.2 Workplace

As a leading company in IC design, caring and taking care of the company's workers is the company's primary responsibility. We provide facilities and environment that are superior to occupational safety and health laws and regulations, and set up dedicated organizations and personnel in accordance with the law to implement environmental safety and health management related matters.

The relevant mechanical equipment in the company's workplace implements regular automatic inspections according to the statutory cycle, and the monitoring of the labor operation environment is implemented every six months (April and October each year) to ensure the safety of employees, the environment and equipment, and provide regular health checks that are superior to legal regulations. No occupational accident occurred in 2025. The number, number of employees and the ratio of occupational accidents to the total number of employees are all zero.

The company implements health checks for general employees and senior executives that exceed the requirements of laws and regulations every year to ensure that every employee can grasp their own health status. There is also a medical room, where professional physicians are stationed every two months to provide health consultation services for employees and arrange health promotion activities from time to time. More importantly, we provide a friendly breastfeeding room for working women, equipped with refrigerators and electric breastfeeding equipment, and passed the Hsinchu County Workplace Friendly Nursing Room certification in 2015, allowing every mother in need They can work with peace of mind; in 2020, they will pass the health workplace certification of the Ministry of Labor and Safety Administration to protect the physical and mental health of every employee.

Sunplus Technology has passed the ISO 14001:2004 environmental management system certification since September 2004, and passed the ISO 14001:2015 new version certification in November 2016; since April 2018, it has promoted the occupational safety and health management system construction operation, The company obtained the Occupational Health and Safety Management System (ISO 45001) certification in January 2019. The Environmental Management System ISO 14001:2015 certification was renewed following a recertification audit in November 2025, and the certificate validity has been extended to February 9, 2029.

Management system	International standard code and version	Valid from	Valid until
Environmental Management System	ISO14001:2015	2023/02/10	2029/02/09
Occupational safety and health management system	ISO45001:2018	2022/02/25	2028/02/24

4.5 Employees

4.5.1 Employee Welfare

We strive to provide a clean and supportive environment for our employees. We established an Employee Welfare Committee to operate welfare activities including emergency aid, educational grants, book purchase subsidies, social club activities and overseas trips. We also comply with the Labor Standards Law to conduct labor insurance and retirement system programs, and participation with the National Health Insurance plan according to the National Health Insurance Act. Moreover, we also handle group insurance and insurance for employees' family to ensure security for our employees.

4.5.2 Training and Development

In accordance with company development and individual training needs, the company integrates internal and external training resources to plan diversified training programs. The company also encourages employees to engage in self-learning. The key training focuses of the company are as follows:

Management Skills Training, Professional Skills Training, General Skills Training, Specific Skills, Self-Development Training.

4.5.3 Pension Plan

Sunplus has a pension plan for all regular employees, which provides benefits according to the Labor Standard Law.

The Company makes monthly contributions, equal to 2% of salaries, to the pension fund, which is administered by a pension fund monitoring committee. The contributions are deposited in the committee's name in the Central Trust of China. If the estimated balance of the special account is insufficient to cover the benefits for employees who are expected to meet retirement conditions within the next fiscal year, the shortfall will be allocated in a lump sum before the end of March of the following year. The special account is managed by the Labor Pension Fund Supervisory Committee of the Ministry of Labor, and our company has no authority to influence investment management strategies. Since July 1, 2005, employees who choose Labor Pension Act Implementation Rules of the Labor Pension, the Company makes monthly contributions, equal to 6% of salaries to the personal pension fund of Bureau of Labor Insurance.

4.5.4 Other Affairs

Sunplus have smooth commutation channels with employees. Employees could address their opinions to management team directly. All operations are based on the Labor Standard Law. Sunplus' labor relations are outstanding. We are proud to say that there has not been a single loss resulting from a labor dispute since the establishment of the company.

4.5.5 Loss from Controversy between Labor and Management

None

4.6 Information security management

4.6.1 Describe the information security risk management framework, the information security policy, the specific management plan and the resources invested in the information security management, etc.

Information Security Risk Management Framework

The company has set up a dedicated information security supervisor and dedicated information security personnel, who are responsible for promoting, coordinating, supervising and reviewing information security management matters.

The Information Division is responsible for the research, establishment and evaluation of information security policies, plans and technical specifications.

The business unit is responsible for the discussion, use management and protection of the security requirements of the information system and data.

The maintenance of secrets and the management of auditing and use of Information Communication shall be handled by the Internal Audit Office together with the relevant units.

Monthly information department executive meeting reports information operations and execution results to the CEO.

The audit office conducts internal audits every year, and if deficiencies are found, the inspected units will be required to improve measures and track the improvement results.

Every year, accountants will conduct information operation inspections, and if any deficiencies are found, they will ask for improvement measures and track the improvement results.

Information Security Policy

Information and cybersecurity management is an indispensable part of modern corporate governance and has a profound impact on the achievement of corporate governance objectives and sustainable development. As digitalization continues to deepen, a large volume of data generated and processed during business operations—including customer information, trade secrets, and financial data—must be properly protected to prevent data leakage or cyberattacks:

To ensure the security and stability of information operations, provide reliable information services, and safeguard the confidentiality, integrity, and availability of information assets, the Company complies with relevant laws and regulations, competent authority requirements, and contractual obligations with customers. The Company adopts the following cybersecurity strategies to mitigate internal and external threats and ensure the smooth operation of business activities.

