



**SUNPLUS TECHNOLOGY CO., LTD.  
2026 ANNUAL GENERAL SHAREHOLDERS' MEETING**

**MEETING Handbook**  
*(Translation in English–Original in Chinese)*

Date: June 15, 2026

Place: Newton Hall, Science Park Life Hub,  
No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300, Taiwan  
(Hsinchu Science Park Science and Technology Living Hall)

Convening method: Physical shareholders' meeting

Please Read the Following Notice Before Using the Meeting Agenda

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

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

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

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**Sunplus Technology Co., Ltd.**  
**2026 Annual General Shareholders' Meeting**  
**Meeting Procedure**

- I. Call the Meeting to Order
- II. Chairman's Address
- III. Report Items
- IV. Proposals
- V. Discussion Items
- VI. Extemporaneous Motions
- VII. Meeting Adjourned

**Sunplus Technology Co., Ltd.**  
**2026 Annual General Shareholders' Meeting**  
**Meeting Agenda**

1. Convening method: Physical shareholders' meeting
2. Time: 9:00a.m., June 15, 2026 (Monday)
3. Place: Newton Hall, Science Park Life Hub  
No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300, Taiwan  
(Hsinchu Science Park Science and Technology Living Hall)
4. Chairman's Address
5. Report Items
  - i. 2025 Business Report.
  - ii. Audit Committee's Review Report.
  - iii. Report on the Revision of the Company's Sustainable Development Best Practice Principles.
6. Proposals
  - i. Adoption of the 2025 Business Report and Financial Statements.
  - ii. Adoption of the Proposal for 2025 Deficit Compensation.
7. Discussion Items
  - i. Proposal of Amendments to the Articles of Incorporation.
  - ii. Amendment to the Company's Procedures for Acquisition or Disposal of Assets.
  - iii. Proposal of Release the non-competition restriction on the Company's Directors.
8. Extemporary Motions
9. Meeting Adjourned

## **REPORT ITEMS**

### **(1) 2025 Business Report.**

#### **Explanatory Notes:**

The 2025 Business Report is attached hereto as Attachment 1 (See pages 9 to 10 for details).

### **(2) Audit Committee's Review Report.**

#### **Explanatory Notes:**

The Audit Committee's Review Report is attached hereto as Attachment 2 (See pages 11 for details).

### **(3) Report on the Revision of the Company's Sustainable Development Best Practice Principles, respectfully submitted for review.**

#### **Explanatory Notes:**

In compliance with amendments to applicable laws and regulations, the Company has revised its "Sustainable Development Best Practice Principles." For details of the amendments, please refer to the comparison table in Appendix 3 of this manual (see pages 12 to 17).

## **PROPOSALS**

### **(1) Adoption of the 2025 Business Report and Financial Statements.**

(Proposed by the Board of Directors)

#### **Explanatory Notes:**

1. Sunplus' 2025 Business Report and Financial Statements were approved by the Company's audit committee and Board Meeting on March 13, 2026, the financial statements have been audited and completed by the appointed CPA.
2. The 2025 Business Report, the Independent Auditors' Report and Financial Statements are attached hereto as Attachment 1 (see pages 9 to 10) and Attachment 4 to 5 (see pages 18 to 39).

#### **Resolution:**

### **(2) Adoption of the Proposal for 2025 Deficit Compensation.**

(Proposed by the Board of Directors)

#### **Explanatory Notes:**

1. The Company incurred a loss for the fiscal year 2025; therefore, no dividends are available for distribution for the year.
2. The loss compensation statement for fiscal year 2025 was approved by resolutions of the Audit Committee and the Board of Directors on March 13, 2026. Please refer to Attachment 6 of this manual (see page 40) for details.

#### **Resolution:**

## DISCUSSION ITEMS

### **(1) Proposal of Amendments to the Articles of Incorporation for approval.**

(Proposed by the Board of Directors)

#### **Explanatory Notes:**

In line with the Company's actual operational needs, the Articles of Incorporation have been amended accordingly. Please refer to the comparison table of amendments in Appendix 7 of this manual (see pages 41 to 42) for details. This proposal is hereby submitted to the Shareholders' Meeting for approval.

#### **Resolution:**

### **(2) The proposed amendment to the Company's Procedures for Acquisition or Disposal of Assets is hereby submitted for approval.**

(Proposed by the Board of Directors)

#### **Explanatory Notes:**

In compliance with amendments to applicable laws and regulations, the Company has revised its Procedures for Acquisition or Disposal of Assets. Please refer to the comparison table of amendments in Appendix 8 of this manual (see pages 43 to 44) for details. The proposal is hereby submitted to the Shareholders' Meeting for deliberation and approval.

#### **Resolution:**

### **(3) The proposal to release the directors of the Company from non-competition restrictions is hereby submitted for approval.**

(Proposed by the Board of Directors)

#### **Explanatory Notes:**

1. In accordance with Article 209 of the Company Act, a director who acts for himself/herself or on behalf of another person in matters within the Company's business scope shall disclose the material content of such conduct to the shareholders' meeting and obtain its approval by resolution.
2. Where a director of the Company, due to business needs, invests in or operates another company engaged in the same or similar line of business as the Company and serves as a director or manager thereof, it is proposed to release such director from the non-competition restriction. For the list of directors who have newly assumed concurrent positions in other companies since the last annual general shareholders' meeting and are proposed for such release, please refer to Appendix 9 of this manual (see page 45). This proposal is hereby submitted to the Shareholders' Meeting for deliberation and approval.

#### **Resolution:**

## EXTEMPORARY MOTIONS

## MEETING ADJOURNED

## BUSINESS REPORT

### 2025 Business Results

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

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

Non-operating revenue decreased from NT\$686 million in 2024 to NT\$203 million in 2025, this was mainly due to a decrease of NT\$335 million in gains from the disposal of associates in 2025 compared to 2024.

The IFRS Consolidated Statement exposes other comprehensive gains and losses in 2025, Including the difference between the conversion of financial statements of foreign operating institutions, unrealized gains and losses on equity instrument investments measured at fair value through other comprehensive income, determine the number of reassessments of the welfare plan, the shareholding of related enterprises recognized by equity method, the total net after-tax other comprehensive profit and loss in 2025 is -NT\$1.69 million. The total Comprehensive Income in 2025 was NT\$-102 million, the total comprehensive loss attributable to owners of the parent is NT\$385 million.

### Product Research & Development and Business Plan

Sunplus technology mergers and acquisitions of major individuals, including Sunplus Technology, Generplus Technology, Sunplus Innovation Technology, Jumplux Technology, and mainland subsidiaries.

Sunplus is deeply engaged in automotive chips, and audio and video multimedia playback chips. Intelligent surround sound chips. Automotive chips include intelligent cockpit, Advanced Driver Assistance Systems, In-car sound effects. Intelligent surround sound chips include products such as Soundbar, Gaming Soundbar, Party Speaker, and Speakerphone. In addition, Sunplus also offers intelligent computing chips Plus1 suitable for AIoT applications.

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

The intelligent computing chip Plus1 significantly reduces the development threshold for Edge Computing applications. With the development of a 12-nanometer chip with AI capabilities, it will be gradually applied to AIoT, long-term care, and consumer electronics. The next-generation 12nm AI chip continues to receive subsidies from the Ministry of Economic Affairs, and further integrates voice input, natural language processing, and large visual semantic models, with capabilities of contextual reasoning and voice interaction.

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

In 2025, 80% of Sunplus Innovation Technology's sales revenue came from built-in cameras related to NB (Notebook) devices, while 20% came from USB external camera devices, dashcams, dashcams, high-speed cameras, IOT, and other related products. Benefiting from the anticipated AI PC penetration rate exceeding 50% amid a major replacement cycle, the Company aims to turn challenges into growth momentum, further enhance R&D efficiency, ensure its leading position in the notebook image sensing field, and accelerate the large-scale deployment of AI machine vision in vertical applications.

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

### **Impacts of External Competition, Regulatory Policies, and Macroeconomic Environment**

Looking back on 2025, demand for AI-related products increased significantly. However, the market experienced substantial fluctuations in consumer demand due to intensifying U.S.–China trade competition, U.S. tariff policies, and a slowdown in the Chinese economy. In response to these changes, Sunplus has continued to provide cost-effective products in its existing automotive, acoustics, and audio/video playback businesses, while actively developing new markets to expand product sales. The Company has also continuously invested in AI technologies and product development, accelerating the development of next-generation Plus1 products and applications to address market competition and strengthen its competitive advantages.

Looking ahead to 2026, economic recovery in China and the global shortage of memory chips present uncertainties and challenges to economic development. The Company will continue to closely monitor changes in the global economic environment and focus on the market deployment and development of its existing products. At the same time, it will actively develop new products, with the expectation that its new Plus1 products in the AI field will meet market demand and establish product advantages.

### **Future Company Development Strategy**

Sunplus Technology and all entities within the group will continue to deepen their core competencies in various fields, develop new products, and actively invest in advanced technologies to enhance product value and explore new products and markets. By adjusting and optimizing product lines and investments, observing market trends, and actively expanding into new markets, we aim to improve performance both within and outside our core business, thereby accumulating new growth momentum. To reward our shareholders for their long-term support.

Chairman:

Manager:

Accountant:

**AUDIT COMMITTEE'S REVIEW REPORT**

Sunplus' Board has prepared and submitted the 2025 business report, Financial statements and Resolution for Deficit Compensation, etc. The CPAs of Deloitte & Touche were retained to audit those financial statements and have submitted the audit report. The above-mentioned business report, financial statement and Resolution for Deficit Compensation have been reviewed by this audit committee. According to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, the Committee hereby submits this report.

Please check

Sincerely

**To Sunplus Technology 2026 Annual General Shareholders' Meeting**

Chairman of the Audit Committee: Tse-Jen Huang

March 13, 2026

**Sustainable Development Best Practice Principles  
Comparison Table of Amendments to the Articles**

Before amendment	After amendment	Explanation of reasons
<p><b>Article 3</b> The Company shall promote sustainable development with due regard to the rights and interests of its stakeholders. While pursuing sustainable operations and profitability, the Company shall also place importance on environmental, social, and corporate governance factors, and incorporate them into its management policies and business operations.</p> <p>The Company may, based on the principle of materiality, conduct risk assessments of environmental, social, and corporate governance issues related to its operations, and establish relevant risk management policies or strategies.</p>	<p><b>Article 3</b> The Company shall promote sustainable development with due regard to the rights and interests of its stakeholders. While pursuing sustainable operations and profitability, the Company shall place importance on environmental, social, and corporate governance factors and incorporate them into its management policies and business operations.</p> <p>The Company shall, in accordance with the principle of materiality, conduct risk assessments of environmental, social, and corporate governance issues related to its operations, and establish relevant risk management policies or strategies.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” the term “may” has been revised to “shall.”.</p>
<p><b>Article 7</b> The Company’s directors shall exercise the due care of a good administrator and supervise the implementation of sustainable development, while reviewing its effectiveness from time to time and making continuous improvements to ensure the implementation of the Company’s sustainable development policies. When promoting sustainable development objectives, the Company’s Board of Directors shall be responsible for the following matters:</p> <ol style="list-style-type: none"> <li>1. Proposing the mission or vision of sustainable development, and formulating sustainable development policies, systems, or relevant management guidelines.</li> <li>2. Integrating sustainable development into the Company’s business operations and development direction, and approving concrete implementation plans for sustainable development.</li> </ol>	<p><b>Article 7</b> The Company’s directors shall exercise the due care of a good administrator and supervise the implementation of sustainable development, while reviewing its effectiveness from time to time and making continuous improvements to ensure the implementation of the Company’s sustainable development policies. When promoting sustainable development objectives, the Company’s Board of Directors shall appropriately take into account the interests of stakeholders and be responsible for the following matters:</p> <ol style="list-style-type: none"> <li>1. Proposing the mission or vision of sustainable development, and formulating sustainable development policies, systems, or relevant management guidelines.</li> <li>2. Integrating sustainable development into the Company’s business operations and development direction, and approving concrete implementation plans for</li> </ol>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” the phrase “shall appropriately take into account the interests of stakeholders” has been added.</p>

Before amendment	After amendment	Explanation of reasons
<p>3. Ensuring the timeliness and accuracy of disclosure of sustainability-related information.</p> <p>The Company shall authorize senior management to handle economic, environmental, and social issues arising from its business operations, and such matters shall be reported to the Board of Directors. The procedures and respective responsible personnel shall be clearly defined.</p>	<p>sustainable development.</p> <p>3. Ensuring the timeliness and accuracy of disclosure of sustainability-related information.</p> <p>The Company shall authorize senior management to handle economic, environmental, and social issues arising from its business operations, and such matters shall be reported to the Board of Directors. The procedures and respective responsible personnel shall be clearly defined.</p>	
<p><b>Article 8</b></p> <p>The Company may regularly conduct training programs on the promotion of sustainable development, including awareness programs on the matters set forth in Paragraph 2 of the preceding Article.</p>	<p><b>Article 8</b></p> <p>The Company is advised to regularly conduct training programs on the promotion of sustainable development, including awareness programs on the matters set forth in Paragraph 2 of the preceding Article.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the term “may” has been revised to “is advised to.”</p>
<p><b>Article 9</b></p> <p>To strengthen the management of sustainable development, the Company shall establish a dedicated (full-time or concurrent) unit responsible for promoting sustainable development. Such unit shall be responsible for the formulation and implementation of sustainable development policies, systems or relevant management guidelines, as well as concrete action plans, and shall regularly report to the Board of Directors.</p> <p>The Company shall establish a reasonable remuneration policy to ensure that compensation planning is aligned with organizational strategic objectives and the interests of stakeholders.</p> <p>The employee performance evaluation system may be linked to sustainable development policies, and a clear and effective system of rewards and disciplinary measures shall be established.</p>	<p><b>Article 9</b></p> <p>To strengthen the management of sustainable development, the Company shall establish a dedicated (full-time or concurrent) unit responsible for promoting sustainable development. Such unit shall be responsible for the formulation and implementation of sustainable development policies, systems or relevant management guidelines, as well as concrete action plans, and shall regularly report to the Board of Directors.</p> <p>The Company shall establish a reasonable remuneration policy to ensure that compensation planning is aligned with organizational strategic objectives and the interests of stakeholders.</p> <p>The employee performance evaluation system is advised to be integrated with sustainable development policies, and a clear and effective system of rewards and disciplinary measures shall be established.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the term “may” has been revised to “is advised to.”</p>
<p><b>Article 15</b></p> <p>The Company is advised to take into account the impact of its operations on ecological efficiency, promote and advocate the concept of</p>	<p><b>Article 15</b></p> <p>The Company is advised to take into account the impact of its operations on ecological efficiency, promote and advocate the concept of</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the term “biological” has been</p>

