Sunplus Technology Company Limited

Financial Statements for the
Years Ended December 31, 2024 and 2023 and
Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Sunplus Technology Company Limited

Opinion

We have audited the accompanying financial statements of Sunplus Technology Company Limited, which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sunplus Technology Company Limited as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in Sunplus Technology Company Limited's financial statements for the year ended December 31, 2024 is as follows:

Occurrence of Revenue from Specific Customers

Sunplus Technology Company Limited's revenue increased in 2024, customers whose revenue has grown significantly and significant amount carry a higher risk related to the occurrence of sales revenue. Therefore, we considered the occurrence of revenue as a key audit matter. For detailed disclosure of revenue, refer to Notes 4 and 21 to the accompanying consolidated financial statements.

Our audit procedures performed in respect of the above key audit matter included the following:

1. We obtained an understanding of the related internal control and operating procedures in Sunplus Technology Company Limited's sales transaction cycle, and we evaluated and confirmed the operating effectiveness of the related internal control and operating procedures.

2. We selected samples from the sales details, and we examined customers' original orders, sales electronic orders, delivery orders, logistics receipt documents or export declaration, and sales invoices for any abnormalities and confirmed that sales revenue did occur.

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

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

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

Those charged with governance (including members of the audit committee) are responsible for overseeing Sunplus Technology Company Limited's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Sunplus Technology Company Limited's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the

related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Sunplus Technology Company Limited to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tung-Hui Yeh and Ya-Yun Chang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2025

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and the financial statements shall prevail.

SUNPLUS TECHNOLOGY COMPANY LIMITED

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

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 883,904	9	$ 444,895	4
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	98,357	1	35,087	-
Trade receivables, net (Notes 4, 5, 9, 21 and 29)	214,365	2	148,866	2
Other receivables (Notes 4 and 29)	11,135	-	56,327	1
Inventories (Notes 4 and 10)	429,744	4	598,840	6
Other financial assets - current (Notes 4, 15 and 25)	75,917	1	-	-
Other current assets (Notes 4 and 15)	38,537	-	43,124	-
Total current assets	1,751,959	17	1,327,139	13
NON-CURRENT ASSETS				
Financial assets at FVTPL - non-current (Notes 4 and 7)	529,655	5	658,569	6
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	74,521	1	91,766	1
Investments accounted for using the equity method (Notes 4 and 11)	7,097,246	67	7,198,582	70
Property, plant and equipment (Notes 4, 12 and 30)	668,069	6	680,224	7
Right-of-use assets (Notes 4 and 13)	150,021	1	156,686	2
Intangible assets (Notes 4 and 14)	157,163	2	133,241	1
Deferred tax assets (Notes 4 and 23)	2,485	-	2,485	-
Net defined benefit assets - non-current (Notes 4 and 19)	68,223	1	40,513	-
Other financial assets- non-current (Notes 4, 15 and 30)	10,500	-	10,500	-
Other non-current assets (Notes 4 and 15)	9,037	-	9,037	-
Total non-current assets	8,766,920	83	8,981,603	87
TOTAL	$ 10,518,879	100	$ 10,308,742	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 21)	$ 23,996	-	$ 8,439	-
Accounts payable (Note 17)	120,116	1	63,452	1
Lease liabilities - current (Notes 4 and 13)	5,106	-	5,316	-
Current portion of long-term bank borrowings (Note 16)	231,250	2	270,295	3
Other current liabilities (Notes 18 and 29)	404,570	4	351,780	3
Total current liabilities	785,038	7	699,282	7
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 16)	931,250	9	929,705	9
Lease liabilities - non-current (Notes 4 and 13)	154,655	2	159,761	2
Guarantee deposits (Note 29)	38,755	-	34,775	-
Total non-current liabilities	1,124,660	11	1,124,241	11
Total liabilities	1,909,698	18	1,823,523	18
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 20)				
Share capital				
Ordinary shares	5,919,949	56	5,919,949	57
Capital surplus	1,148,828	11	1,160,931	11
Retained earnings				
Legal reserve	1,898,136	18	1,898,136	19
Special reserve	124,159	1	180,682	2
Accumulated deficit	(147,075)	(1)	(486,919)	(5)
Total retained earnings	1,875,220	18	1,591,899	16
Other equity	(271,415)	(2)	(124,159)	(1)
Treasury shares	(63,401)	(1)	(63,401)	(1)
Total equity	8,609,181	82	8,485,219	82
TOTAL	$ 10,518,879	100	$ 10,308,742	100

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

SUNPLUS TECHNOLOGY COMPANY LIMITED

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
NET OPERATING REVENUE (Notes 4, 21 and 29)	$ 1,633,620	100	$ 1,132,485	100
OPERATING COSTS (Notes 10, 22 and 29)	856,520	52	826,378	73
GROSS PROFIT	777,100	48	306,107	27
OPERATING EXPENSES (Notes 22 and 29)				
Selling and marketing expenses	74,372	4	86,356	8
General and administrative expenses	190,819	12	182,195	16
Research and development expenses	1,177,622	72	1,065,224	94
Total operating expenses	1,442,813	88	1,333,775	118
LOSS FROM OPERATIONS	(665,713)	(41)	(1,027,668)	(91)
NON-OPERATING INCOME AND EXPENSES (Notes 4, 11, 22, 25 and 29)				
Interest income	7,735	1	4,591	1
Other income	134,719	8	55,336	5
Other gains and losses	156,859	10	147,616	13
Finance costs	(30,469)	(2)	(30,260)	(3)
Share of profit or loss of subsidiaries and associates	655,839	40	340,625	30
Total non-operating income and expenses	924,683	57	517,908	46
PROFIT (LOSS) BEFORE INCOME TAX	258,970	16	(509,760)	(45)
INCOME TAX EXPENSE (Notes 4 and 23)	1	-	8	-
NET PROFIT (LOSS) FOR THE YEAR	258,969	16	(509,768)	(45)
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss (Notes 4, 19 and 20):				
Remeasurement of defined benefit plans	25,392	2	4,200	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(185,245)	(11)	61,279	5
Share of other comprehensive (loss) income of subsidiaries and associates accounted for using equity method	(25,531)	(2)	50,547	5

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SUNPLUS TECHNOLOGY COMPANY LIMITED

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

	2024		2023	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss (Notes 4 and 20):				
Exchange differences on translation of the financial statements of foreign operations	$ -	-	$ 12,510	1
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	75,454	4	(39,826)	(3)
Other comprehensive (loss) income for the year, net of income tax	(109,930)	(7)	88,710	8
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 149,039	9	$ (421,058)	(37)
EARNINGS (LOSS) PER SHARE (Note 24)				
Basic earnings per share	$ 0.44		$ (0.84)	
Diluted earnings per share	$ 0.44		$ (0.84)	

The accompanying notes are an integral part of the financial statements. (Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED

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

	Share Capital Issued and Outstanding			Retained Earnings			Other Equity			
	Share (Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Losses) on Financial Assets	Treasury Shares	Total Equity
BALANCE AT JANUARY 1, 2023	591,995	$ 5,919,949	$ 1,197,373	$ 1,870,234	$ 239,203	$ 279,413	$ (136,477)	$ (44,206)	$ (63,401)	$ 9,262,088
Appropriation of the 2022 earnings										
Legal reserve	-	-	-	27,902	-	(27,902)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(309,613)	-	-	-	(309,613)
Reversal of special reserve	-	-	-	-	(58,521)	58,521	-	-	-	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	21,249	-	-	-	-	-	-	21,249
Issuance of share dividends from capital surplus	-	-	(45,584)	-	-	-	-	-	-	(45,584)
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(26,377)	-	-	(26,377)
Changes in percentage of ownership interests in subsidiaries	-	-	(14,244)	-	-	-	-	-	-	(14,244)
Net loss for the year ended December 31, 2023	-	-	-	-	-	(493,147)	-	-	-	(493,147)
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	5,809	(27,316)	110,217	-	88,710
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	(487,338)	(27,316)	110,217	-	(404,437)
Adjustments to capital surplus for the Company cash dividends received by subsidiaries	-	-	2,137	-	-	-	-	-	-	2,137
BALANCE AT DECEMBER 31, 2023	591,995	5,919,949	1,160,931	1,898,136	180,682	(486,919)	(190,170)	66,011	(63,401)	8,485,219
Appropriation of the 2023 earnings										
Reversal of special reserve	-	-	-	-	(56,523)	56,523	-	-	-	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(43,427)	-	-	-	-	-	-	(43,427)
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(1,102)	-	-	(1,102)
Proceeds from disposal of associates	-	-	1,264	-	-	-	10,887	(23,039)	-	(10,888)
Difference between consideration and carrying amount of the subsidiaries during actual disposal or acquisition	-	-	32,258	-	-	-	83	197	-	32,538
Changes in percentage of ownership interests in subsidiaries	-	-	(2,198)	-	-	-	-	-	-	(2,198)
Net profit for the year ended December 31, 2024	-	-	-	-	-	258,969	-	-	-	258,969
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	27,757	75,454	(213,141)	-	(109,930)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	286,726	75,454	(213,141)	-	149,039
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(3,405)	-	3,405	-	-
BALANCE AT DECEMBER 31, 2024	591,995	$ 5,919,949	$ 1,148,828	$ 1,898,136	$ 124,159	$ (147,075)	$ (104,848)	$ (166,567)	$ (63,401)	$ 8,609,181

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

SUNPLUS TECHNOLOGY COMPANY LIMITED

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$ 258,970	$ (493,139)
Adjustments for:		
Depreciation expense	165,680	193,706
Amortization expense	90,411	83,842
Net loss (gain) on the fair value change of financial assets at FVTPL	11,832	(94,023)
Financial costs	30,469	30,260
Interest income	(7,735)	(4,591)
Dividends income	-	(2,853)
Share of profit of subsidiaries and associates	(655,839)	(357,246)
Gain on disposal of subsidiaries	-	(19,485)
Gain on disposal of associates	(123,888)	-
Impairment loss recognized on financial assets	-	6,009
Unrealized gain on the transactions with subsidiaries and associates	(1,289)	(1,388)
Net (gain) loss on foreign currency exchange	(2,285)	3,655
Changes in operating assets and liabilities:		
Trade receivables	(61,217)	32,391
Other receivables	(5,389)	53,427
Inventories	169,096	378,779
Other current assets	(1,219)	9,068
Net defined benefit assets	(27,710)	(8,520)
Contract liabilities	15,557	(5,588)
Accounts payables	55,931	(107,937)
Other current liabilities	5,697	33,554
Net defined benefit liabilities	25,392	4,200
Cash used in operations	(57,536)	(265,879)
Interest received	7,768	4,521
Dividends received	429,508	466,218
Interest paid	(31,299)	(28,876)
Income tax paid	(1)	(8)
Net cash generated from operating activities	348,440	175,976
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at FVTOCI	(168,000)	(15,290)
Purchase of financial assets at FVTPL	(18,682)	(284,553)
Proceeds from the disposal of financial assets at FVTPL	79,090	164,845
Acquisition of investments accounted for using equity method	(3,508)	(398,518)
Proceeds from disposal of associates	386,141	-
Net cash inflow on disposal of subsidiaries	-	531,454
Payments for property, plant and equipment	(143,780)	(126,154)
Decrease in refundable deposits	-	58
Payments for intangible assets	(65,389)	(42,095)
Other financial assets	(75,917)	45,453

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SUNPLUS TECHNOLOGY COMPANY LIMITED

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

	2024	2023
Proceeds from return of capital of financial assets at FVTPL	$ 2,208	$ -
Refund of shares through capital reduction of financial assets at FVTPL	95,000	120,000
Net cash generated from (used in) investing activities	87,163	(4,800)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	850,000	200,000
Repayments of long-term borrowings	(887,500)	-
Proceeds from guarantee deposits received	1,900	2,579
Refund of guarantee deposits received	-	(14,619)
Repayment of the principal portion of lease liabilities	(5,316)	(5,169)
Cash dividends paid	-	(355,197)
Disposal of equity in subsidiaries	41,397	-
Net cash generated from (used in) financing activities	481	(172,406)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	2,925	(541)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	439,009	(1,771)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	444,895	446,666
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 883,904	$ 444,895

The accompanying notes are an integral part of the financial statements. (Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Sunplus Technology Company Limited (the "Company") was established in August 1990 and moved to Hsinchu Science Park in October 1993. It designs, produces, tests and sells various integrated circuits (ICs); it researches, developes, sells various software application and silicon intellectual property; it engages in the tradings and agency business of various integrated circuits.

The Company's shares have been listed on the Taiwan Stock Exchange since January 2000. Some of its shares have been issued in the form of global depositary receipts (GDRs), which have been listed on the London Stock Exchange since March 2001. The procedures for terminating GDRs were completed on November 10, 2022 (refer to Note 20).

The parent financial statements are presented in the Company's functional currency, the New Taiwan dollar.

The Company merge Sunext Technology Co., Ltd. the 100% owned subsidiary of the Company on October 15, 2023. Sunplus Technology Company Limited is the surviving company. This transaction is a group reorganization under common control. The comparative information of the prior period in the financial statements is restated as if the acquisition had already occurred.

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the board of directors and authorized for issue on March 12, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by International Accounting Standards Board (IASB)
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 2)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Company shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025. An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

1) Amendments to IAS 21 “Lack of Exchangeability”

The amendments stipulate that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. An entity shall estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. In this situation, the Company shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, its financial performance, financial position and cash flows.

2) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

a) if a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

- In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

b) to clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

c) to clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

The Company is continuously assessing whether to apply the amendments earlier.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Company sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Company loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Company sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Company’s interest as an unrelated investor in the associate or joint venture, i.e., the Company’s share of the gain or loss is eliminated. Also, when the Company loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Company’s interest as an unrelated investor in the associate or joint venture, i.e., the Company’s share of the gain or loss is eliminated.

2) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as “other” only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

3) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that, when settling a financial liability in cash using an electronic payment system, the Company can choose to derecognize the financial liability before the settlement date if, and only if, the Company has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;

- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- The settlement risk associated with the electronic payment system being insignificant.

Except for the above impact, as of the date the financial statements were authorized for issue, the Company is continuously assessing the other impacts of the above amended standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of Compliance

The accompanying financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis for Preparation

The accompanying financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing these accompanying financial statements, the Company used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the accompanying financial statements to be the same with the amounts attributable to the owners of the Company in its financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries and associates, the share of other comprehensive income of subsidiaries and associates and the related equity items, as appropriate, in these accompanying financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within twelve months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within twelve months after the reporting period; and

3) Liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least twelve months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Business Combinations

Business combinations are accounted for applying the book-value method. Comparative information of the prior period in the consolidated financial statements is restated as if the combination had already occurred.

e. Foreign currencies

In preparing the Company’s financial statements, transactions in currencies other than the Company’s functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

1) Monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investments.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

f. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

g. Investments accounted for using the equity method

1) Investment in subsidiaries

The Company uses the equity method to account for investments in subsidiaries.

Subsidiaries are the entities controlled by the Company.

Under the equity method, the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company’s share of the profit or loss and other comprehensive income of the subsidiary after the date of acquisition. Besides, the Company also recognizes the Company’s share of the change in other equity of the subsidiary.

Changes in the Company’s ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company’s share of loss of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Company’s net investment in the subsidiary), the Company continues recognizing its share of further loss, if any.

Any excess of the cost of acquisition over the Company’s share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company’s share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the accompanying financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the accompanying financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

2) Investments in associates

An associate is an entity over which the Company has significant influence and which is not a subsidiary.

The Company uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of the equity of associates and joint ventures attributable to the Company.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Company's ownership interest is reduced due to the additional subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional loss if any. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When the Company transacts with its associate (profits and losses resulting from the transactions with the associate are recognized in the Company's accompanying financial statements only to the extent of interests in the associate and the jointly controlled entity that are not related to the Company.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

The depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the accounting estimate for on a prospective basis.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Impairment of property, plant and equipment, right-of-use asset and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of property, plant and equipment and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

k. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are attributed to the original acquisition cost.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL and financial assets at amortized cost.

i. Financial assets at FVTPL

Financial assets is classified as at FVTPL when such a financial asset is mandatorily classified or it is designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income, respectively; any remeasurement gains or losses on such financial assets are recognized and interest income in other gains or losses. Fair value is determined in the manner described in Note 28: Financial Instruments.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, other financial assets, trade receivables, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

Bank balances used by the Company that are subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance that no longer meets the definition of cash. Contractual restrictions affecting the use of bank balances are disclosed in Note 30. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Equity instruments

Equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual arrangements and the definition of an equity instrument.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company’s own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company’s own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

l. Revenue recognition

The Company identifies a contract with a customer, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

Unearned receipts for merchandise sales would be recognized as contract liabilities before the company fulfills its performance obligations.

<u>Revenue from the sale of goods</u>

Revenue from the sale of goods comes from the sale of ICs. Sales of ICs are recognized as revenue when the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and the price to sell the goods, has the primary responsibility for sales to future customers, and bears the risks of obsolescence. Trade receivables are recognized concurrently.

The Company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

Other income

Other income mainly comes from software development and royalties.

m. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Company as lessor

All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheet.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. The Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

n. Borrowing costs

Borrowing costs are recognized in profit or loss in the period in which they are incurred.

o. Government grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Company recognizes as expenses the related costs that the grants intend to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they are received.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost and past service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur, or when the plan amendment or curtailment occurs. Remeasurement, comprising actuarial gains and losses, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

According to the Income Tax Act, an additional tax of inappropriate earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company’s accounting policies, management is required to make judgments, estimations and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers the possible impact on the material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

Estimated impairment of financial assets

The provision for impairment of trade receivables is based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company’s historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	**2023**
Cash on hand	$ 339	$ 381
Demand deposits	550,780	214,514
Cash equivalents		
Time deposits	332,785	230,000
	$ 883,904	$ 444,895

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	December 31	
	2024	**2023**
Bank balance	0.002%-4.200%	0.001%-1.575%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2024	**2023**
Financial assets at fair value through profit of loss (FVTPL) - current		
Financial assets classified as at FVTPL		
Non-derivative financial assets		
Domestic and foreign investment		
Listed shares	$ 56,836	$ -
Mutual funds	41,521	35,087
	$ 98,357	$ 35,087
Financial assets at FVTPL - non-current		
Financial assets classified as at FVTPL		
Non-derivative financial assets		
Domestic and foreign investment		
Limited partnership	$ 287,148	$ 274,039
Unlisted shares	162,264	263,738
Listed shares	80,243	120,792
	$ 529,655	$ 658,569

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2024	**2023**
Non-current		
Domestic and foreign investment		
Unlisted shares	$ 42,045	$ 91,766
Private listed shares	32,476	-
	$ 74,521	$ 91,766

These investments in equity instruments are held for medium- to long-term strategic purposes and expected to profit through long-term investments. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

9. TRADE RECEIVABLES, NET

	December 31 2024	December 31 2023
Trade receivables		
At amortized cost		
Gross carrying amount	$ 214,365	$ 148,866
Less: Allowance for impairment loss	-	-
	$ 214,365	$ 148,866

Trade receivables

The average credit period on sales of goods was 30 to 60 days without interest. The Company's exposure to credit risk and external credit ratings are continuously monitored. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the industry outlook. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The Company's current credit risk grading framework is shown in the following table:

December 31, 2024

	Not Overdue	Overdue 1-60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 120 days or More	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	$ 214,365	$ -	$ -	$ -	$ -	$ 214,365
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-
Amortized cost	$ 214,365	$ -	$ -	$ -	$ -	$ 214,365

December 31, 2023

	Not Overdue	Overdue 1-60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 120 days or More	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	$ 148,866	$ -	$ -	$ -	$ -	$ 148,866
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-
Amortized cost	$ 148,866	$ -	$ -	$ -	$ -	$ 148,866

10. INVENTORIES

	December 31	
	2024	2023
Finished goods	$ 192,180	$ 302,238
Work in progress	163,675	226,206
Raw materials	73,889	70,396
	$ 429,744	$ 598,840

The costs of inventories recognized as cost of goods sold for the years ended December 31, 2024 and 2023 were $856,520 thousand and $826,378 thousand, respectively.

The costs of inventories recognized as costs of goods sold for the years ended December 31, 2024 and 2023 were as follows:

	For the Year Ended December 31	
	2024	2023
Inventory reversed (write-downs)	$ 251	$ (193,280)
Income from scrap sales	69	90
	$ 320	$ (193,190)

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2024	2023
Investments in subsidiaries	$ 6,684,651	$ 6,436,985
Investments in associates	412,595	761,597
	$ 7,097,246	$ 7,198,582

a. Investments in subsidiaries

	December 31	
	2024	2023
Listed companies		
Sunplus Innovation Technology Inc. (“Sunplus Innovation Technology”)	$ 1,202,202	$ 1,171,070
Generalplus Technology Inc. (“Generalplus Technology”)	755,754	715,498
Non-listed companies		
Ventureplus Group Inc. (“Ventureplus Group”)	1,771,420	1,728,967
Sunplus Venture Capital Co., Ltd. (“Sunplus Venture Capital”)	1,613,437	1,462,835
Lin Shin Investment Co., Ltd. (“Lin Shin Investment”)	905,672	874,981
Award Glory Limited (“Award Glory”)	251,050	310,129
Wei-Young Investment Inc. (“Wei-Young Investment”)	122,103	116,175
Jumplux Technology Co., Ltd. (“Jumplux Technology”)	37,647	31,750
Sunplus mMedia Inc. (“Sunplus mMedia”)	22,505	22,553
Sunplus Management Consulting Inc. (“Sunplus Management Consulting”)	2,861	3,027
	$ 6,684,651	$ 6,436,985

Except for Sunplus Management Consulting, investments were accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on financial statements which have been audited. Management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of Sunplus Management Consulting which have not been audited.

Refer to Note 32 for the detail list of investments in subsidiaries.

The percentage subsidiaries' ownerships and voting right held by the Company:

	December 31	
	2024	**2023**
Listed companies		
Sunplus Innovation Technology	50%	50%
Generalplus Technology	34%	34%
Non-listed companies		
Ventureplus Group	100%	100%
Sunplus Venture Capital	100%	100%
Lin Shin Investment	100%	100%
Award Glory	100%	100%
Wei-Young Investment	100%	100%
Sunplus mMedia	90%	90%
Jumplux Technology	55%	55%
Sunplus Management Consulting	100%	100%

The Company merge Sunext Technology Co., Ltd. the 100% owned subsidiary of the Company on October 15, 2023. Sunplus Technology Company Limited is the surviving company. This transaction is a group reorganization under common control; therefore, the comparative information of the prior period in the financial statements is restated as if the combination had already occurred.

b. Investments in associates

	December 31	
	2024	**2023**
Associates		
iCatch Technology Inc. ("iCatch Technology")	$ 271,710	$ 276,717
AkiraNet Co., Ltd.	80,022	84,102
AutoSys Co., Ltd.	57,658	64,783
DeepLux Technology, Inc.	3,205	3,217
Global View Co., Ltd.	-	324,338
Wisilicon Innovation Co., Ltd ("Wisilicon Innovation")	-	8,440
	$ 412,595	$ 761,597

	Proportion of Ownership and Voting Rights	
	December 31	
Name of Associate	**2024**	**2023**
iCatch Technology	13%	13%
AkiraNet Co., Ltd.	17%	17%
AutoSys Co., Ltd.	16%	16%
DeepLux Technology, Inc.	25%	25%

(Continued)

Name of Associate	Proportion of Ownership and Voting Rights December 31 2024	2023
Global View Co., Ltd.	-	13%
Wisilicon Innovation	-	38%

(Concluded)

Refer to Table 4 "Information on Investees" for the nature of activities, principal places of business and countries of incorporation of the associates.

Fair values (Level 1) of investments in associates with available published price quotations are summarized as follows:

	December 31 2024	2023
iCatch Technology	$ 821,527	$ 925,801
Global View Co., Ltd.	$ -	$ 246,884

All the associates are accounted for using the equity method.

The summarized financial information of the Company's associates is set out below:

	December 31 2024	2023
Total assets	$ 2,557,706	$ 4,279,495
Total liabilities	$ 240,863	$ 375,664

	For the Year Ended December 31 2024	2023
Operating revenue, net	$ 1,025,374	$ 1,296,691
Net loss for the year	$ (160,470)	$ (210,564)
Total comprehensive loss for the year	$ (133,943)	$ (377,885)
Share of loss of associates accounted for using the equity method	$ (20,470)	$ (98,950)

The investments accounted for by using the equity method and the share of profit or loss and other comprehensive income of those investments were based on the associates' audited financial statements audited by the auditors.

12. PROPERTY, PLANT AND EQUIPMENT

Assets used by the Company

	Buildings	Auxiliary Equipment	Machinery and Equipment	Testing Equipment	Furniture and Fixtures	Construction in Process	Total
Cost							
Balance at January 1, 2024	$ 969,645	$ 30,042	$ 8,240	$ 288,619	$ 136,484	$ -	$ 1,433,030
Additions	-	5,604	-	105,923	19,164	16,169	146,860
Reductions	-	(6,920)	-	(136,488)	(25,692)	-	(169,100)
Reclassified	-	-	-	4,010	10,934	(14,944)	-
Balance at December 31, 2024	$ 969,645	$ 28,726	$ 8,240	$ 262,064	$ 140,890	$ 1,225	$ 1,410,790

(Continued)

	Buildings	Auxiliary Equipment	Machinery and Equipment	Testing Equipment	Furniture and Fixtures	Construction in Process	Total
Accumulated depreciation							
Balance at January 1, 2024	$ 441,300	$ 15,948	$ 3,858	$ 221,176	$ 70,524	$ -	$ 752,806
Depreciation expense	19,729	3,470	2,060	101,819	31,937	-	159,015
Reductions	-	(6,920)	-	(136,488)	(25,692)	-	(169,100)
Balance at December 31, 2024	$ 461,029	$ 12,498	$ 5,918	$ 186,507	$ 76,769	$ -	$ 742,721
Carrying amount at December 31, 2024	$ 508,616	$ 16,228	$ 2,322	$ 75,557	$ 64,121	$ 1,225	$ 668,069
Cost							
Balance at January 1, 2023	$ 969,645	$ 24,113	$ 11,740	$ 232,790	$ 123,690	$ 6,971	$ 1,368,949
Additions	-	6,134	-	83,881	21,264	11,015	122,294
Reductions	-	(1,757)	(3,500)	(32,431)	(20,525)	-	(58,213)
Reclassified	-	1,552	-	4,379	12,055	(17,986)	-
Balance at December 31, 2023	$ 969,645	$ 30,042	$ 8,240	$ 288,619	$ 136,484	$ -	$ 1,433,030
Accumulated depreciation							
Balance at January 1, 2023	$ 421,570	$ 13,222	$ 5,079	$ 126,428	$ 57,678	$ -	$ 623,977
Depreciation expense	19,730	4,483	2,279	127,179	33,371	-	187,042
Reductions	-	(1,757)	(3,500)	(32,431)	(20,525)	-	(58,213)
Balance at December 31, 2023	$ 441,300	$ 15,948	$ 3,858	$ 221,176	$ 70,524	$ -	$ 752,806
Carrying amount at December 31, 2023	$ 528,345	$ 14,094	$ 4,382	$ 67,443	$ 65,960	$ -	$ 680,224

(Concluded)

The above items of property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives as follows:

Buildings	35-56 years
Auxiliary equipment	4-11 years
Machinery and equipment	4 years
Testing equipment	1-4 years
Furniture and fixtures	2-5 years

Refer to Note 30 for the carrying amounts of property, plant and equipment that had been pledged by the Company to secure borrowings.