1. **Establish comprehensive information security procedures:** Develop information security regulations to ensure the confidentiality, integrity, and availability of information assets, while maintaining business continuity and complying with legal, regulatory, and operational requirements.
2. **Define clear organizational responsibilities:** Establish a dedicated information security unit with clearly defined roles and responsibilities to effectively implement information security management.
3. **Establish incident response mechanisms:** Implement information security incident reporting and response procedures to ensure rapid response, effective containment, and proper handling of security incidents.

4. **Continuous education and training:** Conduct regular awareness programs on information security policies and regulations, and provide ongoing employee training to enhance overall cybersecurity awareness.
5. **Regular audits and supervision:** Perform periodic information security audits to ensure that security management measures are properly implemented and continuously improved.

To strengthen cybersecurity management, the Company actively participates in cybersecurity intelligence-sharing organizations and establishes internal and external reporting channels as well as standardized operating procedures (SOPs) for incident response.

Cybersecurity awareness activities are conducted on an irregular basis to enhance employees' information security awareness. In addition, internal cybersecurity management meetings are held on a weekly basis to facilitate information sharing and collaboration.

Furthermore, through annual information system audits conducted by the internal audit unit and external auditors, the Company continuously reviews and optimizes its cybersecurity measures.

In terms of resource allocation, the Company has deployed dedicated personnel and system resources as follows:

- **Human resources:** The head of the IT department serves as the dedicated information security supervisor. Assigned personnel are responsible for information security management, while all IT department staff participate in maintaining information and communication systems and share responsibility for cybersecurity management.

- **System resources:** A multi-layered, defense-in-depth cybersecurity architecture has been established, covering networks, gateways, servers, systems, application software, endpoint devices, and peripheral equipment.

Corresponding resources are continuously invested to ensure the effectiveness of protective measures.

Through robust information security management, the Company effectively enhances its risk management capabilities, strengthens internal controls, and implements the principles of transparency, accountability, and fairness in corporate governance. This not only strengthens the trust of stakeholders such as shareholders, employees, and customers, but also reinforces the Company's reputation and market competitiveness, laying a solid foundation for sustainable development.

Specific management plan for information security

1. "Information Communication Security Policy" and "Information Communication Security Operation Procedures" comply with the "Guidelines for Information Security Management and Control of Listed OTC Companies".
2. Clearly define the roles, responsibilities and division of labor of the information security organization. The Director of Information Security is the responsible person in charge of information security and assigns dedicated personnel in charge of information security.
3. Join the information security information sharing organization. Establish internal and external reporting windows and contact information for information security incidents and SOPs for emergency response.
4. Conduct information security publicity to employees occasionally to enhance employees' awareness of information security, a total of 4 times in 2025. The group's internal information management and security meetings are held every week, with a total of 48 meetings in 2025.
5. The audit office and accountants will conduct information operation inspections every year and take improvement measures.

Invested Resources for management plan of information security

1. Human resources:

The Director of Information is the person in charge of information security and has assigned appropriate personnel to serve as the person in charge of information security. Colleagues in the information department manage the information system and are responsible for information security management. There are 15 people related to the company's information security management and maintenance.

2. System resources:

A multi-level network security defense in depth has been established, including networks, gateways, servers, systems, application software, terminals, peripheral equipment, etc. The relevant resources invested are as follows:
 High-availability infrastructure: All important information and communication infrastructures are designed and constructed without a single point of system failure.

New-generation Intrusion Prevention System (IPS): Combined with cloud data to update defense strategies, block network attacks and avoid becoming a springboard.

New-generation firewall: Establish physical or logical partitions and security policies according to the characteristics of the work, and the R&D center independently controls them.

Data transmission control and records: Data transmitted from the company or downloaded to peripheral devices are controlled and recorded.

Regular vulnerability scanning: entrust a third-party information security company to conduct external vulnerability detection and repair and improve weaknesses or respond to them.

Regular updates and repairs: System updates, program and security vulnerability repairs to prevent viruses, malware

and hackers from exploiting.

Complete system backup: The company's internal systems, application services and data are fully protected and backed up.

Regular post-disaster recovery drills: Regularly schedule post-disaster recovery drills and review improvement deficiencies and recovery time.

System authority control: authority application and change are controlled and recorded, and the password is updated every six months. Permissions are reviewed every six months.

Network communication: Communications between companies within the group use dedicated lines or public networks with VPN encryption.

Mobile device security: Remote connection company services such as personal business trips or home offices require two-factor authentication and encrypted channels.

Endpoint device anti-virus and anti-hacking: centralized management of terminal devices, virus code update, and behavior monitoring.

Email Security: Spam and malware filtering.

Assets and system management: client software and hardware asset transaction management, illegal software audit.

