Stock code : 5236

Sunplus Innovation Technology Inc.
2025 Annual Report

Prepared by Sunplus Innovation Technology Inc.
Check the annual report website: http://mops. twse. com. tw
Date of publication: March 31,2026

1. Spokesperson and acting spokesperson of the Company

Spokesperson's name	：Lee Yuan
job title	：Special assistant to the general manager
Telephone	：(03)563-2822
email mailbox	：IR@sunplusit. com
Acting spokesperson's name	：Lee Yanping
job title	：Finance Director
Telephone	：(03)563-2822
email mailbox	：IR@sunplusit. com

2. Location of the head office, branches and factories

head office	：A2, 3rd Floor, No. 1, Lixing 1st Road, Hsinchu Science Park
factory	：A2, 3rd floor, B7, 1st floor, No. 1, Lixing1st Road, Hsinchu Science Park
Telephone	：(03) 563-2822

3. Stock transfer agency

name	：China Trust and Commercial Bank Agency Department
address	：5th Floor, No. 83, Section 1, Chongqing South Road, Zhongzheng District, Taipei City
Telephone	：(02) 6636-5566
URL	：https://www. ctbcbank. com

4. The most recent annual financial report certified by an accountant

Accountant name	：Chen Yanjun, Ye Donghui
Firm name	：Qinye Zhongxin United Accounting Firm
address	：6th Floor, No. 2, Zhanye 1st Road, Hsinchu Science and Industrial Park
Telephone	：(03) 578-0899
URL	：http://www. deloitte. com. tw

5. The name of the trading place where overseas securities are listed and traded and the method of querying information about the overseas securities: Not applicable

6. Company website: http://www. sunplusit. com

Sunplus Innovation Technology Inc.
2025 Annual Report

Table of contents

I. Report to shareholders

In 2025, operating revenue was NT$1,999,748 thousand (a 10% growth compared to 2024), and the gross profit margin was 58% (a 2% decrease compared to 2024). Net income after tax in 2025 was NT$515,179 thousand. Research and development expenses amounted to NT$393,794 thousand (20% of revenue), while total management and sales expenses were NT$199,243 thousand (10% of revenue).

Regarding organizational structure and manpower allocation: R&D personnel (including system developers from the Product Development Division, Engineering Development Division, and Marketing Service Division, as well as test program and product engineers from the Engineering and Manufacturing Division) accounted for 67%. Sales personnel (from the Marketing Service Division, responsible for sales and after-sales service) accounted for 10%. Production personnel (from the Engineering and Manufacturing Division, managing outsourced production and warehousing) accounted for 4%. Management personnel (including the General Manager's Office and Administration Division) accounted for 19%.

In 2025, 80% of sales revenue came from NB-related built-in cameras, and 20% from USB external cameras, automotive rearview cameras, document cameras, and IoT-related applications. In 2026, the global economy enters a critical period of geopolitical restructuring and tariff challenges. As supply chain de-risking becomes the norm, the Company will benefit from the massive replacement wave, with AI PC penetration expected to surpass 50%, transforming challenges into growth momentum. In an economic landscape of "internal and external warmth," we will further enhance R&D efficiency, ensure our leadership position in the NB image sensor field, and accelerate the large-scale implementation of AI machine vision in vertical domains.

In terms of product marketing, the Company has a sound structure among its top ten customers, contributing significantly to revenue in 2025. Driven by the demand for decentralized supply chains due to US-China trade friction, the Company will actively support customers' global deployments while securing our existing markets in Taiwan, Hong Kong, and China. In addition to continuing remote imaging and smart NB cameras, market applications will deepen imaging devices equipped with AI automation and edge computing functions to meet the large-scale needs of corporate digital transformation.

In terms of production, the Company continues to deepen its long-term strategic partnership with leading wafer foundries in Taiwan. Against the backdrop of steady expansion in the mature process market, we are committed to enhancing the technical value and gross margin of our products by combining highly integrated IC design with stable manufacturing processes. Simultaneously, we are strengthening our quality supervision systems with outsourced packaging and testing houses, demonstrating excellent cost resilience and delivery reliability amid tariff challenges.

Looking ahead, the "Thermal Sensing Vision Chip," into which the Company has poured its R&D efforts, has entered a critical application phase. This technology can provide temperature rise early warnings for industrial equipment regardless of lighting conditions, accurately meeting the urgent global demand for Industrial Safety automation and ESG disaster reduction. At the same time, in response to increasingly strict data privacy regulations in the future, the chip can provide "de-identified" smart monitoring, building a precise, private, and indispensable safety net for home security and smart living.

Chairman: Huang Zhoujie

General Manager: Tsai ChienChung

II. Corporate Governance Report

1. Information on directors, supervisors, general managers, deputy general managers, associate managers, and heads of departments and branches

(1) Directors

March, 31,2026; unit: share;%

job title	Name	gender/ age	Nationalityor place of registration	first time elect date	Choose (take) office date	term of office	When choosing any hold shares		Now hold shares		Spouse, minor children now hold shares		Holding shares in someone else's name		Main academic qualifications	Currently concurrently serves as the company's and Positions in other companies	Other managers, directors or supervisors who are related to spouse or second degree of relatives			Remark (Note3)
							Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio			job title	Name	relation	
Chairman	Sunplus Technology (share) company	-	China Republic of China	2006.12.01	2023.06.15	3 years	29,265,751	50.03	29,890,061	49.81	-	-	-	-	-	Note 1	none	none	none	none
	Representative: Huang Zhoujie	Male 71~80 years old	China Republic of China	2006.12.01	2023.06.15	3 years	-	-	-	-	-	-	-	-	Master of Electrical Engineering, Tsinghua University Chairman and CEO of Sunplus Technology	Note 2	none	none	none	none
director	Sunplus Technology (share) company	-	China Republic of China	2006.12.01	2023.06.15	3 years	29,265,751	50.03	29,890,061	49.81	-	-	-	-	-	Note 1	none	none	none	none
	Representative: Qiu Qiying	Female 51~60 years old	China Republic of China	2020.08.07	2023.06.15	3 years	-	-	541,974	0.90	-	-	-	-	Master of Laws, National Chengchi University Supervisor of Sunplus Innovation Technology (Co., Ltd.)Director of Reying Optoelectronics Co., Ltd.	Chief lawyer of Anqing International Law Firm, independent director of Daya International Co., Ltd., independent director of Silijie Co., Ltd., supervisor of Beijing Sunplus Yihui Technology Co., Ltd.	none	none	none	none
director	Gong Zhihao	Male 61~70 years old	China Republic of China	2006.12.01	2023.06.15	3 years	2,480,473	4.24	2,546,701	4.24	-	-	-	-	Master of Electronic Engineering, Jiaotong University General Manager of Control and Peripheral Business Group of Sunplus Technology Co., Ltd. General Manager of Sunplus Innovation Technology Co., Ltd.	None	none	none	none	none
director	Huang Hongwen	male 61~70 years old	China Republic of China	2020.08.07	2023.06.15	3 years	-	-	-	-	-	-	-	-	Bachelor of Accounting, Soochow University Partner accountant of Qinye Accounting Firm Independent Director of Mengli Automation Co., Ltd.	None	none	none	none	none
independent director	Chen Zhaoting	Male 61~70 years old	China Republic of China	2020.08.07	2023.06.15	3 years	-	-	-	-	-	-	-	-	Master of Management, Central University Independent director and remuneration committee member of Jiade Co., Ltd.	Certified public accountant of Shengxin United Accounting Firm, independent director and remuneration committee member of Yuefeng Technology (Co., Ltd.), director of Xilejian Management Consulting Co., Ltd.	none	none	none	none
independent director	Wang Tinghong	Male 51~60 years old	China Republic of China	2020.08.07	2023.06.15	3 years	-	-	-	-	-	-	-	-	Bachelor of Laws, National Taiwan University Legal Counsel of Youwei Technology (Co., Ltd.)Member of the Medical Review Committee of the Taichung City Government Health Bureau	Co-lawyer of Chongfa Law Firm, legal advisor of Taichung Dentist Association, legal advisor of Terry Technology Co., Ltd., independent director and remuneration committee member of Reying Opto electronics Co., Ltd.	none	none	none	none
independent director	Xie Jiaying	Male 51~60 years old	China Republic of China	2020.08.07	2023.06.15	3 years	-	-	-	-	-	-	-	-	Master of Business Studies, National Taiwan University Independent director and remuneration committee member of Jiaze Terminal Industry Co., Ltd. Independent director and remuneration committee member of Dingyuan Opto electronics Technology Co., Ltd. Executive Director of Total Fortune Capital	Director of Jiaze Terminal Industrial Co., Ltd., Director of Chaoxiang Technology Co., Ltd., Executive Director of Total Fortune Capital, Director of Guangsheng Technology Co., Ltd., Director of Liangxun Technology Co., Ltd.	none	none	none	none

Note 1: Legal person direct or of Sunplus Venture Capital (Co., Ltd.), Legal person direct or of Lingxu Investment(Co., Ltd.), Legal person direct or of Weiyang Investment(Co., Ltd.), Legal person direct or of Sunplus Management Consulting (Co., Ltd.), Legal person direct or of Lingtong Technology (Co., Ltd.), Legal person director of Venturplus Group Inc., Legal person direct or of Sunplus Multimedia (Co., Ltd.), Award Glory Ltd. Legal person direct or, Jingxiang Technology Co., Ltd., Jingluo Technology Co., Ltd., and Advanced Intelligent Systems Co., Ltd.

Note2: Chairman and CEO of Sunplus Technology (Co., Ltd.), Chairman of Sunplus Venture Capital (Co., Ltd.), Chairman of Sunplus Investment(Co., Ltd.), Chairman of Lingtong Technology (Co., Ltd.), Chairman of Weiyang Investment (Co., Ltd.), Chairman of Sunplus Management Consulting (Co., Ltd.), Chairman of Award Glory Ltd., Chairman of Venturplus Group Inc., Chairman of Venturplus Mauritius Inc., Chairman of Venturplus Cayman Inc., Chairman of Shanghai Sunplus Technology Co., Ltd., Generalplus International Chairman of (SAMOA) Inc., Chairmanof Generalplus (MAURITIUS) Inc., Chairman of Lingjia Technology (Shenzhen) Co., Ltd., Chairman of Sunplus Lihua Technology (Shenzhen) Co., Ltd., Chairman of Sunplus Chengxin Technology (Chengdu) Co., Ltd., Chairmanof Sunny Fancy Ltd., Giant Rock Inc., Chairman of Yizhiliang Accelerator (Co., Ltd.), Chairman of Lingyao Technology (Shenzhen) Co., Ltd., Executive Director of Shanghai Lingchuang Jiayang Technology Co., Ltd., Executive Directorof Shanghai Lingchuang Jiahong Technology Co., Ltd., Chairman and General Manager of Jingxiang Technology (Co., Ltd.), Chairman and General Manager of Sunplus Multimedia (Co., Ltd.), Director of Xinding Technology (Co., Ltd.), Director of the Huaju Industry Common Standard Promotion Foundation, Director of the Medical Foundation Zhuming Foundation, and General Manager of Worldplus Holdings L. L. C.

Note3: When the chairman of the board of directors and the general manager or aperson with a similar position (top manager) are the same person, spouses or first-degree relatives of each other, the relevant information should be disclosed on the reasons, rationality, necessity and counter measures (for example, increasing the number of independent directors, and more than half of the directors should not concurrently serveas employees or managers, etc.).

(2) Director information

(A) Information disclosure on professional qualifications of directors and supervisors and independence of independent directors:

March,31,2026

Condition / Name	Professional qualifications and experience	Independence situation	Number of independent directors concurrently serving in other publicly traded companies
Representative of Sunplus Technology Co., Ltd.: Huang Zhoujie	1. Have professional knowledge and leadership decision-making, business management and industry experience in the electronics industry. 2. There are no circumstances specified in Article 30 of the Company Law.	1. I and my spouse have no family relationship with the directors and managers of the company. 2. I, my spouse, and relatives within the second degree (or in the name of others) do not hold shares in the company. 3. The amount of remuneration received for not providing business, legal, financial, accounting and other services to the company or its affiliated companies in the past two years.	-
Representative of Sunplus Technology (Co., Ltd.): Qiu Qiying	1. Haveprofessional experience in law, familiarity with relevant laws and corporate governance. 2. Thereare no circumstances specified in Article 30 of the Company Law.	1. I have no family relationship with the directors and managers of the company. 2. I hold 541,974 shares ofthe company, witha shareholding ratio of 0.9%.	2
Gong Zhihao	1. Have professional knowledge and leadership decision-making, business management and industry experience in the electronics industry. 2. Thereare no circumstances specified in Article 30 of the Company Law.	1. I and my spouse have no family relationship with the directors and managers of the company. 2. I hold 2,546,701 sharesof the company, witha shareholding ratio of 4.24%. 3. The amount of remuneration received for not providing business, legal, financial, accounting and other services to the company or its affiliated companies in the past two years.	-
Huang Hongwen	1. Have professional knowledge in financial accounting and professional experience in corporate governance. 2. Thereare no circumstances specified in Article 30 of the Company Law.	1. I and my spouse have no family relationship with the directors and managers of the company. 2. I, myspouse, and my relatives within the second degree do not serve as directors, supervisors, or employees of the company or related companies. 3. I, my spouse, and relatives within the second degree(or in the name of others) do not hold shares in the company. 4. I have not served as a director, supervisor or employee of a company that has a specificrelationship with the company (refer to the provisions of Article 3, Paragraph 1, Paragraphs 5 to 8 of the Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed). 5. The amount of remuneration received for not providing business, legal, financial, accounting and other services to the company or its affiliated companies in the past two years.	-

Condition / Name	Professional qualifications and experience	Independence situation	Number of independent directors concurrently serving in other publicly traded companies
Chen Zhaoting	1. Have financial accounting professional knowledge and industrial experience. 2. There are no circumstances specified in Article 30 of the Company Law.	1. I and my spouse have no family relationship with the directors and managers of the company. 2. I, my spouse, and my relatives within the second degree do not serve as directors, supervisors, or employees of the company or related companies. 3. I, my spouse, and relatives within the second degree(or in the name of others) do not hold shares in the company. 4. I have not served as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Paragraphs 5 to 8 of the Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed). 5. The amount of remuneration received for not providing business, legal, financial, accounting and other services to the company or its affiliated companies in the past two years.	1
Wang Tinghong	1. Have professional experience in law, familiarity with relevant laws and corporate governance. 2. There are no circumstances specified in Article 30 of the Company Law.	1. I and my spouse have no family relationship with the directors and managers of the company. 2. I, my spouse, and my relatives within the second degree do not serve as directors, supervisors, or employees of the company or related companies. 3. I, my spouse, and relatives within the second degree(or in the name of others) do not hold shares in the company. 4. I have not served as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Paragraphs 5 to 8 of the Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed). 5. The amount of remuneration received for not providing business, legal, financial, accounting and other services to the company or its affiliated companies in the past two years.	1
Xie Jiaying	1. Have professional knowledge and industry experience in finance, business and risk management. 2. Thereare no circumstances specified in Article 30 of the Company Law.	1. I and my spouse have no family relationship with the directors and managers of the company. 2. I, my spouse, and my relatives within the second degree do not serve as directors, supervisors, or employees of the company or related companies. 3. I, my spouse, and relatives within the second degree (or in the name of others) do not hold shares in the company. 4. I have not served as a director, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Paragraphs 5 to 8 of the Regulations on the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed). 5. The amount of remuneration received for not providing business, legal, financial, accounting and other services to the company or its affiliated companies in the past two years.	-

(B) Description of the diversity and independence of the board of directors:

(1) Article 20 of the Company's "Code of Corporate Governance Practice": "Competenciesthat the entire board of directors should possess"

The company's board of directors should guide the company's strategy, supervise the management, be responsible to the company and shareholders, and implement various operations and arrangements of its corporate governance system to ensure that the board of directors exercises its powers in accordance with laws, company articles of association, or resolutions of shareholders' meetings.
The company's board of directors structure determines the appropriate number of direct or seats based on the company's business development scale and the shareholding status of its major shareholders, taking into account practical operational needs.
The composition of the board of directors should considerdiversity and formulate appropriate diversity policies based on its own operations, operating types and development needs, which should include but not be limited to the following two major standards:

(a) Basic conditions and values: gender, age, nationality and culture, etc.
(b) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally possess the necessary knowledge, skills and qualities to perform their duties. In order to achieve the ideal goals of corporate governance, the entire board of directors must possess the following capabilities:

(a) Operational judgment ability.
(b) Accounting and financial analysis skills.
(c) Operation and management capabilities.
(d) Crisis handling capabilities.
(e) Industrial knowledge.
(f) International market outlook.
(g) Leadership skills.
(h) Decision-making ability.

(2) The directors of the Company have professional backgrounds such as industrial experience, business management, accounting and legal affairs. In order to strengthen the board of directors' understanding of the company's industry, the company has set a target ratio of directors with industry experience of 50%. There are currently 7 directors on the board of directors, 4 of whom have industrial experience, including Huang Zhoujie, Gong Zhihao, Chen Zhaotingand Xie Jiaying, accounting for 57% of the direct or seats, and have achieved the set goals.

In terms of direct or structure, the company's board of directors has a total of 7 directors, including 3 independent directors, accounting for 43% of the direct or seats, which helps strengthen the independence and supervisory functions of the board of directors. The board members are all locals with diverse professional backgrounds and rich practical experience to enhance the overall operational effectiveness of the board of directors.

In terms of age distribution, the age range of the company's board of directors members is 3 people between 51 and 60 years old, 3 people between 61and 70 years old, and 1 person between 71 and 80 years old. They have the experience and perspectives of different generations, which helps to enhance the diversity of the overall decision-making of the board of directors.