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2024	2023
Carrying amount		
Land	$ 149,349	$ 155,005
Transportation equipment	672	1,681
	$ 150,021	$ 156,686

	For the Year Ended December 31	
	2024	2023
Depreciation charge for right-of-use assets		
Land	$ 5,656	$ 5,655
Transportation equipment	1,009	1,009
	$ 6,665	$ 6,664

Except for the aforementioned addition and recognized depreciation, the Company did not have significant sublease or impairment of right-of-use assets during the year ended December 31, 2024 and 2023.

b. Lease liabilities

	December 31	
	2024	2023
Carrying amount		
Current	$ 5,106	$ 5,316
Non-current	$ 154,655	$ 159,761

Range of discount rates for lease liabilities was as follows:

	December 31	
	2024	2023
Land	2.390%	2.390%
Transportation equipment	1.625%	1.625%

c. Material lease-in activities and terms

The Company leases land and buildings located in the ROC for the use of plants and offices has a lease terms of 20 years. The lease agreement specifies that lease payments will be adjusted on the basis of changes in the announced land value prices. The Company does not have bargain purchase options to acquire the leasehold land at the end of the lease terms.

The Company did not enter into significant lease contracts for the years ended December 31, 2024 and 2023.

d. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 264	$ 297
Expenses relating to low-value asset leases	$ 571	$ 394
Total cash outflow for leases	$ 10,117	$ 9,939

The Company leases certain transportation equipment and other leases which qualify as short-term leases. The Company has elected to apply the recognition exemption and therefore did not recognize right-of-use assets and lease liabilities for these leases.

14. INTANGIBLE ASSETS

	Technology License Fees	Software	Patents	Total
Cost				
Balance at January 1, 2024	$ 514,342	$ 13,304	$ 97,099	$ 624,745
Additions	111,595	2,738	-	114,333
Reductions	(47,674)	(7,086)	-	(54,760)
Balance at December 31, 2024	$ 578,263	$ 8,956	$ 97,099	$ 684,318
Accumulated amortization				
Balance at January 1, 2024	$ 274,486	$ 8,326	$ 75,522	$ 358,334
Amortization expense	87,029	3,382	-	90,411
Reductions	(47,674)	(7,086)	-	(54,760)
Balance at December 31, 2024	$ 313,841	$ 4,622	$ 75,522	$ 393,985
Accumulated impairment				
Balance at January 1, 2024 and December 31, 2024	$ 111,593	$ -	$ 21,577	$ 133,170
Net Balance at December 31, 2024	$ 152,829	$ 4,334	$ -	$ 157,163
Cost				
Balance at January 1, 2023	$ 563,826	$ 14,198	$ 97,099	$ 675,123
Additions	28,796	917	-	29,713
Reductions	(78,280)	(1,811)	-	(80,091)
Balance at December 31, 2023	$ 514,342	$ 13,304	$ 97,099	$ 624,745
Accumulated amortization				
Balance at January 1, 2023	$ 273,316	$ 5,745	$ 75,522	$ 354,583
Amortization expense	79,450	4,392	-	83,842
Reductions	(78,280)	(1,811)	-	(80,091)
Balance at December 31, 2023	$ 274,486	$ 8,326	$ 75,522	$ 358,334
Accumulated impairment				
Balance at January 1, 2023 and December 31, 2023	$ 111,593	$ -	$ 21,577	$ 133,170
Net Balance at December 31, 2023	$ 128,263	$ 4,978	$ -	$ 133,241

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Technology license fees	1-10 years
Software	3 years
Patents	18 years

An analysis of the amortization by function:

	For the Year Ended December 31	
	2024	**2023**
Operating costs	$ 199	$ 237
General and administrative expenses	1,327	1,659
Research and development expenses	88,885	81,946
	$ 90,411	$ 83,842

15. OTHER ASSETS

	December 31	
	2024	**2023**
Current		
Other financial assets		
Restricted assets (a)	$ 75,917	$ -
Other assets		
Prepayments for EDA tools	$ 20,558	$ 17,449
Prepaid technical licensing fee	5,159	10,942
Prepaid materials	101	302
Others	12,719	14,431
	$ 38,537	$ 43,124
Non-current		
Other financial assets		
Pledged time deposits (b)	$ 10,500	$ 10,500
Other assets		
Refundable deposits	$ 1,237	$ 1,237
Others	7,800	7,800
	$ 9,037	$ 9,037

a. Refer to Note 25 for information on restricted assets.

b. Refer to Note 30 for information on pledged time deposits.

16. BORROWINGS

Long-term borrowings

	December 31	
	2024	2023
Unsecured borrowings		
Bank loans on credit	$ 925,000	$ 1,150,000
Secured borrowings		
Bank loan (a)	237,500	50,000
Less: Current portion	(231,250)	(270,295)
Long-term borrowings - non-current	$ 931,250	$ 929,705

a. The bank loan is secured by mortgages on the Company's buildings (Note 30), and the maturity date of the bank loan is June 30, 2026.

The intervals of effective borrowing rate as of December 31, 2024 and 2023 were 1.965%-2.142% and 1.920%-2.266%, respectively.

In addition, in accordance with the provisions of the loan contract, the Company’s consolidated financial statements for semiannual and annual are subject to current ratio, net tangible assets, debt ratio, interest coverage ratio, but they are not included in the examination of default items. The Company’s financial ratios are in compliance with the contract requirements.

17. ACCOUNTS PAYABLE

	December 31	
	2024	2023
Accounts payable		
Payable - operating	$ 120,116	$ 63,452

The average credit period on purchases of certain goods was 15-60 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

18. OTHER LIABILITIES

	December 31	
	2024	2023
Current		
Other liabilities		
Payables for salaries or bonuses	$ 113,755	$ 105,718
Payables for royalties	59,894	37,999
Payables for purchases of intangible assets	50,372	7,123
Other payables - related parties	47,019	54,022
Refund liabilities (Note 21)	39,641	31,746
Others	93,889	115,172
	$ 404,570	$ 351,780

19. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plans adopted by the Company in accordance with the Labor Standards Act is operated by the government of the ROC. Under this plan, employees should receive either a series of pension payments with a defined annuity or a lump sum that is payable immediately on retirement and is equivalent to 2 base units for each of the first 15 years of service and 1 base unit for each year of service thereafter. The total retirement benefit is subject to a maximum of 45 units. The pension benefits are calculated on the basis of the length of service and average monthly salaries of the six month before retirement. In addition, the Company makes monthly contributions, equal to 2% of salaries, to a pension fund, which is administered by a fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name and are managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy. According to the letter of Zhuhuanzi No. 1130006337 and No. 1120004593 issued by the Hsinchu Science Park Administration of the Ministry of Science and Technology, the Company ceased its retirement fund contribution temporarily from January 1, 2024 to December 31, 2024 and January 1, 2023 to December 31, 2023.

The amounts included in the balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31	
	2024	**2023**
Present value of defined benefit obligation	$ 95,708	$ 117,746
Fair value of plan assets	(163,931)	(158,259)
Net defined benefit assets	$ (68,223)	$ (40,513)

Movements in net defined benefit assets were as follows:

	Present Value of Defined Benefit Obligation	**Fair Value of Plan Assets**	**Net Assets Arising from Defined Benefit Obligation**
Balance at January 1, 2023	$ 136,396	$ 168,389	$ (31,993)
Service cost			
Current service cost	103	-	103
Interest expense (income)	1,705	2,105	(400)
Recognized in profit or loss	1,808	2,105	(297)
Remeasurement			
Return on plan assets	-	(407)	407
Actuarial gain-experience adjustments	(4,607)	-	(4,607)
Recognized in other comprehensive income	(4,607)	(407)	(4,200)
Benefits paid	(15,851)	(11,828)	(4,023)
Balance at December 31, 2023	$ 117,746	$ 158,259	$ (40,513)

(Continued)

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Assets Arising from Defined Benefit Obligation
Balance at January 1, 2024	$ 117,746	$ 158,259	$ (40,513)
Service cost			
Current service cost	116	-	116
Interest expense (income)	1,472	1,978	(506)
Recognized in profit or loss	1,588	1,978	(390)
Remeasurement			
Return on plan assets	-	14,227	(14,227)
Actuarial gain-experience adjustments	(9,384)	-	(9,384)
Actuarial gain-changes in financial assumptions	(1,781)	-	(1,781)
Recognized in other comprehensive income	(11,165)	14,227	(25,392)
Benefits paid	(12,461)	(10,533)	(1,928)
Balance at December 31, 2024	$ 95,708	$ 163,931	$ (68,223)

(Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the benefit plans is as follows:

	For the Year Ended December 31	
	2024	2023
Operating costs	$ (70)	$ (53)
Selling and marketing expenses	(4)	(7)
General and administrative expenses	(114)	(84)
Research and development expenses	(202)	(153)
	$ (390)	$ (297)

Through the defined benefit plans under the Labor Standards Law, the Company is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2024	2023
Discount rate(s)	1.50%	1.25%
Expected rate(s) of salary increase	4.00%	4.00%
Resignation rate	0.00%-28.00%	0.00%-28.00%

If possible reasonable change in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2024	2023
Discount rate(s)		
0.25% increase	$ (1,781)	$ (2,483)
0.25% decrease	$ 1,833	$ 2,563
Expected rate(s) of salary increase		
1% increase	$ 7,604	$ 10,478
1% decrease	$ (6,911)	$ (9,449)

The above sensitivity analysis may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2024	2023
The expected contributions to the plan for the next year	$ -	$ -
The average duration of the defined benefit obligation	9.3 years	10.2 years

20. EQUITY

a. Share capital

1) Ordinary shares:

	December 31	
	2024	2023
Shares authorized (in thousands of shares)	1,200,000	1,200,000
Value of authorized shares	$ 12,000,000	$ 12,000,000
Shares issued and fully paid (in thousands of shares)	591,995	591,995
Shares issued and fully paid	$ 5,919,949	$ 5,919,949

Fully paid ordinary shares, which have a par value of $10, carry one vote per share and a right to dividends.

Of the Company's authorized shares, 80,000 thousand shares have been reserved for the issuance of subscription warrants, preferred shares with warrants, or corporate bonds with warrants.

2) Global depositary receipts

In March 2001, the Company issued 20,000 thousand units of global depositary receipts (GDRs), representing 40,000 thousand ordinary shares that consisted of newly issued and originally outstanding shares. The GDRs are listed on the London Stock Exchange (ticker: SUPD) with an issuance price of US$9.57 per unit.

On August 12, 2022, the board of directors proposed to cease the trading of Company's issued ordinary shares on the London Stock Exchange in the form of GDRs. The termination agreement was completed on November 10, 2022, and the GDRs termination listing procedure was completed on the London Stock Exchange.

b. Capital surplus

	December 31	
	2024	**2023**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
From the business combinations	$ 92,448	$ 92,448
The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	330,103	297,845
May only be used to offset a deficit		
From treasury share transactions	57,435	57,435
Changes in percentage of ownership interests in subsidiaries (2)	459,104	461,302
Changes in net equity of associates accounted for using the equity method	209,738	251,901
	$ 1,148,828	$ 1,160,931

1) When the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

The shareholders' meeting resolved the Company's Articles of Association on June 8, 2022. Under the dividends policy as set forth in the amended Articles, when the Company makes a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit. Though this limitation is not applicable when the legal reserve has reached the total capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. However, the ratio of earnings to provide distribution and the ratio of shareholders' cash dividends may depend on the current year. The actual profit and capital status shall be adjusted by the resolution of the shareholders' meeting. The total number of shareholders' dividends based on the annual surplus shall be distributed at the rate of not less than 10% of the newly added distributable surplus for the year, but shall not be distributed when the annual surplus is less than 1% of the paid-in capital. The aforementioned cash dividends shall not be less than 10% of the total dividends to be distributed to shareholders.

For the policies on the distribution of employees' compensation and remuneration to directors and supervisors before and after amendment, refer to Note 22-g.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The deficit compensation proposal for 2023 and the appropriation of earnings for 2022 were approved by the shareholder in the shareholders' meeting on June 12, 2024 and June 13, 2023, respectively, as follows:

	For Year 2023	**For Year 2022**
Legal reserve	$ -	$ 27,902
Reversal of special reserve	$ 56,523	$ 58,521
Cash dividend	$ -	$ 309,613
Cash dividend per share (NT$)	$ -	$ 0.523

The Company's shareholders also proposed in the shareholders' meeting on June 13, 2023 to issue cash dividends from capital surplus of $45,584 thousand.