4.6.2 List the losses, possible impacts and countermeasures of major information security incidents in the most recent year and up to the date of publication of the annual report. If it cannot be reasonably estimated, the facts that cannot be reasonably estimated shall be stated: None

4.7 Important Contracts

Contract	Counter Party	Term	Content	Restriction
Lease of Land	Hsinchu Science Park Administration	1995/8/01-2041/12/31	Lease of Land	Self-use
Lease of office	Hsinchu Science Park Administration	2024/01/01~2028.12.31	Lease of office	-
Licensing	ARM Limited	2007.12.27 ~ Indefinitely	ARM7 TDMI-Score	Only license Generalplus
Licensing	ARM Limited	2010.06.01 ~ Indefinitely	CORETEX-A8 Score	Only license Generalplus
Licensing	ARM Limited	2008.03.09 ~ Indefinitely	ARM926EJ-Score	Only license Generalplus
Licensing	ARM Limited	2014.12.29~ Indefinitely	ARM CORTEX –M4F Core	Only license Generalplus
Licensing	ARM Limited	2015.02.04~ Indefinitely	ARM CORTEX –A7 MP Core	Only license Generalplus
Licensing	ARM Limited	2016.03.09~ Indefinitely	ARM CORTEX –M0	Only license Generalplus

5. FINANCIAL ANALYSIS

5.1 Financial Status

5.1.1 Financial Analysis Comparison 2023 vs. 2024

The main reason and impact of significant changes in assets, liabilities, and equity in the last two years. If the impact is significant, the future response plan should be explained.

Unit: NTSK

Item	Year	2024	2025	Increase (Decrease)	
				Amount	YoY %
Current Assets		8,442,952	8,324,345	(118,607)	(1)
Property, Plant & Equipment		1,790,783	1,761,118	(29,665)	(2)
Intangible Assets		231,150	440,981	209,831	91
Other Assets		3,870,840	3,473,016	(397,824)	(10)
Total Assets		14,335,725	13,999,460	(336,265)	(2)
Current Liabilities		1,847,477	1,850,364	2,887	0
Non-Current Liabilities		1,458,126	1,557,518	99,392	7
Total Liabilities		3,305,603	3,407,882	102,279	3
Equity Attributed to Shareholder of the parent		8,609,181	8,211,482	(397,699)	(5)
Capital Stock		5,919,949	5,919,949	-	-
Capital Surplus		1,148,828	1,136,189	(12,639)	(1)
Retained Earnings		1,875,220	1,716,444	(158,776)	(8)
Equity : Others		(271,415)	(497,699)	(226,284)	83
Treasury Stock		(63,401)	(63,401)	-	-
Minor interest		2,420,941	2,380,096	(40,845)	(2)
Total Shareholder's Equities		11,030,122	10,591,578	(438,544)	(4)

Analysis of increase and decrease changes:

1. The increase in intangible assets was mainly due to an increase in technology licensing fees during the current year.
2. The decrease in other equity was mainly due to an increase in unrealized valuation losses on financial assets measured at fair value through other comprehensive income (FVOCI) during the current year.

5.2 Financial Performance

5.2.1 Financial Analysis Comparison 2023 vs. 2024

The main reasons for major changes in operating income, operating profit and pre-tax net profit in the last two years.

Unit: NT\$K

Item	Year	2024	2025	Increase (decrease)	
				Amount	YoY %
Net Sales		6,434,086	6,303,139	(130,947)	(2)
Gross Profit		3,114,921	2,935,111	(179,810)	(6)
Income (Loss) From Operating		106,548	(94,906)	(201,454)	(189)
Non-Operating Income (Expense)		685,836	302,726	(383,110)	(56)
Income (Loss) Before Tax		792,384	207,820	(584,564)	(74)
Income (Loss) From Operations of Continued Segments		596,208	66,497	(529,711)	(89)
Net Revenue (Loss) for the period		596,208	66,497	(529,711)	(89)
Other Comprehensive Income (Loss) for the period		(97,312)	(168,591)	(71,279)	73
Total Comprehensive Profit (Loss) for the period		498,896	(102,094)	(600,990)	(120)

Analysis of increase and decrease changes:

1. The decrease in operating profit was mainly due to a decrease in revenue during the current year.
2. The decrease in net non-operating income and expenses was mainly due to a decrease in gains from disposal of equity-method investees during the current year.
3. The decreases in profit before tax and net profit for the current period were mainly due to decreases in operating profit and non-operating income during the current year.
4. The decrease in other comprehensive income for the current period was mainly due to a decrease in exchange differences arising from the translation of financial statements of foreign operations during the current year.
5. The decrease in total comprehensive income for the current period was mainly due to a decrease in net profit during the current year.

5.2.2 Expected sales volume and its basis, possible impact on the company's future financial business and corresponding plans:

The company's business units make decisions based on sales forecasts of existing products, new product development progress, customer production demand forecasts, and business development strategies. The Company mainly uses long-term funding sources to finance capital expenditures, and there should be no significant impact of insufficient funds in the short term. Moreover, our company has a solid cooperative relationship with wafer foundries, packaging and testing manufacturers, so there should be no worries about the supply of products required for sales.

5.3 Cash Flow

5.3.1 Analysis of cash flow changes in the most recent year, improvement plan for insufficient liquidity, and analysis of cash flow in the coming year

Cash Flow Analysis Comparison 2024 vs. 2025

Item \ Year	2024	2025	YoY %
Cash flow ratio(%)	41.76	26.35	(37)
Cash flow adequacy ratio(%)	61.91	57.68	(7)
Cash flow reinvestment ratio(%)	3.56	1.14	(68)
The decreases in the cash flow ratio and cash reinvestment ratio were mainly due to a decrease in net cash inflows from operating activities during the current year.			