In terms of gender diversity, the company's board of directors currently includes 1female direct or, accounting for 14% of the direct or seats. The company has set a target of 10% for the ratio of female directors. The target has been achieved so far. In the future, the company will continue to pay attention to the gender diversity of the board of directors and gradually increase the proportion of female directors.
The average term of directors of the company is approximately 9 to 10 years. Among them, three independent directors, Chen Zhaoting, Wang Tinghong and Xie Jiaying, have served for 4 to 6 years. Allindependent directors have served less than 3 consecutive terms. In addition, all directors of the company (including independent directors) do not have spouses or relatives with in the second degree, and each independent direct or does not serve as a direct or, supervisor or employee of a company that has a specific relationship with the company, and they all meet the relevant requirements of the competent authority regarding the qualifications of independent directors.

In the future, the Company will continue to use the direct or candidate nomination system to comprehensively consider professional abilities, industrial experience, gender diversity and other aspects when nominating and selecting directors, and gradually optimize the structure of the board of directors to strengthen corporate governance and the operational effectiveness of the board of directors.

(3) The relevant implementation status of the diversification policy is as follows:

Diversification project / director Name	Country of Citizenship	gender	Concurrently with the company staff	age interval	Term and tenure of independent directors	financial accounting	law	leadership decisions	Industrial experience	Business management
					4~6 years					
Representative of Sunplus Technology Co., Ltd.: Huang Zhoujie	Republic of China	male	-	71~80				✓	✓	✓
Representative of Sunplus Technology Co., Ltd.: Qiu Qiying	Republic of China	female	-	51~60			✓	✓		✓
Gong Zhihao	Republic of China	male	-	61~70				✓	✓	✓
Huang Hongwen	Republic of China	male	-	61~70		✓		✓		✓
Chen Zhaoting	Republic of China	male	-	61~70	✓	✓		✓	✓	✓
Wang Tinghong	Republic of China	male	-	51~60	✓		✓	✓		✓
Xie Jiaying	Republic of China	male	-	51~60	✓			✓	✓	✓

Note1: Professional qualifications and experience: Describe the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, they should describe their accounting or financial background and work experience, and also explain whether they do not meet the requirements of Article 30 of the Company Law.

Note2: Independent directors should state the circumstances that satisfy their independence, including but not limited to whether they, their spouses, and relatives with in the second degree of equality serve as directors, supervisors, or employees of the company or its related companies; the number and proportion of the company's shares held by themselves, their spouses, and relatives with in the second degree of equality (or in the name of others); whether they assume responsibility for Any direct or, supervisor or employee of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, 5 to 8 of the Measures for the Establishment of Independent Directors of Publicly Offering Companies and Matters to be Observed); the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliated companies in the last 2 years.

(3)Major shareholders of legal person shareholders

(a) Majorshareholders of legal person shareholders

April,15,2025

Legal person shareholder Name	Major shareholder of legal person shareholder	shareholding Proportion
Sunplus Technology (Co., Ltd.)	Huang Zhoujie	15.67%
	Liu Dezhong	2.06%
	Vision Technology (Co., Ltd.)	1.70%
	Li Wenqin	1.15%
	Citi custody Poluning emerging market fund company special account(note)	1.07%
	Chase Custody Advanced Starlight Advanced Aggregate International Stock Index (Note)	0.99%
	JPMorgan Chase Bank Taipei Branch is entrusted with the custody of the Vangard Emerging Market Stock Index Fund investment account of the manager of the Vangard Group Company (Note)	0.92%
	JP Morgan Chase Bank Taipei Branch is entrusted with the custody ofthe special investment account of JP Morgan Securities Co., Ltd. (Note)	0.84%
	Gong Zhihao	0.73%
	Standard Chartered Managed i Shares Emerging Markets ETF(Note)	0.65%

(b) If the main shareholder is a legal person, its main shareholder

April,15,2025

Legal person name	Major shareholder of legal person	shareholding Proportion
Vision Technology (Co., Ltd.)	Senluo Investment Co., Ltd.	38%
	Zhou Zhiyuan	2.69%
	Huang Yunlong	2.07%
	Li Jishun	1.59%
	Chen Shiyun	1.50%
	Citi custody Berkeley Capital SBL/PB investment account	1.38%
	Sunplus Technology Co., Ltd.	1.27%
	The Business Department of Standard Chartered International Commercial Bank is entrusted with the custody of the special investment account of Central Short Capital Co., Ltd.	1.08%
	Li Junhan	1.06%
	Wang Yongyong	1.05%

Note: The investment account is not a joint-stock company and is not applicable.

(4)General manager, deputy general manager, associate manager and heads of departments and branches

March31,2026; unit: share;%

job title	Name	gender	Country of Citizenship	Choose (take) office date	hold shares		Spousesand minor children holdshares		Holding sharesin someone else's name		Main academic qualifications	Currently holding positions in other companies	Managers who are relatedto aspouse or within thesecond degree of kinship			Remark (Note 1)
					Number of shares	shareholding ratio	Number of shares	shareholding ratio	Number of shares	shareholding ratio			job title	Name	relation	
General Manager (Note2)	Tsai ChienChung	male	Republic of China	2026.01.01	141,609	0.24	106,420	0.18	-	-	Master's degree from Institute of Electronics, Jiaotong University Executive Vice President of Sunplus Innovation Technology Co., Ltd.	Director of Tianyuan Industrial Co., Ltd.	-	-	-	-
Financial Accounting Supervisor	Li Yanping	female	Republic of China	2009.06.15	18,480	0.03	-	-	-	-	Bachelor of Accountancy, Soochow University Assistant Manager, Audit Team, Zhiyuan Accounting Firm Deputy Manager of Finance and Accounting Department of Sunplus Innovation Technology Co., Ltd.	none	-	-	-	-
Corporate Governance Officer	Chen Meijuan	female	Republic of China	2023.02.22	-	-	-	-	-	-	Master of Accountancy, National Chengchi University Manager of the Chairman's Office of Sunplus Technology Co., Ltd. Corporate Governance Director of Sunplus Technology Co., Ltd.	Directorof Sunplus Multimedia (Co., Ltd.), Director of Jingxiang Technology(Co., Ltd.), Director of Shanghai Sunplus Technology Co., Ltd., Supervisor of Shanghai Lingchuang Jiayang Technology Co., Ltd., Supervisor of Shanghai Lingchuang Jiahong Technology Co., Ltd., Directorof Corporate Governanceof Sunplus Technology (Co., Ltd.), Director of Corporate Governance of Lingtong Technology (Co., Ltd.)	-	-	-	-

Note 1: When the general manager or a person with equivalent position (top manager) and the chairman of the board of directors are the same person, each other's spouse or first-degree relative, relevant information should be disclosed on the reasons, rationality, necessity and countermeasures (such as increasing the number of independent directors, and more than half of the directors should not concurrently serve as employees or managers, etc.).

Note 2: Mr. Tsai ChienChung was promoted to general manager on January 1, 2026.

2. Remuneration paid to directors, supervisors, general manager and deputy general manager in the most recent year

(1) Directors' remuneration (summarized in accordance with the name disclosure method based on hierarchy):

December 31, 2025; Unit: Thousand New Taiwan Dollars

Job title (Note 1)	Name	Directors' emoluments(Note 1)								The total amount of four items A, B, C and D and their proportion to net income after tax (Note 9)		Part-time employees receive relevant remuneration(Note 1)								The proportion of the total amount of the seven items A, B, C, D, E, F and G to the net income after tax(Note 9)		Receipt of remuneration from the subsidiary's external investment enterprise or the parent company (Note 11)
		Reward (A)(Note2)		Retirement pension (B) (Note 3)		Director's remuneration (C) (Note 4)		Business execution expenses (D) (Note 5)				Salaries, bonuses and special expenses, etc. (E) (Note 6)		Retirement pension (F)		Employee compensation (G) (Note7)						
		Our company	All companies included in financial reports (Note 8)	Our company	All companies included in financial reports (Note 8)	Our company	All companies in financial reports (Note 8)	Our company	All companies included in financial reports (Note 8)	Our company	financial report All companies included in the report (Note 8)	Our company	All companies included in financial reports (Note 8)	Our company	financial reporting house There is a company(Note 8)	Ourcompany		All companies included in financial reports (Note 8)		Our company	All financial reports Company(Note 8)	
																cash	stock	cash	stock			
Chairman	Sunplus Technology	120	-	-	-	6,998	-	96	-	7,214/ 1.40%	-	11,131	-	108	-	-	-	-	-	18,453/ 3.58%	-	6,889
	Representative: Huang Zhoujie																					
director	Sunplus Technology																					
	Representative: Qiu Qiying																					
director	Gong Zhihao																					
director	Huang Hongwen																					
independent director	Chen Zhaoting	360	-	-	-	2,211	-	162	-	2,733/ 0.53%	-	-	-	-	-	-	-	-	-	2,733/ 0.53%	-	-
independent director	Wang Tinghong																					
independent director	Xie Jiaying																					

1. Please describe the policy, system, standards and structure of remuneration payment to independent directors, and describe the correlation with the amount of remuneration based on factors such as responsibilities, time invested, etc.: According to Article 17-2 of the company's articles of association, "When directors of the company perform their duties, the company may pay remuneration regardless of the company's operating pro loss. The remuneration is authorized to be determined by the board of directors with reference to the usual standards of the industry. If the company has a surplus, remuneration will be distributed in accordance wit provisions of Article 31-1 of the articles of association." When measuring the company's current business scale and considering the company's current operating conditions, the company's policy and formulation of remuner to independent directors has a positive relationship with operating performance and future risks. The payment of remuneration to independent directors shall be submitted to the Board of Directors for resolution after approved by the Salary and Remuneration Committee.

2. In addition to what is disclosed in the table above, the remuneration received by the company's directors for providing services to all companies in the financial report (such asserving as non-employee consultants fo parent company/all companies in the financial report/reinvested enterprises, etc.) in the most recent year: None.

Note 1: The company’s directors’ remuneration and employee remuneration in 2025 were approved by the board ofdirectors on February 26, 2026.

Note 2: Remuneration of directors in 2025 (including directors’ salaries, job bonuses, severance pay, various bonuses, incentives, etc.).

Note 3: It is the amount allocated in 2025.

Note 4: This is the amount of directors’ remuneration approved by the board of directors on February 26, 2026.

Note 5: These are related business execution expenses of directors in 2025 (including travel expenses, special expenses, various allowances, dormitories, cars and other physical provisions, etc.).

Note 6: The amounts received by part-time directors and employees in 2025 include salary, job bonus, severance pay, various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, cars and other physical provisions. In addition, salary expenses recognized in accordance with IFRS 2"Share-based benefits", including obtaining employee stock option certificates, new shares with restricted employee rights, and participating in cash capital increases to subscribe for shares, etc., should also be included in remuneration.

Note 7: Employees who served as directors concurrently received employee remuneration (including stock dividends and cash bonuses) in 2025.

Note 8: The company does not prepare consolidated statements.

Note 9: Refers to the net profit after tax in 2025 of 515,179,000.

Note10: Please describe the policy, system, standard and structure of the remuneration payment to independent directors, and describe the correlation with the amount of remuneration based on factors such as responsibilities, risks, time invested and other factors: According to the company's articles of association and the "Directors" revised and approved by the board of directors on February 4, 2026 "Measures for the Management of Remuneration of Directors and Managers", the company's independent directors also serve as the audit and salary remuneration committee. In addition to annual fixed remuneration, directors' remuneration due to the company's operating conditions will be appropriately remunerated based on the time they invest and the risks they assume.

Note11: Remuneration, emoluments (including employee, direct or and supervisor remuneration) and business execution expenses and other related remuneration received by directors as directors, supervisors or managers of subsidiaries' external investment enterprises.

Remuneration scale table

The remuneration scales paid to various directors of the company (Unit: New Taiwan Dollars)	Director's name			
	Total of the first fourremunerations (A+B+C+D)		Total remuneration for the first seven items (A+B+C+D+E+F+G)	
	Our company	All companies in financial reports (H)	Our company	All companies in financial reports (I)
Less than 1,000,000	Huang Zhoujie, Qiu Qiying, Gong Zhihao, Huang Hongwen, Chen Zhaoting, Wang Tinghong, Xie Jiaying	Huang Zhoujie, Qiu Qiying, Gong Zhihao, Huang Hongwen, Chen Zhaoting, Wang Tinghong, Xie Jiaying	Huang Zhoujie, Qiu Qiying, Huang Hongwen, Chen Zhaoting, Wang Tinghong, Xie Jiaying	Huang Zhoujie, Qiu Qiying, Huang Hongwen, Chen Zhaoting, Wang Tinghong, Xie Jiaying
1,000,000 (inclusive) ~2,000,000 (exclusive)	-	-	-	-
2,000,000 (inclusive) ~3,500,000 (exclusive)	-	-	-	-
3,500,000 (inclusive) ~5,000,000 (exclusive)	Sunplus Technology	Sunplus Technology	Sunplus Technology	Sunplus Technology
5,000,000 (inclusive) ~ 10,000,000 (exclusive)	-	-	-	-
10,000,000 (inclusive) ~ 15,000,000 (exclusive)	-	-	Gong Zhihao	Gong Zhihao
15,000,000 (inclusive) ~ 30,000,000 (exclusive)	-	-	-	-
30,000,000 (inclusive) ~ 50,000,000 (exclusive)	-	-	-	-
50,000,000 (inclusive) ~ 100,000,000 (exclusive)	-	-	-	-
More than 100,000,000	-	-	-	-
Total	8 people intotal	8 people intotal	8 people intotal	8 people intotal

(2) Supervisor’s remuneration: Not applicable.

(3) Remuneration of the general manager and deputy general manager:

December 31, 2025; Unit: Thousand New Taiwan Dollars

Job title	Name	Salary(A)(Note 1)		Retirementpension (B)(Note 2)		Bonuses and special expenses, etc. (C) (Note 3)		Amount of employee compensation (D) (Note 4)				The total amount of four items A, B, C and D and their proportion to net income after tax (%)		Receipt of remuneration from the subsidiary's external investment enterprise or the parent company
		Our company	All companies in financial reports (Note 6)	Our company	within financial reports All companies(Note 6)	Our company	All companies in financial reports (Note 6)	Our company		All companies included in financial reports (Note 6)		Our company	All companies included in financial reports (Note 6)	
								cash red Interest amount	stock red Interest amount	cash red Interest amount	stock red Interest amount			
General Manager (Note 7)	Gong Zhihao	6,015	-	216	-	15,415	-	-	-	-	-	21,646/ 4.20%	-	none
Executive Vice President(Note 8)	Tsai ChienChung													

Note 1: It refers to the salary, job bonus and severance pay of supervisors above the deputy general manager in 2025.

Note 2: It is the amount allocated in 2025.

Note 3: It refers to the amount of various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, cars and other in-kind provisions and other remuneration for those in charge of the deputy general manager or above in 2025. In addition, salary expenses recognized in accordance with IFRS 2 "Share-based benefits", including obtaining employee stock option certificates, new shares with restricted employee rights, and participating in cash capital increases to subscribe for shares, etc., should also be included in remuneration.

Note 4: Remuneration amount for the general manager and deputy general manager: None.

Note 5: Refers to the net profit after tax in 2025 of 515,179,000.

Note 6: The company does not prepare consolidated statements.

Note 7: Mr. Gong Zhihao resigned as general manager on January 1, 2026.

Note 8: Executive Vice President Tsai ChienChung was promoted togeneral manager on January 1, 2026.

Remuneration scale table

Remuneration levels to be paid to each general manager and deputy general manager of the company	Name of general manager and deputy general manager	
	Our company	All companies in financial reports (E)
Less than 1,000,000	-	-
1,000,000 (inclusive) ~ 2,000,000 (exclusive)	-	-
2,000,000 (inclusive) ~ 3,500,000 (exclusive)	-	-
3,500,000 (inclusive) ~ 5,000,000 (exclusive)	-	-
5,000,000 (inclusive) ~ 10,000,000 (exclusive)	-	-
10,000,000 (inclusive) ~ 15,000,000 (exclusive)	Gong Zhihao, Tsai ChienChung	Gong Zhihao, Tsai ChienChung
15,000,000 (inclusive) ~ 30,000,000 (exclusive)	-	-
30,000,000 (inclusive) ~ 50,000,000 (exclusive)	-	-
50,000,000 (inclusive) ~ 100,000,000 (exclusive)	-	-
More than 100,000,000	-	-
total	2 people intotal	2 people intotal

(4) The name of the manager who distributes employee remuneration and the distribution situation:

The employee compensation distributed by the Company in 2025 is not planned to be distributed to managers.

(5) Remuneration information of the top five executives with the highest remuneration: The company does not have the following circumstances, so there is no need to disclose this information.

1. Those who have experienced after-tax losses in individual or individual financial reports in the past three years.
2. Those whose corporate governance evaluation results in the most recent year are in the last level two, or those who have had their trading methods changed, ceased trading, terminated listing on the OTC in the most recent year and as of the date of publication of the annual report, or who have been deemed by the Corporate Governance Evaluation Committee to be ineligible for evaluation.

(6) Acomparative analysis of the proportion of the total remuneration paid to the company's directors, supervisors, general managers and deputy general managers in the last two years by the company and all companies in the consolidated financial statements to the net income after tax of individual or individual financial reports, and explain the policies, standards and combinations of remuneration, the procedures for setting remuneration, and the correlation with operating performance and future risks:

1. Analysis of the total remuneration paid to the company's directors, supervisors, general manager and deputy general manager in the last two years by the company and all companies in the consolidated statement as a proportion of the net income after tax:

Unit: NT$ thousand;%

<table>
<tr><td rowspan="2">year
job title</td><td colspan="2">Year 2024</td><td colspan="2">Year 2025</td></tr>
<tr><td>Total remuneration</td><td>Proportion of net profit after tax</td><td>Total remuneration</td><td>Proportion of net profit after tax</td></tr>
<tr><td>director</td><td rowspan="2">29,125</td><td rowspan="2">6.04</td><td rowspan="2">31,595</td><td rowspan="2">6.13</td></tr>
<tr><td>General Manager and Deputy General Manager</td></tr>
</table>

2. The policy, standard and combination of remuneration payment, the procedure for setting remuneration and its correlation with operating performance and future risks:

The company pays directors' remuneration in accordance with the provisions of the company's articles of association and with reference to the general standards of its peers.