The deficit compensation proposal is subject to resolution in the shareholders' meeting to be held on June 13, 2025.

d. Special reserve

	For the Year Ended December 31	
	2024	**2023**
Beginning at January 1	$ 180,682	$ 239,203
Reversed of special reserve	(56,523)	(58,521)
Balance at December 31	$ 124,159	$ 180,682

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2024	**2023**
Balance at January 1	$ (190,170)	$ (136,477)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	-	12,510
Share from associates accounted for using the equity method	75,454	(39,826)

(Continued)

	For the Year Ended December 31	
	2024	2023
Proceeds from disposal of subsidiaries	$ (1,102)	$ (26,377)
Share from the disposal of associates accounted for using the equity method	10,887	-
Disposal of partial interests in subsidiaries	83	-
Balance at December 31	$ (104,848)	$ (190,170)

(Concluded)

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 66,011	$ (44,206)
Recognized for the year		
Unrealized (loss) gain - equity instruments	(185,245)	61,279
Proceeds from disposal of associates	(23,039)	-
Disposal of partial interests in subsidiaries	197	-
Share from associates accounted for using the equity method	(27,896)	48,938
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	3,405	-
Balance at December 31	$ (166,567)	$ 66,011

f. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)	Shares Held by Subsidiaries (In Thousands of Shares)	Total (In Thousands of Shares)
Number of shares at January 1, 2024 and December 31, 2024	-	3,560	3,560
Number of shares at January 1, 2023 and December 31, 2023	-	3,560	3,560

The Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

	Number of Shares Held (In Thousand)	Carrying Amount	Market Price
December 31, 2024			
Lin Shin Investment	3,560	$ 63,401	$ 109,114
December 31, 2023			
Lin Shin Investment	3,560	$ 63,401	$ 122,286

The shares of the Company held by its subsidiaries were treated as treasury shares. The subsidiaries can exercise shareholder's right on these treasury shares, except for the right to subscribe for the Company's new shares and voting rights

21. REVENUE

	For the Year Ended December 31	
	2024	2023
Revenue from the sale of goods	$ 1,561,325	$ 1,074,109
Other	72,295	58,376
	$ 1,633,620	$ 1,132,485

a. Contract information

Revenue from the sale of goods

IC products are sold to agents and customers. The Company determines the sales price of products based on orders. It takes into consideration the past purchases of agents and customers in order to estimate the most likely discount amount and return rate. Based on the determination of revenue, the Company recognizes the amount and the liabilities for refunds (accounted for as other current liabilities).

Other

Other income mainly comes from software development and royalties.

b. Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Trade receivables (Note 9)	$ 214,365	$ 148,866	$ 185,771
Contract liabilities - current	$ 23,996	$ 8,439	$ 14,027

The changes in the balance of contract liabilities primarily result from the timing difference between the Company's performance and the respective customer's payment.

c. Disaggregation of revenue

	Reportable Segments	
	Direct Sales	
	2024	2023
Primary geographical markets		
Asia	$ 1,208,437	$ 862,254
Taiwan	425,183	270,231
	$ 1,633,620	$ 1,132,485

(Continued)

	Reportable Segments	
	Direct Sales	
	2024	2023
Timing of revenue recognition		
Satisfied at a point in time	$ 1,608,644	$ 1,122,010
Satisfied over time	24,976	10,475
	$ 1,633,620	$ 1,132,485

(Concluded)

22. NET PROFIT (LOSS)

Net profit (loss) of the Company's continuing operations as included the following items:

a. Interest income

	For the Year Ended December 31	
	2024	2023
Bank deposits	$ 7,716	$ 3,866
Others	19	725
	$ 7,735	$ 4,591

b. Other income

	For the Year Ended December 31	
	2024	2023
Government grant income (Note 25)	$ 76,028	$ 1,091
Rental income	42,321	34,096
Dividends income	-	2,853
Others	16,370	17,296
	$ 134,719	$ 55,336

c. Other gains and losses

	For the Year Ended December 31	
	2024	2023
Gain on disposal of associates	$ 123,888	$ -
Service income of management support	30,556	27,980
Net foreign exchange gains	14,247	12,136
Fair value changes of financial assets and financial liabilities		
(Loss) gain on financial assets at FVTPL (Note 7)	(11,832)	94,024
Gain on disposal of subsidiaries	-	19,485
Impairment loss recognized on financial asset	-	(6,009)
	$ 156,859	$ 147,616

d. Finance costs

	For the Year Ended December 31	
	2024	2023
Interest on bank loans	$ 25,198	$ 24,574
Interest on lease liabilities	3,931	4,078
Other financial costs	1,340	1,608
	$ 30,469	$ 30,260

e. Depreciation and amortization

	For the Year Ended December 31	
	2024	2023
An analysis of depreciation by function		
Operating costs	$ 4,900	$ 5,155
Operating expenses	160,780	188,551
	$ 165,680	$ 193,706
An analysis of amortization by function		
Operating costs	$ 199	$ 237
Operating expenses	90,212	83,605
	$ 90,411	$ 83,842

f. Employee benefit expense

	For the Year Ended December 31	
	2024	2023
Short-term benefits	$ 512,635	$ 524,610
Post-employment benefits (Note 19)		
Defined contribution plans	21,755	22,545
Defined benefit plans	(390)	(297)
	21,365	22,248
Other employee benefits	15,248	16,444
Total employee benefits expense	$ 549,248	$ 563,302
An analysis of employee benefits expense by function		
Operating costs	$ 33,291	$ 34,444
Operating expenses	515,957	528,858
	$ 549,248	$ 563,302

g. Employees’ compensation and remuneration of directors

The Company resolved amendments to its Articles of Incorporation to distribute employees’ compensation and remuneration of directors at rates of no less than 1% and no higher than 1.5%, respectively, of net profit before income tax, employees’ compensation and remuneration of directors. However, when the Company still has accumulated losses (including adjustments to undistributed earnings), it should reserve an amount for compensation in advance. There were both no employees’ compensation accrued due to the Company has accumulated losses for the year ended December 31, 2024, and net loss before income tax for the year ended December 31, 2023.

If there is a change in the amounts after the annual financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

Information on compensation of employees and remuneration of directors resolved by the Sunplus' board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Gain or loss on exchange rate changes

	For the Year Ended December 31	
	2024	2023
Foreign exchange gains	$ 33,218	$ 36,766
Foreign exchange losses	(18,971)	(24,630)
Net gain	$ 14,247	$ 12,136

23. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Year Ended December 31	
	2024	2023
Current tax		
In respect of the current year	$ 1	$ 8
Deferred tax		
In respect of the current year	-	-
Income tax expense recognized in profit or loss	$ 1	$ 8

A reconciliation of accounting profit and current income tax expenses is as follows:

	For the Year Ended December 31	
	2024	2023
Profit (loss) before tax	$ 258,970	$ (493,139)
Income tax expense calculated at the statutory rate	$ 51,794	$ (98,628)
Tax effect of adjusting items:		
Non-taxable gains	(153,841)	(83,366)
Temporary differences	1,796	45,820
Current income tax expense	(100,251)	(136,174)
Unrecognized loss carryforwards	100,251	136,174
Foreign income tax expense	1	8
Income tax expense recognized in profit or loss	$ 1	$ 8

b. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2024

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Depreciation expense	$ 10,062	$ (2,113)	$ 7,949
Exchange losses (gains)	212	(1,085)	(873)
Others	(7,789)	3,198	(4,591)
	$ 2,485	$ -	$ 2,485

For the year ended December 31, 2023

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Depreciation expense	$ 7,243	$ 2,819	$ 10,062
Exchange losses (gains)	2,128	(1,916)	212
Others	(6,886)	(903)	(7,789)
	$ 2,485	$ -	$ 2,485

c. Deductible temporary differences, unused loss carryforwards and unused investment credits for which no deferred tax assets have been recognized in the parent company only balance sheets

	December 31	
	2024	2023
Loss carryforwards		
Expiry in 2027	$ 10,909	$ 10,909
Expiry in 2029	329,899	329,899
Expiry in 2030	48,825	48,825
Expiry in 2031	5,675	5,675
Expiry in 2033	544,549	217,504
Expiry in 2034	71,747	-
	$ 1,011,604	$ 612,812
Deductible temporary differences	$ 351,842	$ 336,127

d. Unused loss carryforwards and tax exemptions

Loss carryforwards as of December 31, 2024:

Unused Amount	Expiry Year
$ 10,909	2027
329,899	2029
48,825	2030

(Continued)

Unused Amount	Expiry Year
$ 5,675	2031
544,549	2033
71,747	2034
$ 1,011,604	

(Concluded)

e. Income tax assessments

The income tax returns of the Company before 2022 have been assessed by the tax authorities.

24. EARNINGS (LOSS) PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2024	2023
Basic earnings (loss) per share	$ 0.44	$ (0.84)
Diluted earnings (loss) per share	$ 0.44	$ (0.84)

The profit (loss) and weighted average number of ordinary shares outstanding used in the computation of earnings (loss) per share were as follows:

Net profit (loss) for the year

	For the Year Ended December 31	
	2024	2023
Earnings (loss) used in the computation of basic earnings per share	$ 258,969	$ (493,147)
Effect of potentially dilutive ordinary shares:		
Bonuses for employees	-	-
Earnings (loss) used in the computation of diluted EPS	$ 258,969	$ (493,147)

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings (loss) per shares	588,435	588,435
Effect of potential dilutive ordinary shares:		
Employee bonuses	-	-
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share	588,435	588,435

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings (loss) per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings (loss) per share until the number of shares to be distributed to employees is resolved in the following year.

25. GOVERNMENT GRANTS

The Company applied for the Industrial Upgrading Platform Innovation Counseling Program from the Ministry of Economic Affairs, and the "Multimodal Large Language Model Accelerator Chips for Generative AI Edge Application R&D Program" was reviewed and approved on October 23, 2024. The approved subsidy amounted to $160,000 thousand. The subsidy program will be closed on September 30, 2026. As of December 31, 2024, the accumulated subsidies received was $75,917 thousand. The amounts of the recognized subsidy income for the year ended December 31, 2024 was $75,917 thousand. The Company has a special account for subsidies in accordance with regulations. The monthly withdrawal amount shall be withdrawn according to the monthly expenditure summary statement, and the withdrawal amount shall not be higher than the expenditure amount.

The Company applied for the AI on Chip R&D subsidy program from the Ministry of Economic Affairs, and the "Shared Intelligent Computing Chiplet Architecture R&D Program" was reviewed and approved on November 20, 2020. The approved subsidy amounted to $115,356 thousand, which ended on May 31, 2023. As of December 31, 2023, the accumulated subsidies received was $115,356 thousand. The amounts of the recognized subsidy income for the year ended December 31, 2023 was $1,020 thousand. The payment of the designated account for grants has completed at program ended and complete the obligations in accordance with the contract.

26. DISPOSAL OF SUBSIDIARIES - WITH LOSS OF CONTROL

The Company completed the liquidation of Sunplus App Technology Co., Ltd. on September 10, 2024. The Company then lost control of the subsidiary.

The Company completed the liquidation of Sunplus mMobile Inc, Russell and Sunplus Technology (H.K.) Co., Ltd on June 15, July 24 and December 1, 2023 respectively. The Company then lost control of these subsidiaries.

For related details, please refer to the Note 31 to the Company's consolidated financial statements for the year ended December 31, 2024.

27. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves, retained earnings and other equity) attributable to owners of the Company.

The Company is not subject to any externally imposed capital requirements.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The management of the Company considers that the fair values of financial assets and financial liabilities that are not measured at fair value approximate their fair values.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic/foreign listed shares	$ 137,079	$ -	$ -	$ 137,079
Mutual funds	41,521	-	-	41,521
Limited partnership	-	-	287,148	287,148
Domestic/foreign unlisted shares	-	-	162,264	162,264
	$ 178,600	$ -	$ 449,412	$ 628,012
Financial assets at FVTOCI				
Domestic/foreign unlisted shares	$ -	$ -	$ 42,045	$ 42,045
Domestic private listed shares	-	-	32,476	32,476
	$ -	$ -	$ 74,521	$ 74,521

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic/foreign listed shares	$ 120,792	$ -	$ -	$ 120,792
Mutual funds	35,087	-	-	35,087
Limited partnership	-	-	274,039	274,039
Domestic/foreign unlisted shares	-	-	263,738	263,738
	$ 155,879	$ -	$ 537,777	$ 693,656
Financial assets at FVTOCI				
Domestic/foreign unlisted shares	$ -	$ -	$ 91,766	$ 91,766

There were no transfers between Levels 1 and 2 in the year ended December 31 2024 and 2023.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2024

Financial Assets	**Financial Assets at FVTPL**	**Financial Assets at FVTOCI**	**Total**
Balance at January 1, 2024	$ 537,777	$ 91,766	$ 629,543
Recognized in profit or loss	816	-	816
Recognized in other comprehensive income	-	(185,245)	(185,245)
Purchases	8,027	168,000	176,027
Return of capital from limited partnership	(2,208)	-	(2,208)
Refund of shares through capital reduction of the investee company	(95,000)	-	(95,000)
Balance at December 31, 2024	$ 449,412	$ 74,521	$ 523,933

For the year ended December 31, 2023

Financial Assets	**Financial Assets at FVTPL**	**Financial Assets at FVTOCI**	**Total**
Balance at January 1, 2023	$ 276,006	$ -	$ 276,006
Recognized in profit or loss	94,220	-	94,220
Recognized in other comprehensive income	-	61,279	61,279
Purchases	23,157	15,290	38,447
Proceeds from remaining property of the liquidation of subsidiaries	264,394	15,197	279,591
Refund of shares through capital reduction of the investee company	(120,000)	-	(120,000)
Balance at December 31, 2023	$ 537,777	$ 91,766	$ 629,543

3) Valuation techniques and inpats applied for Level 3 fair value measurement

a) The fair values of unlisted shares were determined using the market method based on the transaction price of comparable targets. Based on the financial information of the target company and market peers, the Company analyze and evaluate by market multipliers such as price-earnings ratio, price-to-net value ratio, market-value-to-revenue ratio or other financial ratios. The material unobservable inputs are as follows. When the price-to-net value ratio increases, the market-to-revenue ratio increases, or the liquidity discount decreases, the fair value of these investments will increase.

b) The fair values of unlisted shares and limited partnership were determined using the asset-based approach. The Company assesses that the amount of its net assets attributable to its investment approaches the fair value of the equity investment. The Company assesses the total value of the individual assets and liabilities covered by the target to reflect the overall value of the business.

c) Domestic listed private equity investment refers to the transaction price of the listed company's stock in the active market, and uses the unobservable input value as discount for lack of marketability to determine the value of the evaluation target.