5.3.2 Cash Flow Analysis for the Coming Year

Unit: NT\$K

Cash Balance, beginning of the year (1)	Net Cash Flow from Operating Activities (2)	Estimated net cash inflow (outflow) from investment and financing activities throughout the year (3)	Net Cash Balance (1)+(2)+(3)	Remedial Measure if cash not enough	
				Investment Plan	Finance Plan
\$4,746,631	573,820	(766,833)	4,553,618	-	-
1. Analysis of Cash Flow: (1) Operating Activities: Cash flow in for the expected operating profit in 2025. (2) Investing Activities: Cash flow in for the estimated purchase of fixed assets, IP technology licensing costs and R&D software. (3) Financing Activities: Mainly due to expected repayment of bank loans and distribution of dividends, etc. 2. Remedies and Liquidity Analysis of Inadequate Cash: None.					

5.4 Major Capital Expenditure

5.4.1 Major Capital Expenditure and Sources: None.

5.4.2 Benefits from the Capital Expenditure: None.

5.5 Long-Term Investment

The company's investments in affiliates are primarily focused on strategic needs for long-term development. In 2025, the company recognized an equity-method investment loss of NT\$51,225 thousand. Moving forward, the company will continue to prudently evaluate its investment plans under the same principles.

5.6 Risk Management

5.6.1 The Impact of Interest Rate, Exchange Rate changes and Inflation on the company's profits and losses and future response measures:

1. Interest Rate: In view of the rapid changes in the overall economic conditions at home and abroad in recent years, and the governments of various countries adjusting the economic situation through interest rate policies, the interest rates have fluctuated. Usually, the financial unit collects relevant information on the trend of interest rate changes, and evaluates the feasible plan of interest rate hedging measures and its benefit evaluation to reduce the impact of interest rate fluctuations on the company's profit and loss; in addition, the cash position on the account is excluded. In addition to continuing to use high-security time deposits as the main capital allocation, the decline in interest rates will have an adverse impact on the company's profits. We will seek short-term investments with higher returns and good safety to increase the overall investment return on funds.
2. Exchange Rate: The company's foreign currency assets are mainly US dollar fixed deposits and US dollar-denominated accounts receivable. Foreign currency liabilities are mainly US dollar-denominated accounts payable. Transaction pricing is also mostly based on US dollars. The appreciation of the New Taiwan dollar against the US dollar has a negative impact on revenue and Gross profit has been adversely affected. Currently, in addition to the natural hedging effect of assets and liabilities offsetting each other, measures such as increasing short-term U.S. dollar borrowings and reducing net U.S. dollar positions are being used to reduce the impact of exchange rate fluctuations on the company's profits and losses.
3. Inflation: International crude oil prices and various raw material prices fluctuate greatly, and under the adjustment of exchange rate and interest rate policies of central banks of various countries, the overall economic environment presents inflation or deflation. When consumption in the international market shrinks, it will relatively affect the shipments of high unit price consumer electronics products, which will have an adverse impact on the company's profits. However, the company still strives to develop high-growth emerging country markets to reduce the number of developed country markets. Growth is slowing down; and when the international market is in an inflationary trend, rising prices will easily lead to an increase in procurement costs, which will have a relatively negative impact on profits. However, the company will continue to introduce new products and cost reduction solutions to maintain profit levels, in order to reduce the impact of inflation on the company's profit and loss.

5.6.2 Internal Policies and Procedure Exist with Respect to High Risk/High Leveraged Investment, Lending/Endorsements and Guarantees for Other Parties, Financial Derivatives Transaction

1. There is no high risk/high leveraged investment.
2. The company has made and followed “Sub-procedure of Extension of Monetary Loans to Others”, The loans are made with risk evaluation which follows the procedures. After the loan is granted, the Company follows and traces financial status, business and credit status of the borrower and guarantor frequently, and asks equal collaterals or takes proper actions to secure.
3. The company has made and followed “Procedure of Endorsement and Guarantees”, and the Endorsement and Guarantees will only be made under well evaluation before granted.
4. The company has made and followed “Procedure of Engaging in Derivatives Trading “. The financial transactions of a derivatives nature that Sunplus enters into are strictly for hedging purposes and not for any trading or speculative purposes and under well evaluation.

5.6.3 R&D Plan and Execution

Sunplus will keep investing in research and development, therefore, the consolidated R&D costs will account for 25% ~ 26% of consolidated revenues.