The remuneration policy of the management team is to provide reasonable remuneration based on the salary level of the position and the industry market, as well as the performance achievement rate of the company's operations and individuals in each area of responsibility.

According to the company's articles of association, if the company makes a profit in the current year, it shall allocate no less than 1% as employee remuneration (no less than 10% of the amount of employee remuneration in this item shall be allocated to grassroots employees) and no more than 1%. Five is direct or’s remuneration. However, if the company still has accumulated losses (including adjustments to the amount of undistributed surplus), it should reserve the amount to make up for it in advance.

The proportion of directors' remuneration distribution is based on comprehensive evaluation results such as mastery of the company's goals and tasks, degree of participation in company operations, internal relationship management and communication, and directors' professional and continuing education.

The company's managers' salaries and remunerations are determined by referring to the normal payment situation of peers, and also taking into consideration professional seniority, work performance, annual goal achievement, major contributions and other evaluation items. Important evaluation items for work performance include: the implementation of the company's core values, the management of financial and operational indicators(such as product revenue, gross profit, delivery and R&D schedule), the implementation of corporate social responsibilities, and the measurement of other special contributions, or major events, etc. After comprehensive consideration, reasonable remuneration will be given.

3. Corporate governance operations

(1) Operations of the board of directors

1. The company's board ofdirectors held a total of 8 meetings in 2025. The attendance of directors was as follows:

<table>
<tr><th>Job title</th><th>Last name(Note 1)</th><th>Actual number of seats[B]</th><th>Number of delegated attendances</th><th>Actual attendance rate (%) [B/A]</th><th>Remark</th></tr>
<tr><td>Chairman</td><td>Representative of Sunplus Technology (Co., Ltd.): Huang Zhoujie</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td>Director</td><td>Representative of Sunplus Technology (Co., Ltd.):Qiu Qiying</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td>Director</td><td>Gong Zhihao</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td>Director</td><td>Huang Hongwen</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td>independent director</td><td>Chen Zhaoting</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td>independent director</td><td>Wang Tinghong</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td>independent director</td><td>Xie Jiaying</td><td>8</td><td>-</td><td>100%</td><td>none</td></tr>
<tr><td colspan="6">Other matters that should be recorded:
1. If the operation of the board of directors falls under any of the following circumstances, the date, period, content of proposals, opinions of all independent directors and the company's handling of the opinions of independent directors should be stated:
(1) Matters listed in Article 14-3 of the Securities and Exchange Act: The company has established an audit committee, and the provisions of Article 14-3 do not apply. For an explanation of the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the Operations of the Audit Committee.
(2)Except for the matters mentioned above, other matters resolved by the board of directors that have been opposed or reserved by independent directors and have records or written statements: No such situation.
2. When a director implements the revocation of an interest-related proposal, the director's name, content of the proposal, reason for recusal and participation in voting shall be stated:
<table>
<tr><th>Board date</th><th>Director's name</th><th>Discussion items</th><th>avoidance reasons</th><th>Voting situation</th></tr>
<tr><td>2025.01.15</td><td>GongZhihao</td><td>113. Discussion of year-end bonus payment (including managers).</td><td>Interests Relevant person</td><td>It was approved by the remaining directors present without objection.</td></tr>
<tr><td>2025.02.26</td><td>Huang Zhoujie
Wang Tinghong</td><td>Discuss the proposal to lift the non-competition restrictions on the directors and representatives of the company.</td><td>Interests Relevant person</td><td>(1) After the Acting Chairman consulted all directors present, the case of lifting Chairman Huang Zhoujie's non-competition was passed without objection.</td></tr>
</table>
</td></tr>
</table>

				(2) After the chairman consulted all ordinary directors present, the case of lifting the non-competition ban of independent director Wang Tinghong was passed without objection.
2025.04.24	GongZhihao	Discussion plan on the distribution of annual Dragon Boat Festival bonuses (including managers).	Interests Relevant person	It was approved by the remaining directors present without objection.
2025.08.07	GongZhihao	1. Company-wide salary adjustment and manager salary adjustment discussion proposal for 2025. 2. Discussion plan on the distribution of Mid-Autumn Festival bonuses (including managers) for 2025.	Interests Relevant person	The resolution was passed without objection from the remaining directors present.
	Huang Zhoujie QiuQiying GongZhihao Huang Hongwen ChenZhaoting WangTinghong XieJiaying	3. Discussion on the distribution of directors' remuneration for 2024.	Interests Relevant person	(1) After the acting chairman consulted all independent directors present, the remuneration of ordinary directors was approved without objection. (2) After the chairman consults all ordinary directors present, the remuneration of independent directors shall be approved without objection.

Listed OTC companies should disclose information such as the evaluation cycle andperiod, evaluation scope, method and evaluation content of the board of directors' self- (or peer) evaluation, and fill in the attached table on the implementation status of the board of directors' evaluation: The company's board of directors passed a resolution on January 17, 2022 to amend the "Board of Directors Performance Evaluation Methods". The results of the performance evaluation of the Board of Directors and Functional Committees for the year 2025 were reported by the Board of Directors on February 26, 2026. Implementation status of board of directors evaluation:

Evaluation cycle (Note 1)	Evaluation period (Note 2)	Assessment scope (Note 3)	Assessment method (Note 4)	Assessment content (Note 5)
Executed once a year	January 1, 2025 to December 31, 2025	Board of Directors	Internal self-evaluation of the board of directors	Board performance evaluation: 1. Degree of participation in company operations. 2. Improve the decision-making quality of the board of directors. 3. Board composition and structure. 4. Selection and continuing education of directors. 5. Internal control.
Executed once a year	January 1, 2025 to December 31, 2025	individual board members	Self-evaluation of board members	Performance evaluation of individual board members: 1. Mastery of company goals and tasks. 2. Cognition of directors' responsibilities. 3. Degree of participation in company operations. 4. Internal relationship management and communication. 5. Professional and continuing education of directors. 6. Internal control.
Executed once a year	January 1, 2025 to December 31, 2025	audit committee	Self-evaluation of board members	Audit Committee Performance Evaluation: 1. Degree of participation in company operations. 2. Cognition of committee responsibilities. 3. Improve the quality of the committee's decision-making. 4. Committee composition and member selection. 5. Internal control.
Executed once a year	January 1, 2025 to December 31, 2025	Salary and Remuneration Committee	Self-evaluation of board members	Salary and Remuneration Committee Performance Evaluation: 1. Degree of participation in company operations. 2. Understanding of the responsibilities of the Salary and Remuneration Committee. 3. Improve the quality of the committee's decision-making. 4. Committee composition and member selection. 5. Internal control.

Note1:Fill in the execution cycle of the board of directors' evaluation, for example: once a year.

Note2:Fill in the period covered by the board of directors' evaluation, for example: evaluate the performance of the board ofdirectorsfrom January 1, 2019 to December 31, 2019.

Note3: The scope of evaluation includes the performance evaluation of the board of directors, individual board members and functional committees.

Note4: Evaluation methods include internal self-evaluation by the board of directors, self-evaluation by board members, peer evaluation, appointment of external professional organizations, experts or other appropriate methods for performance evaluation.

Note5: The assessment content includes at least the following items according to the assessment scope: (1) Board of Directors performance evaluation: at least include the degree of participation in company operations, the quality of the Board of Directors' decision-making, the composition and structure of the Board of Directors, the selection and continuous training of directors, internal control, etc. (2) Performance evaluation of individual director members: at least including the mastery of company goals and tasks, awareness of directors' responsibilities, degree of participation in company operations, internal relationship management and communication, directors' professional and continuing education, internal control, etc. (3) Functional committee performance evaluation: degree of participation in company operations, understanding of functional committee responsibilities, functional committee decision-making quality, functional committee composition and member selection, internal control, etc. 3.The goals of strengthening the functions of the board of directors in the current and recent years (such as establishing an audit committee, improving information transparency, etc.) and evaluation of implementation status: (1) The company has purchased "Directors and Managers Liability Insurance" todisperse the legal liability risks that directors and managers may bear when performing their duties in accordance with the law and to enhance the corporate governance mechanism. (2) In order to enhance the professional functionsof directors and implement corporate governance, the Company continues to arrange for directors to participate in corporate governance-related professional training courses. Related courses areplanned in 2025 and 2026 to strengthen the overall supervision and decision-making functions of the board of directors. (3) In order to enhance information transparency, the Companyhas set up a "Corporate Governance Zone" on the company'swebsite. (4) The company has set up three independent directors and formulated "Rules on the Scope of Responsibilities of Independent Directors" to facilitate the independent directors to exercise their powers; an audit committee has also been set up to replace the supervisory system and assist the board of directors in performing supervisory duties. (5) The company has a "Board of Directors Performance Evaluation Method" to conduct regular performance evaluations of the Board of Directors, board members and functional committees every year to continue to improve the operational effectiveness of the Board of Directors.

(2) The operation of the audit committee or the supervisor’s participation in the operation of the board of directors

1. Annual work priorities and operations of the Audit Committee:

(1) The Company’s Audit Committee consists of three independent directors. The professional qualifications and experience of the members are as follows:

Audit committee member	Professional qualifications and experience
Chen Zhaoting Independent Director	Mr. Chen Zhaoting has served as an independent director of the company for two terms. He once servedas anindependent director and member of the salary and remuneration committee of Jiade Co., Ltd. He currently serves as a practicing accountant at Shengxin United Accountants, and concurrently serves as a director of Xilejian Management Consulting Co., Ltd. and an independent director and member of the salary and remuneration committee of Yue Feng Technology (Co., Ltd.). He has more than 30 years of rich financial accounting experience. Mr. Chen Zhaoting has professional abilities in financial accounting, leadership decision-making, industrial experience and operation management. During his tenure as an independent director of the company, he was able to provide appropriate suggestions and guidance on the company's audit, financial and operating analysis. The Company relies on its expertise in the accounting and auditing fields to continue to strengthen its corporate governance and supervision mechanisms.

Wang Tinghong Independent Director	Mr. Wang Ting-hong has served as an independent director of the company for two terms. He once served as thelegal counselof Youwei Technology Co., Ltd. and a member of the Medical Review Committee of the Taichung City Government Health Bureau. Currently, he is the co-lawyer of Chongfa Law Firm, and concurrently serves as an independent director and member of the salary and remuneration committee of Reying Optoelectronics Co., Ltd. He also serves as the legal advisor of Terry Technology Co., Ltd. and the Taichung Dental Association. He has more than 30 years of legal practice experience. Mr. Wang Tinghong has professional abilities in law, leadership decision-making and operation management. During his tenure as an independent director of the company, he was able to provide appropriate advice and guidance on the company's legal compliance, risk control and governance matters. The company relies on its expertise in the legal field to continuously supervise the company's operations.
Xie Jiaying Independent Director	Mr. Xie Jiaying has served as an independent director of the company for two terms. He once served as an independent director and member of the salary and remuneration committee of Jiaze Terminal Industry Co., Ltd., and as an independent director and member of the salary and remuneration committee of Dingyuan Optoelectronics Technology Co., Ltd. He currently serves as a director of Chaoxiang Technology Co., Ltd., a director of Guangsheng Technology Co., Ltd., a director of Jiaze Terminal Industry Co., Ltd. and a director of Liangxun Technology Co., Ltd., and has rich industrial experience. Mr. Xie Jiaying has professional capabilities such as leadership decision-making, industrial experience and operation management. During his tenure as an independent director of the company, he was able to provide appropriate suggestions and guidance on board operations and corporate governance decisions. The Company relies on its expertise in the fields of industry and business management to continue to strengthen corporate governance and supervision mechanisms.

The main responsibilities of the company's audit committee are to assist the board of directors in performing supervisory duties, including reviewing financial reports, evaluating the effectiveness of the internal control system, supervising the risk management mechanism, appointing or dismissing certified public accountants, reviewing major asset transactions, endorsement guarantees and fund loans, raising or issuance of securities, etc., to ensure the sound operation of the corporate governance system.

(2) The audit committee’s work priorities for 2025 are as follows:

i. Review financial reports

The company's annual business report, financial report and earnings distribution proposal, etc., are all reviewed and approved by the Audit Committee and submitted to the Board of Directors for discussion. After the Board of Directors' resolutions are passed, they are submitted to the shareholders' regular meeting for approval.

ii. Assess the effectiveness of internal controls
The Company's internal units evaluate the internal control system and implementation on their own every year, and the audit unit reports to the Audit Committee on a regular basis, and submits revisions to the internal control system and the annual internal control system statement to the Audit Committee for review.

iii. Appointment of visa accountant
The company's audit committee evaluates the professionalism, independence and reasonableness of the appointment remuneration of certified accountants every year.

(4) The Company's Audit Committee held a total of 6 meetings in 2025. The attendance of the Audit Committee is as follows:

Job title	Name	Actualnum ber of seats	Attend by proxy frequency	Actual out(column) Attendance rate (%)	Remark
Independent director	Chen Zhaoting	6	-	100%	none
Independent director	Wang Tinghong	6	-	100%	none
Independent director	Xie Jiaying	6	-	100%	none

Other matters that should be recorded:

1. If the operation of the audit committee falls under any of the following circumstances, the date and period of theaudit committee meeting, the contents of the proposals, the objections, reservations or major recommendations of the independent directors, the results of the audit committee's resolutions and the company's handling of the audit committee's opinions should be stated:

(1)Matterslisted in Article 14-5 ofthe Securities and Exchange Act:

Audit Committee Date	Session	Discussion Items	Audit committee resolution results	The company's handling of the audit committee's opinions
2025.02.26	2-9	1. 113Annual Financial Statement Discussion Proposal. 2. Discussion on converting profits into capital and issuing new shares. 3. Discussion of the internal control system statement for 113 years. 4. Discussion on the appointment of accountants in 2025.	Passed without objection	The resolution was passed without objection by all directors present.
2025.04.24	2-10	Discussion of financial statements for the first quarter of 2025.	Passed without objection	The resolution was passed without objection by all directors present.
2025.08.07	2-12	Discussion of financial statements for the second quarter of 2025.	Passed without objection	The resolution was passed without objection by all directors present.

2025.10.30	2-13	1. Discussion case on the internal adjustment and replacement of certified accountants at Qinye United Accounting Firm. 2. Discussion of financial statements for the third quarter of 2025.	Passed without objection	The resolution was passed without objection by all directors present.
2025.12.23	2-14	Discussion proposal for revision of the company's management regulations (amendment of the company's "internal control system" and "internal audit implementationrules").	Passed without objection	The resolution was passed without objection by all directors present.

(2)Except for the matters mentioned above, other resolution matters that have not been approved by the audit committee but have been approved by more than two-thirds of all directors: This is not the case.

2. When an independent director recuses himself from an interest-related proposal, the name of the independent director, the contents of the proposal, the reason for his recusal and his participation in voting shall be stated:

Audit Committee Date	Name of independent director	Discussion items	avoidance reasons	Voting situation
2025.02.26	WangTinghong	Discuss the proposal to lift the non-competition restrictions on the directors and representatives of the company.	Interests Relevant person	(1) The lifting of the non-independent director's non-competition shall be approved by the chairman after consultation with all members present without objection. (2) Since the independent directors have their own interests in this case, individual votes are required to lift Mr. Wang Tinghong's non-competition as a director. After the chairman consulted all the members present, the proposal was passed without objection.

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

(1) Independent directors, internal audit supervisors, and accountants shall hold communication meetings at least once a year; if there are major unusual matters, or

matters that independent directors, audit supervisors, and accountants deem necessary to communicate independently, they may communicate at any time from time to time. (2) The company's internal audit manager regularly conducts audit business reports and discussions with the audit committee. (3) The company's audit committee has good communication with its certified accountants. (4) The Company's internal audit reported tothe independent directors at the 2025.2.26 communication meeting on the implementation status of the 2024 annual internal audit plan and its follow-up report. The implementation status and results of the audit business were fully communicated, and the independent directors expressed no opinions on the content of this communication. (5) The company's accountants communicatedwith the independent directors onthe audit results of the 2024 annual financial report at the communication meeting on 2025.2.26. The company's independent directors may at any time require the certified accountant to report and communicate with the independent directors on the financial statement audit results and other relevant legal requirements. The independent directors have expressed no opinion on the content of this communication.