	December 31, 2024
Discount for lack of marketability	81.6%

c. Categories of financial instruments

	December 31	
	2024	2023
Financial assets		
FVTPL	$ 628,012	$ 693,656
FVTOCI	74,521	91,766
Financial assets at amortized cost (1)	1,197,058	661,825
Financial liabilities		
Measured at amortized cost (2)	1,321,371	1,298,227

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, trade receivables, other receivables, other financial assets and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise accounts payable, current portion of long-term bank borrowings, long-term borrowings and guarantee deposits.

d. Financial risk management objectives and policies

The Company's major financial instruments included mutual funds, equity investments, trade receivables, accounts payable, borrowings and lease liability. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporate Treasury function reported quarterly to the Company's Board of Directors.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

A part of the Company's cash flows is in foreign currency, and the use by management of derivative financial instruments is for hedging adverse changes in exchange rates, not for profit.

For exchange risk management, each foreign-currency item of net assets and liabilities is reviewed regularly. In addition, before obtaining foreign loans, the Company considers the cost of the hedging instrument and the hedging period.

The carrying amounts of the Company's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period, please refers to Note 31.

Sensitivity analysis

The Company was mainly exposed to the USD and RMB.

The following table details the Company sensitivity to a US$1.00 and RMB1.00 increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity analysis considers the currencies of USD and RMB in circulation, and adjusts the end-of-term conversion to exchange rate change of $1.00. The sensitivity analysis covers cash and cash equivalents, accounts receivable, other receivables, other financial assets, long-term and short-term loans, accounts payable, other accounts payable and deposit margins. A positive (negative) amount below indicates an increase in pre-tax profit when the NTD weakened by USD$1.00 and RMB1.00 against the relevant currency at the end of the reporting period.

	USD Impact	
	For the Year Ended December 31	
	2024	2023
Profit or loss	$ (3,749)	$ (5,375)

	RMB Impact	
	For the Year Ended December 31	
	2024	2023
Profit or loss	$ 8,218	$ (139)

b) Interest rate risk

The Company was exposed to interest rate risk because entities in the Company borrowed funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The carrying amounts of the Company’s financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	December 31	
	2024	2023
Fair value interest rate risk		
Financial assets	$ 343,285	$ 240,500
Financial liabilities	159,761	165,077
Cash flow interest rate risk		
Financial assets	550,780	214,514
Financial liabilities	1,162,500	1,200,000

Sensitivity analysis

The sensitivity analyses below were determined based on the Company’s exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. Basis points of 0.125% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates increased/decreased by 0.125% and all other variables held constant, the Company’s post-tax profit for the years ended December 31, 2024 and 2023 would have decreased/increased by $765 thousand and $1,232 thousand, respectively.

c) Other price risk

The Company was exposed to price risk through its investments in financial assets at FVTPL and FVTOCI. The Company does not actively trade these investments.

The sensitivity analyses below was determined based on the exposure to price risks of financial assets at FVTPL and FVTOCI at the end of the reporting period.

If the prices of financial assets at FVTPL had been 1% higher/lower, the post-tax other comprehensive income for the years ended December 31, 2024 and 2023 would have increased/decreased by $6,280 thousand and $6,937 thousand, respectively.

If the prices of financial assets at FVTOCI had been 1% higher/lower, the other comprehensive income after tax for the years ended December 31, 2024 and 2023 would have increased/decreased by $745 thousand and $918 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. As at the end of the reporting period, the Company’s maximum exposure to credit risk which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company is arising from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to minimize credit risk, the management of the Company has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Company’s credit risk was significantly reduced.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Trade receivables consisted of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables.

The Company’s concentration of credit risk of 57% and 82% in total trade receivables as of December 31, 2024 and 2023, respectively, was related to the five largest customers within the property construction business segment. The Company believed that the concentration of credit risk is relatively insignificant for the remaining accounts receivables.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company’s operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2024 and 2023, the Company had available unutilized overdraft and financing facilities refer to the following instruction (b) Financing facilities.

a) Liquidity and interest rate risk tables

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed upon repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The tables included both interest and principal cash flows.

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	More than 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing	$ 120,142	$ 94,759	$ 49,178	$ -	$ -
Lease liabilities	771	1,541	6,575	32,665	181,094
Variable interest rate liabilities	625	43,750	187,500	931,250	-
Fixed interest rate liabilities	-	-	650	5,320	32,785
	$ 121,538	$ 140,050	$ 243,903	$ 969,235	$ 213,879

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 8,887	$ 32,665	$ 40,831	$ 36,098	$ 30,690	$ 73,475

December 31, 2023

	On Demand or Less than 1 Month	1-3 Months	More than 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing	$ 140,002	$ 38,142	$ 1,200	$ -	$ -
Lease liabilities	771	1,541	6,935	33,385	189,261
Variable interest rate liabilities	1,323	40,074	230,221	929,705	-
Fixed interest rate liabilities	-	-	650	3,420	30,705
	$ 142,096	$ 79,757	$ 239,006	$ 966,510	$ 219,966

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 9,247	$ 33,385	$ 40,831	$ 38,127	$ 30,690	$ 79,613

b) Financing facilities

	December 31	
	2024	2023
Unsecured bank overdraft facility, reviewed annually and payable on demand:		
Amount used	$ 1,162,500	$ 1,200,000
Amount unused	2,048,710	1,936,230
	$ 3,211,210	$ 3,136,230

29. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed as follows.

a. Name and relationship of related parties

Related Party Name	Related Party Category
iCatch Technology Inc.	Associate
AutoSys (TW) Co., Ltd.	Associate (Note)
eNeural Technologies, Inc.	Associate
DeepLux Technology, Inc.	Associate
Jumplux Technology Co., Ltd.	Subsidiary
Generalplus Technology Inc.	Subsidiary
Sunplus Innovation Technology Inc.	Subsidiary
Chongqing CQPlus1 Technology Co., Ltd. (“Chongqing CQPlus1”)	Subsidiary
Sunplus Pro-tek (shenzhen) Co., Ltd.	Subsidiary
SunMedia Technology Co., Ltd.	Subsidiary

Note: A subsidiary of the Autosys Co., Ltd., an associate of the Company.

b. Sales of goods

		For the Year Ended December 31	
Account Item	Related Party Type	2024	2023
Sales of goods	Subsidiaries	$ 21,507	$ 13,708
	Associates	11,984	2,282
		$ 33,491	$ 15,990

Sales price to related parties is based on cost and market price. The sales terms to related parties were similar to those with external customers.

c. Purchases of goods

		For the Year Ended December 31	
Accounted Item	Related Party Type/Name	2024	2023
Purchases of goods	Subsidiaries		
	Chongqing CQPlus1	$ 6,428	$ 9,294

Purchases were made at market prices and discounted to reflect the quantity of goods purchased and the relationships between the parties.

d. Receivables from related parties (excluding loans to related parties)

Account Item	Related Party Type	December 31 2024	December 31 2023
Trade receivables, net	Subsidiaries	$ 433	$ 2,621
	Associates	247	1,062
		$ 680	$ 3,683
Other receivables	Subsidiaries	$ 750	$ 1,944
	Associates	139	630
		$ 889	$ 2,574

The outstanding trade receivables from related parties are unsecured. For the years ended December 31, 2024 and 2023, no impairment losses were recognized for trade receivables from related parties.

e. Payables from related parties

Account Item	Related Party Type	December 31 2024	December 31 2023
Other payables	Subsidiaries	$ 47,019	$ 54,022

f. Other transactions with related parties

Account Item	Related Party Type	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Manufacturing expenses	Subsidiaries	$ 4,251	$ 3,181
Operating expenses	Subsidiaries	$ 273,712	$ 216,315
	Associates	3,221	-
		$ 276,933	$ 216,315
Non-operating income and expenses	Subsidiaries	$ 14,052	$ 14,891
	Associates	20,200	15,678
		$ 34,252	$ 30,569
Guarantee deposit	Associates	$ 1,886	$ 666

Miscellaneous expenses between the Company and the related parties were negotiated and were thus not comparable with those in the market.

Technical support services price between the Company and the related parties were negotiated and were thus not comparable with those in the market.

Administrative support services price and support services price between the Company and the related parties were negotiated and were thus not comparable with those in the market.

The pricing and the payment terms of the lease contract between the Company and the related parties were similar to those with external customers.

g. Compensation of key management personnel

	For the Year Ended December 31	
	2024	2023
Short-term employee benefits	$ 14,224	$ 15,028
Post-employment benefits	363	252
	$ 14,587	$ 15,280

Compensation of directors and other key management personnel was decided in accordance with individual performance and market trends.

30. PLEDGED OR MORTGAGED ASSETS

The following assets were mortgaged or pledged as collateral for bank borrowings and leased land:

	December 31	
	2024	2023
Buildings, net	$ 498,726	$ 518,128
Pledged time deposits (classified to other financial assets - non-current)	10,500	10,500
	$ 509,226	$ 528,628

31. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Company and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 8,860	32.785	$ 290,475
CNY	3,876	4.478	17,357
JPY	153	0.210	32
GBP	3	41.190	124
HKD	8	4.222	34

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 5,111	32.785	$ 167,564
CNY	12,094	4.478	54,157

(Concluded)

December 31, 2023

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 8,388	30.705	$ 257,554
CNY	6,592	4.327	28,524
JPY	153	0.217	33
GBP	3	39.150	117
HKD	10	3.929	39
Financial liabilities			
Monetary items			
USD	3,013	30.705	92,514
CNY	6,453	4.327	27,922

For the years ended December 31, 2024 and 2023, (realized and unrealized) net foreign exchange gain were $14,247 thousand and $12,136 thousand, respectively. It is impractical to disclose net foreign exchange gain (loss) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Company.

32. ADDITIONAL DISCLOSURES

a. Information about significant transactions and investees and b. Information on investees:

1) Financings provided: Table 1

2) Endorsement/guarantee provided: No.

3) Marketable securities held: Table 2

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: Table 3

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: No.

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: No.

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: No.

9) Trading in derivative instruments: No.

b. Information on investees:

1) Information on investee: Table 5

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: (Table 6)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 7)

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 8

Except for Table 1 to Table 8, there’s no further information about other significant transactions.

TABLE 1

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

FINANCINGS PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
1	Shanghai Beyond Technology Co., Ltd.	SunMedia	Receivables from related parties	Yes	$ 349,537	$ 288,383	$ 288,383	1.8%-2.4%	Note 1	$ -	Note 2	$ -	-	$ -	$ 414,720 (Note 5)	$ 414,720 (Note 5)
2	Lin Shin Investment Co., Ltd.	SunMedia	Receivables from related parties	Yes	128,000	49,178	49,178	2.8%	Note 1	-	Note 3	-	-	-	405,914 (Note 6)	405,914 (Note 6)
3	Lin Shin Investment Co., Ltd.	VENTUREPLUS CAYMAN INC.	Receivables from related parties	Yes	32,785	32,785	32,785	2.8%	Note 1	-	Note 4	-	-	-	405,914 (Note 6)	405,914 (Note 6)

Note 1: Short-term financing.

Note 2: Shanghai Beyond Technology Co., Ltd. provided funds for the operating needs of SunMedia.

Note 3: Lin Shin Investment Co., Ltd. provided funds for the operating needs of SunMedia.

Note 4: Lin Shin Investment Co., Ltd. provided funds for the operating needs of Ventureplus Cayman Inc.

Note 5: Shanghai Beyond Technology Co., Ltd. and the loans are all foreign companies whose parent company directly and indirectly holds 100% of the voting shares. When the short-term financing funds need to be engaged in capital lending, the capital loan and the individual amount and total amount should not exceed the capital loan. The enterprise's net worth should not exceed to 80%, and its period should not exceed more than 2 years.

Note 6: The total amount of all guarantees issued and the individual amount of each guarantee should not exceed 40% of Lin Shin Investment Co., Ltd.'s net equity as of its latest financial statements.