Company	Plans to develop new products
Sunplus Technology	(1) Automotive Infotainment System Chips (2) Automotive Smart Cockpit System Chips (3) Automotive Driver Assistance System Chips (4) Automotive Cockpit Acoustic System Chips (5) Automotive Instrument Cluster System Chips (6) Immersive High-Resolution Audio Chips (7) Bluetooth Audio Integrated Chip (8) Edge AI Audio Chip (9) Multifunction Wireless Audio Modules (10) Visual AI System Chip (11) Edge Computing Generative AI System Chip (12) Multimodal Large Model Edge AI System Chip
Generalplus Technology	(1) Consumer Product Line A. Next-Generation 4-bit CPU Voice Synthesis Control OTP Chip (a) Built-in SPU (Speech Processing Unit) to handle audio synthesis tasks (b) Optimized peripherals to create a more cost-effective chip B. Next-Generation 8-bit CPU Voice Synthesis Control OTP Chip (a) Built-in SPU (Speech Processing Unit) to handle audio synthesis tasks. (b) Built-in touch peripheral interface and high-resolution digital audio amplification circuitry, providing a

Company	Plans to develop new products
	<p>high-fidelity audio control chip.</p> <p>C. Next-generation 16-bit μnSP CPU speech synthesis control Flash chip</p> <p>(a) Integrated microphone amplifier circuit and high-resolution digital audio amplification circuitry.</p> <p>(b) Built-in Flash memory enables fast program code updates.</p> <p>D. Next-Generation 8-bit CPU LCD Display Controller Chip</p> <p>(a) Built-in OTP memory for rapid code updates.</p> <p>(b) Supports wide voltage operation and is compatible with single-cell and dual-cell battery applications.</p> <p>(2) Next-generation 22nm multimedia application SoC:</p> <p>A. Next-generation 40nm multimedia application SoC</p> <p>(a) Built-in in-house developed deep learning accelerator from Generalplus, combined with big-little core architecture, improves performance efficiency without increasing computing power. It supports a wide range of AI algorithms, including face, human body, and gesture recognition; green-screen-free portrait matting and background blurring; age transformation; cartoonization; gaze detection; human pose estimation; dual-person matting; dual-person beautification; multi-object recognition; and 3D object recognition, significantly enhancing end-user experience. The big core also supports transformer-based models, further expanding application possibilities.</p> <p>(b) Next-generation ISP: supports HDR. Enhanced de-noise engine with improvements in STNR, RAWNR, chroma de-noise, and 3DNR. WDR, local contrast enhancement, and AWB/AE support multi-mode tuning. Added 3D LUT for customizable scene color grading styles.</p> <p>(c) EIS with gyro support: includes hardware-accelerated de-warping and hardware sensor with gyro timestamp functionality.</p> <p>(d) 4Kp30 H.264 codec.</p> <p>(e) 2Kp30 full-format H.264 decoder.</p> <p>(f) Dual PPU providing high-efficiency 2D graphics acceleration.</p> <p>(g) GPU supports OpenGL ES 2.0 up to 720p30 or 1080p15.</p> <p>(h) Adds Frame Buffer Compression IP to improve DDR</p>

Company	Plans to develop new products
	<p>bandwidth efficiency.</p> <p>(i) Next-generation DDR PHY with data rate increased to 1,600 Mbps.</p> <p>(j) Next-generation DMA2D engine for HMI application acceleration.</p> <p>(k) MIPI TX / LVDS combo analog IP.</p> <p>B. Develop AI algorithms, including multi-person pose estimation combined with ID tracking algorithms, generative AI algorithms, and ADAS algorithms. Develop electronic image stabilization (EIS) algorithms. Enhance the value-added features of dash cameras, gaming devices, and camera products.</p> <p>(3) MCU Product Line</p> <p>A. Next-Generation 32-bit Motor Control MCU</p> <p>(a) Optimize high-speed operational amplifiers and analog-to-digital converters, capable of driving brushless DC motors for power tools and fans.</p> <p>(b) Optimized peripheral circuits to provide customers with a higher cost-performance ratio compared to the previous generation.</p> <p>B. Next-generation 8-bit touch MCU</p> <p>(a) Optimized touch response speed and improved anti-interference capability.</p> <p>(b) Optimized peripheral circuitry to provide customers with a more cost-effective solution compared to the previous generation.</p>
Sunplus Innovation Technology	<p>Our company’s future R&D plan focuses not only on intelligent imaging core algorithms, embedded firmware/software, and chip design, but also on transforming core technologies from traditional image processing toward the “Safety & Sensing” domain. In response to requirements from automotive safety, industrial automation, and high-performance computing applications, we have established relevant R&D programs with dedicated manpower and financial resources, while actively developing solutions compliant with next-generation embedded USB (eUSB) standards.</p> <p>Ongoing R&D programs include:</p> <p>A. Advanced image and sensor fusion: Researching advanced image processing algorithms and hardware implementation, integrating infrared thermal</p>

Company	Plans to develop new products
	<p>imaging and multi-sensor fusion technologies to enhance edge computing capabilities, in order to meet redundancy requirements for autonomous driving perception systems and specific AI vision applications.</p> <p>B. Smart HMI product development: Combining touch, voice, and intelligent vision technologies to develop next-generation Smart Human-Machine Interface (Smart HMI) solutions, providing more intuitive, safe, and interactive user experiences, and expanding applications into smart home appliances and automotive systems.</p> <p>C. eUSB high-speed transmission and integration: Continuously optimizing low-power, high-speed transmission technologies to ensure excellent stability and compliance within complex system architectures.</p> <p>The Company will continue to explore trends in intelligent vision applications, uphold innovation-driven development, and enhance product value. Through continuous investment in R&D and the adoption of key outsourced IP to strengthen core technologies and accelerate development schedules, the Company has completed the design of intelligent imaging application products and expects to launch high-integration, high-performance, and low-power eUSB-based intelligent imaging and Smart HMI application products in the second half of this year.</p>
Jumplux Technology	<p>(1) Front-mounted car specification USB3.2 TYPE C Media HUB IC</p> <p>(2) Automotive-grade peripheral communication IC for OEM applications</p>

5.6.4 The impact of major policy and legal changes domestically and internationally on the company's financial business and countermeasures:

The company's daily operations are handled in accordance with relevant domestic and foreign laws and regulations, and it is always necessary to pay attention to the development of domestic and foreign policies and changes in laws and regulations, so as to fully grasp and respond to changes in the market environment. Changes in domestic and foreign policies and laws in recent years have not significantly affected the company's financial business.