2. Supervisor's participation in board operations**: N**ot applicable.

(3) Corporate governance operations and their differences and reasons from the code of practice for corporate governance of listed companies

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
1. Does the company formulate and disclose a code of corporate governance practice in accordance with the "Code of Practice for Corporate Governance of Listed Overseas Companies"?	ˇ		The company refers to the "Code of Corporate Governance Practice for Listed Overseas Companies" and formulates the "Code of Corporate Governance Practice", which is disclosed on the public information observatory and the company's website.	No significant differences.
2. Company equity structure and shareholders' rights and interests (1) Has the company established internal operating procedures to handleshareholder suggestions, doubts, disputes and litigation matters, and implemented them in accordance with the procedures?	ˇ		(1) In order to ensure the rights and interests of shareholders, the company has established a spokesperson mechanism to handle shareholder suggestions, doubts, disputes and litigation matters externally.	No significant differences.
(2) Does the company know the list of major shareholders who actually control the company and the ultimate controller of the major shareholders?	ˇ		(2)The company can master the list of major shareholders and their ultimate controllers, and disclose relevant shareholding changes in accordance with thelaw.	No significant differences.
(3) Has the company established and implemented risk control and firewall mechanisms between related enterprises?	ˇ		(3)All matters related to the company and related companies are handled in accordance with the internal control system, the company's "Measures for Handling Related Party Transactions" and relevant laws and regulations to effectively implement risk control and firewall mechanisms.	No significant differences.
(4) Has the company established internal regulations to prohibit company insiders from using undisclosed information in the market to buy and sell securities?	ˇ		(4) The company has formulated the "Management Procedures for the Disclosure of Major Internal Information and the Prevention of Insider Trading", which prohibits company insiders from using undisclosed information in the market to buy and sell securities. The handling and disclosure of major internal information of the company is handled exclusively by the spokesperson. Thirty days before the announcement of the 2025 annual financial report and fifteen days before the announcement of the quarterly financial report, the company issued anemail notice to remind the company's directors not to trade the company's stocks during the financial reporting period.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
3. Composition and Responsibilities of the Board of Directors (1) Has the board of directors formulated a diversity policy, specific management goals and implemented them regarding the composition of its members?	V		(1) Sunplus Innovation Technology has established a "Corporate Governance Code of Practice" and generally possesses the necessary professional knowledge, skills and qualities to perform their duties. The specific management objectives of the board diversity policy have been achieved: (a) The proportion of independent director seats is 42.85%, which is in line with the statutory proportion. (b) None of the independent directors has served more than three terms. (c) In order to strengthen the board of directors' understanding of the company's industry, the company has set a target ratio of directors with industry experience of 50%. Currently, the proportion of directors with industrial experience on the board of directors is 57%, which has achieved the set goal. (d) In additi on to the above, we also focus on gender equality in the composition of the board of directors. The target for the ratio of female directors is 10%. Currently, one of the board members is female, and the ratio hasreached 14%. In the future, we will continue to strive to increase the ratio of female directors.	No significant differences.
(2)In addition to setting up a salary and remuneration committee and an audit committee in accordance with the law, does the company voluntarily set up other functional committees?		V	(2) The company currently has a salary and remuneration committee and an audit committee in accordance with the law. In the future, other functional committees will be established in accordance with laws and actual needs assessment.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
(3) Has the company formulated a board of directors performance evaluation method and its evaluation method, conducts performance evaluations every year and regularly, and reports the results of performance evaluations to the board of directors, and uses them as a reference for individual directors' salary and remuneration and nomination and renewal?	V		(3) The company has established a "Board of Directors Performance Evaluation Method" to conduct self-evaluation of the Board of Directors, board members, and functional committees. Internal performance evaluations should be conducted at least once a year. The results will be used as a reference when selecting or nominating directors, and the performance evaluation results of individual directors will be used as a reference for setting their individual salaries and remunerations.	No significant differences.
(4) Does the company regularly evaluate the independence of certified accountants?	V		(4) The company regularly evaluates the competency and independence of certified accountants every year. The assessed certified accountants all meet the company's independence assessment standards (Note1), and was approved bythe Audit Committee and the Board of Directors on 2025.2.26. During the evaluation process, the Company refers to the AuditQuality Indicators (AQIs) (Note 2) and comprehensively considers factors such as the accountant's professional ability, audit quality, independence and audit service performance. The evaluation results show that the audit quality of certified accountants and firms is mostly in line with or better than that of peers, and no circumstances were found to affect their independence. The company has also obtained an independence statement from a certified accountant, confirming that it has complied with relevant professional ethics and maintained independence.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
4. Does a listed OTC company have a qualified and appropriate number of corporate governance personnel, and designate a corporate governance manager to be responsible for corporate governance-related matters (including but not limited to providing directors and supervisors with the information required to perform business, assisting directors and supervisors in complying with laws, handling matters related to board of directors and shareholders' meetings in accordance with the law, and preparing minutes of board of directors and shareholders' meetings, etc.)?	V		The company has deployed qualified corporate governance personnel and set up a corporate governance manager to be responsible for corporate governance-related matters. In order to strengthen the consistency of the group's corporate governance operations, the company passed the resolutionof the board ofdirectors on February 22, 2023, and Ms. Chen Meijuan, the corporate governance director of the parent company, concurrently serves as the company's corporate governance director, responsible for the company's corporate governance-related matters. The main responsibilities of the corporate governance officer are as follows: 1. Handlematters related to board of directors and shareholders’ meetings in accordance with the law. 2. Prepare minutes of board of directors and shareholders meetings. 3. Assistdirectors in taking office and continuing their education. 4. Providethe directors with the information they need to carry out their business. 5. Assistdirectors to comply with laws and regulations. 6. Reportto the board of directors the results of the review of whether the independent directors’ qualifications comply with relevant laws and regulations at the time of nomination, election and during their term of office. 7. Handle matters related to director changes. 8. Othermatters stipulated in the company's articles of association or contract. Please refer to (Note 3) for the 2025-year training status of corporate governance managers.	No significant differences.
5. Has the company established communication channels withstakeholders (including but not limited to shareholders, employees, customersand suppliers, etc.), set up a stakeholder area on the company website, and appropriately responded to important corporate social responsibility issues of concern to stakeholders?	V		The company has set up a "stakeholder area" on the company website, which mainly targets five major categories of stakeholders: government/competent authorities, shareholders/investors, employees, customers, and suppliers, and communicates through the relevant corresponding windows.The communication situation with stakeholders is reported to the board of directors every year, and the latest reporting date is December 23, 2025.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
6. Does the company appoint a professional stock affairs agency to handle shareholders' meeting affairs?	V		The company entrusts the agency department of China Trust Commercial Bank to handle stock affairs and shareholders' meeting affairs.	No significant differences.
7. Information Disclosure				
(1) Does the company set up a website to disclose financial business and corporate governance information?	V		(1)The company's website (http//www.sunplusit.com) discloses financial business and corporate governance information.	No significant differences.
(2) Does the company adopt other methods of information disclosure (such assetting up an English website, designating a person responsible for collecting and disclosing company information, implementing a spokesperson system, placing the company website during corporate briefings, etc.)?	V		(2) The company's financial business and corporate governance information are disclosed to the outside world through the company's website and public information observatory. There are also spokespersons and acting spokespersons who will give unified speeches to the outside world, and relevant information about the corporate briefing will also be simultaneously disclosed on the company website and the public information observatory.	No significant differences.
(3)Does the company announce and submit its annual financial report within two months after the end of the fiscal year, and announce and submit its first, second, and third quarter financial reports and operating conditions for each month in advance before the prescribed deadline?		V	(3)The company's 2025 financial reportwas not announced and filed within two months after the end of the fiscal year; however, the first, second,and third quarter financial reports and operating income for each month were reported and announced before the deadline in accordance with the relevant regulations of the competent authority.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
8. Does the company have other important information that is helpful for understanding the operation of corporate governance (including but not limitedto employee rights, employee care, investor relations, supplier relations, rights of stakeholders, directors and supervisors' further education, implementation of risk management policies and risk measurement standards, implementation of customer policies, the company's purchase of liability insurance for directors and supervisors, etc.)?	V V		1. Employee rights and interests: The companyestablishes smooth communication channels with employees, maintains good labor relations, shares profits together, and protects employees' legal rights in accordance with the Labor StandardsLaw. 2. Employee care: The company regularly conducts employee health examinations and other activities to care for the health of employees, and has established an employee welfare committee to improve employee welfare. It also holdsregular labor-management meetings and sets up a suggestion box to understand the opinions of both parties to achieve a win-win situation for labor and management. 3. Investor relations: The company convenes shareholders' meetings every year in accordance with the provisions of the Company Law and relevant laws. It also gives shareholders ample opportunities to ask questions or make proposals, and has a spokesperson system to handle shareholder suggestions, doubts and disputes. The company also handles relevant information announcement and declaration matters in accordance with the regulations of the competent authorities, and provides timely information that may affect investors' decision-making. 4. Supplier relations: The company, its suppliers andfinancial institutions all proceed in accordance with contracts and relevant operating regulations to safeguard the legitimate rights and interests of both parties. 5. Rights of stakeholders: The company has set up a special area for stakeholders to provide smooth communication channels with stakeholders and respect and safeguard their legitimate rights and interests. 6. Directors' further training: The company's directors all have industrial backgrounds or practical experience in business management in their professional fields. The company arranges further training courses for directors in accordance with regulations. 7. Implementation of risk management policies and risk measurement standards: The company has an "internal control system" covering all operating activities, and implements the company's internal audit operations to strengthen the supervision and management of each unit. 8. Implementation of customer policies: The company maintains open communication channels with customers and maintains good relationships. 9. The company purchases liability insurance for directors every year.	No significant differences. No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Practice for Corporate Governance of Listed Overseas Companies
	yes	no	Summary description	
9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures: (It is not necessary for a company which is not evaluated to fill this column) The following is a list of the improvements that have been made and the priorities and measures for those that have not yet been improved： (1) In 2022, the Company established succession planning for board members and key management levels and disclosed its operation on the Company's website. (2) Regular reports on the implementation of ethical corporate management were presented to the Board of Directors in 2022. (3) Regular reports on communication with stakeholders were presented to the Board of Directors in 2022. (4) In 2022, the Company disclosed information related to governance, strategy, risk management, indicators, and objectives of climate-related risks and opportunities following the Task Force on Climate-related Financial Disclosures (TCFD) framework. (5) In 2023, the Board of Directors of Company appointed the Corporate Governance Officer of the parent company, Sunplus Technology Co., Ltd., to serve concurrently. The scope of authority and continuing education status are disclosed on the Company's website and in the annual report. (6) In 2023, the Company established "Regulations Governing Related Party Transactions" and disclosed on the Company's website. (7) In 2023, the Company established a workplace diversity policy and disclosed its implementation status on the Company's website. (8) The Company's website disclosed its supplier management policy in 2024, requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor rights, and explaining the implementation status. (9) The Company established a policy on board diversity in 2024 and disclosed the specific management objectives and implementation status of the diversity policy on the Company's website and annual report. (10)) In 2024, the Company disclosed on its website the communication between independent directors and internal audit officers, and accountants (e.g., methods, matters, and results of communication on financial reports and financial business conditions). (11) In 2025, the Company prepared its first sustainability report in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI) and obtained third-party verification, uploading the sustainability report to the Market Observation Post System and the Company's website.				

Note1: Accountant independence assessment items

Assessment project	Assessment results	Is it consistent with independence?
1. Whether the accountant has a direct or significant indirect financial interest relationship with the company	no	yes
2. Whether the accountant has any financing or guarantee activities with the company or its directors	no	yes
3. Whether the accountant has a close business relationship and potential employment relationship with the company	no	yes
4. Whether the accountants and members of the audit team currently or in the last two years have served as directors, managers or positions that have significant influence on the audit work in the company	no	yes
5. Whether the accountant has provided non-audit services to the company that may directly affect the audit work	no	yes
6. Whether the accountant has brokered stocks or other securities issued by the company	no	yes
7. In addition to business permitted by law, whether the accountant represents the defense of legal cases or other disputes between the company and third parties	no	yes
8. Whether the accountant has a family relationship with the company's directors, managers or persons who have a significant influence on the audit case?	no	yes

Note 2: There are 13 indicators in 5 aspects of Audit Quality Index (AQIs).

Aspect One: Specialization	Measure the focus
1-1 Checkexperience	Whether senior auditors have sufficient audit experience to perform audit work.
1-2 training hours	Whether accountants and senior auditors receive adequate education and training every three years to continue to acquire professional knowledge and skills.
1-3 turnover rate	Whether the firm maintains sufficient senior human resources.
1-4 professional support	Whether the firm has sufficient professionals(such as evaluators)to support the audit team.
Aspect 2: Quality Control	Measure the focus
2-1 accountant load	Is the accountant's workload too heavy?
2-2 Checkinvestment	Check whether team members' input at each stage is appropriate.
2-3Case EQCR	Whether the EQCR accountant devotes sufficient time to perform the review of the audit case.
2-4 Qualitycontrol support capabilities	Whether the firm has sufficient quality control manpower to support the audit team.
Aspect Three: Independence	Measure the focus
3-1 Non-audit services are publicly funded	The impact of the proportion of public funding for non-audit services on independence.
3-2 Customer familiarity	The impact of the cumulative number of audit cases on the firm's annual financial report on independence.
Aspect 4: Supervision	Measure the focus
4-1 Externalinspection deficiencies and penalties	Whether the firm's quality control and audit cases are implemented in accordance with relevant laws and standards.
4-2 The competent authority issues a letter to improve the	Whether the firm's quality control and audit case rooms comply with relevant laws and standards.
Aspect 5: Innovation ability	Measure the focus
5-1 Innovation ability	Accounting firms' commitment to improving audit quality, including accounting firm innovation capabilities and planning.

Note3. Corporate governance supervisor's 2025 training status:

date	Organizer	Course name	hours
2025.09.03	Corporate Management and Sustainable Development Association of the Republic of China	Huida's Three-Gigabit Miracle: New Thinking on the Semiconductor Industry Revolution Behind Artificial Intelligence	3hours
2025.09.26	Securities and Futures Market Development Foundation of the Republic of China	2025th Annual Insider Trading Prevention Promotion Conference	3hours
2025.11.27	Corporate Management and Sustainable Development Association of the Republic of China	Promote sustainable development of enterprises through risk management	3hours
2025.12.03	Corporate Management and Sustainable Development Association of the Republic of China	Intellectual property rights, rights protectionand AI-related issues	3hours

(4) If the company has a salary and remuneration committee, its composition, responsibilities and operations should be disclosed

The company has set up a salary and remuneration committee to assist the board of directors in evaluating and formulating salary and remuneration policies and systems for directors and managers to ensure that the remuneration system is reasonable and competitive. The Salary and Remuneration Committeeis composed of threeindependent directors of the Company. Independent Director Chen Zhaoting serves as the convener, and Independent Directors Wang Tinghong and Xie Jiaying serve as members. It regularly (at least once a year) reviews the policies and systems for direct or performance evaluation and salary remuneration; regularly evaluates and reviews the salaries and remuneration of directors and managers, employee reward tools or other employee incentive plans.

1.Salary and Remuneration Committee Member Information

March 31,2026

Condition / Separation	Name	Professional qualifications and experience	Independence situation	Serves as the salary and remuneration committee of other publicly traded companies Number of members
independent director salary committee convene people	Chen Zhaoting	Please refer to (2) Director Information 1. Professional Qualifications of Directors and Supervisors and Information Disclosure on the Independence of Independent Directors		1
independent director	Wang Tinghong			1
independent director	Xie Jiaying			-

2. Salary and Remuneration Committee Responsibilities

Members of this committee shall faithfully perform the following duties and powers with the care of good managers, be accountable to the board of directors, and submit their suggestions to the board of directors for discussion:

(1) Formulate and regularly review policies, systems, standards and structures for performance evaluation and salary remuneration of directors and managers.

(2) Regularly evaluate and set the salary and remuneration of directors and managers. When the salary and remuneration committee performs its duties, it shall be based on the following standards:

(A) Ensure that the company's salary and remuneration arrangements comply with relevant laws and regulations and are sufficient to attract outstanding talents.

(B) The performance evaluation and salary remuneration of directors and managers should refer to the usual level of payment in the industry, and take into account the time invested by the individual, the responsibilities assumed, the achievement of profit center goals, the performance of other positions, the salary and remuneration the company has given to people with equivalent positions in recent years, and the reasonableness of the relationship between individual performance and the company's operating performance and future risks based on the achievement of the company's short-term and long-term business goals, the company's financial status, etc.

(C) Directors and managers should not be led to engage in behavior that exceeds the company's risk appetite in pursuit of salary remuneration.

(D) The proportion of dividends and the payment timing of some variable salary remunerations for directors and senior managers based on their short-term performance should be determined by taking into account the characteristics of the industry and the nature of the company's business.

(E) Members of this committee are not allowed to participate in discussions and votes on their personal salary and remuneration decisions.

3.Information on the operation of the Salary and Remuneration Committee

(1) The company's salary and remuneration committee has 3 members.

(2) The term of the first term of membership: August 17, 2020 to June 15, 2023. The term of the second term of membership: July 3, 2023 to June 14, 2026. The Salaryand Remuneration Committee met 4 times in the most recent year (2025) (A). The attendance of the members is as follows:

Job title	Name	Actual attendance Times(B)	Attend by proxy frequency	Actual attendance rate (%)(B)/(A)	Remark
convener	Chen Zhaoting	4	-	100%	none
member	Wang Tinghong	4	-	100%	none
member	Xie Jiaying	4	-	100%	none

Other matters that should be recorded:

1. If the board of directors does not adopt or amend the recommendations of the salary and remuneration committee, it should state the date, period, content of the proposal, the results of the board of directors' resolution, and the company's handling of the opinions of the salary and remuneration committee (if the salary and remuneration approved by the board of directors is better than the recommendation of the salary and remuneration committee, the differences and reasons should be stated): None.
2. If a member has objections or reservations about matters decided by the Salary and Remuneration Committee and there is a record or written statement, the date, period, content of the proposal, all member opinions and the handling of the member's opinions should be stated: None.
3. The salary and remuneration committee in the most recent year met to review and evaluate the company's salary and remuneration information as follows:

date	Session	Discussion Items	Resolution result	The company's handling of the opinions of the salary and remuneration committee
2025.01.15	2-6	Discussion of year-end bonus payment (including managers) for Year 2024.	The resolution was passed with the consent of all members present.	Submission to the board of directors and avoidance of interests in accordance with the law shall be approved by the consent of all directors present.
2025.02.26	2-7	Discussion on the distribution of employee remuneration and director remuneration for year 2024.	The resolution was passed with the consent of all members present.	Proposals to the board of directors must be approved by all directors present.