TABLE 2

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Sunplus	Nomura Taiwan Money Market Fund	-	Financial assets at FVTPL - current	903,214	$ 15,326	-	$ 15,326	Note 3
	Nomura Global Short Duration Bond Fund	-	Financial assets at FVTPL - current	1,400,251	15,675	-	15,675	Note 3
	PineBridge Global ESG Quantitative Bond Fund	-	Financial assets at FVTPL - current	1,086,722	10,520	-	10,520	Note 3
	Global View Co., Ltd.	-	Financial assets at FVTPL - current	1,058,386	56,836	2	56,836	Note 2
	Triknight Capital Corporation	-	Financial assets at FVTPL - non-current	19,341,800	162,264	4	162,264	Note 1
	Vertex Growth II (SG) L.P.	-	Financial assets at FVTPL - non-current	-	16,180	-	16,180	Note 1
	AMED Ventures II,L.P.	-	Financial assets at FVTPL - non-current	-	17,243	1	17,243	Note 1
	Intudo Ventures III,L.P.	-	Financial assets at FVTPL - non-current	-	31,250	1	31,250	Note 1
	Intudo Ventures II,L.P.	-	Financial assets at FVTPL - non-current	-	174,575	6	174,575	Note 1
	AMED Ventures I,L.P.	-	Financial assets at FVTPL - non-current	-	19,634	2	19,634	Note 1
	Innobridge Venture Fund I,L.P.	-	Financial assets at FVTPL - non-current	-	-	-	-	Note 1
	Intudo Istimewa I, LLC	-	Financial assets at FVTPL - non-current	-	13,829	14	13,829	Note 1
	Intudo Istimewa II, LLC	-	Financial assets at FVTPL - non-current	-	14,437	7	14,437	Note 1
	Foxtron Vehicle Technologies Co., Ltd.	-	Financial assets at FVTPL - non-current	1,950,000	80,243	-	80,243	Note 2
	AnHorn Holdings Inc.	-	Financial assets at FVTOCI - non-current	581,396	11,475	2	11,475	Note 1
	eYs3D Microelectronics, Inc.	-	Financial assets at FVTOCI - non-current	1,190,476	30,570	1	30,570	Note 1
	GeneOne Diagnostics Corporation	-	Financial assets at FVTOCI - non-current	1,709,974	-	13	-	Note 1
	Egis Technology Inc.	-	Financial assets at FVTOCI - non-current	1,000,000	32,476	1	32,476	Note 1
Lin Shin Investment	Chung-Hsin Electric & Machinery Manufacturing Corp.	-	Financial assets at FVTPL - current	50,000	7,700	-	7,700	Note 2
	Etron Technology, Inc.	-	Financial assets at FVTPL - current	210,000	7,592	-	7,592	Note 2
	Mercuries F&B Co., Ltd.	-	Financial assets at FVTPL - current	175,000	12,372	-	12,372	Note 2
	Evergreen Aviation Technologies Corporation	-	Financial assets at FVTPL - current	435,000	42,282	-	42,282	Note 2
	Flexium Interconnect, Inc. 5th Domestic Unsecured Convertible Bond	-	Financial assets at FVTPL - current	80,000	8,000	-	8,000	Note 2
	SYNCOMM TECHNOLOGY CORP.	-	Financial assets at FVTPL - current	500,000	17,550	-	17,550	Note 2
	Enterex International Limited - Convertible Bond	-	Financial assets at FVTPL - current	30,000	-	-	-	Note 1
	Minson Integration, Inc.	-	Financial assets at FVTPL - current	250,000	30,000	-	30,000	Note 1
	NAN JUEN INTERNATIONAL CO., LTD. 1ST DOMESTIC SECURED CONVERTIBLE BOND	-	Financial assets at FVTPL - current	40,000	4,520	-	4,520	Note 2
	Lead Sun Corporation	-	Financial assets at FVTPL - non-current	1,000,000	44,944	11	44,944	Note 1
	AI3 Co.	-	Financial assets at FVTPL - non-current	34,528	431	1	431	Note 1
	Sunplus	Parent company	Financial assets at FVTOCI - non-current	3,559,996	109,114	1	109,114	Note 2
Sunplus Venture Capital	Lin BioScience, Inc.	-	Financial assets at FVTPL - current	130,000	17,901	-	17,901	Note 4
	Jih Sun Vietnam Opportunity Fund (NTD)	-	Financial assets at FVTPL - current	500,000	4,685	-	4,685	Note 3
	Eastspring Investments India Equity Fund TWD	-	Financial assets at FVTPL - current	103,647	6,217	-	6,217	Note 3
	Eastspring Investments Well Pool Money Market Fund TWD	-	Financial assets at FVTPL - current	6,633,225	93,841	-	93,841	Note 3

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Sunplus Venture Capital	Japan Dynamic Fund Aj - JPY	-	Financial assets at FVTPL - current	11,512	$ 6,169	-	$ 6,169	Note 3
	Japan Dynamic Fund A - USD	-	Financial assets at FVTPL - current	9,192	6,533	-	6,533	Note 3
	Cathay Financial Holding Co., Ltd.	-	Financial assets at FVTPL - current	200,000	13,660	-	13,660	Note 2
	ELITE MATERIAL CO., LTD.	-	Financial assets at FVTPL - current	25,000	15,450	-	15,450	Note 2
	Chung-Hsin Electric & Machinery Manufacturing Corp.	-	Financial assets at FVTPL - current	120,000	18,480	-	18,480	Note 2
	eWave System, Inc.	-	Financial assets at FVTPL - non-current	1,833,333	-	22	-	Note 1
	Book4u Co., Ltd.	-	Financial assets at FVTPL - non-current	9,375	-	-	-	Note 1
	Simple Act Inc.	-	Financial assets at FVTPL - non-current	1,900,000	-	10	-	Note 1
	Beiley Biofund Inc.	-	Financial assets at FVTPL - non-current	12,014,712	133,414	6	133,414	Note 1
	Huijia Health Life Technology Co., Ltd.	-	Financial assets at FVTPL - non-current	1,049,000	2,430	5	2,430	Note 1
	Foryou Venture Capital Limited Partnership	-	Financial assets at FVTPL - non-current	-	39,853	10	39,853	Note 1
	Foryou Private Equity Limited Partnership	-	Financial assets at FVTPL - non-current	-	48,839	5	48,839	Note 1
	San Neng Group Holdings Co., Ltd.	-	Financial assets at FVTPL - non-current	661,000	27,663	1	27,663	Note 2
	Raynergy Tek Inc.	-	Financial assets at FVTPL - non-current	1,365,720	14,230	12	14,230	Note 1
	CDIB Capital Growth Partners L.P.	-	Financial assets at FVTPL - non-current	-	89,008	2	89,008	Note 1
	TIEF fund I L.P.	-	Financial assets at FVTPL - non-current	-	39,611	7	39,611	Note 1
	Intudo Ventures I,L.P.	-	Financial assets at FVTPL - non-current	-	102,437	8	102,437	Note 1
	TGVest Capital Limited Partnership	-	Financial assets at FVTPL - non-current	-	162,806	5	162,806	Note 1
	Intelligo Technology Inc.	-	Financial assets at FVTPL - non-current	336,502	12,490	1	12,490	Note 1
	Pacific 8 Ventures Fund II,L.P.	-	Financial assets at FVTPL - non-current	-	19,952	2	19,952	Note 1
	Cerulean Asset Management Venture Capital Limited Partnership	-	Financial assets at FVTPL - non-current	-	24,712	11	24,712	Note 1
	CSVI Ventures, L.P.	-	Financial assets at FVTPL - non-current	-	22,553	2	22,553	Note 1
	Feature Integration Technology Inc.	-	Financial assets at FVTOCI - non-current	602,020	39,432	2	39,432	Note 2
	Innorich Venture Capital Corp.	-	Financial assets at FVTOCI - non-current	3,000,000	13,533	6	13,533	Note 1
	Protect Life International Biomedical Inc.	-	Financial assets at FVTOCI - non-current	469,110	1,240	3	1,240	Note 1
	Promise Technology Inc.	-	Financial assets at FVTOCI - non-current	962,000	10,919	1	10,919	Note 2
	Neuchips Inc.	-	Financial assets at FVTOCI - non-current	2,100,000	14,425	2	14,425	Note 1
	Neuchips Inc. - Preference shares	-	Financial assets at FVTOCI - non-current	585,000	21,822	1	21,822	Note 1
	Graphen Drugomics, Inc.	-	Financial assets at FVTOCI - non-current	1,000,000	31,910	2	31,910	Note 1
Wei-Young Investment	Brillian Network & Automation Integrated System Co., Ltd.	-	Financial assets at FVTPL - current	84,317	18,592	-	18,592	Note 2
	TAIWAN PURITIC CORP.	-	Financial assets at FVTPL - current	194,980	32,070	-	32,070	Note 4
Sunplus Shanghai	GF Daily Income Money Market Fund B	-	Financial assets at FVTPL - current	9,420,000	43,442	-	43,442	Note 3
Shanghai Beyond Technology Co., Ltd.	Vicoretek Co., Ltd.	-	Financial assets at FVTOCI - non-current	-	44,780	2	44,780	Note 1
	Ready Sun Investment Group Fund	-	Financial assets at FVTPL - non-current	-	40,811	16	40,811	Note 1
Generalplus Technology	Yuanta De-Li Money Market Fund	-	Financial assets at FVTPL - current	9,662,084	164,288	-	164,288	Note 3
	Taiwan Power Company 5th Unsecured Ordinary Corporate Bonds Type A in 2024	-	Financial assets at amortized cost - non-current	-	50,258	-	50,258	Note 3
Sunplus Innovation Technology	Taishin 1699 Money Market Fund	-	Financial assets at FVTPL - current	10,133,835	143,368	-	143,368	Note 3
	Taishin Ta-Chong Money Market Fund	-	Financial assets at FVTPL - current	9,257,558	137,191	-	137,191	Note 3
	SinoPac TWD Money Market Fund	-	Financial assets at FVTPL - current	6,973,633	101,163	-	101,163	Note 3
	UPAMC James Bond Money Market Fund	-	Financial assets at FVTPL - current	1,727,951	30,054	-	30,054	Note 3
	Advanced NuMicro System, Inc.	-	Financial assets at FVTOCI - non-current	2,000,000	-	8	-	Note 2
	PointGrab Ltd.	-	Financial assets at FVTOCI - non-current	453,193	-	1	-	Note 2
Giant Rock Inc.	Xiamen Xm-plus Technology Co., Ltd.	-	Financial assets at FVTPL - non-current	11,150,000	163,313	13	163,313	Note 1
Chongqing CQPLus1	Vicoretek Co., Ltd.	-	Financial assets at FVTOCI - non-current	-	170,146	6	170,146	Note 1

(Continued)

Note 1: The market value was based on the fair value as of December 31 2024.

Note 2: The market value was based on the closing price as of December 31, 2024.

Note 3: The market value was based on the net asset value of the fund as of December 31, 2024.

Note 4: The market value was based on the average transaction price as of December 31, 2024.

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities (Note 1)	Financial Statement Account	Counterparty (Note 2)	Relationship (Note 2)	Beginning Balance		Acquisition (Note 3)		Disposal (Note 3)				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Sunplus Venture Capital	iCatch Technology Inc.	Investments accounted for using the equity method	-	Associate	3,331,818	$ 78,612	-	$ -	3,331,818	$ 275,866	$ 78,612	$ 235,207	-	$ -
Lin Shin Investment	iCatch Technology Inc.	Investments accounted for using the equity method	-	Associate	964,545	22,758	-	-	964,545	77,307	22,758	65,544	-	-
Sunplus	iCatch Technology Inc.	Investments accounted for using the equity method	-	Associate	12,734,546	276,717	-	-	306,000	22,353	6,555	19,331	12,428,546	271,710

Note 1: Marketable Securities in this table include shares, bonds, beneficiary certificates and derivative products.

Note 2: Fill in the two columns if marketable securities are accounted for using equity method.

Note 3: The accumulated amount of acquisition/disposal were calculated at costs or prices of at least NT$300 million or 20% of the paid-in capital separately.

Note 4: Paid-in capital is the paid-in capital of the parent company Shares of issuers without par value or not NT$10 per share are calculated according to 10% of total equity attributable to owners of the Company regarding the regulation on transaction amount of 20% of paid-in capital.

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Generalplus Technology	Generalplus Shenzhen	Subsidiary	Sale	$ 125,596	5.32	Monthly settlement in 45 days	$ -	-	$ 14,240	3.66	-

Note: The paid-in capital refers to the paid-in capital of the parent company.