Before amendment	After amendment	Explanation of reasons
<p>sustainable consumption, and conduct R&amp;D, procurement, production, operations, and services in accordance with the following principles in order to reduce the impact of its operations on the natural environment and human society:</p> <ol style="list-style-type: none"> <li>1. Reduce the consumption of resources and energy in products and services.</li> <li>2. Reduce the emission of pollutants, toxic substances, and waste, and properly handle waste.</li> <li>3. Enhance the recyclability and reusability of raw materials or products.</li> <li>4. Maximize the sustainable use of renewable resources.</li> <li>5. Extend product durability.</li> <li>6. Improve the efficiency of products and services.</li> </ol>	<p>sustainable consumption, and conduct R&amp;D, procurement, production, operations, and services in accordance with the following principles in order to reduce the impact of its operations on the natural environment, biodiversity, and human society:</p> <ol style="list-style-type: none"> <li>1. Reduce the consumption of resources and energy in products and services.</li> <li>2. Reduce the emission of pollutants, toxic substances, and waste, and properly handle waste.</li> <li>3. Enhance the recyclability and reusability of raw materials or products.</li> <li>4. Maximize the sustainable use of renewable resources.</li> <li>5. Extend product durability.</li> <li>6. Improve the efficiency of products and services.</li> <li>7. Enhance the conservation of marine and terrestrial biodiversity and ecosystems, promote the sustainable use of resources, and ensure fair and reasonable benefits.</li> </ol>	<p>added to the scope of environmental impact, and Item 7, “Enhance the conservation of marine and terrestrial biodiversity and ecosystems, promote the sustainable use of resources, and ensure fair and reasonable benefits,” has been included.</p>
<p><b>Article 21</b> The Company shall create a favorable environment for employees’ career development and establish effective training programs for career competency development. The Company shall formulate and implement reasonable employee welfare measures (including remuneration, leave, and other benefits), and appropriately reflect the Company’s operational performance or achievements in its employee compensation policy to ensure the recruitment, retention, and motivation of human resources, thereby achieving the goal of sustainable operations.</p>	<p><b>Article 21</b> The Company shall create a favorable environment for employees’ career development and establish effective training programs for career competency development. The Company is advised to establish industry–academia cooperation programs to cultivate talent for the industry. The Company shall formulate and implement reasonable employee welfare measures (including remuneration, leave, and other benefits), and appropriately reflect the Company’s operational performance or achievements in its employee compensation policy to ensure the recruitment, retention, and motivation of human resources, thereby achieving the goal of sustainable operations.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the provision “The Company is advised to establish industry–academia cooperation programs to cultivate talent for the industry” has been added.</p>

Before amendment	After amendment	Explanation of reasons
	<p><b>Article 22-1</b> The Company is advised to treat its customers or consumers of its products or services in a fair and reasonable manner. Such treatment shall include principles such as fair and good-faith contracting, duty of care and loyalty, truthful advertising and solicitation, suitability of products or services, disclosure and provision of information, fairness between remuneration and performance, complaint handling and protection, and professionalism of sales personnel. The Company shall also formulate relevant implementation strategies and concrete measures.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” Article 22-1 has been added.</p>
<p><b>Article 25</b> The Company is advised to assess and manage various risks that may cause business interruptions, in order to reduce their impact on customers and society. The Company shall provide transparent and effective customer complaint procedures for its products and services, and shall handle customer complaints fairly and in a timely manner. The Company shall also comply with the Personal Data Protection Act and other relevant regulations, duly respect customers’ privacy rights, and protect personal data provided by customers.</p>	<p><b>Article 25</b> The Company is advised to assess and manage various risks that may cause business interruptions, in order to reduce their impact on customers and society. The Company is advised to provide transparent and effective customer complaint procedures for its products and services, and shall handle customer complaints fairly and in a timely manner. The Company shall also comply with the Personal Data Protection Act and other relevant regulations, duly respect customers’ privacy rights, and protect personal data provided by customers.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the term “shall” has been revised to “is advised to.”</p>
<p><b>Article 26</b> The Company shall assess the environmental and social impacts of its procurement activities on supplier communities and shall work with suppliers to jointly implement sustainable development. The Company is advised to establish supplier management policies requiring suppliers to comply with relevant regulations in areas such as environmental protection, occupational health and safety, or labor and human rights. Prior to engaging in business transactions, the Company may assess whether</p>	<p><b>Article 26</b> The Company is advised to assess the environmental and social impacts of its procurement activities on supplier communities and shall work with suppliers to jointly implement sustainable development. The Company is advised to establish supplier management policies requiring suppliers to comply with relevant regulations in areas such as environmental protection, occupational health and safety, or labor and human rights. Prior to engaging in business transactions,</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the term “shall” has been revised to “is advised to.”</p>

Before amendment	After amendment	Explanation of reasons
<p>suppliers have records of environmental or social impacts, and avoid conducting transactions with those whose practices are inconsistent with the Company’s sustainable development policies. When entering into contracts with major suppliers, the Company may include provisions requiring compliance with both parties’ sustainable development policies, as well as clauses allowing the Company to terminate or rescind the contract at any time if the supplier violates such policies and causes significant environmental or social impacts on supplier communities.</p>	<p>the Company is advised to assess whether suppliers have records of environmental or social impacts, and avoid conducting transactions with those whose practices are inconsistent with the Company’s sustainable development policies. When entering into contracts with major suppliers, the Company is advised to include provisions requiring compliance with both parties’ sustainable development policies, as well as clauses allowing the Company to terminate or rescind the contract at any time if the supplier violates such policies and causes significant environmental or social impacts on supplier communities.</p>	
<p><b>Article 27</b> The Company shall assess the impact of its operations on local communities and appropriately employ local personnel in its operating areas to enhance community recognition. The Company may participate in activities related to community development and community education organized by civic organizations, charitable groups, and local government agencies through business activities, in-kind donations, corporate volunteer services, or other professional services for public welfare, so as to promote community development.</p>	<p><b>Article 27</b> The Company shall assess the impact of its operations on local communities and appropriately employ local personnel in its operating areas to enhance community recognition. The Company is advised to participate in activities related to community development and community education organized by civic organizations, charitable groups, and local government agencies through business activities, in-kind donations, corporate volunteer services, or other professional services for public welfare, so as to promote community development.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” the term “may” has been revised to “is advised to.”</p>
	<p><b>Article 27-1</b> The Company is advised to continuously allocate resources to cultural and artistic activities or the cultural and creative industries through donations, sponsorships, investments, procurement, strategic cooperation, corporate volunteer technical services, or other forms of support, so as to promote cultural development.</p>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies,” Article 27-1 has been added.</p>

Before amendment	After amendment	Explanation of reasons
<p><b>Article 29</b> The Company shall prepare its sustainability report using internationally widely recognized standards or guidelines to disclose its implementation of sustainable development practices, and may obtain third-party assurance or verification to enhance the reliability of the information. The content of the report is advised to include:</p> <ol style="list-style-type: none"> <li>1. Implementation of sustainable development policies, systems or relevant management guidelines, and concrete action plans.</li> <li>2. Key stakeholders and the issues of concern to them.</li> <li>3. The Company’s performance and review in implementing corporate governance, developing a sustainable environment, maintaining social welfare, and promoting economic development.</li> <li>4. Future improvement directions and objectives.</li> </ol>	<p><b>Article 29</b> The Company shall prepare its sustainability report using internationally widely recognized standards or guidelines to disclose its implementation of sustainable development practices, and is advised to obtain third-party assurance or verification to enhance the reliability of the information. The content of the report is advised to include:</p> <ol style="list-style-type: none"> <li>1. Implementation of sustainable development policies, systems or relevant management guidelines, and concrete action plans.</li> <li>2. Key stakeholders and the issues of concern to them.</li> <li>3. The Company’s performance and review in implementing corporate governance, developing a sustainable environment, maintaining social welfare, and promoting economic development.</li> <li>4. Future improvement directions and objectives.</li> </ol>	<p>In line with the amendments to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” the term “may” has been revised to “is advised to.” ◦</p>
<p><b>Article 31</b> These Best Practice Principles shall be implemented after approval by the Board of Directors and reported to the Shareholders’ Meeting; the same shall apply to any amendments thereto. First adopted on January 18, 2017, as approved by the Board of Directors. First amended on March 30, 2020, as approved by the Board of Directors. Second amended on January 19, 2022, as approved by the Board of Directors.</p>	<p><b>Article 31</b> These Best Practice Principles shall be implemented after approval by the Board of Directors and reported to the Shareholders’ Meeting; the same shall apply to any amendments thereto. First adopted on January 18, 2017, as approved by the Board of Directors. First amended on March 30, 2020, as approved by the Board of Directors. Second amended on January 19, 2022, as approved by the Board of Directors. Third amended on March 13, 2026, as approved by the Board of Directors.</p>	<ol style="list-style-type: none"> <li>1. In accordance with Article 5 of the “Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies,” the Company’s corporate social responsibility policies, systems or relevant management guidelines, as well as concrete implementation plans, shall be approved by the Board of Directors and reported to the Shareholders’ Meeting.</li> <li>2. Added the third amendment date.</li> </ol>

# **Sunplus Technology Company Limited**

**Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

## **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, 2025 and 2024, 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, 2025 and 2024, 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, 2025. 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, 2025 is as follows:

#### **Occurrence of Revenue from Specific Customers**

Sunplus Technology Company Limited's revenue increased in 2025, 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, 2025 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 Ming-Hui Chen and Tung-Hui Yeh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 13, 2026

Notice to Readers

*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, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 976,758	9	\$ 883,904	9
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	133,585	1	98,357	1
Trade receivables, net (Notes 4, 5, 9, 21 and 29)	181,206	2	214,365	2
Other receivables (Notes 4 and 29)	21,507	-	11,135	-
Inventories (Notes 4 and 10)	498,586	5	429,744	4
Other financial assets - current (Notes 4, 15 and 25)	55,362	1	75,917	1
Other current assets (Notes 4 and 15)	<u>78,035</u>	<u>1</u>	<u>38,537</u>	<u>-</u>
Total current assets	<u>1,945,039</u>	<u>19</u>	<u>1,751,959</u>	<u>17</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at FVTPL - non-current (Notes 4 and 7)	456,549	4	529,655	5
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	78,354	1	74,521	1
Investments accounted for using the equity method (Notes 4 and 11)	6,527,927	64	7,097,246	67
Property, plant and equipment (Notes 4, 12 and 30)	634,378	6	668,069	6
Right-of-use assets (Notes 4 and 13)	137,767	1	150,021	1
Intangible assets (Notes 4 and 14)	366,459	4	157,163	2
Deferred tax assets (Notes 4 and 23)	2,485	-	2,485	-
Net defined benefit assets - non-current (Notes 4 and 19)	84,390	1	68,223	1
Other financial assets- non-current (Notes 4, 15 and 30)	10,500	-	10,500	-
Other non-current assets (Notes 4 and 15)	<u>7,857</u>	<u>-</u>	<u>9,037</u>	<u>-</u>
Total non-current assets	<u>8,306,666</u>	<u>81</u>	<u>8,766,920</u>	<u>83</u>
<b>TOTAL</b>	<u>\$ 10,251,705</u>	<u>100</u>	<u>\$ 10,518,879</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Contract liabilities - current (Note 21)	\$ 11,981	-	\$ 23,996	-
Accounts payable (Note 17)	176,318	2	120,116	1
Lease liabilities - current (Notes 4 and 13)	4,329	-	5,106	-
Current portion of long-term bank borrowings (Note 16)	187,500	2	231,250	2
Other current liabilities (Notes 18 and 29)	<u>419,377</u>	<u>4</u>	<u>404,570</u>	<u>4</u>
Total current liabilities	<u>799,505</u>	<u>8</u>	<u>785,038</u>	<u>7</u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings (Note 16)	962,500	9	931,250	9
Lease liabilities - non-current (Notes 4 and 13)	144,337	2	154,655	2
Guarantee deposits (Note 29)	39,591	-	38,755	-
Other non-current liabilities (Note 18)	<u>94,290</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>1,240,718</u>	<u>12</u>	<u>1,124,660</u>	<u>11</u>
Total liabilities	<u>2,040,223</u>	<u>20</u>	<u>1,909,698</u>	<u>18</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 20)</b>				
Share capital				
Ordinary shares	<u>5,919,949</u>	<u>58</u>	<u>5,919,949</u>	<u>56</u>
Capital surplus	<u>1,136,189</u>	<u>11</u>	<u>1,148,828</u>	<u>11</u>
Retained earnings				
Legal reserve	1,898,136	19	1,898,136	18
Special reserve	124,159	1	124,159	1
Accumulated deficit	<u>(305,851)</u>	<u>(3)</u>	<u>(147,075)</u>	<u>(1)</u>
Total retained earnings	<u>1,716,444</u>	<u>17</u>	<u>1,875,220</u>	<u>18</u>
Other equity	<u>(497,699)</u>	<u>(5)</u>	<u>(271,415)</u>	<u>(2)</u>
Treasury shares	<u>(63,401)</u>	<u>(1)</u>	<u>(63,401)</u>	<u>(1)</u>
Total equity	<u>8,211,482</u>	<u>80</u>	<u>8,609,181</u>	<u>82</u>
<b>TOTAL</b>	<u>\$ 10,251,705</u>	<u>100</u>	<u>\$ 10,518,879</u>	<u>100</u>