	2025.04.24	2-8	Discussion plan on the distribution of annual Dragon Boat Festival bonuses (including managers) for year 2025.	The resolution was passed with the consent of all members present.	Submission to the board of directors and avoidance of interests in accordance with the law shall be approved by the consent of all directors present.
	2025.08.07	2-9	1. Company-wide salary adjustment and manager salary adjustment discussion proposal for 2025. 2. Discussion plan for Mid-Autumn Festival bonuses(including managers) for year 2025.	The resolution was passed with the consent of all members present.	Submission to the board of directors and avoidance of interests in accordance with the law shall be approved by the consent of all directors present.
			3. Discussion on the distribution of directors' remuneration in for Year 2024.	The avoidance of interests shall be carried out in accordance with the law and shall be adopted with the consent of all members present.	

(5) Implementation of promoting sustainable development and differences and reasons from the code of practice for sustainable development of listed companies

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
1. Has the company established a governance structure to promote sustainable development, and set up a full-time (part-time) unit to promote sustainable development, with the board of directors authorizing senior management to handle the matter, and what is the situation of board supervision?	V		The company has formulated the "Code of Practice for Sustainable Development", which was approved by the board of directors and reported at the shareholders' meeting, and set up a part-time unit of the "Sustainability Promotion Team"in 2022. In order to implement and deepen the spirit of sustainability in daily operations,the unit was renamed "Sustainability Promotion Team" in July 2024 "Implementation Committee" (Note 1). Due to the company's organizational adjustment, the general manager has been the chairman of the Sustainability Implementation Committee since 2026. Under the committee, there are three working groups: "Operation Governance", "Environment", and "Care", each composed of relevant power and responsibility teams. Through irregular meetings, the Sustainability Implementation Committee identifies major sustainability issues and risks related to operating activities and stakeholder concerns based on the principle of materiality. Each working group formulates relevant management policies, short, medium and long-term goals and specific implementation measures according to the assigned topics, and timely tracks the effectiveness of measures and target performance status to ensure that the sustainable development strategy is fully implemented in the company's daily operations. The chairman of the Sustainability Implementation Committee reports to the Board of Directors at least once a year on the results of sustainable development implementation and strategic planning for future sustainability work.	No significant differences.
2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	V		The company's "Sustainability Implementation Committee" refers to global sustainability disclosure standards and regulations of competent authorities, and based on the principle of materiality, identifies major risk projects and sustainability issues in the environmental, social, and corporate governance aspects that are of concern to stakeholders, including R&D and innovation, information security, customer service, sustainable supply chain, energy conservation and carbon reduction, labor-management communication, and occupational safety and health.A total of 7 sustainability issues are regarded as major issues for the company to promote sustainable management and formulate corresponding strategies (Note 2).	No significant differences.

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
3. Environmental issues (1) Has the company established an appropriate environmental management system based on its industrial characteristics?	V		Our company is an integrated circuit design company and all product manufacturing is outsourced. It is a low-energy-consuming industry. However, in order to reduce environmental impact, the company does not use banned substances and raw materials, saves energy and prevents environmental pollution, and promotes relevant policies to colleagues and suppliers to comply with relevant environmental protection regulations of the government and customers. In accordance with international environmental protection regulations and customer requirements, the company has established an environmentally controlled substance management process, promoted green procurement, and used a green product management system to review raw material and packaging material test reports. In terms of manufacturing processes, manufacturers are required to sign a guarantee not to use environmentally harmful substances. In accordance with the Waste Disposal Law stipulated by the Ministry of Environment, relevant management procedures and safety and health management procedures for waste disposal are formulated. Industrial waste is controlled, classified and stored in accordance with laws and regulations, and then entrusted to a cleaning vendor approved by the competent authority for disposal. There were no violations of laws and regulations or customer agreements in 2025. Every year, we use energy conservation projects to maximize energy efficiency and reduce carbon emissions year by year 2025 completed the reduction of LED light tubes in the aisles and windows and deactivated some electrical equipment to save energy, and annual air conditioning system maintenance to increase energy efficiency. Encourage colleagues to use public transportation when traveling to reduce the use of gasoline in official vehicles. Implement office computer hibernation, automatically shut down computing hosts, and use virtual hosts instead of physical hosts to save power. Promote electronic sign-off, promote double-sided printing to reduce paper usage, use zero disposable tableware policies, and reduce domestic waste. Set up resource recycling bins to accurately classify garbage to achieve waste reduction.	No significant differences.
(2)Is thecompany committed to improving energy efficiency and using recycled materials with low impact on the environment?	V		(2)The company continues to promote energy conservation projects by taking inventory of old and energy-consuming equipment and replacing them, replacing them with energy-saving products, improving energy efficiency, decommissioning some energy-consuming equipment, and reducing energy consumption and waste. Although office operations are not high-energy-consuming areas, carbon emissions can be significantly reduced through effective energy-saving and carbon-reducing measures. The year 2024 has been set as the base year, and the short, medium and long-term goals are to reduce carbon emissions by 1~2% per year.	No significant differences.

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			The responsible unit will conduct data collection and evaluation every year as a basis for continuous improvement. The 2025-year action plan to improve energy efficiency will reduce carbon emissions by approximately 16.5735 metric tons of CO_2e: (1) Continue to implement the paperless policy. (2) Encourage employees to use public transportation when traveling to reduce gasoline consumption and greenhouse gas emissions in official vehicles. (3) Implement office computer hibernation to save power and RD computing host to automatically turn on and off to save standby power. (4) Real-time monitoring of office energy usage, daily announcements and reminders to colleagues to save energy. (5) Annual air conditioning system maintenance includes maintenance and upkeep of the air conditioner in the computer room, cleaning the cooling water tower, central air conditioning blower and return panel sponge to reduce dust accumulation and increase energy efficiency. (6) 3A2 removed some of the walkway and window lamps, a totalof 43 18W LED lamps, and 16 10W LED lamps to reduce lighting electricity consumption. (7) Disable power-consuming vending machines and old refrigerators. The company's overall energy usage structure is mainly divided into two types of energy consumption. The first category is the electricity required for company operations, which accounts for the largest proportion, and the second category of consumption is the use of gasoline for official vehicles. In terms of electricity consumption, the total electricity consumption in 2025 was 290,313 kilowatt-hours, compared with the total electricity consumptionin 2024 of 275,030 kilowatt-hours (the original total electricity consumption in 2024 was updated to 440,844 kilowatt-hours, due to changes in classification and updated emission coefficients),an increase of 15,283 kilowatt-hours (5.56%). This was mainly due to the increase in electricity consumption in the 1B7 office and imaging laboratory, resulting in an increase in the total electricity consumption in 2025. In terms of automobile fuel consumption, it has been declining for two consecutive years. In 2025, the proportion of employees using public transportation for business trips increased,so the use of gasoline for official vehicles dropped by 7.50% compared with 2024,with a total decrease of 188 liters. In the future, Sunplus Innovation will continue to monitor energy usage in each year through energy consumption inventory. Due to the constraints of renting an office, the company is unable to purchase green electricity for use. In order to achieve the mid- to long-term carbon reduction and 2050 net-zero goals, the company will plan to purchase green electricity certificates in the short term and continue to evaluate the feasibility of purchasing renewable energy.	

<table>
<tr><td rowspan="2">Promote projects</td><td colspan="3">Operational situation</td><td rowspan="2">Differences from the code of practice for sustainable development of listed companies circumstances and reasons</td></tr>
<tr><td>yes</td><td>no</td><td>Summary description</td></tr>
<tr><td>(3)Has the company assessed the potential risks and opportunities that climate change poses to the company now and in the future, and has taken relevant response measures?</td><td>V</td><td></td><td>(3)In order to reduce the impact of climate change on the company's operations and reduce the impact of the company's operations on the environment, in addition to improving product efficiency and focusing on green products, we also promote and implement energy conservation and carbonreduction in daily operations to achieve the goal of strengthening environmental protection; please refer to the climate risk assessment with reference to the (TaskForce on Climate-related Financial Disclosures, TCFD) framework (Note3).</td><td>No significant differences.</td></tr>
<tr><td>(4)Has the company collected statistics on greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, water use reduction or other waste management?</td><td>V</td><td></td><td>(4)Our company is an IC design company, with all operations in the office building, engaged in product design, research and development, and sales. Manufacturing-related wafer manufacturing, packaging, testing and other production operations are entrusted to professional foundries, so no large amounts of air pollution, waste water, waste, greenhouse gas emissions and other items that may cause environmental impact are produced.
(1) Greenhouse gas emissions
The company conducted carbon emission inventory with reference to ISO 14064-1: 2018 and GHG Protocol. The carbonemission statistics for the past two years are as follows:
※Direct greenhouse gas emissions(Scope 1)
This includes emissions sources owned or controllable by the company, such as oil used in official vehicles and refrigerant emissions from equipment, including constant temperature and humidity machines in laboratories, independent air conditioners in computer rooms, refrigerators, etc.
※Indirect energy greenhouse gas emissions (Scope 2)
Sunplus Innovative Energy's indirect greenhouse gas emissions all come from electricity purchased from Taipower, which is mainly self-consumption of the company's offices.
※Other indirect greenhouse gas emissions(Scope 3)
Sunplus Innovation's other indirect greenhouse gas emissionsare disclosed in the following nine categories according to the GHG Protocol: purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, upstream rental assets, downstream transportation and distribution.</td><td>No significant differences.</td></tr>
</table>

<table>
<tr><td rowspan="2">Promote projects</td><td colspan="3">Operational situation</td><td rowspan="2">Differences from the code of practice for sustainable development of listed companies circumstances and reasons</td></tr>
<tr><td>yes</td><td>no</td><td>Summary description</td></tr>
<tr><td>(4)Has the company collected statistics on greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, water use reduction or other waste management?</td><td>V</td><td></td><td>Due to the update of greenhouse gas inventory methods and emission coefficients starting from 2025, the company recalculated the emissions for 2024 in accordance with the international greenhouse gas inventory principles to ensure the consistency and comparability of annual data:

<table>
<tr><td colspan="2">Emission source type</td><td>Scope 1</td><td>Scope 2</td><td>Scope 3</td><td>Total emissions Equivalent</td></tr>
<tr><td rowspan="2">Year 2024 (updated)</td><td>Emission equivalent (metrictons CO2e/year)</td><td>10.7193</td><td>130.3642</td><td>7,217.4033</td><td>7,358.4869</td></tr>
<tr><td>Proportion by category(%)</td><td>0.15%</td><td>1.77%</td><td>98.08%</td><td>100%</td></tr>
<tr><td rowspan="2">Year 2025</td><td>Emission equivalent (metrictons CO2e/year)</td><td>10.2704</td><td>137.6084</td><td>8,653.7951</td><td>8,801.6739</td></tr>
<tr><td>Proportion by category(%)</td><td>0.12%</td><td>1.56%</td><td>98.32%</td><td>100%</td></tr>
</table>

Note1:The above carbon emission data are all self-inspected data and are expected to be verified by a third party in 2027.
Note2: The statistical method is calculated using the "emission coefficient method". The emission coefficient of purchased electricity follows the electricity carbon emission coefficient announced by the Energy Bureau of the Ministry of Economic Affairs. It is 0.474 (kgCO_2es /kWh) in 2024. The coefficient in 2025 has not been announced as of the date of publication,so the coefficient in 2024 is used.
Note 3: Emissions calculations are based on our company.
Note4: Other indirect greenhouse gas emissions (Scope 3) were disclosed for the first time in 2025, and the emission data for the base year (2024) were updated at the same time.</td><td>No significant differences.</td></tr>
</table>

<table>
<tr><th rowspan="2">Promote projects</th><th colspan="3">Operational situation</th><th rowspan="2">Differences from the code of practice for sustainable development of listed companies circumstances and reasons</th></tr>
<tr><th>yes</th><th>no</th><th>Summary description</th></tr>
<tr><td>(4)Hasthecompany collected statistics on greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, water use reduction or other waste management?</td><td>V</td><td></td><td>Original data revealed in 2024:
<table>
<tr><th colspan="2">Emission source type</th><th>Scope 1</th><th>Scope 2</th><th>Total emissions Equivalent</th></tr>
<tr><td rowspan="2">Year 2024</td><td>Emission equivalent (metrictons CO2e/year)</td><td>9.5610</td><td>217.7770</td><td>227.3380</td></tr>
<tr><td>Proportion by category(%)</td><td>4.21%</td><td>95.79%</td><td>100%</td></tr>
</table>
Note:
1. Calculated based on year 2023 electricity carbon emission coefficientCO_2e of 0.494 (kg/kWh)
2. Scope 2 also includes carbon emissions from electricity consumption thatdoesnot have operational control (leased electricity, etc., allocated on a proportional basis).

(2)Water resources management
Our company is an IC design company. Since we are not engaged in the production or manufacturing of products, we have no need for process water. All water is used for domestic purposes. The company is located in Hsinchu Science Park, Taiwan, which is not a water resources pressure area. After evaluation, the company will not cause obvious environmental impact on water resources and the ecological environment of water sources.
<table>
<tr><th>year</th><th>Total water intake (ML)</th><th>Total displacement (ML)</th><th>Water consumption (ML)</th></tr>
<tr><td>2024</td><td>11.9449</td><td>11.9449</td><td>0</td></tr>
<tr><td>2025</td><td>11.4765</td><td>11.4765</td><td>0</td></tr>
</table>
Note: Water consumption calculations are based on our company.
The company is currently located in an area with low to moderate water stress in the Hsinchu Science Park. In addition, it has been assessed that the company is not located in an ecological</td><td>No significant differences.</td></tr>
</table>

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			protection zone or adjacent to a protection zone, and will not cause significant environmental impact on water resources and the ecological environment of water source areas. The company continues to supervise employees' water-saving and environmental education and promotion, and strives to save water and reduce the impact on water resources and the environment. (3)Waste management The company's waste types are mainly office general industrial waste, which are mainly employee domestic waste, food waste and resource recycling waste. There is also a very small amount of PCB boards that are hazardous industrial waste for testing. General industrial waste is collected by colleagues in the temporary storage area, and then cleaning staff assists in reclassification and removal; hazardous industrial waste PCB boards are used in very small amounts, and are entrusted to the Sunplus group for unified disposal only after a fixed amount is collected. The company continues to promote paperless office. Paper-based approvals have been converted to electronic approvals except for a few printed documents. From time to time, colleagues are promoted to use double-sided printing mode and single-sided paper is recycled and reused to reduce paper resource recycling waste. We have set an annual goal of reducing paper consumption by 1~2% in the short, medium and longterm. In 2025, we significantly reduced paper consumption by 36.5% compared to 2024, with approximately 34.6 packs of A4 photocopy paper, and it is estimated that we will reduce carbon emissions by 0.3301 metric tons of CO_2e. In 2025, the general industry waste-domestic garbage increased by 0.5813 metric tons compared with 2024, and the general industry waste-recycling garbage in 2025 increased by 0.2560 metric tons compared with 2024. This was due to the change of personnel in the office area and the cleaning of waste during the change of seats in 2025, so the amount of waste increased slightly. Therefore, the waste intensity in 2025 also increased slightly compared with 2024.	

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
4. Social issues (1)Does the company formulate relevant management policies and procedures in accordance with relevant laws and international human rights conventions?	V		The company complies with various government labor regulations, and at the same time recognizes and supports the spirit of internationally recognized human rights norms and principles, including the United Nations Universal Declaration of Human Rights, the United Nations Global Covenant and the International Labor Organization's Declaration of Fundamental Principles and Rights at Work. We treat employees equally and use various affirmative measures to eliminate any labor conditions that may cause inequality in the workplace and protect the labor rights of colleagues. The company's human rights policy, specially formulated by the human resources department and applicable to all employees, is:. This policy applies to all managers and employees (those employed by Sunplus Innovation Technology Company to perform work for salary or remuneration), related enterprises, affiliated enterprises, suppliers, contractors, partners (customers) and other stakeholders, and is committed to putting an end to any human rights violations. Human rights commitments: The company follows international standards such as the United Nations Universal Declaration of Human Rights to protect the basic rights of employees, prohibits forced labor and child labor, safeguards equal employment, prohibits harassment and bullying in the workplace, respects freedom of association, and ensures a friendly, diverse and inclusive workplace. 1. labor rights The company complies with China's labor-related laws and regulations, implements humane flexible commuting and working hours management, and avoids overtime work. Standards such as salary classification and performance appraisal, rewards and punishments shall be clearly defined to achieve fairness and compliance in salary, performance, bonus assessment and other operating procedures. 2. human rights policy Establish a healthy and safe workplace environment Support gender equality policies and ensure equal job opportunities Oppose discrimination, bullying and harassment in the workplace	No significant differences.