TABLE 5

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2024	December 31, 2023	Shares	Percentage of Ownership (%)	Carrying Amount			
Sunplus	Ventureplus Group Inc.	Belize	Investment	$ 2,615,641 (US$ 74,605 RMB$ 37,900)	$ 2,615,641 (US$ 74,605 RMB$ 37,900)	80,821,284	100	$ 1,771,420	$ (47,204)	$ (36,525)	Subsidiary
	Award Glory Inc.	Belize	Investment	344,549 (US$ 7,072 RMB$ 25,166)	340,966 (US$ 7,072 RMB$ 24,366)	9,566,874	100	251,050	(65,894)	(65,894)	Subsidiary
	Global View Co., Ltd.	New Taipei, Taiwan	Consumer electronics, components and rental of buildings	-	315,658	-	-	-	45,835	5,987	Investee (Note 2)
	Lin Shin Investment Co., Ltd.	Hsinchu, Taiwan	Investment	699,988	699,988	70,000,000	100	905,672	145,092	145,092	Subsidiary
	Generalplus Technology Inc.	Hsinchu, Taiwan	Design of ICs	279,442	281,001	37,117,304	34	755,754	246,887	84,510	Subsidiary
	Sunplus Venture Capital Co., Ltd.	Hsinchu, Taiwan	Investment	1,109,982	1,109,982	123,748,800	100	1,613,437	294,907	294,538	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	271,986	273,941	29,112,751	50	1,202,202	482,067	240,681	Subsidiary
	iCatch Technology Inc.	Hsinchu, Taiwan	Design of ICs	124,285	127,345	12,428,546	13	271,710	(38,913)	(5,199)	Investee
	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	407,565	407,565	22,440,723	90	22,505	(54)	(48)	Subsidiary
	Sunplus Management Consulting Co., Ltd.	Hsinchu, Taiwan	Management	5,000	5,000	500,000	100	2,861	(166)	(166)	Subsidiary
	Wei-Young Investment Co., Ltd.	Hsinchu, Taiwan	Investment	140,157	140,157	12,400,000	100	122,103	5,928	5,928	Subsidiary
	Jumplux Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	132,000	132,000	13,200,000	55	37,647	10,723	5,897	Subsidiary
	AutoSys Co., Ltd.	Cayman Islands, British West Indies	Investment	81,963 (US$ 2,500)	81,963 (US$ 2,500)	5,000,000	16	57,658	(68,432)	(11,120)	Investee
	AkiraNet Co., Ltd.	Taipei, Taiwan	Information software service	174,000	174,000	17,400,000	17	80,022	(23,431)	(4,080)	Investee
	Wisilicon Innovation Co., Ltd	Hsinchu, Taiwan	Design of ICs	-	13,500	-	-	-	(9,843)	(3,691)	Investee
	DeepLux Technology, Inc.	America	Design of ICs	3,279 (US$ 100)	3,279 (US$ 100)	3,806	25	3,205	(276)	(71)	Investee
Lin Shin Investment Co., Ltd.	Generalplus Technology Inc.	Hsinchu, Taiwan	Design of ICs	86,256	86,256	14,892,301	14	304,388	246,887	33,788	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	15,701	15,701	1,074,664	2	42,118	482,067	8,864	Subsidiary
	iCatch Technology Inc.	Hsinchu, Taiwan	Design of ICs	-	9,645	-	-	-	-	-	Investee
	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	19,408	19,408	650,185	2	5,316	(54)	(1)	Subsidiary
	GlintMed Innovation Co., Ltd	Hsinchu, Taiwan	Investment management consultant	1,250	1,250	125,000	13	189	(1,541)	(193)	Investee
Sunplus Venture Capital Co., Ltd.	Jumplux Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	104,500	104,500	10,800,000	45	30,803	10,723	4,597	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	60,525	60,588	2,920,513	5	121,520	482,067	24,099	Subsidiary
	iCatch Technology Inc.	Hsinchu, Taiwan	Design of ICs	-	33,439	-	-	-	-	-	Investee
	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	44,878	44,878	1,909,092	8	361	(54)	(4)	Subsidiary
	ENeural Technologies, Inc	Hsinchu, Taiwan	Software service	37,500	37,500	15,000,000	35	27,344	(21,943)	(7,654)	Investee
	GlintMed Innovation Co., Ltd	Hsinchu, Taiwan	Investment management consultant	1,250	1,250	125,000	12	189	(1,541)	(193)	Investee
Ventureplus Group Inc.	Ventureplus Mauritius Inc.	Mauritius	Investment	2,615,641 (US$ 74,605 RMB$ 37,900)	2,615,641 (US$ 74,605 RMB$ 37,900)	8,082,129	100	1,789,577	(47,204)	(47,204)	Subsidiary
Ventureplus Mauritius Inc.	Ventureplus Cayman Inc.	Cayman Islands, British West Indies	Investment	2,615,641 (US$ 74,605 RMB$ 37,900)	2,615,641 (US$ 74,605 RMB$ 37,900)	80,821,284	100	1,789,553	(47,206)	(47,206)	Subsidiary
Generalplus Technology Inc.	Generalplus International (Samoa) Inc.	Samoa	Investment	625,866 (US$ 19,090)	625,866 (US$ 19,090)	19,090,000	100	566,585	13,881	13,881	Subsidiary
Generalplus International (Samoa) Inc.	Generalplus (Mauritius) Inc.	Mauritius	Investment	625,866 (US$ 19,090)	625,866 (US$ 19,090)	19,090,000	100	576,559	13,881	13,881	Subsidiary
Generalplus (Mauritius) Inc.	Generalplus Technology (Hong Kong) Co., Inc.	Hong Kong	Marketing	12,786 (US$ 390)	12,786 (US$ 390)	-	100	11,588	916	916	Subsidiary
Award Glory Ltd.	Sunny Fancy Ltd.	Seychelles	Investment	344,549 (US$ 7,072 RMB$ 25,166)	340,966 (US$ 7,072 RMB$ 24,366)	9,566,874	100	251,051	(65,894)	(65,894)	Subsidiary

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2024	December 31, 2023	Shares	Percentage of Ownership (%)	Carrying Amount			
Sunny Fancy Ltd.	Giant Rock Inc.	Anguilla	Investment	$ 201,213 (US$ 2,700 RMB$ 25,166)	$ 197,631 (US$ 2,700 RMB$ 24,366)	$ 5,194,948	100	$ 164,720	$ (56,647)	$ (56,647)	Subsidiary
	Worldplus Holdings L.L.C.	America	Investment	118,026 (US$ 3,600)	118,026 (US$ 3,600)	100	100	86,156	(9,227)	(9,227)	Subsidiary

Note 1: The initial exchange rate was based on the exchange rate as of December 31, 2024.

Note 2: The Company held shares of Global View Co., Ltd. had been disposed of 7,171 thousand shares on December 24, 2024, and on December 30, 2024, transferred the remaining 1,058 thousand shares from investments accounted for using the equity method to financial assets at fair value through profit or loss - current.

TABLE 6

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	% Ownership of Direct or Indirect Investment	Net Income (Loss) of the investee	Investment Gain (Loss) (Note 2)	Carrying Value as of December 31, 2024	Accumulated Inward Remittance of Earnings as of December 31, 2024
					Outflow	Inflow						
Sunplus Shanghai Technology Co., Ltd	Software development, customer technical services and leasing business	$ 65,570 (US$ 2,000)	Note 1	$ 578,819 (US$ 17,655)	$ -	$ -	$ 578,819 (US$ 17,655)	100	$ 29,173	$ 29,173	$ 119,533	$ -
Sunplus Prof-tek (Shenzhen) Co., Ltd.	Software development, customer technical services, leasing business, property management and corporate management	1,057,316 (US$ 32,250)	Note 1	1,057,316 (US$ 32,250)	-	-	1,057,316 (US$ 32,250)	100	1,694	1,694	785,645	-
SunMedia Technology Co., Ltd.	Software development, customer technical services, leasing business and corporate management	655,700 (US$ 20,000)	Note 1	655,700 (US$ 20,000)	-	-	655,700 (US$ 20,000)	100	36,174	36,174	237,634	-
Beijing Sunplus Aipu Technology Co., Ltd	Electronic component sales and information management education services	174,642 (RMB$ 39,000)	Note 1	171,464 (US$ 586 RMB$ 34,000)	3,582 RMB$ 800	-	175,046 (US$ 586 RMB$ 34,800)	100	(106)	(106)	Note 10	-
Beijing Sunplus EHue Tech Co., Ltd.	Software development, customer technical services, leasing business and leasing business	120,906 (RMB$ 27,000)	Note 1	120,906 (RMB$ 27,000)	-	-	120,906 (RMB$ 27,000)	100	(1,408)	(1,408)	53,524	-
Worldplus Technology (Shenzhen) Co., Ltd	Software development, building rental and property management	85,257 (RMB$ 19,039)	Note 4	118,026 (US$ 3,600)	-	-	118,026 (US$ 3,600)	100	(7,793)	(9,227)	86,156	-
Chongqing CQPlus1	Development of computer software and IC design	179,120 (RMB$ 40,000)	Note 3	-	-	-	-	100	(12,598)	(12,598)	190,531	-
Shanghai Beyond Technology Co., Ltd.	Software development and customer technical services	465,547 (US$ 14,200)	Notes 1 and 8	-	-	-	-	100	(6,882)	(6,882)	518,400	-
Shanghai Joyhom Technology Co., Ltd.	Software development and corporate management	32,785 (US$ 1,000)	Notes 1 and 8	-	-	-	-	100	(5)	(5)	36,712	-

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024 (Notes 5 and 6)	Investment Amounts Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
(US$ 79,872 RMB$ 63,700)	(US$ 79,994 RMB$ 62,741)	$ 5,165,508

Sunplus Venture Capital Co., Ltd.

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024 (Note 7)	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
US$ 2,936	US$ 2,936	$ 968,062

(Continued)

Generalplus Technology Inc. (Nature of Relationship: 1)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type (e.g., Direct or Indirect)	Accumulated Outflow of Investment from Taiwan as of January 1, 2024	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2024	% Ownership of Direct or Indirect Investment	Net Income of the investee	Investment Gain (Note 2)	Carrying Value as of December 31, 2024	Accumulated Inward Remittance of Earnings as of December 31, 2024
					Outflow	Inflow						
Generalplus Shenzhen Co., Ltd	Design of ICs, after sales service and marketing research	$ 613,080 (US$ 18,700)	Note 1	$ 613,080 (US$ 18,700)	$ -	$ -	$ 613,080 (US$ 18,700)	100	$ 12,965	$ 12,965	$ 564,951	$ -

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2024	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
US$ 18,700	US$ 18,700	$ 1,346,277

Note 1: Indirect investment in a company located in mainland China through investment in a company located in a third country.

Note 2: Based on the auditors’ financial statements of investees in the same period.

Note 3: Sunplus prof-tek (Shenzhen) and Shanghai Lingchuang Jiayang Technology Co., Ltd. reinvested in a company located in mainland China.

Note 4: It is a company located in mainland China that acquired the investment of the third regional investment company on September 2, 2019.

Note 5: The investment amount approved by the Investment Review Committee of the Ministry of Economic Affairs includes the investment business of Xiamen Xm-plus Technology Co., Ltd. in mainland China, and is included in the financial assets at FVTPL-non-current.

Note 6: Due to the adjustment of the organizational structure of the Group, the Company obtained the approval of the Investment Review Committee of the Ministry of Economic Affairs to invest in the equity of Xiamen Xm-plus Technology Co., Ltd. On October 18, 2023. The Company remitted RMB7,466 thousand on November 30, 2023. Part of the equity originally held by Sunplus Shanghai was changed to Giant Rock Inc., the amount of which did not include RMB7,466 thousand.

Note 7: The investment amount approved by the Investment Review Committee of the Ministry of Economic Affairs includes the investment business of Sanneng Group Holding Company in mainland China, and CSVI Ventures, L.P., and is included in the financial assets at FVTPL-non-current.

Note 8: It is a new company established through the spin-off of Shanghai Sunplus Technology Co., Ltd., which was completed on January 16, 2024.

Note 9: The original foreign currency was derived from the exchange rate on December 31, 2024.

Note 10: It was deregistered on September 10, 2024.

(Concluded)

TABLE 7

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Investee Company	Transaction Type	Research and Development Expense		Price	Transaction Details		Notes/Trade Receivables (Payables)		Unrealized (Gain) Loss	Note
		Amount	%		Payment Terms	Comparison with Market Transactions	Ending Balance	%		
Generalplus Shenzhen Co., Ltd	Sales	$ 125,596	5.32	Based on contract	Based on contract	Not comparable with market transactions	$ 14,240	3.66	$ 2,547	NA
	R&D expenses	62,463	13.92	Based on contract	Based on contract	Not comparable with market transactions	21,757	91.21	-	NA
Chongqing CQPlus1	Purchases	6,428	1.48	Based on contract	Based on contract	Not comparable with market transactions	-	-	10,678	NA
	Manufacturing expense	4,251	1.66	Based on contract	Based on contract	Not comparable with market transactions	(1,260)	2.68	-	NA
SunMedia Technology Co., Ltd	Development and processing services	147,479	10.22	Based on contract	Based on contract	Not comparable with market transactions	(13,866)	29.49	-	NA
Sunplus Prof-tek (Shenzhen) Technology Co., Ltd	Processing services	126,233	8.75	Based on contract	Based on contract	Not comparable with market transactions	(31,894)	67.83	-	NA

TABLE 8

SUNPLUS TECHNOLOGY COMPANY LIMITED

INFORMATION OF MAJOR SHAREHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Chou-chye, Huang	92,737,817	15.66

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual truster who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Amount
Cash	
Cash in banks	
Currency deposits	$ 565,422
Time deposits (Note 1)	343,285
Foreign deposits (Note 2)	61,275
Cash on hand (Note 3)	339
	970,321
Less: Restricted assets	86,417
Total	$ 883,904

Note 1: NTD$343,285 thousand Time deposits, interest rates at 0.85%-4.20%.

Note 2: Including US$1,339 thousand @32.785, HKD$6 thousand @4.222, GBP$0.3 thousand @41.190 JPY$43 thousand @0.210 and RMB$3,867 thousand @4.478.

Note 3: Including NTD$100 thousand, HKD$2.5 thousand @4.222, JPY$110 thousand @0.210, US$2 thousand @32.785, EUR$0.3 thousand @34.140, GBP$2 thousand @41.190 and RMB$9 thousand @4.478.

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Units (Thousand)	Cost	Fair Value Unit Price	Fair Value Amount	Note
Mutual funds					
Nomura Global Short Duration Bond Fund	1,400	$ 15,565	11.19	$ 15,675	Note 1
Nomura Taiwan Money Market Fund	903	15,272	16.97	15,326	Note 1
PineBridge Global ESG Quantitative Bond Fund	1,087	10,510	9.68	10,520	Note 1
				41,521	
Domestic unlisted shares					
Triknight Capital Corporation	19,342	77,850	8.39	162,264	Note 2
Domestic listed shares					
Foxtron Vehicle Technologies Co., Ltd.	1,950	99,840	41.15	80,243	Note 3
Global View Co., Ltd.	1,058	53,660	53.70	56,836	Note 3
				137,079	
Foreign limited partnership					
Intudo Ventures II,L.P.	-	189,598		174,575	Note 2
Intudo Ventures III,L.P.	-	33,045		31,250	Note 2
AMED Ventures I,L.P	-	18,679		19,634	Note 2
AMED Ventures II,L.P.	-	15,603		17,243	Note 2
Vertex Growth II (SG) L.P.	-	16,448		16,180	Note 2
Intudo Istimewa II, LLC	-	13,142		14,437	Note 2
Intudo Istimewa I, LLC	-	15,323		13,829	Note 2
				287,148	
				$ 628,012	

Note 1: The market value was based on the net asset value of the fund as of December 31, 2024.