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, 2025 AND 2024 (In Thousands of New Taiwan Dollars, (Loss) Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 4, 21 and 29)	\$ 1,680,288	100	\$ 1,633,620	100
OPERATING COSTS (Notes 10, 22 and 29)	<u>934,962</u>	<u>56</u>	<u>856,520</u>	<u>53</u>
GROSS PROFIT	<u>745,326</u>	<u>44</u>	<u>777,100</u>	<u>47</u>
OPERATING EXPENSES (Notes 22 and 29)				
Selling and marketing expenses	155,369	9	74,372	4
General and administrative expenses	181,740	11	190,819	12
Research and development expenses	<u>1,168,219</u>	<u>69</u>	<u>1,177,622</u>	<u>72</u>
Total operating expenses	<u>1,505,328</u>	<u>89</u>	<u>1,442,813</u>	<u>88</u>
LOSS FROM OPERATIONS	<u>(760,002)</u>	<u>(45)</u>	<u>(665,713)</u>	<u>(41)</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 11, 22, 25 and 29)				
Interest income	12,965	1	7,735	1
Other income	119,240	7	134,719	8
Other gains and losses	84,722	5	156,859	10
Finance costs	(27,339)	(2)	(30,469)	(2)
Share of profit or loss of subsidiaries and associates	<u>354,926</u>	<u>21</u>	<u>655,839</u>	<u>40</u>
Total non-operating income and expenses	<u>544,514</u>	<u>32</u>	<u>924,683</u>	<u>57</u>
(LOSS) PROFIT BEFORE INCOME TAX	(215,488)	(13)	258,970	16
INCOME TAX EXPENSE (Notes 4 and 23)	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
NET (LOSS) PROFIT FOR THE YEAR	<u>(215,489)</u>	<u>(13)</u>	<u>258,969</u>	<u>16</u>
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	15,164	1	25,392	2
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	3,843	-	(185,245)	(11)

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, (Loss) Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Share of other comprehensive loss of subsidiaries and associates accounted for using equity method	\$ (198,438)	(12)	\$ (25,531)	(2)
Items that may be reclassified subsequently to profit or loss (Notes 4 and 20):				
Share of other comprehensive income of subsidiaries and associates accounted for using the equity method	<u>9,902</u>	<u>1</u>	<u>75,454</u>	<u>4</u>
Other comprehensive loss for the year, net of income tax	<u>(169,529)</u>	<u>(10)</u>	<u>(109,930)</u>	<u>(7)</u>
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	<u>\$ (385,018)</u>	<u>(23)</u>	<u>\$ 149,039</u>	<u>9</u>
(LOSS) EARNINGS PER SHARE (Note 24)				
Basic earnings per share	<u>\$ (0.37)</u>		<u>\$ 0.44</u>	
Diluted earnings per share	<u>\$ (0.37)</u>		<u>\$ 0.44</u>	

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, 2025 AND 2024**

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

	Share Capital Issued and Outstanding		Capital Surplus	Retained Earnings			Other Equity		Treasury Shares	Total Equity
				Legal Reserve	Special Reserve	Accumulated Deficit	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Losses) on Financial Assets		
	Share (Thousands)	Amount								
BALANCE ON JANUARY 1, 2024	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	-	-	-	-	(56,523)	56,523	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	-	-
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 ON 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
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	14,745	-	-	-	-	-	-	14,745
Proceeds from disposal of associates	-	-	(27,384)	-	-	-	-	(42)	-	(27,426)
Net loss for the year ended December 31, 2025	-	-	-	-	-	(215,489)	-	-	-	(215,489)
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	15,040	9,902	(194,471)	-	(169,529)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	(200,449)	9,902	(194,471)	-	(385,018)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	41,673	-	(41,673)	-	-
BALANCE ON DECEMBER 31, 2025	591,995	\$ 5,919,949	\$ 1,136,189	\$ 1,898,136	\$ 124,159	\$ (305,851)	\$ (94,946)	\$ (402,753)	\$ (63,401)	\$ 8,211,482

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, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) income before income tax	\$ (215,488)	\$ 258,970
Adjustments for:		
Depreciation expense	149,358	165,680
Amortization expense	165,054	90,411
Net loss on the fair value change of financial assets at FVTPL	46,476	11,832
Financial costs	27,339	30,469
Interest income	(12,965)	(7,735)
Dividends income	(558)	-
Share of profit of subsidiaries and associates	(354,926)	(655,839)
Gain on disposal of associates	(89,786)	(123,888)
Unrealized gain on the transactions with subsidiaries and associates	-	(1,289)
Net loss (gain) on foreign currency exchange	988	(2,285)
Changes in operating assets and liabilities:		
Trade receivables	34,199	(61,217)
Other receivables	(9,901)	(5,505)
Inventories	(68,842)	169,096
Other current assets	(7,565)	(1,219)
Net defined benefit assets	(16,167)	(27,710)
Contract liabilities	(11,467)	15,557
Accounts payables	55,405	55,931
Other current liabilities	(49,503)	5,697
Net defined benefit liabilities	<u>15,164</u>	<u>25,392</u>
Cash used in operations	(343,185)	(57,652)
Interest received	12,222	7,768
Dividends received	702,738	429,508
Interest paid	(27,676)	(31,299)
Income tax received	<u>277</u>	<u>115</u>
Net cash generated from operating activities	<u>344,376</u>	<u>348,440</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at FVTOCI	-	(168,000)
Disposal of financial assets at FVTOCI	10	-
Purchase of financial assets at FVTPL	(101,744)	(18,682)
Proceeds from the disposal of financial assets at FVTPL	64,146	79,090
Acquisition of investments accounted for using equity method	(1,000)	(3,508)
Proceeds from disposal of associates	110,629	386,141
Net cash inflow on disposal of subsidiaries	1,005	-
Payments for property, plant and equipment	(113,630)	(143,780)
Decrease in refundable deposits	1,180	-
Payments for intangible assets	(236,317)	(65,389)
Other financial assets	20,555	(75,917)
Proceeds from return of capital of financial assets at FVTPL	-	2,208

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Refund of shares through capital reduction of financial assets at FVTPL	\$ 29,000	\$ 95,000
Net cash (used in) generated from investing activities	<u>(226,166)</u>	<u>87,163</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	662,500	850,000
Repayments of long-term borrowings	(675,000)	(887,500)
Proceeds from guarantee deposits received	2,871	1,900
Refund of guarantee deposits received	(705)	-
Repayment of the principal portion of lease liabilities	(4,935)	(5,316)
Disposal of equity in subsidiaries	<u>-</u>	<u>41,397</u>
Net cash (used in) generated from financing activities	<u>(15,269)</u>	<u>481</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(10,087)</u>	<u>2,925</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	92,854	439,009
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>883,904</u>	<u>444,895</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 976,758</u>	<u>\$ 883,904</u>

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

# **Sunplus Technology Company Limited and Subsidiaries**

**Consolidated Financial Statements for the  
Years Ended December 31, 2025 and 2024 and  
Independent Auditors' Report**

## DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The Company required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Sunplus Technology Company Limited

By

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CHOU-CHYE HUANG  
Chairman

March 13, 2026

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Sunplus Technology Company Limited

### **Opinion**

We have audited the accompanying consolidated financial statements of Sunplus Technology Company Limited and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Sunplus Technology Company Limited and its subsidiaries as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Consolidated Financial Statements section of our report. We are independent of Sunplus Technology Company Limited and its subsidiaries 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 consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in Sunplus Technology Company Limited and its subsidiaries' consolidated financial statements for the year ended December 31, 2025 is as follows:

#### Occurrence of Revenue from Specific Goods

There exists a risk concerning the authenticity of revenue transactions for Sunplus Technology Co., Ltd. and its subsidiaries, particularly with respect to specific goods that have experienced significant sales growth and involve material transaction amounts during the current year 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 25 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 and its subsidiaries' 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 transmission receipt, delivery orders, shipment notice or logistics receipt documents or export declaration, and sales invoices for any abnormalities and confirmed that sales revenue did occur.

### **Other Matter**

We have also audited the accompanying financial statements of Sunplus Technology Company Limited as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing Sunplus Technology Company Limited and its subsidiaries' 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 and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing Sunplus Technology Company Limited and its subsidiaries' financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sunplus Technology Company Limited and its subsidiaries' 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 and its subsidiaries’ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause Sunplus Technology Company Limited and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within Sunplus Technology Company Limited and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 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 Ming-Hui Chen and Tung-Hui Yeh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 13, 2026

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated 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 consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors’ report and the accompanying consolidated 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 consolidated financial statements shall prevail.*

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 4,746,631	34	\$ 4,919,087	34
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,089,327	8	1,081,478	8
Trade receivables, net (Notes 4, 5, 11, 25 and 34)	844,368	6	946,597	7
Other receivables (Notes 4, 11 and 34)	106,953	-	37,895	-
Inventories (Notes 4 and 12)	1,257,213	9	1,220,895	8
Other financial assets - current (Notes 4 and 19)	138,988	1	153,476	1
Other current assets (Notes 19 and 34)	<u>140,865</u>	<u>1</u>	<u>83,524</u>	<u>1</u>
Total current assets	<u>8,324,345</u>	<u>59</u>	<u>8,442,952</u>	<u>59</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,255,404	9	1,519,152	11
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	240,909	2	422,728	3
Financial assets at amortized cost - non-current (Notes 4, 9 and 10)	100,329	1	50,258	-
Investments accounted for using the equity method (Notes 4 and 14)	380,108	3	440,318	3
Property, plant and equipment (Notes 4, 15 and 35)	1,761,118	13	1,790,783	13
Right-of-use assets (Notes 4 and 16)	185,724	1	205,807	1
Investment properties (Notes 4 and 17)	690,426	5	759,166	5
Intangible assets (Notes 4 and 18)	440,981	3	231,150	2
Deferred tax assets (Notes 4 and 27)	38,032	-	42,546	-
Net defined benefit assets - non-current (Notes 4 and 23)	84,390	1	68,223	-
Other financial assets - non-current (Notes 4, 19 and 35)	342,189	2	243,669	2
Other non-current assets (Notes 4 and 19)	<u>155,505</u>	<u>1</u>	<u>118,973</u>	<u>1</u>
Total non-current assets	<u>5,675,115</u>	<u>41</u>	<u>5,892,773</u>	<u>41</u>
<b>TOTAL</b>	<u>\$ 13,999,460</u>	<u>100</u>	<u>\$ 14,335,725</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 20)	\$ 127,291	1	\$ 75,078	-
Contract liabilities - current (Note 25)	30,293	-	48,318	-
Accounts payable (Note 21)	423,581	3	381,779	3
Current tax liabilities (Notes 4 and 27)	128,401	1	126,378	1
Lease liabilities - current (Notes 4 and 16)	11,713	-	13,251	-
Deferred revenue - current (Notes 4, 22 and 29)	1,638	-	1,635	-
Current portion of long-term bank borrowings (Note 20)	187,500	1	231,250	2
Other current liabilities (Note 22)	<u>939,947</u>	<u>7</u>	<u>969,788</u>	<u>7</u>
Total current liabilities	<u>1,850,364</u>	<u>13</u>	<u>1,847,477</u>	<u>13</u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings (Note 20)	962,500	7	931,250	7
Lease liabilities - non-current (Notes 4 and 16)	186,470	1	204,463	1
Deferred revenue - non-current (Notes 4, 22 and 29)	50,764	-	52,192	-
Net defined benefit liabilities - non-current (Notes 4 and 23)	14,584	-	13,899	-
Guarantee deposits (Note 34)	248,022	2	255,434	2
Other liabilities (Note 22)	<u>95,178</u>	<u>1</u>	<u>888</u>	<u>-</u>
Total non-current liabilities	<u>1,557,518</u>	<u>11</u>	<u>1,458,126</u>	<u>10</u>
Total liabilities	<u>3,407,882</u>	<u>24</u>	<u>3,305,603</u>	<u>23</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 24 and 31)</b>				
Share capital				
Ordinary shares	<u>5,919,949</u>	<u>42</u>	<u>5,919,949</u>	<u>41</u>
Capital surplus	<u>1,136,189</u>	<u>8</u>	<u>1,148,828</u>	<u>8</u>
Retained earnings				
Legal reserve	1,898,136	13	1,898,136	13
Special reserve	124,159	1	124,159	1
Accumulated deficit	<u>(305,851)</u>	<u>(2)</u>	<u>(147,075)</u>	<u>(1)</u>
Total retained earnings	<u>1,716,444</u>	<u>12</u>	<u>1,875,220</u>	<u>13</u>
Other equity	<u>(497,699)</u>	<u>(3)</u>	<u>(271,415)</u>	<u>(2)</u>
Treasury shares	<u>(63,401)</u>	<u>-</u>	<u>(63,401)</u>	<u>-</u>
Total equity attributable to owners of the Company	8,211,482	59	8,609,181	60
<b>NON-CONTROLLING INTERESTS (Notes 4, 13, 24 and 31)</b>	<u>2,380,096</u>	<u>17</u>	<u>2,420,941</u>	<u>17</u>
Total equity	<u>10,591,578</u>	<u>76</u>	<u>11,030,122</u>	<u>77</u>
<b>TOTAL</b>	<u>\$ 13,999,460</u>	<u>100</u>	<u>\$ 14,335,725</u>	<u>100</u>

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 4, 25 and 34)	\$ 6,303,139	100	\$ 6,434,086	100
OPERATING COSTS (Notes 12 and 26)	<u>3,368,028</u>	<u>54</u>	<u>3,319,165</u>	<u>52</u>
GROSS PROFIT	<u>2,935,111</u>	<u>46</u>	<u>3,114,921</u>	<u>48</u>
OPERATING EXPENSES (Notes 26 and 34)				
Selling and marketing expenses	335,394	5	328,215	5
General and administrative expenses	508,961	8	526,417	8
Research and development expenses	<u>2,182,897</u>	<u>35</u>	<u>2,153,360</u>	<u>34</u>
Total operating expenses	<u>3,027,252</u>	<u>48</u>	<u>3,007,992</u>	<u>47</u>
OTHER OPERATING INCOME AND EXPENSES	<u>(2,765)</u>	<u>-</u>	<u>(381)</u>	<u>-</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(94,906)</u>	<u>(2)</u>	<u>106,548</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 14, 26, 29 and 34)				
Interest income	73,697	1	69,593	1
Other income	227,295	4	201,298	3
Other gains and losses	92,607	2	488,423	8
Finance costs	(39,648)	(1)	(47,265)	(1)
Share of profit or loss of associates	<u>(51,225)</u>	<u>(1)</u>	<u>(26,213)</u>	<u>-</u>
Total non-operating income and expenses	<u>302,726</u>	<u>5</u>	<u>685,836</u>	<u>11</u>
PROFIT BEFORE INCOME TAX	207,820	3	792,384	12
INCOME TAX EXPENSE (Notes 4 and 27)	<u>141,323</u>	<u>2</u>	<u>196,176</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>66,497</u>	<u>1</u>	<u>596,208</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss (Notes 4 and 24):				
Remeasurement of defined benefit plans	14,616	-	30,105	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	(193,848)	(3)	(204,884)	(3)
Share of the other comprehensive loss of associates accounted for using the equity method	(461)	-	(8,138)	-