5.6.5 The impact of technological changes (including information security risks) and industrial changes on the company's financial business and countermeasures:

The continuous development of semiconductor technology towards more precise manufacturing processes can certainly reduce the unit cost of IC chips,

but it has greatly increased product research and development expenses. On the one hand, the company actively develops consumer multimedia products with high added value and in the mainstream market; on the other hand, it also develops niche automotive products with long product life cycles. One is to make full use of the advantages of advanced process technology that can reduce costs, and to share R&D costs with a large number of features in the mainstream market; the other is to share R&D costs with a longer product life cycle.

In order to maintain the normal operation of the company's business and information services, and avoid internal and external deliberate or accidental threats, relevant operations and risks are reviewed on a rolling basis every year.

Assessing the destruction, leakage, and loss of operations, services, and data caused by hacker attacks is still the biggest risk affecting the confidentiality and availability of company information assets.

In response to risks, the company continues to invest in updating the multi-layer defense structure and facilities, strengthen supervision, backup and restore drills to minimize risk losses.

Information Security Risks and Countermeasures

If there is a major risk, it will be reported to the executive meeting or directly reported to the management center supervisor or CEO.

Information Security Risks	Evaluation of Impact	Countermeasures	Performance
PC account password	Account hijacking, password cracking or disclosure. Identity fraud or data theft. Planting backdoors or malware.	System passwords are mandatory to be changed every six months and complex passwords are adopted. While logging externally, the company must pass MOTP authentication.	Reduce the risk of password leakage. Logging in from outside the company requires two-factor authentication.
Data breach	Data leakage caused by peripheral equipment or network file transfer.	If the information is sent out from the company, an application is required, and the data is sent out or copied to leave a record. Special equipment can only be used after application for approval.	Regularly generate reports for review by supervisors to reduce the risk of data leakage.
Computer anti-virus, anti-hacking and anti-ransomware	Get loss from malware abounds and encryption for ransom.	Update virus code, PC behavior control, email screening, add information notification IoC, network behavior control, data backup.	Multiple layers of defense. Propagate the three Don'ts and three Dos for preventing ransom occasionally. Reduce the risk of malware attacks.
System Update Bug Fixes	Avoid exploitation on bugs	Regular system updates; Vulnerability scan patching; Intelligence bug fixes.	Cooperate with manufacturers and information reports, update and adjust at any time.
Personal Information	Too many permissions or expired	Review feedback and agreed by supervisors every six	The authority review has been processed by electronic process,

Permission		months.	and the report is sent to the supervisor for review.
Data Securities	Data destroyed by accident or malicious attack	System data backup, post-disaster recovery drill.	daily backup; regular recovery drill.
Internet security	Prevent network-side attacks	Employ multi-layered defense. The network and gateway side use the new generation IPS and FireWall. Use cloud technology to prevent next-generation attacks.	Use the cloud information security database to prevent zero-day attacks, and adopt physical and logical partitions according to work characteristics.
Email security	Avoid phishing emails, block malware, avoid man-in-the-middle attacks. Ransomware and other social engineering attacks emerge in endlessly, with various types and methods.	Spam, malware (ransomware) mail screening and filtering, feature comparison, black and white list control. DNS, mail verification.	The information department continues to reduce the risks of poisoning, forgery, and fraud technically. At the same time, we continue to publicize the three Don'ts and three Dos to prevent ransom Occasionally.

5.6.6 Corporate Identify and Image Change

The company takes corporate image seriously. Being people-oriented and having integrity are our top priorities when running our business. We disclose our operation and financial statements to public periodically and transparently in order to save the rights of our shareholders.

5.6.7 Mergers & Acquisitions

None

5.6.8 Expansion of Facilities

None

5.6.9 Suppliers & Customers

The Company separately purchases raw materials from several different suppliers, encapsulation and testing of the foundry is also adopted scattered strategy, to ensure that the output is no problem. The Company's largest sales customers in 2025 and 2024 accounted for 12% and 14% of the total net revenue for the year, no sales focus on the risk of a single customer.