Note 2: The market value was based on the fair value as of December 31 2024.

Note 3: The market value was based on the closing price of December 31, 2024.

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF TRADE RECEIVABLES, NET
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Trade receivables from related parties	
Generalplus Technology	$ 433
iCatch Technology	247
	680
Trade receivables from unrelated parties	
Client A	77,516
Client B	22,625
Client C	22,200
Client D	22,128
Client E	20,473
Client F	18,102
Client G	18,032
Others (Note)	12,609
	213,685
Total	$ 214,365

Note: The amount of individual clients that is included in others does not exceed 5% of the account balance.

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

	Amount	
Item	**Cost**	**Net Realizable Value**
Finished goods	$ 192,180	$ 338,244
Work in progress	163,675	494,982
Raw materials	73,889	135,493
Total	$ 429,744	$ 968,719

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Balance, January 1, 2024		Additions		Decreases			Balance, December 31, 2024			
Investees	Shares (Thousand)	Fair Value	Shares (Thousand)	Amount	Shares (Thousand)	Amount	Changes in Fair Value	Shares (Thousand)	Fair Value	Guarantee or Pledges	Note
Equity instruments											
Listed company's shares											
Egis Technology Inc.	-	$ -	1,000	$ 168,000	-	$ -	$ (135,524)	1,000	$ 32,476	-	-
Non-listed company's shares											
AnHorn Holdings Inc.	581	76,456	-	-	-	-	(64,981)	581	11,475	-	-
eYs3D Microelectronics, Inc.	1,190	15,310	-	-	-	-	15,260	1,190	30,570	-	-
GeneOne Diagnostics Corporation	1,710	-	-	-	-	-	-	1,710	-	-	-
		$ 91,766		$ 168,000		$ -	$ (185,245)		$ 74,521		

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Balance, January 1, 2024		Additions		Decreases		Increase (Decrease) Amount Evaluated by Equity Method					Balance, December 31, 2024				
	Shares (Thousand)	Amount	Shares (Thousand)	Amount	Shares (Thousand)	Amount	Investment (Loss) Gain	Exchange Differences Arising on Translation to the Presentation Currency	Transferred Capital Surplus	Fair Value Changes of Financial Assets at FVTOCI	Actuarial (Loss) Gain	Shares (Thousand)	%	Amount	Net Assets Value	Note
Global View Co., Ltd.	8,229	$ 324,338	-	$ -	8,229	$ 326,255	$ 5,987	$ 4,323	$ -	$ (8,393)	$ -	-	-	$ -	$ -	Notes 1 and 5
Ventureplus Group	80,821	1,728,967	-	-	-	-	(36,525)	56,292	-	22,686	-	80,821	100	1,771,420	1,771,420	Note 1
Lin Shin Investment	70,000	874,981	-	-	-	106,834	145,092	2,661	(10,995)	114	653	70,000	100	905,672	905,672	Notes 1 and 3
Generalplus Technology	37,324	715,498	-	33	207	52,552	84,510	6,633	-	-	1,632	37,117	34	755,754	755,754	Note 1
Sunplus Venture Capital	123,749	1,462,835	-	-	-	62,184	294,538	-	(39,209)	(42,539)	(4)	123,749	100	1,613,437	1,613,437	Note 1
Sunplus Innovation Technology	29,266	1,171,070	-	-	153	209,514	240,681	-	-	-	(35)	29,113	50	1,202,202	1,202,202	Note 1
iCatch Technology	12,735	276,717	-	1,256	306	6,555	(5,199)	-	5,132	240	119	12,429	13	271,710	271,710	Note 1
Sunplus mMedia	22,441	22,553	-	-	-	-	(48)	-	-	-	-	22,441	90	22,505	22,505	Note 1
Wei-Young Investment	12,400	116,175	-	-	-	-	5,928	-	-	-	-	12,400	100	122,103	122,103	Note 1
AkiraNET Co., Ltd.	17,400	84,102	-	-	-	-	(4,080)	-	-	-	-	17,400	17	80,022	80,022	Note 1
Sunplus Management Consulting	500	3,027	-	-	-	-	(166)	-	-	-	-	500	100	2,861	2,861	Note 2
Award Glory	9,567	310,129	-	3,508	-	-	(65,894)	3,307	-	-	-	9,567	100	251,050	251,050	Note 1
Jumplux Technology	13,200	31,750	-	-	-	-	5,897	-	-	-	-	13,200	55	37,647	37,647	Note 1
DeepLux Technology, Inc.	4	3,217	-	-	-	-	(71)	59	-	-	-	4	25	3,205	3,205	Note 1
AutoSys Co., Ltd.	5,000	64,783	-	-	-	-	(11,120)	1,077	2,918	-	-	5,000	16	57,658	57,658	Notes 1 and 4
Wisilicon Innovation	3,000	8,440	-	-	3,000	4,749	(3,691)	-	-	-	-	-	-	-	-	Notes 1 and 6
Total		$7,198,582		$ 4,797		$ 768,643	$ 655,839	$ 74,352	$ (42,154)	$ (27,892)	$ 2,365			$7,097,246	$7,097,246	

Note 1: The gains and losses of the investment and the net equity value are calculated according to the investees' financial statements which are audited by the accountant.

Note 2: The gains and losses of the investment and the net equity value are calculated according to the investees' financial statements which are unaudited by the accountant.

Note 3: The carrying amount and net value included deduction of the book value of the parent company's stock held by the subsidiary in the amount of $109,114 thousand.

Note 4: The liquidation completion date of Russell Holdings Limited was on July 24, 2023, the investment company, AutoSys Co., Ltd. continues to be held by Sunplus.

Note 5: The Company held shares of Global View Co., Ltd. had been disposed of 7,171 thousand shares on December 24, 2024, and on December 30, 2024, transferred the remaining 1,058 thousand shares from investments accounted for using the equity method to financial assets at fair value through profit or loss - current.

Note 6: Wisilicon Innovation had been disposed on October 1, 2024.

STATEMENT 7

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS AND STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

	Land	Transportation Equipment	Total
Cost			
Balance at January 1, 2024 and December 31, 2024	$ 183,568	$ 3,026	$ 186,594
Accumulated depreciation			
Balance at January 1, 2024	$ 28,563	$ 1,345	$ 29,908
Depreciation	5,656	1,009	6,665
Balance at December 31, 2024	$ 34,219	$ 2,354	$ 36,573
Carrying amount at December 31, 2024	$ 149,349	$ 672	$ 150,021

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Creditor	Balance End of Year	Period	Range of Interest Rates (%)	Financing Facilities	Repayment Method	Pledged or Mortgaged
Medium - to long-term credit borrowings						
Shanghai Commercial Bank	$ 375,000	2022.11.18-2027.11.18	1.965	$ 375,000	The loan is to be repaid quarterly-annually in 16 installments, with the first installment commencing in the second year after the first drawdown date.	-
Far Eastern International Bank	400,000	2024.09.02-2027.09.02	2.025	400,000	The loan is to be repaid semiannually from September 2024, in 3 installments, 1 & 2 installment repay 20% respectively, and the balance will be paid on final installment.	-
Yuanta Commercial Bank Co., Ltd.	150,000	2024.03.12-2027.03.12	2.045	300,000	The first installment begins in the 15th month from the initial drawdown date, with each installment period spanning three months. A principal repayment of NT$37,500 thousand is made per period, with the remaining balance to be settled in full upon maturity.	-
Medium to long-term secured borrowings						
Taipei Fubon Commercial Bank Co., Ltd.	237,500	2023.09.19-2026.06.30	2.140-2.142	237,500	The first installment will start from the expiration date of the grace period, and there will be one installment every three months thereafter, with 5% repayment in each installment, and the rest will be fully repaid on the maturity date, with interest calculated monthly.	Buildings carrying amount of NT$498,726 thousand
	1,162,500			$ 1,312,500		
Less: Current portion	(231,250)					
	$ 931,250					

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Unrelated parties	
Supplier A	$ 33,844
Supplier B	21,002
Supplier C	18,373
Supplier D	10,644
Supplier E	8,583
Supplier F	7,532
Supplier G	6,581
Others (Note)	13,557
	$ 120,116

Note: The amount of individual vendor in others does not exceed 5% of the account balance.

STATEMENT 10

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Lease Term	Discount Rate	Amount
Land	2015.08-2034.12	2.390%	$ 74,029
Land	2002.06-2041.12	2.390%	62,890
Land	2021.01-2040.12	2.390%	22,133
Transportation Equipment	2022.09-2025.08	1.625%	709
Less: Lease liabilities - current			(5,106)
Lease liabilities -non-current			$ 154,655

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF NET REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Quantity	Unit	Amount
Multimedia IC	14,399	Thousand	$ 1,676,620
Other			72,295
			1,748,915
Sales allowance			(108,033)
Sales return			(7,262)
			$ 1,633,620

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Raw material, beginning of year	$ 70,396
Raw material purchased	434,350
Transferred to expenses	(1,179)
Raw materials, end of year	(73,889)
Raw materials used	429,678
Direct labor	2,331
Manufacturing expenses	256,694
Manufacturing costs	688,703
Work in progress, beginning of year	226,206
Transferred to expenses	(2,891)
Work in progress, end of year	(163,675)
Cost of finished goods	748,343
Finished goods, beginning of year	302,238
Transferred to expenses	(1,881)
Finished goods, end of year	(192,180)
Total	$ 856,520

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Selling and Marketing Expenses	General and Administrative Expenses	Research and Development Expenses
Royalty	$ 51,288	$ -	$ 372
Marketing expense	12,013	-	-
Salary	3,424	73,870	368,050
Depreciation	260	37,157	123,363
Professional service fees	4	24,515	1,200
Amortization	-	1,327	88,885
Service fee	-	-	276,934
Technology introduction fee	-	-	90,966
Others	7,383	53,950	227,852
Total	$ 74,372	$ 190,819	$ 1,177,622

SUNPLUS TECHNOLOGY COMPANY LIMITED

STATEMENT OF LABOR, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31					
	2024			2023		
	Classified as Operating Cost	Classified as Operating Expenses	Total	Classified as Operating Cost	Classified as Operating Expenses	Total
Labor cost						
Salary	$ 28,141	$ 445,344	$ 473,485	$ 28,619	$ 456,364	$ 484,983
Labor and health insurance	2,649	34,232	36,881	2,891	34,558	37,449
Pension	1,266	20,099	21,365	1,438	20,811	22,249
Remuneration of directors	-	2,269	2,269	-	2,177	2,177
Others	1,235	14,013	15,248	1,496	14,948	16,444
Total	$ 33,291	$ 515,957	$ 549,248	$ 34,444	$ 528,858	$ 563,302
Depreciation	$ 4,900	$ 160,780	$ 165,680	$ 5,155	$ 188,551	$ 193,706
Amortization	$ 199	$ 90,212	$ 90,411	$ 237	$ 83,605	$ 83,842

Note 1: For the years ended December 31, 2024 and 2023, the Company had 332 and 349 employees on average, respectively, which included 6 directors who did not serve concurrently as employees for both years.

Note 2: Companies whose stocks are listed on the stock exchange or listed on the stock counter trading center should disclose the following information:

1) The average employee welfare expense for the current year is $1,678 thousand (“Total employee welfare expenses for the current year-Total directors’ remuneration”/“Number of employees for the current year-Number of directors who are not concurrent employees”).

   The average employee welfare expense for the current year is 1,636 thousand (“Total employee welfare expenses for the current year-Total directors’ remuneration”/“Number of employees for the current year-Number of directors who are not concurrent employees”).

2) The average employee salary expenses for the current year is $1,452 thousand (the total salary expenses for the current year/“the number of employees in the current year-the number of directors who are not part-time employees”).

   The average employee salary expenses for the current year is $1,414 thousand (the total salary expenses for the current year/“the number of employees in the current year-the number of directors who are not part-time employees”).

3) Changes in the average employee salary expense adjustment 3% (“Average employee salary expense for the current year-Average employee salary expense for the previous year”/Average employee salary expense for the previous year).

4) The Company has established the Audit Committee on 2015, so it has no supervisor in 2024 and 2023.

5) Compensation and Remuneration Policy.

   a. Remuneration of directors is paid at prevailing rates according to the “Directors’ Remuneration and Travel Allowance Policy of the Company”. When the Company make a profit, the compensation and remuneration of directors is accrued and reviewed by the compensation committee and the board of directors according to the Company’s compensation and remuneration policy. The compensation arrangement shall be reported in the shareholders’ meeting.

   b. The compensation and remuneration of the President and Vice Presidents of the Company is determined in accordance with the Company’s Performance Management Policy. Executives’ compensation packages are based on individual performance and their contribution to the Company’s overall performance with benchmarking to market compensation surveys. The compensation committee shall review the KPIs and measurements, followed by performance appraisal, and consequently reward the executives with the approval of the board of directors.

   c. The Company’s remuneration policy takes into account the staff’s professional seniority, work performance, goal achievement, major contributions, etc. The director of the center completes the performance appraisal, which is divided into excellent, good, competent, and qualitative comments for improvement, which are approved by the chief executive officer.