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss (Notes 4 and 24):				
Exchange differences on translation of the financial statements of foreign operations	\$ 11,102	-	\$ 80,145	2
Share of other comprehensive income of associates accounted for using the equity method	<u>-</u>	<u>-</u>	<u>5,460</u>	<u>-</u>
Other comprehensive loss for the year, net of income tax	<u>(168,591)</u>	<u>(3)</u>	<u>(97,312)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	<u>\$ (102,094)</u>	<u>(2)</u>	<u>\$ 498,896</u>	<u>8</u>
NET (LOSS) PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ (215,489)	(3)	\$ 258,969	4
Non-controlling interests	<u>281,986</u>	<u>4</u>	<u>337,239</u>	<u>5</u>
	<u>\$ 66,497</u>	<u>1</u>	<u>\$ 596,208</u>	<u>9</u>
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ (385,018)	(6)	\$ 149,039	2
Non-controlling interests	<u>282,924</u>	<u>4</u>	<u>349,857</u>	<u>6</u>
	<u>\$ (102,094)</u>	<u>(2)</u>	<u>\$ 498,896</u>	<u>8</u>
(LOSS) EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ (0.37)</u>		<u>\$ 0.44</u>	
Diluted	<u>\$ (0.37)</u>		<u>\$ 0.44</u>	

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

(Concluded)

**SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

**(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company						Other Equity		Treasury Shares	Total	Non-controlling Interests	Total Equity
	Share Capital Issued and Outstanding		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
	Share (Thousands)	Amount		Legal Reserve	Special Reserve	Accumulated Deficit						
BALANCE ON JANUARY 1, 2024	591,995	\$ 5,919,949	\$ 1,160,931	\$ 1,898,136	\$ 180,682	\$ (486,919)	\$ (190,170)	\$ 66,011	\$ (63,401)	\$ 8,485,219	\$ 2,314,062	\$ 10,799,281
Appropriation of 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)	-	(43,427)
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(1,102)	-	-	(1,102)	-	(1,102)
Proceeds from disposal of associates	-	-	1,264	-	-	-	10,887	(23,039)	-	(10,888)	-	(10,888)
Difference between the consideration and carrying amount of subsidiaries during actual disposal or acquisition	-	-	32,258	-	-	-	83	197	-	32,538	-	32,538
Changes in percentage of ownership interest in subsidiaries	-	-	(2,198)	-	-	-	-	-	-	(2,198)	2,198	-
Net profit for the year ended December 31, 2024	-	-	-	-	-	258,969	-	-	-	258,969	337,239	596,208
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	27,757	75,454	(213,141)	-	(109,930)	12,618	(97,312)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	286,726	75,454	(213,141)	-	149,039	349,857	498,896
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(245,176)	(245,176)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(3,405)	-	3,405	-	-	-	-
BALANCE ON 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	2,420,941	11,030,122
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	14,745	-	-	-	-	-	-	14,745	-	14,745
Proceeds from disposal of associates	-	-	(27,384)	-	-	-	-	(42)	-	(27,426)	-	(27,426)
Net (loss) profit for the year ended December 31, 2025	-	-	-	-	-	(215,489)	-	-	-	(215,489)	281,986	66,497
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	15,040	9,902	(194,471)	-	(169,529)	938	(168,591)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	(200,449)	9,902	(194,471)	-	(385,018)	282,924	(102,094)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(323,769)	(323,769)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	41,673	-	(41,673)	-	-	-	-
BALANCE ON DECEMBER 31, 2025	591,995	\$ 5,919,949	\$ 1,136,189	\$ 1,898,136	\$ 124,159	\$ (305,851)	\$ (94,946)	\$ (402,753)	\$ (63,401)	\$ 8,211,482	\$ 2,380,096	\$ 10,591,578

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 207,820	\$ 792,384
Adjustments for:		
Depreciation expense	317,483	344,073
Amortization expense	212,531	124,792
Net loss on fair value change of financial assets at FVTPL	6,174	11,336
Finance costs	39,648	47,265
Interest income	(73,697)	(69,593)
Dividend income	(41,596)	(39,065)
Compensation costs of share-based payments	-	-
Share of loss of associates	51,225	26,213
Loss on disposal of property, plant and equipment	971	15
Loss on disposal of intangible assets	1,794	366
Gain on disposal of subsidiaries	-	(978)
Gain on disposal of associates	(89,786)	(424,639)
Impairment loss recognized on financial assets	-	-
Unrealized gain on transactions with associates	-	(1,256)
Net loss (gain) on foreign currency exchange	8,780	(8,982)
Intangible assets transferred to expenses	-	773
Changes in operating assets and liabilities:		
Trade receivables	111,056	(124,842)
Other receivables	(70,054)	31,106
Inventories	(36,318)	145,402
Other current assets	(25,408)	(36,044)
Net defined benefits assets - non-current	(16,167)	(27,710)
Contract liabilities	(18,025)	18,774
Accounts payables	39,714	46,588
Deferred revenue	(1,582)	(1,932)
Other current liabilities	(93,441)	30,635
Net defined benefits liabilities	<u>15,300</u>	<u>25,590</u>
Cash generated from operations	546,422	910,271
Interest received	74,490	70,979
Dividends received	41,596	47,294
Interest paid	(40,400)	(47,670)
Income tax paid	<u>(134,508)</u>	<u>(209,241)</u>
Net cash generated from operating activities	<u>487,600</u>	<u>771,633</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(62,800)	(244,490)
Proceeds from the disposal of financial assets at fair value through other comprehensive income	48,832	1,904
Purchase of financial assets at amortized cost	(50,145)	(50,265)

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Purchase of financial assets at fair value through profit or loss	\$ (1,449,089)	\$ (1,438,453)
Proceeds from the sale of financial assets at fair value through profit or loss	1,656,873	1,495,667
Acquisition of associates	(25,000)	-
Proceeds from disposal of associates	110,629	739,315
Increase in prepayments for long-term investments	(81,000)	-
Net cash outflow on acquisition of subsidiaries	(1,000)	-
Net cash inflow on disposal of subsidiaries	1,005	-
Payments for property, plant and equipment	(188,812)	(185,567)
Proceeds from the disposal of property, plant and equipment	13	154
Increase in refundable deposits	(744)	(986)
Decrease in refundable deposits	21,219	24,965
Payments for intangible assets	(285,690)	(108,975)
Other financial assets	(82,795)	(116,219)
Increase in other non-current assets	(108)	-
Decrease in other non-current assets	-	2,183
Proceeds from return of capital of financial assets at fair value through profit or loss	29,000	95,000
Refund of shares through capital reduction of financial assets at fair value through profit or loss	12,967	53,256
Refund of shares through capital reduction of financial assets at fair value through other comprehensive income	<u>2,803</u>	<u>-</u>
Net cash (used in) generated from investing activities	<u>(343,842)</u>	<u>267,489</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	52,422	46,235
Proceeds from long-term borrowings	662,500	850,000
Repayments of long-term borrowings	(675,000)	(887,500)
Proceeds of guarantee deposits received	12,612	6,244
Refund of guarantee deposits received	(12,672)	(12,896)
Repayment of principal portion of lease liabilities	(15,055)	(13,952)
Dividends paid to non-controlling interests	(323,735)	(250,978)
Disposal of equity in subsidiaries	-	41,840
Decrease in non-controlling interests	<u>(34)</u>	<u>(3,500)</u>
Net cash used in financing activities	<u>(298,962)</u>	<u>(224,507)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>		
	<u>(17,252)</u>	<u>13,254</u>

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

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	2025	2024
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ (172,456)	\$ 827,869
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,919,087</u>	<u>4,091,218</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 4,746,631</u>	<u>\$ 4,919,087</u>

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

(Concluded)

**SUNPLUS TECHNOLOGY CO. LTD**  
**DEFICIT COMPENSATION STATEMENT**  
**YEAR 2025**

Unit: New Taiwan Dollar (NTD)

ITEMS	AMOUNT
Beginning accumulated deficit	(147,075,465)
The remeasurement amount of defined benefit plans recognized in retained earnings	15,041,026
The cumulative gain or loss on disposal of equity instruments measured at fair value through other comprehensive income is transferred directly to retained earnings	<u>41,672,678</u>
Adjusted beginning accumulated deficit	(90,361,761)
Net loss after tax for the year 2025	<u>(215,489,111)</u>
This period's Deficit yet to be compensated	<u>(305,850,872)</u>
The end-of-period accumulated deficit	<u>(305,850,872)</u>

Chairman:

Manager:

Accountant:

## Articles of Incorporation – Comparison Table of Amended Provisions

Articles	Content		Reason for revision
	Before Revision	After Revision	
Chapter 1 General Provisions			
Article 2	<p>The company's business is as follows:</p> <ol style="list-style-type: none"> <li>1. CC01080 Electronics Components Manufacturing.</li> <li>2. I501010 – Product Designing.</li> <li>3. F401010 – International Trade.</li> <li>4. I301010 – Information Software Services.</li> <li>5. I301020 – Data Processing Services.</li> <li>6. CE01010 – General Instrument Manufacturing.</li> <li>7. IG01010 – Biotechnology Services.</li> </ol> <p>Research, development, manufacturing, and sales of the following products:</p> <ol style="list-style-type: none"> <li>a. Design, manufacturing, testing, and sales of various integrated circuits.</li> <li>b. Design, manufacturing, testing, and sales of various integrated circuit modules.</li> <li>c. Research, development, and sales of various application software. Research, development, and sales of various silicon intellectual property (IP).</li> <li>e. Trade and agency services of various integrated circuits.</li> <li>f. High-Sensitivity Biochip Detection Technology Platform and Applications.</li> <li>g. Biochemical and Molecular Biology-related Diagnostic Equipment and Reagents.</li> </ol>	<p>The company's business is as follows:</p> <ol style="list-style-type: none"> <li>1. CC01080 Electronics Components Manufacturing.</li> <li>2. I501010 – Product Designing.</li> <li>3. F401010 – International Trade.</li> <li>4. I301010 – Information Software Services.</li> <li>5. I301020 – Data Processing Services.</li> </ol> <p>Research, development, manufacturing, and sales of the following products:</p> <ol style="list-style-type: none"> <li>a. Design, manufacturing, testing, and sales of various integrated circuits.</li> <li>b. Design, manufacturing, testing, and sales of various integrated circuit modules.</li> <li>c. Research, development, and sales of various application software.</li> <li>d. Research, development, and sales of various silicon intellectual property (IP).</li> <li>e. Trade and agency services of various integrated circuits.</li> </ol>	Remove non-operating items in line with the company's actual operating conditions.
Chapter 6 Financial Statements			

Articles	Content		Reason for revision
	Before Revision	After Revision	
Article 33	<p>This Charter was established on July 30, 1990.  The first revision was made on August 7, 1990.  The second revision was made on February 7, 1992.  The third amendment was made on June 12, 1993.  The fourth revision was made on July 30, 1994.  The fifth amendment was made on September 28, 1994.  The sixth amendment was made on June 14, 1995.  The seventh revision was made on May 25, 1996.  The eighth amendment was made on May 31, 1997.  The ninth revision was made on November 20, 1997.  The tenth revision was made on April 30, 1998.  The eleventh revision was made on June 7, 1999.  The twelfth revision was made on July 28, 1999.  The thirteenth revision was made on May 19, 2000.  The 14th revision was made on June 12, 2001.  The fifteenth revision was made on May 17, 2002.  The 16th revision was made on May 6, 2003.  The seventeenth revision was made on June 1, 2004.  The 18th revision was made on June 13, 2005.  The nineteenth revision was made on June 9, 2006.  The 20th revision was made on June 15, 2007.  The twenty-first revision was made on June 13, 2008.  The twenty-second revision was made on June 10, 2011.  The 23rd revision was made on June 18, 2012.  The 24th revision was made on June 11, 2014.  The 25th revision was made on June 12, 2015.  The 26th revision was made on June 13, 2016.  The 27th revision was made on June 12, 2020.  The 28th revision was made on June 8, 2022.  The 29th revision was made on June 13, 2025.</p>	<p>This Charter was established on July 30, 1990.  The first revision was made on August 7, 1990.  The second revision was made on February 7, 1992.  The third amendment was made on June 12, 1993.  The fourth revision was made on July 30, 1994.  The fifth amendment was made on September 28, 1994.  The sixth amendment was made on June 14, 1995.  The seventh revision was made on May 25, 1996.  The eighth amendment was made on May 31, 1997.  The ninth revision was made on November 20, 1997.  The tenth revision was made on April 30, 1998.  The eleventh revision was made on June 7, 1999.  The twelfth revision was made on July 28, 1999.  The thirteenth revision was made on May 19, 2000.  The 14th revision was made on June 12, 2001.  The fifteenth revision was made on May 17, 2002.  The 16th revision was made on May 6, 2003.  The seventeenth revision was made on June 1, 2004.  The 18th revision was made on June 13, 2005.  The nineteenth revision was made on June 9, 2006.  The 20th revision was made on June 15, 2007.  The twenty-first revision was made on June 13, 2008.  The twenty-second revision was made on June 10, 2011.  The 23rd revision was made on June 18, 2012.  The 24th revision was made on June 11, 2014.  The 25th revision was made on June 12, 2015.  The 26th revision was made on June 13, 2016.  The 27th revision was made on June 12, 2020.  The 28th revision was made on June 8, 2022.  The 29th revision was made on June 13, 2025.  The 30th revision was made on June 15, 2026.</p>	<p>Addition of the amendment date in accordance with this revision.</p>