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			Ban child labor Establish diverse communication channels Continuously review and improve relevant systems and actions Provide a safe workplace (including flexible working hours, rest periods, wages and occupational safety and health) Put an end to any infringement and violation of human rights Comply with human rights and justice, respect employees' rights granted by law, and abide by labor regulations. . safe workplace The company complies with relevant laws and regulations on occupational safety and health, conducts safety and health work, education and training, and employee health examinations, provides a healthy, safe, environmentally friendly, and energy-saving working environment, reduces workplace environmental risks, and protects the physical and mental health of employees. . Personal privacy and information security The company attaches great importance to and protects the privacy rights of employees, customers and all stakeholders, establishes a complete information security management mechanism, and follows strict control regulations and protective measures. Human rights commitments and policies apply to the company and related suppliers, with the expectation and requirement of cooperative suppliers to abide by them and work together to pay attention to human rights issues. Treatment of human rights violations If our employees commit any infringement or violation of human rights, they will be punished appropriately depending on theseverityof the case in accordance with the "Work Rules" and the "Plan for Preventionof Unlawful Infringement during the Performance of Duty" and other regulations, and will continue to track and monitor the situation. If necessary, the police and inspection units will be notified to avoid the occurrence of the same incident. Human rights governance architecture. The company has the Board of Directors as the highest-level human rights governance structure, and the ESG Committee supervises cross-department human rights work, including corporate	

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			information security, corporate sustainability, customer service, environmental safety and health, human resources, information technology, legal affairs, material management, operations, quality and reliability, research and development and other functional organizations. It systematically and effectively promotes human rights management actions; at the same time, it reports human rights management actions and implementation results to the Board of Directors from time to time. Implement human rights in the workplace The Company respects diversity in the workplace and adheres to the principles of openness and fairness. It does not discriminate on the basis of race, class, language, thought, religion, party, place of origin, place of birth, gender, sexual orientation, age, marriage, appearance, health status, etc., and is committed to providing aworking environment with equal opportunities, dignity, safety, equality, and freedom from discrimination and harassment. In 2025, our company has not had any of the following human rights-related controversies: Operation sites and suppliers with serious risks of child labor. Operations and supplies with significant risks of forced or compulsory labor incidents. Incidents involving violations of indigenous rights. Violation of discrimination complaints and forced labor incidents. Complaints about human rights issues. Operations or suppliers that violate or seriously endanger freedom of association and collective bargaining. For other detailed information, please refer to the company's sustainability report.	
(2)Does the company formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee remuneration?	V		(2)A sound salary and welfare policy is an important factor in attracting and retaining outstanding talents, and plays a key role in improving employee satisfaction, motivating morale, and maintaining the company's reputation. By providing competitive remuneration and benefits, companies can promote employees' long-term commitment and loyalty, thereby enhancing corporate competitiveness. The company provides a competitive salary system and diversified welfare measures. It continuously understands the salary level of its peers and formulates a competitive salary strategy with a salary that is better than the average salary of the IC design industry. It provides diversified	No significant differences.

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
(2)Does the company formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee remuneration?	V		welfare measures and develops various welfare subsidy projects to create a sound and friendly workplace with sustainable development. (1) Salary: The company has established a salary and remuneration committee to regularly review the company's remuneration policies and plans, and develop a competitive salary structure based on standards that are better than market conditions. According to the company's articles of association, if the company makes a profit in the current year, it shall allocate no less than 1% as employee remuneration(no less than 10% of the amount of employee remuneration in this item shall be allocated to grassroots employees) and no more than 1%. Five is director's remuneration. However, if the company still has accumulated losses (includingadjustments to the amount of undistributed surplus),it should reserve the compensation amount in advance. The company's annual profits and operating performance are reflected in employee remuneration, and annual employee salary increases and employee remuneration distribution are based on performance evaluation results as the criterion. Salary items include fixed salary, year-end bonus, festival bonus, patent bonus and employee innovation bonus. The company's board of directors has passedthe 2025 employee remuneration distribution on 115.2.26. The profit for 2025 (i.e., the pre-tax benefits before deducting the distribution of employee remuneration and directors' remuneration) is NT$613,993,283. 1% of theemployee remuneration amounting to NT$6,139,933 (10% of the employee remuneration amount of NT$613,994 is theremuneration of grassroots employees) will bepaid in cash. This case will be submitted to the shareholders' regular meeting report on May 29,2026. The declaration of remuneration distribution for grassroots employees has been completed at the Public Information Observation Station on 2026.2.26. (2) Employee welfare measures and leave: The company handles labor insurance, national health insurance and labor pension withdrawals in accordance with labor-related laws and regulations. It also has well-planned group insurance for employees and dependents, including medical insurance, cancer insurance, life insurance and accident insurance, etc., to strengthen multiple protections for employees. At the same	No significant differences.

<table>
<tr><td rowspan="2">Promote projects</td><td colspan="3">Operational situation</td><td rowspan="2">Differences from the code of practice for sustainable development of listed companies circumstances and reasons</td></tr>
<tr><td>yes</td><td>no</td><td>Summary description</td></tr>
<tr><td>(2)Does the company formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee remuneration?</td><td>V</td><td></td><td>time, in order to fully take care of employees, an Employee Welfare Committee has been established. According to the "Employee Welfare Fund Ordinance", a certain proportion is allocated as employee welfare funds, and the committee independently coordinates and plans various welfare measures and operations for employees.
(A) Welfare measures:
<table>
<tr><td>category</td><td>project</td></tr>
<tr><td>Bonus category</td><td>1. Festival bonus
2. Department store gift certificates (National Day, Labor Day, colleagues’ birthdays, factory celebrations)</td></tr>
<tr><td>Subsidies</td><td>1. Meal allowance
2. Parking fee subsidy
3. Full subsidy for education and training
4. Scholarships and bursaries for on-the-job master's degree courses
5. Domestic/foreign travel subsidies
6. Regular free health check-ups for employees
7.Full subsidy forLDCT early lung cancer screening
8. Snack cabinet, coffee machine
9. Second specialty training subsidy
10. Subsi dies for club activities
11. Educational scholarship for outstanding children of employees
12. Marriage/childbirth/hospitalization/funeraland other subsidies</td></tr>
<tr><td>Leisure activities</td><td>1. Birthday celebration activities
2. Department dinner expenses
3. Masseur on-site service
4. Various sports/healthcompetition activities</td></tr>
</table></td><td>No significant differences.</td></tr>
</table>

<table>
<tr><td rowspan="2">Promote projects</td><td colspan="3">Operational situation</td><td rowspan="2">Differences from the code of practice for sustainable development of listed companies circumstances and reasons</td></tr>
<tr><td>yes</td><td>no</td><td>Summary description</td></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>5. Planning and execution of tail-end activities
6. Various club activities
7. Free book/magazine/DVD lending
8. "Sunplus Group" special manufacturer discounts</td></tr>
<tr><td>Insurance</td><td>1. Regulations, labor insurance/health insurance
2. Free employee group insurance (lifeinsurance/accident insurance/cancer medical insurance/hospital medical insurance, travel insurance, etc.)
3. Employees' dependents enjoy company group insurance discounts</td></tr>
</table>
(B) vacation system
(a) On the basis of the fixed two-day weekly rest, employees are given special vacation days in accordance with the statutory seniority of the Labor Standards Act; and are superior to the law, four days of flexible vacation are given every year, and employees can arrange their own vacations.
(b) When colleagues need a longer period of leave due to childcare, serious injury or accident, etc., they can apply for leave without pay to balance personal and family care.
(c) Implement flexible working hours to enhance employees' work autonomy.
(d) The friendly leave system is superior to the provisions of the Labor Standards Law. For employees applying for personal leave and family care leave, 0.5 hours can be usedas a leave unit to facilitate employees to take care of and deal with family affairs. Marriage leave can also be applied in batches during the wedding anniversary, which is more in line with flexible needs.
(3) Retirement system
The company's employee retirement system is established by the human resources department in accordance with the Labor Standards Act, the Labor Pension Ordinance and related regulations. For employees whose pensions are subject to the Labor Pension Ordinance, no
</td><td></td></tr>
</table>

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			less than 6% of the salarywill be allocated to the employee's personal pension accountevery month. The amount of the provision under the 2025th Labor Pension Ordinance is NT$10,467,000.In addition, in 2022, the old system seniority of national employees has been fully paid off in advance, and currently only foreign employees are eligible for retirement items under the Labor Standards Act.	
(3)Does the company provide employees with a safe and healthy working environment and provide employees with regular safety and health education? Describe the number of fires in the year, the number of casualties and the ratio of the number of casualties to the total number of employees, and related improvement measures in response to fires.	V		(3) Sunplus Innovation Technology complies with the [Occupational Safety and Health Law] and relevant domestic and foreign laws and regulations. We are committed to providing employees with a safe and healthy working environment and aiming to achieve zero occupational accidents. Our company is a Category II public institution and has occupational safety and health personnel in accordance with legal requirements. In order to achieve safety management goals and enable colleagues to strengthen environmental safety and health regulations, emergency response plans, and safety and health risks in various activities, the company conducts annual safety and health education training and fire evacuation drills to strengthen employees' safety awareness. In 2025, occupational safety and health publicity training was conducted with a 100% employee participation rate; fire evacuation drills were conducted with a 100% employee participation rate. Through the implementation of the management system, the company's environmental maintenance and safety management of colleagues' operations are strengthened. Working environment testing, annual employee health examinations, etc. are regularly carried out in accordance with the law. On-site doctors and nurses regularly come to the company to proactively care for the health of colleagues, or provide irregular appointment consultation services. In addition, various health lectures are held to enhance employees' awareness of health and hazards; the company's factories undergo fire-fighting equipment safety inspections every year in accordance with regulations. In 2025, the company had no occupational accidents or fires, and the number of casualties was 0. Sunplus Innovation Technologyhas been awarded the "Healthy Workplace Certification-Healthy StartLabel" by the National HealthService in 2025 consecutively.	No significant differences.
(4)Has the company established an effective career development training plan for employees?	V		(4) Talent is the foundation for Sunplus's innovative and sustainable development. The key to sustainable business operations lies in whether employees can continue to learn and grow. In order to stimulate employees' creativity, the company adopts an open management model in management, attaches great importance to teamwork, and pays more attention to employee	No significant differences.

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			training. The overall learning and development strategy is based on on-the-job training, encouraging colleagues to use their creativity at work, learn from each other, stimulate each other's brain power, and develop in a diversified way. At the same time, a complete education and training system is established to create a high-quality learning environment to cultivate talents. In order to enhance the professional skills of colleagues, Sunplus Innovation formulates training plans and implements training goals every year according to the company's development needs, so that employees can go further in their careers and the company can also enjoy the fruits of colleagues' growth and progress. It also continues to pass on functions and experience to relevant departments through internal training, assists colleagues in formulating learning and development directions, and serves as a basis for employees to plan their personal career plans. When new colleagues report, a dedicated person will educate them on the company's internal rules and regulations and occupational safety-related knowledge, and then their departments will provide them with professional skills training. Sunplus Innovation actively encourages colleagues to pursue professional skills courses and provides multiple learning channels so that colleagues can develop their expertise and achieve themselves. Each department develops and implements education and training plans based on its own needs every year. Colleague training is divided into internal and external training. For internal training, each department will arrange personnel to teach in the department according to actual business needs. For external training, the department will submit an application based on business needs. After approval, designated personnel will be selected to participate in courses organized by external organizations. After the training, colleagues who participated in the training will share their training experience with other colleagues in the department, so that relevant personnel can apply what they have learned. Sunplus Innovation adheres to the concept of cultivating elites, encourages colleagues to further their studies, and provides comprehensive training plans and rich training resources to help colleagues continueto grow andimprove. In 2025, a total of 104 people participated in the externaleducation and training courses, and a total of 26 internal training courses were held, with 729 people participating. For other detailed information, please refer to the company's sustainability report.	

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
(5) Regarding issues such as customer health and safety, customer privacy, marketing and labeling of products and services, does the company follow relevant laws and regulations and international standards, and establish relevant policies and complaint procedures to protect the rights and interests of consumers or customers?	V		(5) The marketing and labeling of the company's products and services comply with the laws and international standards of the country and place of sale. The company maintains a good communication channel with its customers and provides transparent and effective customer processing procedures for products and services. It provides complaint content to relevant internal units to formulate effective response plans. The company website has a stakeholder area to provide the best communication channel. Please refer to the sustainability report for customer rights policy and complaint procedures.	No significant differences.
(6)Has the company formulated a supplier management policy that requires suppliers to comply with relevant norms on issues such as environmental protection, occupational safety and health, or labor rights, and how they are implemented?	V		(6)The company has formulated "outsourcing factory quality control specifications" and set up an "audit management system" for use by quality, engineering, outsourcing and other evaluation teams. From the audit of new suppliers to the regular evaluation of qualified suppliers, all information is archived in the system. Through a clear management mechanism, unqualified suppliers are eliminated to achieve the management goals of stable supply chain production and stable quality. From new supplier evaluation to monthly evaluation and annual audit of qualified suppliers, appropriate control procedures are established for each process. The company signs outsourcing processing contracts with major suppliers and requires suppliers to comply with all laws and regulations related to labor and employment, safety and health, environmental protection and corporate ethics in the country where they are located. The main suppliers have passed ISO 9001 quality management system, ISO 14001 environmental management system evaluation, ISO 45001 occupational safety and health management system evaluation, IATF 16949 automotive industry quality management system, QC080000 international hazardous materials process management (HSPM) standard and other relevant international quality system certifications. In 2025, the self-evaluation questionnaires of seven major suppliers have been completed, covering projects such as process capabilities, green product management, environmentally hazardous substance control, and occupational safety and health management systems. The raw materials and packaging materials used by the main suppliers are all in full compliance	No significant differences.

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	
			with the EU RoHS (Directive 2011/65/EU)/REACH SVHC/Packaging Material Waste (Directive 94/62/EC) Directive/halogen-free directive and customers' green environmental protection needs. At the same time, they provide certification from a third-party notary unit to jointly enhance corporate social responsibility, and provide the latest RMI conflict mineral survey form to disclose the source of minerals responsibly. The products and process materials of major suppliers comply with the "Regulations on the Management of Prohibited Substances Hazardous to the Environment" and they sign the "Supplier Declaration of Non-Use of Environmentally Hazardous Substances". All major suppliers have signed the "Supplier Sustainability Commitment Letter" and completed the ESG questionnaire. Every year, a sustainability report is produced in accordance with the relevant GRI standards and a "Corporate Social Responsibility Management System and Promotion Plan" is formulated in accordance with the Responsible Business Alliance Code of Conduct (RBA) to jointly fulfill corporate social responsibilities in terms of ethics, labor human rights, environment, health and safety, and management systems.	
5. Does the company refer to internationally accepted reporting standards or guidelines to prepare sustainability reports and other reports that disclose the company's non-financial information? Has the previous report obtained the confidence or assurance opinion of a third-party verification unit?	V		The company's sustainability report is prepared in accordance with the 2021 edition of the Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Reporting Initiative (GRI). 2021, GRI Guidelines 2021), and was written with reference to the TCFD Climate-related Financial Disclosure Guidelines and the Sustainability Information Disclosure Standards of the SASB Sustainability Accounting Committee. It also complies with the requirements of the "Operation Methods for the Preparation and Submission of Sustainability Reports by Over-the-counter Companies". In order to improve the disclosure quality of the report, GREAT Certification was entrusted with Type Certification in accordance with AA1000: AS V31 Medium assurance level verification, confirming compliance with GRI Guidelines 2021 and obtaining an assurance statement, which is expected to be published on the official website and declared on the ESG digital platform before the end of August 2026.	No significant differences.
6. If the company has its own sustainable development code based on the "Code of Practice for Sustainable Development of Listed Companies", please describe the differences between its operations and the prescribed code: there is no major difference.				
7. Other important information that is helpful in understanding the implementation of sustainable development: 1. The company has been recognized by the National Health Service with the "Healthy Workplace Certification-Healthy Start Label" (2025) 2. The company and its colleagues have continued to carry out charity activities for many years to contribute to social welfare. The specific results of year 2025 are				

Promote projects	Operational situation			Differences from the code of practice for sustainable development of listed companies circumstances and reasons
	yes	no	Summary description	

as follows:

(1) Sunplus Innovation Technology attaches great importance to corporate social responsibility, always pays attention to social welfare undertakings, actively participates in social contributions, assists local farmers in operating efficiency, combines employee activities (fruitpicking, New Year gift box purchases, etc.) to promote local fruits andsupport disadvantaged groups, with a total expenditure of NT$94,000 in 2025.

(2) Colleagues made voluntary donations to the "Xihaner Social Welfare Foundation Hsinchu Office" (located in Zhubei City, Hsinchu County), with a totaldonation of NT$256,000 in 2025.

(3) Caring for rural medical care and donating NT$695,000 to"Puli Christian Hospital"(Nantou County).

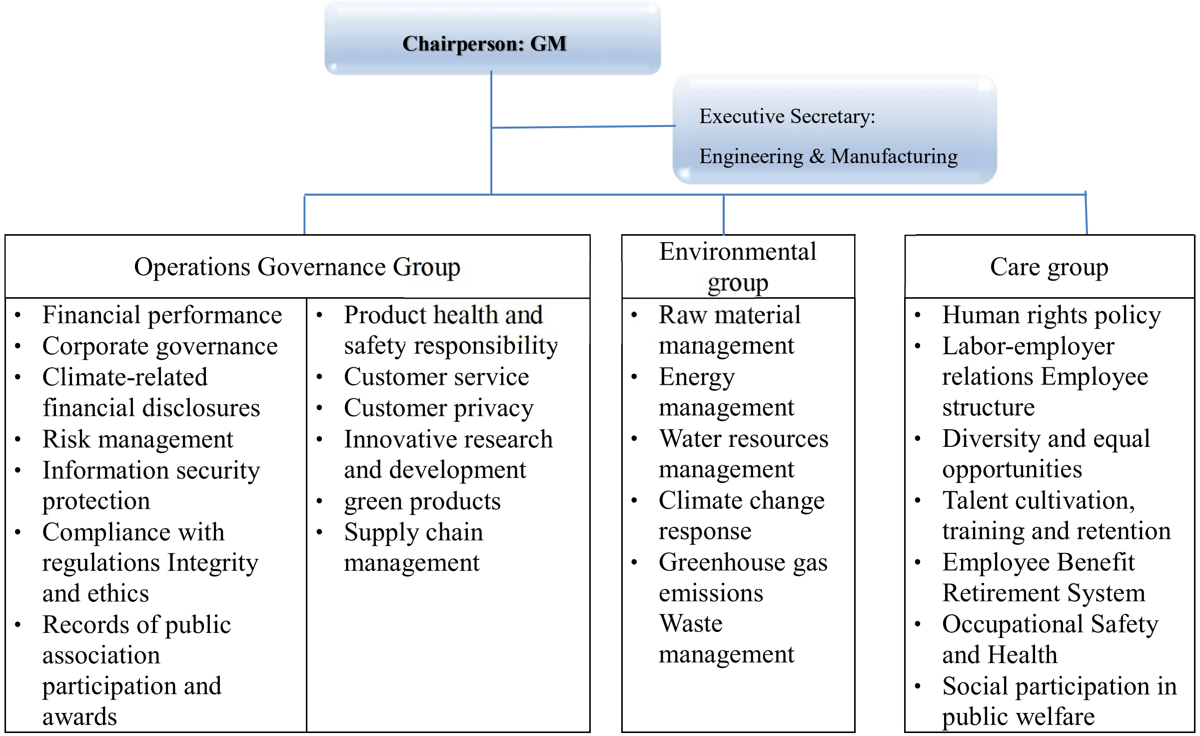
(4) Donation in response to the donation of NT$50,000 by the counter-buying family to the "1919 Food Bank" of the "China Christian Relief Association" (NewTaipei City).