5.6.10 Major Shareholding Change

None

5.6.11 Ownership Change

None

5.6.12 Litigation Proceedings

None

5.6.13 Other Risks

The principle of the importance of corporate social responsibility, conduct risk assessment of important issues, and formulate relevant risk management policies or strategies based on the assessed risks:

Major Issue	Risk Assessment Projects	Risk Management Policies or Strategies
Environment	Environmental protection, Energy saving, and Carbon reduction	The company is committed to environmental protection and energy saving. Located in the upper reaches of the semiconductor industry, the company exerts its excellent R&D technology and continues to promote high-level semiconductor process technology to save chip energy consumption, thereby driving the use of power energy in downstream consumer electronics terminal products. Through the implementation of environmental management (EMS) and the institutionalized PDCA management cycle, the impact on the environment is effectively reduced; at the same time, plans and programs for implementation are formulated every year, and the progress of various goals is tracked and reviewed regularly to ensure the goals achieved.
	Task Force on Climate-related Financial Disclosures (TCFD)	Based on the four major aspects of governance, strategy, risk management, indicators and goals, the company has evaluated the guiding principles and specific practices of planning. (As shown in Note 1)
Society	1. Occupational safety and health	1. T Our company has obtained the ISO

Major Issue	Risk Assessment Projects	Risk Management Policies or Strategies
		45001:2018 certification for Occupational Health and Safety Management Systems., and regularly holds fire drills and occupational safety and health education and training every year to cultivate employees' emergency response and self-safety management capabilities.
	2. Product Security	2. All products of the company comply with various product and service laws and regulations regulated by the government, and comply with EU RoHS/REACH regulations on hazardous substances. And through strict quality system management, we provide customers with stable product quality. At the same time, in order to ensure customer service quality and improve customer satisfaction, we set up customer service hotlines and communication websites, and actively conduct customer service satisfaction surveys every year to strengthen the relationship with customers. The cooperative relationship with customers has become the cornerstone of the sustainable development of the enterprise through the mutual benefit and co-prosperity relationship with customers.
Corporate Governance	Socioeconomic and Legal Compliance	Through the establishment of a governance organization and the implementation of an internal control mechanism, it is ensured that all personnel and operations of the company truly comply with relevant laws and regulations.

Major Issue	Risk Assessment Projects	Risk Management Policies or Strategies
	Intellectual Property Management	To safeguard its hard-earned advanced technological achievements, the Company has formulated an intellectual property strategy aligned with its business objectives and R&D resources. The Company has also established patent application management procedures as well as document and data control processes to protect its intellectual property. (The various protection measures and their implementation status are shown in Note 2.)

Note 1: Task Force on Climate-related Financial Disclosures (TCFD)

(1) Governance(Disclosure organization's climate-related risks and opportunities)

Principles	Practices
Board oversight of climate-related risks and opportunities	The sustainable development cross-departmental team regularly reports the identification and management of climate change-related risks and opportunities every year to the board of directors, and the board of directors supervises the management process.
Executive level is assessing and managing climate-related risks and opportunities.	The "Environmental Function Committee" under the Sustainable Development Interdepartmental Team is responsible for coordinating/assessing the risks and opportunities of climate change throughout the company (including goals and promotion plans), and disclosing them in the annual sustainability report.

(2) Strategy(Immediate and potential climate-related risks and opportunities, impacting organizational business, strategy and financial planning)

Principles	Practices
Short, medium and long-term climate-related risks and opportunities.	<ul style="list-style-type: none"> • Define short-term (1-3 years), medium-term (3-5 years) and long-term (5-10 years) climate-related risks and opportunities according to the existing internal target management schedule, and assess the impact of climate risk factors on the company's Potential implications for strategic, operational and financial planning. • Introduced the ISO14064-1:2018 greenhouse gas inventory standard self-inspection, and will continue to promote carbon reduction programs and other practices in the future, hoping to achieve the goal of carbon neutrality by 2050.
Climate risks and opportunities that have a significant impact on the organization's business, strategy and financial planning.	<p>Through the climate-related risk identification process, major risks and opportunities were identified as follows:</p> <p>Two major risks:</p> <ul style="list-style-type: none"> • Emerging regulations require enhanced disclosure of carbon emissions: According to the "Sustainable Development Roadmap for Listed Overseas Companies" issued by the Financial Supervisory Commission in March 2022, Sunplus is a listed oversea company with a capital of NT\$ 5 billion to 10 billion, which should be completed in 2025. The investigation was completed in 2026. Sunplus expects to complete the internal verification in the second quarter of 2025 and Expected to complete external validation in the

	<p>second quarter of 2026.</p> <ul style="list-style-type: none"> • Carbon pricing mechanism: Taiwan will start imposing a carbon fee in 2025. Although it is mainly targeted at large emitters with an annual carbon emission of 25,000 tons, it is not ruled out that it will continue to increase at an annual rate of 10% in the future. Sunplus will continue to follow policy developments. <p>One opportunities:</p> <ul style="list-style-type: none"> • Develop low-carbon products and service markets: We will be committed to research and development of low-energy, high-efficiency key components, provide the best solutions, and fulfill our responsibilities for environmental protection, energy conservation and carbon reduction.
<p>The potential impact of different scenarios on the organization's business, strategy and financial planning.</p>	<ul style="list-style-type: none"> • Sunplus conducts simulations based on the Nationally Determined Contributions (NDCs) and the 1.5°C Scenario (2DS) developed by the International Energy Agency (IEA), taking 2025 as the base year to estimate the carbon reduction ratio of Sunplus Technology. • In order to achieve the NDCs greenhouse gas reduction target in 2050, conduct energy-saving management for Scope 2, which accounts for a large proportion of greenhouse gas output. • According to data from the "Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP)" (AR6 statistical downscaled version), extreme high temperatures may cause temporary power shortages, but the company has a complete uninterruptible power supply system and emergency generator system and Data backup measures will prevent operational risks. • The company's main business is IC design and is not involved in IC production activities. The risk of production line shutdown due to prolonged drought has not been included in major risk considerations.