**Procedures for Acquisition and Disposal of Assets  
Comparison Table of Amendments to the Articles**

Before amendment	After amendment	Explanation of reasons
<p><b>Article 16</b> Where the acquisition or disposal of assets falls under any of the following circumstances, the Company shall, based on the nature of the transaction and in the format prescribed by the competent authority, make a public announcement and filing of the relevant information on the website designated by the Financial Supervisory Commission within two days from the date of occurrence of the event:</p> <p style="text-align: center;">⋮</p> <p>3. Where the Company acquires or disposes of equipment for operating use or right-of-use assets thereof, and the counterparty is not a related party, and the transaction amount meets any of the following thresholds:</p> <p style="margin-left: 20px;">a. For a company with paid-in capital of less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p style="margin-left: 20px;">b. For a company with paid-in capital of NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p>	<p><b>Article 16</b> Where the acquisition or disposal of assets falls under any of the following circumstances, the Company shall, based on the nature of the transaction and in the format prescribed by the competent authority, make a public announcement and filing of the relevant information on the website designated by the Financial Supervisory Commission within two days from the date of occurrence of the event:</p> <p style="text-align: center;">⋮</p> <p>3. Where the Company acquires or disposes of equipment for operating use or right-of-use assets thereof, and the counterparty is not a related party, and the transaction amount meets any of the following thresholds:</p> <p style="margin-left: 20px;">a. Where the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p style="margin-left: 20px;">b. Where the Company's paid-in capital is NT\$10 billion or more but less than NT\$50 billion, the transaction amount reaches NT\$1 billion or more.</p> <p style="margin-left: 20px;">c. Where the Company's paid-in capital is NT\$50 billion or more, the transaction amount reaches 5% or more of the Company's paid-in capital.</p>	<p>1. In view that the acquisition or disposal of equipment for operating use by public companies constitutes normal business operations, and considering the principle of materiality in information disclosure, the thresholds for public announcement and filing for companies with paid-in capital of NT\$50 billion or more engaging in the acquisition or disposal of such equipment with non-related parties are hereby relaxed.</p> <p>2. In addition, in view that public companies may invest in fixed-income bonds for cash management purposes to enhance cash yield, and based on considerations of disclosure materiality as well as the risk characteristics of such instruments, the thresholds for public announcement and filing are hereby relaxed for companies with paid-in capital of NT\$50 billion or more engaging with non-related parties in the acquisition or disposal of government bonds, straight corporate bonds, and general financial bonds not involving equity.</p> <p>3. The current Subparagraph 5 of Paragraph 1 is redesignated as Subparagraph 6, with corresponding textual amendments made.</p>
<p>5. Except for the asset transactions set forth in the preceding four subparagraphs, the disposal of claims by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's</p>	<p>5. For a company with paid-in capital of NT\$50 billion or more, where the transaction involves government bonds, straight corporate bonds, or general financial bonds not involving equity (excluding subordinated</p>	

Before amendment	After amendment	Explanation of reasons
<p>paid-in capital or NT\$300 million or more; provided, however, that the following circumstances shall not be subject to the foregoing threshold:</p> <p style="text-align: center;">:</p>	<p>bonds) traded on a stock exchange or over-the-counter market, and such transaction does not fall under any of the proviso items under Subparagraph 6, and the counterparty is not a related party, and the transaction amount reaches 5% or more of the Company's paid-in capital.</p> <p>6. Except for the asset transactions set forth in the preceding five subparagraphs, the disposal of claims by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more; provided, however, that the following circumstances shall not be subject to the foregoing threshold:</p> <p style="text-align: center;">:</p>	

**SUNPLUS TECHNOLOGY CO. LTD**  
**List of Directors Released from Non-Compete Restrictions**

<b>Director's Name</b>	<b>Serve concurrently in the company</b>	<b>Hold concurrent positions</b>
Wen-Hsiung Jan Director (TAIWAN LAF' E CO., LTD Representative)	Shin Bao Hong Technology Co., Ltd.	Chairman
	TSS2 Holdings Limited	Director
	AEMC JAPAN Corporation.	Director
	Phoenix Seven Innovation Venture Capital Co., Ltd.	Director
	CATCHER TECHNOLOGY CO., LTD.	Independent Director
Chih-Chieh Tsai	Jet & Company Business Consulting Services	Chairman
	BAOTEK INDUSTRIAL MATERIALS LTD.	Independent Director
Rui-Qi Chen	GINWIN Technology Co., Ltd.	Director

## Sustainable Development Best Practice Principles of Sunplus Technology Co., Ltd.

### Chapter 1 General Provisions

#### Article 1

In order to fulfill corporate social responsibility, promote economic, environmental, and social progress, and achieve the goal of sustainable development, the Company hereby establishes these **Sustainable Development Best Practice Principles** (the “Principles”) in reference to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies jointly promulgated by the Taiwan Stock Exchange Corporation and the Taipei Exchange, for the purpose of managing the Company’s economic, environmental, and social risks and impacts.

#### Article 2

These Principles apply to the Company and all group enterprises, covering the entirety of their operational activities.

While conducting business operations, the Company shall actively promote sustainable development to align with international trends. Through fulfilling its role as a corporate citizen, the Company endeavors to enhance its contribution to the national economy, improve the quality of life of employees, communities, and society, and foster competitive advantages based on sustainability.

#### Article 3

In promoting sustainable development, the Company shall pay attention to the rights and interests of stakeholders. While pursuing sustainable operations and profitability, it shall give due consideration to environmental, social, and governance (ESG) factors and incorporate them into its management policies and operational activities.

The Company may, based on the principle of materiality, conduct risk assessments on ESG issues related to its operations and formulate corresponding risk management policies or strategies.

#### Article 4

The Company shall implement sustainable development in accordance with the following principles:

1. Strengthen corporate governance
2. Develop a sustainable environment
3. Uphold social welfare
4. Enhance disclosure of sustainable development information

#### Article 5

The Company shall consider domestic and international sustainability trends, the relevance to its core business, and the impact of its operations on stakeholders, and accordingly formulate sustainable development policies, systems, management guidelines, and specific implementation plans, which shall be approved by the Board of Directors before execution.

When shareholders propose reasonable proposals related to sustainable development, the Board of Directors is encouraged to include such proposals in the shareholders’ meeting agenda within the scope permitted by law.

### Chapter 2 Implementation of Corporate Governance

#### Article 6

The Company shall comply with the *Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies*, the *Ethical Corporate Management Best Practice Principles*, and the *Code of Ethical Conduct*, to establish an effective governance framework and ethical standards.

#### Article 7

Directors of the Company shall exercise the duty of care of a prudent manager, supervise the implementation of sustainable development, and continuously review and improve its effectiveness.

The Board of Directors shall oversee the following matters:

1. Establish sustainability mission or vision and formulate relevant policies
2. Integrate sustainability into operations and approve implementation plans
3. Ensure timely and accurate disclosure of sustainability information

The Board may authorize senior management to handle ESG-related issues and require regular reporting. Responsibilities and procedures shall be clearly defined.

#### **Article 8**

The Company may conduct regular training programs to promote sustainable development awareness.

#### **Article 9**

The Company shall establish a dedicated (or part-time) unit responsible for planning and executing sustainability policies and reporting regularly to the Board.

The Company shall adopt reasonable compensation policies aligned with organizational strategy and stakeholder interests. Employee performance evaluations may be linked to sustainability goals, with clear reward and disciplinary mechanisms.

#### **Article 10**

The Company shall identify stakeholders, respect their rights, establish a stakeholder section on its website, and maintain appropriate communication to understand and respond to their concerns.

### **Chapter 3 Environmental Sustainability**

#### **Article 11**

The Company shall comply with environmental laws and international standards and strive to achieve environmental sustainability in its operations.

#### **Article 12**

The Company shall improve energy efficiency and promote the use of renewable and low-impact materials.

#### **Article 13**

The Company shall establish an environmental management system including:

1. Collection and evaluation of environmental impact data
2. Measurable sustainability targets
3. Implementation plans and periodic reviews

#### **Article 14**

The Company shall designate personnel or units responsible for environmental management and conduct environmental education and training.

#### **Article 15**

The Company shall minimize environmental impact in R&D, procurement, production, and services by:

1. Reducing resource and energy consumption
2. Reducing pollution and waste
3. Enhancing recyclability
4. Maximizing sustainable resource use
5. Extending product durability
6. Improving product efficiency

#### **Article 16**

The Company shall promote efficient water use and establish relevant management measures. It shall also implement pollution prevention and control measures.

#### **Article 17**

The Company shall conduct greenhouse gas (GHG) inventory and disclosure, including:

1. Direct emissions
2. Indirect emissions from energy use

### 3. Other indirect emissions

The Company shall assess climate-related risks and opportunities and formulate carbon reduction strategies.

## **Chapter 4 Social Responsibility**

### **Article 18**

The Company shall comply with relevant laws and international human rights conventions. It shall establish policies and procedures to protect human rights.

### **Article 19**

The Company shall inform employees of their labor rights.

### **Article 20**

The Company shall provide a safe and healthy working environment and conduct regular training.

### **Article 21**

The Company shall support employee career development and provide fair compensation and benefits.

### **Article 22**

The Company shall establish communication channels with employees and respect collective bargaining rights.

### **Article 23**

The Company shall ensure product and service responsibility, transparency, and customer protection.

### **Article 24**

The Company shall ensure product quality and comply with laws regarding customer safety and privacy.

### **Article 25**

The Company shall manage operational risks and establish customer complaint mechanisms while protecting personal data.

### **Article 26**

The Company shall manage supply chain sustainability and require suppliers to comply with ESG standards.

### **Article 27**

The Company shall engage in community development through employment, donations, and volunteer services.

## **Chapter 5 Information Disclosure**

### **Article 28**

The Company shall disclose sustainability information in accordance with relevant laws to enhance transparency.

### **Article 29**

The Company shall prepare sustainability reports in accordance with internationally recognized standards and may obtain third-party assurance.

## **Chapter 6 Supplementary Provisions**

### **Article 30**

The Company shall continuously review and improve its sustainability practices in response to evolving standards.

### **Article 31**

These Principles shall be implemented upon approval by the Board of Directors and reported to the shareholders' meeting.

Initial adoption: January 18, 2017.

First amendment: March 30, 2020.

Second amendment: January 19, 2022.

## Articles of Incorporation of Sunplus Technology Co., Ltd.

### Chapter 1 General

Article 1: The company is organized in accordance with the provisions of the Company Act and named Sunplus Technology Co., Ltd.

Article 2: The company's business is as follows:

1. CC01080 Electronic Components Manufacturing.
2. I501010 Product Design.
3. F401010 International Trade.
4. I301010 Information Software Services.
5. I301020 Data Processing Services.
6. CE01010 General Instrument Manufacturing
7. IG01010 Biotechnology Services

Research, development, manufacturing, and sale of the following products:

- a. The design, manufacture, testing and sales of various integrated circuits.
- b. Design, manufacture, testing and sales of various integrated circuit modules.
- c. Research, development and sales of various application software.
- d. Research, development and sales of various intellectual property assets.
- e. Various integrated circuit trading and agency services.
- f. High-sensitivity biochip detection technology platform and applications.
- g. Biochemical and molecular biology–related testing equipment and reagents.

Article 3: The company establishes its head office in the Science Park of Hsinchu Science Park. If necessary, it may obtain a branch office at home and abroad after being approved by the board of directors and approved by the competent authority.

Article 4: The announcement method of the company shall be handled in accordance with Article 28 of the company act.

### Chapter 2 Shares

Article 5: The company's capital is rated at NT\$120 million and divided into up to 120 million (including 80,000,000 shares warrants, special shares with warrants or corporate bonds with warrants The use of stock options), NT\$ per share, points issued.

When the shares of the company are purchased by the company in accordance with the law, the authorized board of directors shall be authorized by law.

Article 5-1: Delete.

Article 5-2: When Taiwan's Central Depository and Clearing Corporation Limited requests the merger of large-value denomination securities, the company shall cooperate with the request.

Article 6: The shares of the company shall be signed or sealed by the directors representing the Company and issued by a visa issued by a certified agency. The company may not be required to print the shares according to the provisions of Article 162 bis of the company act, but it is necessary to contact the centralized securities company.

Article 7: The Company's stock handling operations shall be handled in accordance with the guidelines for the handling of the company's stocks in the publicly issued stock companies. When the relevant laws and regulations are changed, they shall be executed at any time in accordance with the law after the change.

Article 8: Delete.

Article 9: Delete.

Article 10: Delete.

Article 11: Within 60 days prior to the regular shareholders' meeting, within 30 days prior to the temporary meeting of shareholders, or within five days prior to the company's decision to distribute dividends and bonuses or other benefits, the transfer of shares shall be stopped.

### **Chapter 3 Shareholders' Meeting**

- Article 12: There are two types of regular meetings and temporary meetings of shareholders' meetings. The regular meetings are held once a year. They are convened by the board of directors within six months after the end of each fiscal year, and temporary meetings are convened according to law when necessary. The conduct of the shareholders' meeting shall be handled in accordance with the Rules of Procedure of the Shareholders' Meeting of the Company.
- The convening of the general meeting shall be notified to all shareholders 30 days before the regular meeting and 15 days before the temporary meeting.
- When the shareholders' meeting of the company is held, it may be held by video conference or other methods announced by the Ministry of Economic Affairs.
- Article 13: When shareholders are unable to attend the shareholders meeting for any reason. They shall draw up a power of attorney issued by the company, and entrust the agency according to Article 177 of the Corporations Act and the "Regulations on the Power of Attrition of the Public Issuance Companies to Attend Shareholders Meeting" promulgated by the competent authority. People attend.
- Article 14: When the shareholders' meeting is held, the chairman of the board of directors shall be the chairperson. When the chairman of the board of directors is absent, the chairman of the board of directors shall appoint one person to act as the agent.
- Article 15: The shareholders of the company shall have one voting right for each share held except for the case in which the shares as prescribed in Article 179 of the Company Act have no voting rights.
- Article 16: Resolutions of the shareholders' meeting shall, except as otherwise provided by the company act. Be attended by shareholders representing more than half of the total number of shares outstanding, and shall be agreed upon by a majority of the voting rights of shareholders present. When the company convenes a shareholder meeting, Shareholders who elect to exercise their voting rights electronically and exercise voting rights electronically shall be deemed to be present in person, and relevant matters shall be handled in accordance with the provisions of the law.
- Article 17: The resolutions of the shareholders' meeting shall be made into minutes, signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The distribution of the above-mentioned minutes shall be handled in accordance with the provisions of the Company Act. The record of the minutes of the minutes of the proceedings, the minutes of the minutes, the attendance book of the attending shareholders, and the power of attorney to attend shall be processed in accordance with Article 183 of the Company Act.