(5) Blood donation activities are held from time to time at the Silicon Guide Business Center (Hsinchu Science Park) in the company's office. All colleagues actively participated, with a total of 42 bags.

(6) To hire visually impaired friends, the company's office (HsinchuScience Park) providesmassage services for colleagues to increase employment opportunities for visually impaired friends. Thetotal costis approximately NT$343,000.

3. In response to the financial institution's perpetual time deposit investment (financing) plan, the deposits received from the plan are mainly to support the credit business of the green fund utilization plan, the social capital utilization plan and the sustainable performance-linked credit fund utilization plan. The company has undertaken perpetual time deposits of NT$5 million in 2025.

Note 1: Organization chart of the Sustainability Implementation Committee



Note2: Major sustainability issues

Aspect	major themes	Policies and Commitments
Corporate governance	R&D innovation	Based on the demand for global environmental protection and energy conservation, electronic products will inevitably tend to be highly integrated with the two major themes of artificial intelligence and low energy consumption. The use of powerful intelligent judgment, image processing and data transmission must be based on reducing energy use. The research and development of Sunplus Innovation must be in the direction of products with higher performance and power consumption ratio. In addition to providing high-definition and high-pixel camera functions to end product manufacturers, the tug-of-war between high computing power that can assist artificial intelligence functions and low energy consumption of the Internet of Things must reach a balance point. Sunplus Innovation formulates the "Management Measures for Prohibited Substances Hazardous to the Environment" based on international environmental protection trends and customer requirements. Through complete and clear process management, it introduces the concept of risk management and control to design, develop and manufacture high-quality green products that meet expectations. In addition to requiring 100% of major suppliers to obtain ISO 14001 environmental management system certification and ensuring the implementation of green supply requirements through regular reviews and audits, we also continue to pay attention to international environmental issues and actively participate in supplier conferences organized by customers to understand customer requirements and ensure the effective operation of the green supply chain management system.In order to ensureits commitment to provide 100% RoHS, halogen-free and REACH products, Sunplus Innovation requires outsourcing factories to provide the latest test reports before each expiration date. Quality assurance GP personnel are responsible for reviewing whether the documents comply with relevant regulations and regularly visit suppliers to confirmthe effectiveness and risks of their GP controls.
Corporate governance	information security	1. Software and hardware upgrade and maintenance: A certain proportion of the budget is invested every year to upgrade and maintain information security-related software and hardware. Information security requirements and tools keep pace with the times. 2. Protection of sensitive data: For the protection ofemployee/customer-related information, financial information, product technical documents and commercial confidential information, etc., the company adopts various information security measures to prevent this information from being stolen, tampered with or leaked by unauthorized individuals or groups. 3. Corporate compliance requirements: Enhance the trust of customers, manufacturers, employees and partners through strict information security protection measures. 4. Improve operational efficiency: The strict information security measures adopted by our company are not only a defensive strategy, but also improve the optimization of management and processes and improve the operational efficiency and productivity of the company due to the safe and good network and information system environment.
Corporate governance	customer service	1. Establish a service-oriented operating model and optimize service processes to enhance customer trust and create a win-win situation. 2. Apply innovative technologies to control and improve product quality, and cooperate with customers to provide products and services that meet needs. 3. Listen to the voices of customers, improve customer satisfaction, and at the same time comply with regulations, customers and international green product standards to achieve environmental protection commitments. 4. Provide customers with healthy and safe products. 5. Comply with local regulations on product quality, service, health and safety, marketing and labeling at each operating site.
Environment	Sustainable supply chain	If products contain harmful substances, they will pose a threat to the global environment and human health. Consumers and governments around the world are very concerned about this issue. Sunplus Innovation promises to provide customers with products that do not contain hazardous substances (Hazardous Substance Free, HSF), comply with the EU Restriction of Hazardous Substances Directive (RoHS), establish a green supply chain management system document control (Green Supply Chain Management, GPM), strictly require products to comply with green production, establish stable and close cooperative relationships with suppliers, and practice environmental sustainability.
Environment	Energy saving	Fulfill corporate social responsibilities, implement energy conservation and carbon reduction measures, and establish an environmentally

Aspect	major themes	Policies and Commitments
	and carbon reduction	sustainable low-carbon enterprise.
Society	Labor-management communication	1. Establish a diversified communication mechanism to ensure that employees' opinions are listened to and responded to in a timely manner. 2. Regularly conduct employee satisfaction surveys as a reference for improving labor-management relations. 3. Encourage two-way communication, strengthen the interaction between management and employees, and create a working atmosphere of equality and respect. 4. Ensure that all labor-management communication activities comply with laws, regulations and internal company guidelines, and respect employee rights.
Society	Occupational safety and health	1. Comply with all relevant occupational safety regulations and industry standards to ensure a safe working environment for employees. 2. Establish dedicated occupational safety personnel to regularly inspect and improve company safety measures. 3. Develop and implement a comprehensive safety management policy, including emergency response plans, hazard identification and risk management measures. 4. Provide occupational health and safety training once a year to enhance employees' safety awareness and adaptability. 5. Personnel operating warehouse forklifts receive refresher training on a regular basis.

Note3: In response to the extreme climate caused by global warming, as well as the increasingly important impact of energy and climate change issues in recent years, in order to mitigate the impact of climate change on the company's operations, the company has based on the Task Force on Climate-related Financial Disclosures (Task Force on Climate-related Financial Disclosures, The structure of TCFD is divided into governance, strategy, risk management, indicators and goals, etc. Senior management will score the impact and frequency of risks and opportunities, and identify and describe the impact of themes and response strategies that are more relevant to the company's operations for transformation risks (policy and regulations, technology, market, reputation), physical risks (immediate risks, long-term risks) and opportunities (resource efficiency, energy sources, products/services, markets, resilience). It is expected that the company will report to the board of directors regularly every year in the future, and the board of directors will monitor the implementation results.

Governance	Strategy	Risk management	Metrics and Goals
Climate-related risks and Opportunity governance	Business, strategic and financial planning, Actual and potential climate-related shocks	Climate-related risk management process	Assess and manage climate-related Issue indicators and goals
◆ The Climate Change Risk Response Status Future Sustainability Implementation Committee will report regularly to the Board of Directors, who will supervise the implementation results.	Referring to the short, medium and long-term climate risk and opportunity table for 2024, the company's long-term operational developmentis considered over a ten-year period (a decade), and the short-term is defined as 1-3 years, the medium-term is 3-5 years, and the long-term is 6-10 years.	The risk identification, assessment and management process is as follows: 	◆ In 2025, the greenhouse gas inventory was completed and the website and public information disclosure were added. ◆ Compared with the base year 2024, annual carbon emissions are reduced by 1-2%. ◆ Promote electronic sign-off to reduce paper usage by 1%. ◆ Promote office computer hibernation and automatic switching of computing hosts to save power. ◆ We will continue to conduct independent greenhouse gas emission inventories in accordance with ISO 14064-1: 2018 verification standards and the GHG Protocol to truly understand the status of greenhouse gas emissions, and then discuss and propose feasible greenhouse gas reduction plans.
◆ Sunplus Innovation has established a Sustainability Implementation Committee, with the Executive Vice President serving as the chairman. Meetings are held from time to time every year to discuss risk opportunities and countermeasures arising from climate-related changes in the company's operations.	Sunplus Innovation lists climate risk as one of its major operational risks. Climate change and global warming will have a significant impact on the upstream supply chain, company operations and the downstream value chain of tourist demand. In order to fully grasp the impact of climate-related risks on the company's operations and development or the opportunities that may be created, Sunplus Innovation identifies climate-related risks and opportunities, and prioritizes planning response and management measures for issues that significantly affect finances, change operating strategies or business models, and extend the scope of the impact to the value chain.		
	The company discussed the 2°C Scenario(2DS) in the Sustainability	Overall, the risk assessment results for 2025 are medium to low risk and there are no high-risk	

	Development Committee meeting, and simultaneously used the tools provided by TCCIP (Climate Change Integrated Service Platform) as a reference for the assessment of physical risk scenarios of climate change. Finally, it was decided to use the 2DS/RCP2.6 scenario as the company's physical risk scenario of climate change. In this scenario, the theme description of climate change risks and opportunities was carried out for physical risks, regulatory transformation risks, etc.	projects. However, based on the consideration of risk reduction, Sunplus Innovation still selects projects with relatively high incidence and impact to propose relevant risk response strategies.	

Climate change financial impact analysis

Aspect	Item	Influence schedule	Financial impact on the company	Response management measures
Transition Risk-Policies and regulations	Taiwan carbon fee collection mechanism	long	Due to the policies and regulations formulated in response to climate change, companies may face the risk of carbon taxes, which will lead to an increase in operating costs. However, the company is not a high-carbon-emitting industry, so the financial impact will not be significant.	We will continue to conduct independent greenhouse gas inventories in accordance with relevant regulations, control carbon emissions, and accelerate the formulation of greenhouse gas emission reduction plans.
	Intensify emissions reporting obligations	long	Failure to carry out inspections and disclosures in accordance with laws and regulations will result in fines	Actively track information related to the Financial Supervisory Commission's regulations and promptly adjust greenhouse gas inventory operations to meet compliance requirements.
Transition Risk-market	Rising raw material costs	long	Extreme weather may cause the supply of raw materials to exceed demand, causing suppliers to raise prices. The increase in raw material costs will increase the company's operating costs, dilute profits, and reduce competitiveness.	Establish cooperative relationships with multiple suppliers to avoid reliance on a single supplier and build long-term cooperation and mutual trust to obtain support and preferential treatment from suppliers. At the same time, we pay close attention to changes in the market and industry, including raw material price trends and supply

				conditions, foresee possible problems in advance, and sign long-term supply contracts with suppliers when necessary to ensure stable supply and prices.
Physical risk - immediacy	The severity of extreme weather events such as typhoons and floods has increased	long	In addition to incurring post-disaster recovery costs, extreme weather events may also cause delays in supply and transportation and increase transportation or inventory costs. If the supply of key parts is interrupted, it may cause customer delivery delays or even customer disconnection and the loss of output value will be passed on to the company.	Continuously reduce product carbon emissions, meet customer emission reduction requirements, improve product bargaining power or increase order volume, thereby increasing sales revenue.
Chance- products and services	Develop new products and kimono R&D and innovation of services	long	1. Investment in new equipment and low-carbon product research and development will increase production costs. 2. Product energy efficiency is improved and energy costs during use are reduced.	Create higher value products and services through product diversification to increase revenue; continue to invest in the research and development of environmentally friendly products with high performance and low carbon footprint.
Chance- market	Enter new markets	long	High-value, high resource reuse, and low-carbon products and services create revenue and bring energy-saving benefits to customers.	Continue to promote technology research and development related to green products to meet customer requirements, lead market demand, expand market share and increase sales revenue.

(6)Climate-related information implementation projects

<table>
<tr><td>Project</td><td>Execution situation</td></tr>
<tr><td>1. Describe the board and management’s oversight and governance of climate-related risks and opportunities.</td><td>Sunplus Innovation has established a Sustainability Implementation Committee, with the general manager as the chairman. Meetings are held from time to time every year to discuss risk opportunities and countermeasures arising from climate-related changes in the company's operations. Regarding climate change risk response status, the Future Sustainability Implementation Committee will report to the Board of Directors at least once a year, and the Board of Directors will supervise the implementation results.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance(short-term, medium-term, long-term).</td><td rowspan="2">Sunplus Innovation lists climate risk as one of its major operational risks. Climate change and global warming will have a significant impact on the upstream supply chain, company operations and the downstream value chain of customer demand. In order to fully grasp the impact of climate-related risks on the company's operations and development or the opportunities that may be created, Sunplus Innovation identifies climate-related risks and opportunities, and prioritizes planning response and management measures for issues that significantly affect finances, change operating strategies or business models, and extend the scope of the impact to the value chain. Please refer to Note3 for explanation of(5)Implementation of Promoting Sustainable Development and the differences and reasons from the Code of Practice for Sustainable Development of Listed Overseas Companies.</td></tr>
<tr><td>3. Describe the financial impact of extreme climate events and transition actions.</td></tr>
<tr><td>4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.</td><td>● Members of the Sustainability Implementation Committee completed the collection of background information on the climate environment and assessed climate risks within the operational scope
● Establish a project list of climate risk opportunities and establish an internal operational impact questionnaire
● Analyze the impact degree and possible impact period of climate-related risk opportunities based on the questionnaire, and set implementation strategy goals
● In the future, the Sustainability Implementation Committee will regularly report to theBoard of Directors on the implementation of ESG risks and climate risk response measures.</td></tr>
<tr><td>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.</td><td>The company discussed the 2℃ Scenario(2DS) in the Sustainability Development Committee meeting, and simultaneously used the tools provided by TCCIP (Climate Change Integrated Service Platform) as a reference for the assessment of physical risk scenarios of climate change. Finally, it was decided to use the 2DS/RCP2.6 scenario as the company's physical risk scenario of climate change. In this scenario, the theme description of climate change risks and opportunities was carried out for physical risks, regulatory transformation risks, etc.</td></tr>
<tr><td>6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and</td><td><table>
<tr><th>Aspect</th><th>Item</th><th>Time</th><th>Management objectives, response measures and investment costs</th></tr>
<tr><td>Transition Risk-Policies and regulations</td><td>Taiwan’s carbon fee collection mechanism (Increase pricing on greenhouse gas emissions)</td><td>long</td><td>We will continue to conduct independent greenhouse gas inventories in accordance with relevant regulations, control carbon emissions, and accelerate the formulation of plans to reduce greenhouse gas emissions.</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Project</th><th>Execution situation</th></tr>
<tr><td>transformation risks.</td><td><table>
<tr><td></td><td>Strengthening emissions reporting obligations</td><td>long</td><td>Actively track information related to the Financial Supervisory Commission’s regulations and promptly adjust greenhouse gas inventory operation methods to meet compliance requirements.</td></tr>
<tr><td>Transition Risk-market</td><td>Rising raw material costs</td><td>long</td><td>Establish cooperative relationships with multiple suppliers to avoid reliance on a single supplier and build long-term cooperation and mutual trust to obtain support and preferential treatment from suppliers. At the same time, we pay close attention to changes in the market and industry, including raw material price trends and supply conditions, foresee possible problems in advance, and sign long-term supply contracts with suppliers when necessary to ensure stable supply and prices.</td></tr>
<tr><td>Physical risk - immediacy</td><td>The severity of extreme weather events such as typhoons and floods has increased</td><td>long</td><td>Continuously reduce product carbon emissions, meet customer emission reduction requirements, improve product bargaining power or increase order volume, thereby increasing sales revenue</td></tr>
</table></td></tr>
<tr><td>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</td><td>Internal carbon pricing has not yet been implemented</td></tr>
<tr><td>8. If climate-related goals are set, the covered activities, greenhouse gas emission scope, planning schedule, annual achievement progress and other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits or the number of renewable energy certificates (RECs) used should be explained.</td><td>● Compared with the base year 2024, annual carbon emissions will be reduced by 1-2%, electronic signatures will be promoted to reduce paper use by 1%, office computers will be put into sleep mode and computing hosts will automatically turn on and off to save power.
● Continue to conduct independent inventory of greenhouse gas emissions in accordance with ISO 14064-1: 2018 Verification Standards and GHG Protocol to truly understand the status of greenhouse gas emissions, and then discuss and propose feasible greenhouse gas reduction plans.
● Currently not using carbon offsets or renewable energy certificates (RECs) to redeem carbon credits</td></tr>
<tr><td>9. Greenhouse gas inventory and confirmation, reduction goals, strategies and specific action</td><td>Please refer to the table below</td></tr>
</table>

Project	Execution situation
plans (fill in 1-1 and1-2 separately).	