(3) Risk Management(Climate-related risk management procedure from recognition, evaluation, and management)

Principles	Practices
<p>Procedure for recognition, evaluation, and management</p>	<p>The "Environmental Function Committee" under the Interdepartmental Sustainable Development Group follows the framework disclosed by TCFD to identify climate-related risks, mainly through the following four steps:</p>

	<p>(1) Identification of risk issues (2) Determination of major risks issues (3) Identify significant opportunity issues (4) Develop mitigation or adaptation options.</p>
Organizational procedure for managing climate-related risks	<ul style="list-style-type: none"> • In accordance with ISO 14001, manage with the PDCA management cycle to ensure the consistency between the company's environmental protection goals and implementation strategies, and review the adjustment and mitigation actions at the management review meeting every year to ensure that the goals are achieved. • Cooperate with the existing ISO 9001 supplier sustainability management mechanism, ISO 14001 environmental management system and ISO45001 occupational safety and health management system, conduct supplier screening through ESG orientation, and conduct annual on-site or written audits for important suppliers.
Integrate management procedure into overall risk management	The "Environmental Function Committee", an interdepartmental group for sustainable development, conducts internal communication or meeting discussions in accordance with the TCFD framework, and combines the company's existing ISO 14001 risk assessment operations to identify important issues, incorporate climate change issues into risk management, and formulate control measures based on this strategy and action plan.

(4) Metrics and Goals

Principles	Practices
Disclose the indicators used by the organization to assess climate-related risks and opportunities in the process of strategy and risk control.	The relevant risk indicators used by Sunplus Technology to assess the climate include electricity consumption and greenhouse gas emissions.
Disclose Scope 1, Scope 2 and Scope 3 (if applicable) greenhouse gas emissions and related risks	Since 2012, self-inspection of greenhouse gas scope 1 and 2 has been carried out every year in accordance with the ISO 14064-1 standard. Scope 3 is not applicable and has not been disclosed. The inventory items are mainly the use of purchased electricity. The results of the verification over the years are disclosed in the sustainability report "Environmental Information Output Quantitative Statistics" chapter.
Describe the organization's goals and level of achievement for managing climate-related risks and opportunities	• Starting from 2012, the target is to reduce the total electricity consumption by 1% every year, and the target

	<p>will be reached from 2011 (base year) to 2025.</p> <ul style="list-style-type: none"> • Set indirect greenhouse gas emissions as a target to reduce by 2% per year; The target for indirect greenhouse gas emissions in 2025 was set at 60.97 tons of CO₂e. After consulting guidance and actual verification in 2025, emissions were reduced by 390.6267 tons of CO₂e, successfully achieving the target.
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Note 2: Intellectual Property Management Plan

(1) Patent Protection

To build a strong intellectual property portfolio, the Company has established diverse innovation incentive mechanisms to continuously encourage employees to file invention disclosures. At the same time, a systematic patent and IP management system has been implemented. All patent proposals are reviewed and approved by the Patent Review Committee, supported by a tiered evaluation process. Depending on the importance and nature of each patent, applications are filed in different countries accordingly, balancing both the quantity and quality of employee patent applications.

(2) Trade Secret Protection

The Company has established document and data control procedures, with all internal and external documents subject to control and classification. In addition, the Employee Code of Conduct and employment contracts stipulate that employees are obligated to maintain the confidentiality of personally handled business matters and company trade secrets. Employees are prohibited from disclosing any trade secrets during and after employment; otherwise, the Company reserves the right to pursue legal action and claim compensation for damages incurred.

(3) Trademark Protection

To enable differentiation of the source of goods or services, the Company has applied for trademarks for specific product and service names and brands. Trademarks are used to establish corporate reputation, foster trust, and further enhance corporate value. Registered trademarks grant exclusive rights and are protected by law, preventing others from registering identical or similar trademarks for identical or similar goods or services.

(4) Implementation Status

A. As of the end of 2025, the intellectual property portfolio and achievements are as follows:

- a. Patents: The Company has obtained more than 1,500 patents granted worldwide in total.
- b. Trademarks: The Company has obtained more than 100 trademarks registered worldwide in total.

B. The Company reported intellectual property-related matters to the Board of Directors on December 24, 2025.

5.7 Other Remarks

None

6. PECIAL NOTES

1. Information on Related Parties

Please refer to the information disclosed on the information filing website designated by the Financial Supervisory Commission (i.e., Market Observation Post System).

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

2. Status of Private Placement of Securities in the Most Recent Fiscal Year and Up to the Date of Publication of the Annual Report: None.

3. Other Necessary Supplementary Information: None.

4. During the Most Recent Fiscal Year and Up to the Date of Publication of the Annual Report, if any matters specified under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that had a material effect on shareholders' equity or securities prices occurred: None.

Sunplus Technology Co., Ltd.

Chairman: Chou-Chye Huang

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