### **Chapter 4 Directors**

- Article 18: The company has 6 to 9 directors, and the election of the directors shall be based on the provisions of Article 192 of the Company Act to adopt the nomination system for candidates. The implementation of related matters is subject to the Company Act and the Securities Exchange Act. The statutory regulations apply. The number of members shall be determined by the board of directors and the shareholder's meeting shall select the names of the candidates for directorship of the company for a term of three years. They shall be eligible for re-election. If a representative of a legal person's shareholder is elected as a director, the legal person may relocate it at any time, but it shall be limited to making up for the original term of office.
- The company may, if permitted by relevant laws and regulations, insure liability insurance for the liability for compensation in accordance with the law for the scope of the business performed by the directors during the term of office. After the company has insured or renewed the liability insurance for the directors, the amount and underwriting of the liability insurance Important contents such as scope and insurance rate, etc., submitted to the latest report of the board of directors.

In the aforementioned number of directors, there are three to five independent directors, and the nomination system for independent directors is adopted. The shareholders' committee selects candidates from the list of independent director candidates. The professional qualifications of the independent directors, shareholding, part-time restrictions, nomination and selection methods, and other matters that should be followed, in accordance with the relevant regulations of the securities regulatory authority

The company sets up an audit committee in accordance with the provisions of Article 14-4 of the Securities Exchange Act. It is composed of all independent directors. The exercise of its powers and related matters is handled in accordance with relevant laws and regulations, and is set by the board of directors.

- Article 18-1: When the directors of the company perform the duties of the company, regardless of the company's operating profit or loss, the company may be remunerated, and its remuneration is authorized by the board of directors to negotiate with the normal level of the industry. If the company has a surplus, it shall distribute the remuneration according to Article 29 of the Articles of Association.
- Article 19: When the director's shortfall is up to one-third, the board of directors shall convene the shareholders' meeting for a by-election within 60 days to cover the original term of office.
- Article 20: When the term of office of a director expires but does not result in a re-election, except as otherwise provided in the Company Act, he/she shall extend his/her duties until the re-election of the directors to take office.
- Article 21: Board of Directors The Board of Directors shall have more than two-thirds of the directors present and the consent of more than half of the directors present, elect one chairman of the board of directors and perform all matters relating to the company in accordance with resolutions, articles of association, resolutions of shareholders and the board of directors.
- Article 22: The company's operating principles and other important matters are decided by the board of directors. In addition to the first meeting of the board of directors in accordance with the provisions of Article 203 of the Company Act, the board of directors is called by the chairman of the board of directors. When the director is unable to perform his duties, he is appointed by the chairman of the board of directors. If no director is designated, one of the directors will push one person to act on his behalf. In addition, the directors may authorize other directors to represent the board in writing and may exercise their voting rights on all matters raised at the meeting. However, the agent is authorized by one person.
- Article 22-1: The convening of the board of directors shall state the cause and inform the directors of the meeting 7 days before the meeting. However, when there is an emergency, it must be called at any time.  
Board of Directors' convening notices can be written, e-mailed or faxed.
- Article 23: The proceedings of the board of directors shall be made into minutes, signed or sealed by the chairman, and distributed to all directors within 20 days after the meeting. The distribution of the above-mentioned minutes shall be handled in accordance with the provisions of the Company Act. The method of record of the board of directors, the minutes of proceedings, the attendance book of the directors, and the power of attorney's attendance shall be kept for the period of time according to Article 207 of the Company Act.
- Article 24: This section is deleted

## **Chapter 5 Managers and Staff**

- Article 25: The company has a number of managers, the appointment or dismissal by the board of directors with more than half of the attendance and the majority of the directors agreed to the resolution. Its remuneration is handled in accordance with

the provisions of Article 29 of the Company Act.

Article 25-1: The company may, subject to relevant laws and regulations, obtain resolutions from the board of directors and purchase liability insurance for managers, so as to reduce the risk of managers being accused by shareholders or other related parties in performing their duties according to law.

Article 26: The company may be appointed by the board of directors in accordance with the provisions of Article 25 of the constitution to hire important staff.

Article 27: Delete.

## **Chapter 6 Final accounts**

Article 28: At the end of the fiscal year, the company shall compile the following lists and submit it to the regular shareholders for approval: 1. Business report. 2. The financial statements. 3. The distribution of surplus or loss provision. 4. Other legal orders should be made of the list.

The former statement of accounts is legally announced.

Article 28-1: If the company is profitable for the year, it shall pay no less than 1 percent for the employee's compensation (Not less than ten percent of the employee compensation under this item shall be allocated as remuneration for entry-level employees) and no more than 1.5 percent for the director's compensation. However, when the company still has accumulated losses (including the adjustment of undistributed earnings), it should reserve the amount of compensation in advance.

The employee compensation and entry-level employee remuneration under the preceding paragraph may be paid in the form of cash or shares, and the object of the employee's payment can include the employees of the subordinate company that meet the conditions set by the board of directors. The preceding directors' remuneration can only be paid in cash.

The first two items should be decided by the board of directors and report to the shareholders meeting.

Article 29: If the company has a surplus after the final accounting, it shall first allocate 10% of the statutory surplus reserve in addition to the legal income from the profit-making business and the loss in previous years, but the statutory surplus reserve has reached the total amount of capital. This is not the limit. In accordance with the law or the competent authority to provide or revoke special surplus reserves, the remaining surplus, together with the accumulated undistributed surplus in the previous period, is the dividend of the shareholders. The board of directors shall allocate a resolution to the shareholders' meeting for resolution after distribution. The ratio of the surplus provided by the Surplus to the cash dividends of the shareholders may be adjusted according to the resolutions of the shareholders meeting, depending on the actual profit and funding conditions of the year. The total shareholder dividends for the annual surplus distribution shall not be less than 10% of the newly added distributable surplus for the year, but may not be distributed if it is less than 1% of the paid-in capital. The aforementioned cash dividends shall not be less than 10% of the total dividends payable to shareholders.

Article 30: The organization procedures and business chapters of the company shall be determined by the board of directors.

Article 31: The company may endorse the external endorsement and may lend funds to others for the needs of the business. Its operating methods are determined by the board of directors according to law.

Article 31-1: When the Company is a limited liability shareholder of its company, its total investment may not be restricted by Article XIII of the Company Act, which is that the total investment may not exceed 40 percent of the paid-in capital.

Article 32: The matters not determined in the Articles of Association shall be handled in accordance with the provisions of the Company Act and other laws and regulations.

Article 33: This Charter was established on July 30, 1990.  
The first revision was made on August 7, 1990.  
The second revision was made on February 7, 1992.  
The third amendment was made on June 12, 1993.  
The fourth revision was made on July 30, 1994.  
The fifth amendment was made on September 28, 1994.  
The sixth amendment was made on June 14, 1995.  
The seventh revision was made on May 25, 1996.  
The eighth amendment was made on May 31, 1997.  
The ninth revision was made on November 20, 1997.  
The tenth revision was made on April 30, 1998.  
The eleventh revision was made on June 7, 1999.  
The twelfth revision was made on July 28, 1999.  
The thirteenth revision was made on May 19, 2000.  
The 14th revision was made on June 12, 2001.  
The fifteenth revision was made on May 17, 2002.  
The 16th revision was made on May 6, 2003.  
The seventeenth revision was made on June 1, 2004.  
The 18th revision was made on June 13, 2005.  
The nineteenth revision was made on June 9, 2006.  
The 20th revision was made on June 15, 2007.  
The twenty-first revision was made on June 13, 2008.  
The twenty-second revision was made on June 10, 2011.  
The 23rd revision was made on June 18, 2012.  
The 24th revision was made on June 11, 2014.  
The 25th revision was made on June 12, 2015.  
The 26th revision was made on June 13, 2016.  
The 27th revision was made on June 12, 2020.  
The 28th revision was made on June 8, 2022.  
The 29th revision was made on June 13, 2025.

**Sunplus Technology Co., Ltd.**  
**Procedures for Acquisition or Disposal of Assets**

Amended on June 8, 2022

## **Chapter 1 General Provisions**

### **Article 1**

The Company's acquisition or disposal of assets shall be handled in accordance with these Procedures.

### **Article 2**

The term "assets" as used in these Procedures includes:

1. Investments in securities such as stocks, government bonds, corporate bonds, financial bonds, fund securities, depositary receipts, call/put warrants, beneficiary certificates, and asset-backed securities.
2. Real estate (including land, buildings, structures, and investment property) and equipment.
3. Membership certificates.
4. Intangible assets such as patents, copyrights, trademarks, and franchise rights.
5. Right-of-use assets.
6. Assets acquired or disposed of through mergers, demergers, acquisitions, or share transfers in accordance with law.
7. Other significant assets.

### **Article 3**

Definitions:

1. "Related parties" and "subsidiaries" shall be determined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
2. "Professional appraiser" refers to a real estate appraiser or any person legally permitted to conduct appraisal of real estate or equipment.
3. "Date of occurrence" refers to the earliest of the contract signing date, payment date, trade execution date, transfer date, board resolution date, or any other date sufficient to determine the counterparty and transaction amount. However, for investments requiring approval from a competent authority, the earlier of the above dates or the date of approval by the competent authority shall apply.

### **Article 4**

For appraisal reports or opinions obtained by the Company from professional appraisers, certified public accountants, attorneys, or securities underwriters, such professionals and their personnel shall meet the following requirements:

1. They must not have been finally convicted of a violation of the Securities and Exchange Act, Company Act, Banking Act, Insurance Act, Financial Holding Company Act, or Business Accounting Act, or of fraud, breach of trust, embezzlement, forgery, or other business-related crimes, and sentenced to imprisonment for one year or more. However, this restriction shall not apply if more than three years have passed since completion of the sentence, expiration of probation, or pardon.
2. They must not be related parties to any party to the transaction, nor have any substantive related-party relationship.

3. Where the Company is required to obtain appraisal reports from two or more professional appraisers, such appraisers and their personnel must not be related parties to each other nor have any substantive related-party relationship.

#### **Article 5**

Where the Company acquires or disposes of assets through court auction procedures, documents issued by the court may be used in lieu of an appraisal report or a CPA's opinion.

### **Chapter 2 Evaluation Procedures for Acquisition or Disposal of Assets**

#### **Article 6**

Where the Company acquires or disposes of real property, equipment, or right-of-use assets, except for transactions with domestic government agencies, self-construction on owned land, construction on leased land, or acquisition or disposal of equipment or right-of-use assets for operational use, if the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser prior to the date of occurrence, and the following provisions shall apply:

1. Where, due to special circumstances, a limited price, specific price, or special price must be used as a reference for the transaction price, the transaction shall first be submitted to and approved by the Board of Directors; the same shall apply to any subsequent changes to the transaction terms.
2. Where the transaction amount reaches NT\$1 billion or more, appraisals shall be obtained from two or more professional appraisers.
3. Where the appraisal results of the professional appraiser fall under any of the following circumstances, unless all appraisal results for an acquisition exceed the transaction amount, or all appraisal results for a disposal are lower than the transaction amount, a certified public accountant shall be engaged to provide a specific opinion on the reasons for the discrepancy and the appropriateness of the transaction price:
  - (1) The discrepancy between the appraisal result and the transaction amount reaches 20% or more of the transaction amount.
  - (2) The discrepancy between appraisal results from two or more professional appraisers reaches 10% or more of the transaction amount.
4. The date of the appraisal report issued by the professional appraiser shall not be more than three months prior to the contract date. However, if the same announced current value is applied and the period does not exceed six months, the original professional appraiser may issue an opinion in lieu thereof.

#### **Article 7**

When the Company acquires or disposes of securities, it shall, prior to the date of occurrence, obtain the most recent financial statements of the target company that have been audited or reviewed by a certified public accountant as a reference for evaluating the transaction price.

If the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall, prior to the date of occurrence, engage a certified public accountant to provide an opinion on the reasonableness of the transaction price. However, this requirement shall not apply where the securities have publicly quoted prices in an active market or where otherwise provided by the competent authority.

### **Article 8**

Where the Company acquires or disposes of intangible assets, right-of-use assets, or membership certificates, and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall, prior to the date of occurrence, engage a certified public accountant to provide an opinion on the reasonableness of the transaction price, except for transactions with domestic government agencies.

### **Article 9**

The calculation of transaction amounts under the preceding three Articles shall be conducted in accordance with Article 16, paragraph 2.

The term "within one year" refers to the one-year period retroactively calculated from the date of occurrence of the current transaction. Any portion for which an appraisal report or CPA opinion has already been obtained in accordance with these Procedures shall be excluded from the calculation.

### **Article 10**

When the Company conducts a merger, demerger, acquisition, or share transfer, it shall, prior to convening the Board of Directors for resolution, engage a certified public accountant, attorney, or securities underwriter to provide an opinion on the fairness of the share exchange ratio, acquisition price, or the cash or other property to be distributed to shareholders, and submit such opinion to the Board for deliberation and approval.

However, this requirement may be exempted in the case of a merger between a public company and its wholly owned subsidiary, or between subsidiaries that are each 100% owned.

### **Article 11**

The Company shall prepare a public document for shareholders prior to the shareholders' meeting, detailing the important terms and relevant matters of the merger, demerger, or acquisition, and shall deliver it together with the expert opinion referred to in the preceding Article and the notice of the shareholders' meeting, as a reference for shareholders in determining whether to approve the transaction.

However, this shall not apply where, in accordance with other laws, a shareholders' meeting is not required to resolve such matters.

If any participating company in the merger, demerger, or acquisition is unable to convene a shareholders' meeting or pass a resolution due to insufficient attendance, insufficient voting rights, or other legal restrictions, or if the proposal is rejected by the shareholders' meeting, the Company shall immediately make a public disclosure explaining the reasons, subsequent handling procedures, and the expected date for convening the shareholders' meeting.

## **Chapter 3 Operating Procedures for Acquisition or Disposal of Assets**

### **Article 12**

For the Company's acquisition or disposal of the aforementioned equipment, right-of-use assets, membership certificates, intangible assets, and similar items, the transaction terms, authorization limits, and execution shall be handled in accordance with the Company's Procurement, Payment and Warehousing Management Regulations, Property Management Regulations, and Delegation of Authority Regulations.

### **Article 13**

Where the Company acquires or disposes of securities, real property, or other assets for business expansion or investment purposes, the transaction terms, authorization limits, and execution shall be handled in accordance with the Investment Operations Management Regulations and the Delegation of Authority Regulations.

#### **Article 14**

Where the Company, by acquiring equity in another company, obtains the right to appoint directors of such company, the matter shall be handled in accordance with the Investment Supervision and Control Management Regulations.

#### **Article 15**

Procedures for the acquisition or disposal of assets through mergers, demergers, acquisitions, or share transfers in accordance with law:

1. Meeting and documentation requirements

Unless otherwise provided by applicable laws or approved in advance by the competent authority due to special circumstances:

The Company and other participating companies in a merger, demerger, or acquisition shall convene their Board of Directors and shareholders' meetings on the same day to resolve matters relating to the merger, demerger, or acquisition.

Companies participating in a share transfer shall convene their Board of Directors on the same day.

Companies that are publicly listed or whose shares are traded at securities firms' business premises and participate in such transactions shall prepare complete written records of the following information and retain them for five years for inspection:

(1) Basic information of personnel: including the title, name, and identification number (or passport number for foreign nationals) of all persons involved in the planning or execution of the merger, demerger, acquisition, or share transfer prior to public disclosure.

(2) Key dates: including dates of signing letters of intent or memoranda of understanding, engagement of financial or legal advisors, execution of contracts, and Board meetings.

(3) Important documents and minutes: including transaction plans, letters of intent or memoranda, major contracts, and Board meeting minutes.

Public companies participating in such transactions shall, within two days from the date of the Board resolution, submit the information specified in subparagraphs (1) and (2) above to the competent authority via the designated online information reporting system in the prescribed format.

Where any participating company is not publicly listed or traded over-the-counter, the listed or OTC company shall enter into an agreement with such company and comply with the requirements set forth in subparagraphs (3) and (4) above.

2. Confidentiality obligations

All persons participating in or having knowledge of the merger, demerger, acquisition, or share transfer plan shall execute written confidentiality undertakings. Prior to public disclosure, they shall not disclose any details of the plan to external parties, nor may they trade, directly or indirectly or through nominees, any shares or other equity securities of the companies involved.

3. Restrictions on changes to exchange ratio or acquisition price

The share exchange ratio or acquisition price shall not be arbitrarily changed, except under the following circumstances, which must also be specified in the contract:

(1) Capital increase in cash, issuance of convertible bonds, stock dividends, bonds with warrants, preferred shares with warrants, warrants, or other equity securities.

(2) Disposal of major assets or other actions affecting the Company's financial or business operations.

(3) Occurrence of major disasters or significant technological changes affecting shareholders' equity or securities prices.

(4) Adjustments due to treasury share repurchases by any participating company in accordance with law.

(5) Changes in the participating entities or the number of participating parties.

(6) Other conditions specified in the contract and publicly disclosed.

4. Required contents of the contract  
The contract shall specify the rights and obligations of the participating companies and include the following:
  - (1) Handling of breach of contract.
  - (2) Principles for handling previously issued equity securities or treasury shares of companies dissolved by merger or split by demerger.
  - (3) The number and handling of treasury shares repurchased by participating companies after the record date for calculating the exchange ratio.
  - (4) Handling of changes in participating entities or the number of participating parties.
  - (5) Expected implementation schedule and anticipated completion timeline.
  - (6) Procedures in the event the plan is not completed on schedule, including the expected date for convening a shareholders' meeting as required by law.
  
5. Subsequent transactions after public disclosure  
After public disclosure of information, if any participating company intends to engage in another merger, demerger, acquisition, or share transfer with another company, all procedures or legal acts already completed under the original transaction shall be re-performed by all participating companies.  
However, where the number of participating parties is reduced and the shareholders' meeting has already resolved and authorized the Board of Directors to make such changes, a new shareholders' resolution may be exempted.

## **Chapter 4 Public Announcement and Reporting Procedures**

### **Article 16**

Where the Company acquires or disposes of assets under any of the following circumstances, it shall, in accordance with the nature of the transaction and in the format prescribed by the competent authority, publicly announce and report the relevant information on the website designated by the Financial Supervisory Commission within two days from the date of occurrence:

1. Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more.  
However, this does not apply to trading of domestic government bonds, bonds with repurchase or resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Conducting a merger, demerger, acquisition, or share transfer.
3. Acquisition or disposal of equipment or right-of-use assets for operational use, where the counterparty is not a related party and the transaction amount meets any of the following thresholds:
  - (1) Where the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
  - (2) Where the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
4. Acquisition of real property through self-construction on owned land, construction on leased land, joint construction with allocation of units, joint construction with profit-sharing, or joint construction for sale, where the counterparty is not a related party and the Company's expected investment amount reaches NT\$500 million or more.

Asset transactions not covered in the preceding four subparagraphs, disposal of receivables by financial institutions, or investments in Mainland China, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more.

However, the following are excluded:

- (1) Trading of domestic government bonds or foreign government bonds with a credit rating not lower than that of Taiwan's sovereign rating.

(2) Securities trading conducted by professional investors on securities exchanges or at securities firms' business premises, subscription in the primary market of foreign government bonds or publicly issued corporate bonds and general financial bonds not involving equity (excluding subordinated bonds), subscription or redemption of securities investment trust funds or futures trust funds, subscription or redemption of exchange-traded notes, or securities acquired by securities firms as required for underwriting business or as recommending securities firms for emerging stock companies in accordance with the rules of the Taipei Exchange.

(3) Trading of bonds with repurchase or resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The transaction amount referred to in the preceding paragraph shall be calculated as follows:

1. The amount of each individual transaction.
2. The cumulative amount of acquisitions or disposals of the same type of underlying asset with the same counterparty within one year.
3. The cumulative amount of acquisitions or disposals (calculated separately) of real property or right-of-use assets under the same development project within one year.
4. The cumulative amount of acquisitions or disposals (calculated separately) of the same securities within one year.

The term "within one year" refers to the one-year period retroactively calculated from the date of occurrence of the current transaction. Amounts already announced in accordance with these Procedures shall be excluded from the calculation.

If any required announcement contains errors or omissions that require correction, the Company shall, within two days from the date it becomes aware of such error or omission, re-announce and re-report all relevant items.

For acquisitions or disposals of assets, the Company shall retain relevant contracts, meeting minutes, registers, appraisal reports, and opinions issued by certified public accountants, attorneys, or securities underwriters at the Company for at least five years, unless otherwise provided by law.

#### **Article 17**

After a transaction has been publicly announced and reported in accordance with the preceding Article, if any of the following circumstances occurs, the Company shall publicly announce and report the relevant information on the website designated by the Financial Supervisory Commission within two days from the date of occurrence:

1. Any amendment, termination, or cancellation of the original contract.
2. Failure to complete a merger, demerger, acquisition, or share transfer according to the originally scheduled timeline set forth in the contract.
3. Any change to the originally announced and reported information.

#### **Article 18**

Where a subsidiary of the Company is not a domestic public offering company, any acquisition or disposal of assets that falls under the circumstances requiring announcement and reporting under this Chapter shall be handled by the Company.

For the purpose of applying the announcement and reporting thresholds under Article 16, paragraph 1 to such subsidiaries, the Company's paid-in capital or total assets shall be used as the basis for calculation.

### **Chapter 5 Related Party Transactions**

#### **Article 19**

When the Company acquires or disposes of assets with a related party, in addition to complying with the relevant resolution procedures and evaluating the reasonableness of transaction terms in accordance with Articles 6 to 8 and this Chapter, if the transaction amount reaches 10% or more of the Company's total assets,

the Company shall also obtain an appraisal report issued by a professional appraiser or an opinion from a certified public accountant in accordance with Articles 6 to 8.

The calculation of transaction amount under the preceding paragraph shall be conducted in accordance with Article 9.

The term "10% of total assets" shall be based on the total assets stated in the most recent consolidated or individual financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

## **Article 20**

Where the Company acquires or disposes of real property or its right-of-use assets with a related party, or acquires or disposes of assets other than real property or right-of-use assets with a related party and the transaction amount reaches 20% of paid-in capital, 10% of total assets, or NT\$300 million or more, the following information shall be submitted to the Audit Committee and approved by the Board of Directors before the transaction contract is signed or payments are made, except for transactions involving domestic government bonds, bonds with repurchase or resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises:

1. Purpose, necessity, and expected benefits of the acquisition or disposal of assets.
2. Reasons for selecting the related party as the transaction counterparty.
3. For acquisitions of real property or right-of-use assets from a related party, relevant information assessing the reasonableness of the proposed transaction terms in accordance with Articles 21 and 22.
4. Information on the related party's original acquisition date and price, transaction counterparty, and its relationship with the Company and the related party.
5. A cash flow forecast for each month of the coming year starting from the expected contract month, along with an assessment of the necessity of the transaction and the reasonableness of fund utilization.
6. The appraisal report issued by a professional appraiser or the opinion of a certified public accountant obtained in accordance with the preceding Article.
7. Any restrictions and other important contractual terms.

For transactions between the Company and its parent company, subsidiaries, or subsidiaries directly or indirectly owned 100% by the Company, the Board of Directors may authorize the Chairman to approve such transactions within a certain limit in advance, subject to subsequent ratification by the most recent Board meeting:

1. Acquisition or disposal of equipment or its right-of-use assets for operational use.
2. Acquisition or disposal of right-of-use assets for real property used in operations.

When submitting matters under Paragraph 1 to the Board of Directors for discussion, the opinions of independent directors shall be fully considered. If an independent director expresses dissenting or qualified opinions, such opinions shall be recorded in the Board meeting minutes, and the disclosure requirements under Article 28 of these Procedures shall apply.

Where the Company or its subsidiaries that are not domestic public companies engage in transactions under Paragraph 1 and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit all items listed in Paragraph 1 to the shareholders' meeting for approval before signing the contract or making payments. However, this requirement does not apply to transactions between the Company and its parent company, subsidiaries, or between subsidiaries.

The calculation of transaction amounts under Paragraph 1 and the preceding paragraph shall be conducted in accordance with Article 16, Paragraph 2. The term "within one year" refers to a one-year period retroactively calculated from the date of occurrence of the current transaction, and amounts already approved by the shareholders' meeting, Audit Committee, or Board of Directors in accordance with these Procedures shall not be included again.

## **Article 21**

When the Company acquires real property or its right-of-use assets from a related party, the reasonableness of the transaction cost shall be evaluated using the following methods:

1. The transaction price shall be the price agreed with the related party plus necessary financing interest and costs that the buyer is required by law to bear. The term “necessary financing interest” shall be calculated based on the weighted average interest rate of borrowings incurred by the Company in the year of asset acquisition; however, such rate shall not exceed the highest lending rate for non-financial industries announced by the Ministry of Finance.
2. If the related party has previously used the subject property as collateral for loans from a financial institution, the appraisal value assessed by the financial institution may be used. However, the actual cumulative lending amount from the financial institution must have reached at least 70% of the appraised lending value, and the loan period must exceed one year. This provision does not apply if the financial institution and one of the transaction parties are mutually related parties.

Where land and buildings are jointly acquired or leased as a single transaction, the land and buildings may be separately evaluated under either of the methods described in the preceding paragraph.

When the Company acquires real property or its right-of-use assets from a related party, the cost shall be evaluated in accordance with the preceding two paragraphs, and the Company shall engage a certified public accountant to review and provide a specific opinion.

However, where any of the following circumstances applies, the provisions of Article 20 shall apply instead, and the preceding paragraphs shall not apply:

1. The related party acquired the real property or its right-of-use assets through inheritance or gift.
2. The time between the related party’s acquisition of the real property or its right-of-use assets and the date of this transaction contract exceeds five years.
3. The Company enters into a joint construction agreement with a related party, or commissions a related party for construction under arrangements such as self-owned land construction or leased land construction, thereby acquiring real property.
4. Transactions between the Company and its parent company, subsidiaries, or subsidiaries directly or indirectly owned 100% by the Company, where the acquired real property right-of-use assets are for operational use.

## **Article 22**

Where the results of the evaluation conducted in accordance with Paragraphs 1 and 2 of the preceding Article are both lower than the transaction price, the provisions of Article 23 shall apply. However, this shall not apply if objective evidence is provided together with specific and reasonable opinions issued by a professional real estate appraiser and a certified public accountant under any of the following circumstances:

1. Where the related party acquires raw land or leases land for subsequent construction, and the Company can substantiate one of the following conditions:
  - (1) The raw land is evaluated in accordance with the methods set forth in the preceding Article, and the building is assessed based on the related party’s construction cost plus reasonable construction profit, with the total exceeding the actual transaction price. “Reasonable construction profit” shall be based on the lower of (i) the average gross profit margin of the related party’s construction division over the most recent three years, or (ii) the most recent gross profit margin of the construction industry published by the Ministry of Finance.
  - (2) Comparable transaction cases of other floors of the same property or nearby area within the past one year involving non-related parties, with similar area size, and whose transaction terms, adjusted for reasonable price differences based on customary real estate trading practices (such as floor or location premiums), are comparable.

2. Where the Company provides evidence that the terms of acquisition of real property or right-of-use assets from a related party are comparable to those of non-related party transactions in nearby areas within the past one year and involve similar property size.

For the purposes of the preceding paragraph, “comparable transactions in nearby areas” shall generally refer to transactions within the same or adjacent block and within a radius of no more than 500 meters from the subject property, or properties with similar publicly announced land value. “Similar size” means that the area of the comparable non-related party transaction is not less than 50% of the area of the subject property. The term “within one year” refers to the one-year period retroactively calculated from the date of acquisition of the real property or its right-of-use assets.

### **Article 23**

Where the Company acquires real property or its right-of-use assets from a related party and, as a result of the evaluations conducted in accordance with the preceding two Articles, both evaluation results are lower than the transaction price, the following measures shall be taken:

1. The Company shall appropriate a special reserve in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act for the difference between the transaction price and the evaluated cost of the real property or its right-of-use assets. Such amount shall not be distributed or capitalized as share capital.
2. The independent directors of the Audit Committee shall perform their duties in accordance with Article 218 of the Company Act.
3. The Company shall report the handling of the matters set forth in the preceding two subparagraphs to the shareholders’ meeting, and disclose the detailed transaction information in the annual report and prospectus.

Where the Company has appropriated a special reserve in accordance with the preceding paragraph, such reserve may not be used unless the assets acquired or leased at a higher price have either recognized impairment losses, been disposed of, the lease has been terminated, appropriate compensation has been made, or the assets have been restored to their original condition, or other evidence demonstrates that no unreasonable situation exists, and approval has been obtained from the Financial Supervisory Commission.

Where there is other evidence indicating that the transaction involving acquisition of real property or its right-of-use assets from a related party is not conducted under normal business terms, the provisions of the preceding two paragraphs shall also apply.

## **Chapter 6 Other Matters Requiring Attention**

### **Article 24**

The total amount of non-operating real property and its right-of-use assets that the Company may acquire, and the limits on investment in individual securities, are as follows:

1. The total amount of non-operating real property and its right-of-use assets shall not exceed 50% of the Company’s paid-in capital.
2. The total amount of long-term investments in securities shall not exceed 200% of the Company’s total assets as stated in the most recent financial report.
3. The limit for investment in any single long-term security shall not exceed 60% of the Company’s total assets as stated in the most recent financial report.
4. For short-term investments (excluding money market funds and repurchase investments in bills and bonds), the limit for investment in any single security shall not exceed 2% of the Company’s total assets as stated in the most recent financial report, and the aggregate investment limit shall not exceed 10% of the Company’s total assets as stated in the most recent financial report.

The term “total assets” used in these Procedures shall be calculated based on the total assets stated in the most recent individual or separate financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### **Article 25**

The Company shall require its subsidiaries to establish and implement procedures for the acquisition or disposal of assets in accordance with the “Regulations Governing the Acquisition and Disposal of Assets” prescribed by the competent authority. Where subsidiaries are established overseas, they shall also comply with the laws and regulations of the local government.

#### **Article 26**

Where managers or responsible personnel violate these Procedures or the “Regulations Governing the Acquisition and Disposal of Assets” prescribed by the competent authority, thereby causing damage to the Company, such persons shall be subject to disciplinary actions in accordance with the Company’s “Employee Management Rules.”

### **Chapter 7 Supplementary Provisions**

#### **Article 27**

The Company, in accordance with the Securities and Exchange Act, has established an Audit Committee. The adoption or amendment of these Procedures, material acquisition or disposal of assets, transactions with related parties involving real estate or its right-of-use assets, or transactions with related parties involving other assets where the transaction amount reaches 20% of paid-in capital, 10% of total assets, or NT\$300 million or more, shall be approved by more than one-half of all Audit Committee members and then submitted to the Board of Directors for resolution.

If such matters are not approved by more than one-half of all Audit Committee members, they may be approved by at least two-thirds of all Directors instead, and the resolution of the Audit Committee shall be recorded in the Board meeting minutes.

The terms “all Audit Committee members” and “all Directors” refer to those currently serving in office.

#### **Article 28**

When the Company establishes or amends these Procedures, or when the acquisition or disposal of assets under these Procedures or other applicable laws is required to be approved by the Board of Directors, if any director expresses dissent and such dissent is recorded or submitted in writing, the relevant dissenting materials shall be forwarded to the Audit Committee.

When the establishment or amendment of these Procedures, or any acquisition or disposal of assets, is submitted to the Board of Directors for deliberation in accordance with the preceding paragraph, the opinions of all independent directors shall be fully considered. If any independent director expresses a dissenting or qualified opinion, such opinion shall be recorded in the Board meeting minutes.

The opinions referred to in the preceding paragraph shall be disclosed on the information reporting website designated by the competent authority within two days from the date of the Board meeting.

#### **Article 29**

The establishment of these Procedures shall be approved by both the Audit Committee and the Board of Directors, and then submitted to the shareholders’ meeting for approval. The same procedure shall apply to any amendments thereto.

## SUNPLUS TECHNOLOGY RULES OF SHAREHOLDERS' MEETING

**Article 1** Shareholders' Meeting of the Company, except as otherwise provided in the Act, according to the rules of the line.

**Article 2** The shareholders referred to in these Rules refer to the proxies held by the shareholders themselves and the shareholders entrusted to attend. Shareholders are entrusted to attend the agent as a legal person, the legal person may only appoint one person to attend the shareholders' meeting.

**Article 3** Attending shareholders should bring their attendance cards and hand in their attendance cards to sign in. If the sign-in card is handed over to the Company, it is deemed that the shareholders or proxies listed in the sign-in card have attended in person, and the Company is not responsible for identifying it; the video conference of the shareholders' meeting shall be held on the video conference platform of the shareholders' meeting 30 minutes before the start of the meeting. The shareholder who accepts the registration and completes the registration shall be deemed to have attended the shareholders' meeting in person.

**Article 4** Attendance and voting of the shareholders' meeting, should be based on the calculation of shares. When a legal person is entrusted to attend the shareholders' meeting, the legal person has to appoint only one representative to attend.

Where a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one person can speak on the proposal. The exercise of its voting rights, is still calculated by its holdings of shares.

When the shareholders meeting is convened by videoconference, shareholders who wish to attend by videoconference shall register with the company two days before the shareholders meeting.

**Article 5** The place where the shareholders' meeting of the Company will be held, at the place where the Company or the factory location or the Convenience Share is present and suitable for the convening of the Shareholders' Meeting, the meeting should not start before 9 am or later than 3 pm.

When the company holds a video-conference shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.

**Article 6** The shareholders will be convened by the board of directors, its president by the chairman of the board, when chairman on leave or for any reason unable to exercise the powers, by the chairman of the designated director of a proxy, the chairman of the board does not appoint an agent, by the directors assigned to each other a proxy.

The shareholders will be convened by the convenor of the convenor other than the board of directors, the chairman shall be held by the convenor. When the convenor has more than two people, should be designated one by one for each other.

**Article 7** Has a meeting time, the Chairman shall declare a meeting, but no shareholders who represent more than half of the total number of issued shares are present, the chairman may announce a postponement of the meeting, the number of delays is limited to two times, the delay time shall not exceed one hour. Delayed two times still insufficient, the chairman must announce to cancel the meeting, and the Company shall also announce the cancellation of the shareholders meeting on the video conferencing platform.

But if more than one third of the total number of issued shares is present at the meeting, it shall also be a fake resolution in accordance with Paragraph 1 of Article 175 of the Company Act, but for the special provisions of the provisions of the Company Act, its resolution made, should be in accordance with the provisions of the Company Act. If the general meeting of shareholders is convened by video conference, shareholders who wish to attend via video conference shall re-register with the company in accordance with

#### Article 4.

Before the meeting was over, if the number of shares represented by the shareholders is more than half of the total number of issued shares, the chairman will be made a tentative resolution, in accordance with the provisions of Article 174 of the Company Act, and resubmit to the General Assembly for a vote.

**Article 8** The shareholders will be convened by the board of directors, the agenda is set by the Board of Directors, the meeting should be based on the scheduled agenda, without the resolution of the shareholders may not be changed.

If the shareholders meeting is convened by a person other than the board of directors who has the right to convene, apply the provisions of the preceding paragraph.

The first two items are scheduled for the agenda (with temporary motion) before the end, not by resolution, the President shall not adjourn the meeting, but if the order is chaotic, or something else, it is difficult for the meeting to proceed normally, the President may adjourn the meeting by resolution.

After the meeting, the shareholders shall not elect the chairman to continue the meeting at the original site or another place. But the chairman violates the rules of procedure, announced the dissolution of the meeting, to vote for more than half of the shareholders to vote for the election of one person as chairman, continue to meet.

**Article 9** If any shareholder proposes to count the number of people, the chairman may not accept it. When voting on a proposal, if the required number has been reached, the proposal will still be passed.

**Article 10** When attending shareholders are speaking, they must first fill in the gist of the speech, attendance card number and name on the speech slip at the beginning, and the chairman will determine the order of their speeches. The attendees who only made speech slip and did not speak are considered as no speech, and the content of the statement is inconsistent with the speech slip, which is subject to the content of the statement. Shareholders who restrict their authority in the power of attorney or other methods, regardless of whether the company is aware of it or not, shall take the speeches or votes made by the proxy as the standard.

**Article 11** Shareholders' inquiries on the matters reported on the Agenda, shall be read or reported by the Chairman or its designated person after all the report has been completed, have to speak. Each person can't speak more than twice, not more than five minutes each time, but by the chairman of the permit, be able to extended for five more minutes, and shall be limited for one extension.

Shareholders' recognition of the agenda, to discuss each of the matters, and the provisional motion, the time and number of statements should be stated in the preceding paragraph.

The shareholders of the provisional agenda for the motion of the non-motion of the consultation to speak, the time and the number of the use of the provisions of the first paragraph.

Shareholders speak in violation of the preceding paragraph or beyond the scope of the subject, the president may stop his statement. When one of the attending shareholders is delivering a speech, the other shareholders are subject to the consent of the president and the shareholders who speak and do not speak to interfere, otherwise the president shall stop the violator.

If the shareholders meeting is convened by video conference, shareholders who participate in the video conference may ask questions in text on the shareholders meeting video conference platform after the chairman announces the meeting and before the meeting is closed. The number of questions for each proposal shall not exceed two times. Limited to 200 characters, the provisions of Article 10 and Items 1 to 5 of this Article are not applicable

**Article 12** After the attending shareholders made a speech, the Chairman has to answer in person or appoint the relevant person to reply.

**Article 13** For which is not categorized to motions, will not discuss or vote. When discussing the motion, the president has to suspend the discussion, If the chairman announces to vote on a proposal that has been declared to be closed, several proposals may be voted on at the same time, but they shall be voted on separately.

**Article 14** When the motion is voted on, if there is no objection by the president, considered as passed, its effectiveness is the same as the power of voting. When there is an amendment or an alternative to the same motion, by the president and in the same order as the original order, if the case has been passed, other motions are deemed to be rejected, do not have to vote again.

**Article 15** Unless otherwise stipulated in the Company Act and the company's articles of incorporation, the voting on the proposal shall be passed with the consent of more than half of the voting rights of the shareholders present.

**Article 16** The scrutiny and counting personnel for voting on proposals shall be designated by the chairman, but the scrutiny personnel shall have the identity of shareholders. The voting results shall be reported and recorded.

If the shareholders' meeting is held by video conference, the Company shall immediately disclose the voting results of various proposals and election results on the shareholders' meeting video conference platform in accordance with regulations after the voting ends, and shall continue to disclose at least 15 minutes after the chairman announces the adjournment of the meeting.

**Article 17** The Company may appoint a lawyer, accountants or related personnel to attend the shareholders' meeting. The management staff of the shareholders' meeting shall wear a recognition certificate or armband.

**Article 18** The company shall make audio or video recordings of the entire process of the shareholders' meeting and keep them for at least one year.

If the shareholders' meeting is held by video conference, the company shall keep records of shareholders' registration, sign-in, check-in, questioning, voting, and company vote counting results, etc., and record and video the entire process of the video conference continuously.

The company shall properly keep the materials and audio and video recordings in the preceding paragraph during the period of existence, and provide the audio and video recordings to the person entrusted to handle the video conferencing affairs for storage.

**Article 19** The president has commanded the picketers or security officer to assist in maintaining the order of the venue. When the picketers or security officer is present to assist in maintaining order, should wear "pickets" word armbands or identification cards.

Shareholders should obey the president, the picketers, and the security officer. The chairman, picketer or security personnel may exclude those who obstruct the progress of the shareholders' meeting and refuse to comply after being stopped.

**Article 20** While the meeting is in progress, the chairman may announce a break at his discretion.

**Article 21** Before the chairman announces the adjournment of the meeting convened by video, due to natural disasters, accidents or other force majeure, the video conference platform or participation in the video conference is blocked for more than 30 minutes, the meeting shall be postponed or continue within five days, which does not apply to Article 182 of the Company Act.

**Article 22** Matters not stipulated in these rules shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.

**Article 23** These rules will come into force after being passed by the shareholders' meeting, so do amendments.

**SUNPLUS TECHNOLOGY CO. LTD**  
**SHAREHOLDING OF DIRECTORS AND SUPERVISORS**

1. Sunplus' paid-in capital is NT\$5,919,949,190; total issued shares are 591,994,919 shares.
2. As the number of independent directors of the Company exceeds one-half of the total number of board seats, and an Audit Committee has been duly established, the statutory shareholding requirements applicable to all directors and supervisors are not applicable.
3. As at the closing date of this shareholders' meeting, the number of shares held by individual and all directors is listed in the table below.

Title	Name	Shareholding
Director	Chou-Chye Huang	92,737,817
Director	TAIWAN LAF' E CO., LTD	10,000
	Representative: Wen-Hsiung Jan	0
Director	Chih-Chieh Tsai	0
Independent Director	Tse-Jen Huang	0
Independent Director	Rui-Qi Chen	0
Independent Director	Cong-Ling Guo	0
Independent Director	Shu-Jun Huang	0
Total <sup>(note1)</sup>		92,747,817

*Note: Shares held by the independent directors are not counted in the above calculations.*