(6)Climate-related information implementation projects

<table>
<tr><th>Pproject</th><th>Execution situation</th></tr>
<tr><td>1. Describe the board and management’s oversight and governance of climate-related risks and opportunities.</td><td>Sunplus Innovation has established a Sustainability Implementation Committee, with the general manager as the chairman. Meetings are held from time to time every year to discuss risk opportunities and countermeasures arising from climate-related changes in the company's operations. Regarding climate change risk response status, the Future Sustainability Implementation Committee will report to the Board of Directors at least once a year, and the Board of Directors will supervise the implementation results.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance(short-term, medium-term, long-term).</td><td rowspan="2">Sunplus Innovation lists climate risk as one of its major operational risks. Climate change and global warming will have a significant impact on the upstream supply chain, company operations and the downstream value chain of customer demand. In order to fully grasp the impact of climate-related risks on the company's operations and development or the opportunities that may be created, Sunplus Innovation identifies climate-related risks and opportunities, and prioritizes planning response and management measures for issues that significantly affect finances, change operating strategies or business models, and extend the scope of the impact to the value chain. Please refer to Note3 for explanation of(5)Implementation of Promoting Sustainable Development and the differences and reasons from the Code of Practice for Sustainable Development of Listed Overseas Companies.</td></tr>
<tr><td>3. Describe the financial impact of extreme climate events and transition actions.</td></tr>
<tr><td>4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.</td><td>● Members of the Sustainability Implementation Committee completed the collection of background information on the climate environment and assessed climate risks within the operational scope
● Establish a project list of climate risk opportunities and establish an internal operational impact questionnaire
● Analyze the impact degree and possible impact period of climate-related risk opportunities based on the questionnaire, and set implementation strategy goals
● In the future, the Sustainability Implementation Committee will regularly report to theBoard of Directors on the implementation of ESG risks and climate risk response measures.</td></tr>
<tr><td>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.</td><td>The company discussed the 2℃ Scenario(2DS) in the Sustainability Development Committee meeting, and simultaneously used the tools provided by TCCIP (Climate Change Integrated Service Platform) as a reference for the assessment of physical risk scenarios of climate change. Finally, it was decided to use the 2DS/RCP2.6 scenario as the company's physical risk scenario of climate change. In this scenario, the theme description of climate change risks and opportunities was carried out for physical risks, regulatory transformation risks, etc.</td></tr>
<tr><td>6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and</td><td><table>
<tr><th>Aspect</th><th>Item</th><th>Time</th><th>Management objectives, response measures and investment costs</th></tr>
<tr><td>Transition Risk-Policies and regulations</td><td>Taiwan’s carbon fee collection mechanism (Increase pricing on greenhouse gas emissions)</td><td>long</td><td>We will continue to conduct independent greenhouse gas inventories in accordance with relevant regulations, control carbon emissions, and accelerate the formulation of plans to reduce greenhouse gas emissions.</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Pproject</th><th>Execution situation</th></tr>
<tr><td>transformation risks.</td><td>
<table>
<tr><td></td><td>Strengthening emissions reporting obligations</td><td>long</td><td>Actively track information related to the Financial Supervisory Commission’s regulations and promptly adjust greenhouse gas inventory operation methods to meet compliance requirements.</td></tr>
<tr><td>Transition Risk-market</td><td>Rising raw material costs</td><td>long</td><td>Establish cooperative relationships with multiple suppliers to avoid reliance on a single supplier and build long-term cooperation and mutual trust to obtain support and preferential treatment from suppliers. At the same time, we pay close attention to changes in the market and industry, including raw material price trends and supply conditions, foresee possible problems in advance, and sign long-term supply contracts with suppliers when necessary to ensure stable supply and prices.</td></tr>
<tr><td>Physical risk - immediacy</td><td>The severity of extreme weather events such as typhoons and floods has increased</td><td>long</td><td>Continuously reduce product carbon emissions, meet customer emission reduction requirements, improve product bargaining power or increase order volume, thereby increasing sales revenue</td></tr>
</table>
</td></tr>
<tr><td>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</td><td>Internal carbon pricing has not yet been implemented</td></tr>
<tr><td>8. If climate-related goals are set, the covered activities, greenhouse gas emission scope, planning schedule, annual achievement progress and other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits or the number of renewable energy certificates (RECs) used should be explained.</td><td>● Compared with the base year 2024, annual carbon emissions will be reduced by 1-2%, electronic signatures will be promoted to reduce paper use by 1%, office computers will be put into sleep mode and computing hosts will automatically turn on and off to save power.
● Continue to conduct independent inventory of greenhouse gas emissions in accordance with ISO 14064-1: 2018 Verification Standards and GHG Protocol to truly understand the status of greenhouse gas emissions, and then discuss and propose feasible greenhouse gas reduction plans.
● Currently not using carbon offsets or renewable energy certificates (RECs) to redeem carbon credits</td></tr>
<tr><td>9. Greenhouse gas inventory and confirmation, reduction goals, strategies and specific action</td><td>Please refer to the table below</td></tr>
</table>

Pproject	Execution situation
plans (fill in 1-1 and1-2 separately).	

1-1 The company's greenhouse gas inventory and confirmation status in the last two years

1-1-1 Greenhouse gas inventory information: Describe the emission volume (metric tons CO2e), intensity (metrictons CO2e/million yuan) and data coverage of greenhouse gases in the past two years.

The inventory data for the last two years are as follows: The company has no consolidated subsidiaries.

year / category	2024 (Note 2, Note 3)		2025	
	Emissions(metric tons CO2e)	Density(Note 1) (metric tons CO2e/million yuan)	Emissions (metric tons CO2e)	Density(Note 1) (metric tons CO2e/million yuan)
Scope 1	10.7193	0.0060	10.2704	0.0052
Scope 2	130.3642	0.0717	137.6084	0.0688
Scope 3 (Note 4)	7,217.4033	3.9701	8,653.7951	4.3274

Note1: Revenue in 2024 was NT$1,817.93million; revenue in 2025 was NT$1,999.75million.

Note2: In 2024, the annual data was updated with reference to the electricity carbon emission coefficient of that year.

Note3: Carbon emissions from electricity consumption without operational control (prorated leased electricity, etc.) will be adjusted from Scope 2 to Scope 3.

Note 4: According to the GHG Protocol, the following nine categories of emissions are disclosed: purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, upstream rental assets, downstream transportation and distribution.

1-1-2 Greenhouse Gas Confidence Information: A description of the confidence situation for the most recent two years as of the publication date of the annual report, including the scope of the confidence, the assurance organization, the assurance criteria and the assurance opinion.

According to the promotion schedule of the sustainable development roadmap of listed companies, the company belongs to the third stage(equity capital is less than 5 billion yuan) and is expected to complete greenhouse gas certification in 2027.

1-2 Greenhouse gas reduction goals, strategies and specific action plans:

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets.

Emissions reduction targets	strategic action	planning schedule
Compared to the base year 2024 12% reduction in greenhouse gas emissions in Scope 1+ Scope 2 in 2030 22% reduction in greenhouse gas emissions in Scope 1+ Scope 2 in 2040	1. Implement energy conservation projects 2. Purchase green electricity and invest in renewable energy projects	1. 2023~2030 2. 2023~2040
In 2025, greenhouse gas emissions in Scope 1 and Scope 2 increased by 4.82% in total. In the future, Sunplus Innovation will continue to strengthen energy conservation and carbon reduction measures, reduce carbon emissions from electricity consumption, and purchase green power certificates to achieve emission reduction targets. In Scope 1, in terms of automobile fuel consumption, due to an increase in the proportion of colleagues using public transportation for business trips, the use of gasoline for official vehicles decreased by 7.50% compared with 2024, a total decrease of 188 liters, and greenhouse gas emissions decreased by 0.4491 metric tons of CO_2e. In terms of Scope 2 electricity consumption, the total electricity consumption in 2025 was 290,313 kilowatt-hours compared to the total electricity consumption of 275,030 kilowatt-hours in 2024, an increase of 15,283 kilowatt-hours (5.56%). This was mainly due to the increase in electricity consumption in the 1B7 office and imaging laboratory, resulting in an increase in the total electricity consumption in 2025.		

(7) The performance of honest business operations and the differences and reasons from the code of honest business operations of listed companies

Assessment project	Operational situation			Differences and reasons from the Code of Integrity Management of Listed Over-the-Counter Companies
	yes	no	Summary description	
1. Formulate integrity management policies and plans (1) Has the company formulated an honest management policy approved by the board of directors, and clearly stated the policies and practices for honest management in its regulations and external documents, as well as the commitment of the board of directors and senior management to actively	V		(1)The company has formulated the "Code of Integrity Business Operations", "Integrity Business Operation Procedures and Conduct Guidelines", "Code of Ethical Conduct for Directors and Managers", "Code of Ethical Conduct for Employees" and "Reporting System" to implement corporate integrity management policies. "Code of Integrity Business" and "Integrity Business Operation Procedures and Guidelines for	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Integrity Management of Listed Over-the-Counter Companies
	yes	no	Summary description	
implement the operating policy?			Conduct", which were approved by the board of directors.	
(2) Has the company established an assessment mechanism for the risk of dishonest behavior, regularly analyzed and evaluated business activities with higher risks of dishonest behavior within the business scope, and formulated plans to prevent dishonest behavior based on this, and at least covered the preventive measures for each ofthe behaviors in Paragraph 2 of Article 7 of the "Code of Integrity Business for Listed Companies"? (3)Does the company clearly define operating procedures, behavioral guidelines, disciplinary and complaint systems for violations in the plan to prevent dishonest behavior, implement them, and regularly review and amend the plan?	V V		(2) The company has formulated the "Code of Integrity Business" and "Integrity Business Operation Procedures and Behavior Guidelines" to prevent dishonest behavior, and has formulated various operating standards in each department to regulate the integrity standards that personnel at all levels should perform when engaging in various business activities. (3) The company clearly stipulates operating procedures, behavioral guidelines, disciplinary and complaint systems for violations in the integrity management operating procedures and behavioral guidelines.	No significant differences. No significant differences.
2. Implementing integrity management (1)Does the company evaluate the integrity record of its dealing partners and clearly stipulate honest behavior clauses in the contracts it signs with its dealing parties?	V		(一) The company has formulated a "Code of Integrity Management" and explains the company's integrity management policy to transaction partners when executing business, and signs a "Declaration of Integrity Behavior".	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Integrity Management of Listed Over-the-Counter Companies
	yes	no	Summary description	
(2)Has the company set up a dedicated (part-time) unit under the board of directors to promote corporate integrity management, and regularly reports to the board of directors itsintegrity management policies, plans to prevent dishonest behavior, and supervision and implementation?	V		(二) The company's board of directors has authorized the accounting department to be responsible for promoting the integrity management policy, and implement the promotion of corporate integrity management in accordance with the "Integrity Management Operating Procedures and Behavior Guidelines" and report to the board of directors regularly. The most recent report was to the board of directors on December 23, 2025. (1) In 2025, customers or suppliers signed 1 "Declaration of Integrity Behavior", anda total of 20copiesweresigned. (2) In 2025, 11 more employees signed the "Integrity Commitment Letter", and all employees signed it to implement the integrity management concept. (3) The company’s internal website has a legal promotion area to promote the integrity management policy to employees, implement the core values and business philosophy basedon integrity, and promote 11 new colleagues in 2025.	No significantdifferences.
(3)Has the company formulated a policy to prevent conflicts of interest, provided appropriate channels for reporting, and implemented it?	V		(3) The company has formulated a"Code of Integrity Management" toprevent conflicts of interest, in whichthe company's board of directors and relevant committees will abstain from discussions and votes when they or their representatives have an interest in the listed proposals, which may be harmful to the interests of the company.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Integrity Management of Listed Over-the-Counter Companies
	yes	no	Summary description	
(4)Has the company established an effective accounting system and internal control system to implement honest operations, and the internal audit unit has formulated relevant audit plans based on the assessment results of dishonest behavior risks, and used them to check the compliance with the plan to prevent dishonest behaviors, or entrusted accountants to perform audits?	V		(4) In order to ensure the implementation of honest operations, the company has established an effective accounting system and internal control system. In addition, the internal audit unit formulates relevant audit plans based on the risk assessment results every year, including audit objects, scope, projects, frequency, etc., and has control points (such as sales/purchasing/payroll, etc.) in the relevantinternal control cycle to check the compliance with the prevention plan.	No significant differences.
(5)Does the company regularly organize internal and external education and training on integrity management?	V		(5)Setup an integrity management policy on the homepage of the company's website to convey the core values and business philosophy based on integrity to employees, and provide special promotion to new colleagues.	No significant differences.
3. Operation of the company's whistleblowing system (1)Has the company formulated a specific reporting and reward system, established a convenient reporting channel, and assigned appropriate dedicated personnel to handle the reported objects?	V		(1) The company has a "reporting system" and established reporting channels, and designated administrative units as the responsible units for accepting complaints.	No significant differences.
(2)Has the company established standard operating procedures for investigation and related confidentiality mechanisms for accepting reports?	V		(2)The company has a "reporting system" and has relevant standard operating procedures and confidentiality mechanisms for reporting cases.	No significant differences.
(3)Has the company taken measures to protect whistleblowers from being improperly punished for reporting?	V		(3)The company has a "whistleblowing system" and procedures to protect whistleblowers from being improperly dealt with due to whistleblowing.	No significant differences.

Assessment project	Operational situation			Differences and reasons from the Code of Integrity Management of Listed Over-the-Counter Companies
	yes	no	Summary description	
4. Strengthen information disclosure (1)Does the company disclose the content of its integrity management code and promote results on its website and public information observatory?	V		(1) The company has disclosed relevant information such as the Code of Integrity Management on the company website and the Public Information Observation Station.	No significant differences.
5. If the company has established its own code of integrity management in accordance with the "Code of Integrity Management for Listed Companies", please describe the differences between its operation and the established code: a code of integrity management has been established, and the company has been committed to promoting the code of integrity management. There is no major difference from the established code.				
6. Other important information that will help you understand the company's integrity management operations: (such as the company reviewing and revising its code of integrity management, etc.): The company's business philosophy is integrity, innovation, quality, service and excellence, with integrity as the top priority.				

(8) Other important information that can enhance the understanding of corporate governance operations: None.

(9) Matters that should be disclosed regarding the implementation status of the internal control system

1. Internal Control Statement: Please refer to the Public Information Observatory > Company > Corporate Governance > Corporate Rules / Internal Control > Internal Control Statement Announcement (https://mops. twse. com. tw/mops/#/web/t06sg20).

2. Thosewho entrust an accountant to review the internal control system shall disclose the accountant's review report: None.

(10) Important resolutions of the shareholders’ meeting and the board of directors in the most recent year and as of the publication date of the annual report:

1. Important resolutions and implementation status of the regular shareholders’ meeting on May 29, 2025:

(1) The company’s profit distribution case for 2024.

Execution status: Shareholder dividends include a cash dividend of NT$7.158 per share, totaling NT$418,339,246, which was completed on July 31, 2025.

(2) Handle the capital reserve allotment case.

Implementation status: Capital reserve allotment of cash, NT$0.575 per share, totaling NT$33,605,067, was completed on July 31, 2025.

(3) The case ofconverting the company’s surplus into capital and issuing new shares.

Execution status: 1,560,444 ordinary shares were converted into capital to increase capital, with a face value of NT$10 per share, totaling NT$15,604,440, and an allotment of NT$0.267 per share. The issuance of new shares for the capital increase was completed and listed on the OTC on August 13, 2025.

2. Important resolutions of the board of directors: Important resolutions of the board of directors in 2025 and as of the date of publication of the annual report:

board date	Session	Discussion items	Resolution result
2025.02.26	8-13	1. Discussion on the distribution of employee remuneration and director remuneration in 113. 2. 2024 Annual Financial Statement Discussion Proposal. 3. Discussion of the 2024 annual business report. 4. Discussion on the distribution of earnings and cash dividends for the year 2024. 5. Discussion on converting the company’s surplus into capital to increase capital and issue new shares. 6. Handle discussions on capital reserve allotment. 7. Discuss the proposal to lift the non-competition restrictions on the directors and representatives of the company. 8. Discussion proposal for revision of the company’s articles of association. 9. Matters concerning the convening of the 2025th regular shareholders’ meeting and discussions on the acceptance of shareholder proposals. 10. Discussion on the appointment of accountants and assessment of accountant independence and	Passed without objection

board date	Session	Discussion items	Resolution result
		competency in 2025.	
2025.04.24	8-14	1. Discussion of financial statements for the first quarter of 2025. 2. Discussion proposal for revision of the company's articles of association.	Passed without objection
2025.06.17	8-15	Determine the base date for the allotment of new shares from the company's 2024 annual surplus by capital increase and issue of new shares and related matters.	Passed without objection
2025.08.07	8-16	Discussion of financial statements for the second quarter of 2025.	Passed without objection
2025.10.30	8-17	2025 Third Quarter Financial Statement Discussion Proposal.	Passed without objection
2025.11.12	8-18	1. The company's application for stock listing discussion. 2. Discussion case for personnel changes.	Passed without objection
2026.02.26 2026.02.26	8-21 8-21	1. Discussion on the distribution of employee remuneration and director remuneration in 2025. 2. Discussion proposal on the 2025th annual financial report. 3. Discussion of the 2025th Annual Business Report. 4. Discussion on the distribution of earnings and cash dividends for the year 2025. 5. Handle discussions on capital reserve allotment. 6. Reelection of the company's ninth term of directors (including independent directors). 7. Matters concerning the convening of the 2026th regular shareholders' meeting and discussions on the acceptance of shareholder proposals. 8. 2026 Annual Accountant Appointment and Accountant Independence and Competency Assessment Discussion Proposal. 9. Lifting the non-competition discussion of the company's managers.	Passed without objection Passed without objection

(11) In the most recent year and as of the date of publication of the annual report, directors or supervisors have different opinions on important resolutions passed by the board of directors and have records or written statements. The main content is: None.

4. Publicly funded information for visa accountants:

(1) Public expenses of accountants

Amount unit: NT$1,000

Accounting firm name	Accountant Name	Accountant's review period	audit Public expense	non-audit Public expense	Total	Remark
Qinye Zhongxin United Accounting Firm	Ye Donghui	2025.01.01~2025.06.30	1,820	1,280	3,100	Internal business rotation in accounting firms
	Zhang Yayun					
	Chen Yanjun	2025.07.01~2025.12.31				
	Ye Donghui					

Non-audit publicly funded services include: surplus transfer to capital increase declaration cases, tax visa and tax application cases.

(2) If the accounting firm is changed and the audit fees paid in the year of change are less than the audit fees in the year before the change, the amount of audit fees before and after the change and the reasons should be disclosed: Not applicable.

(3) If the public audit expenses decrease by more than 10% compared with the previous year, the amount, proportion and reasons for the decrease in audit public funds should be disclosed: None.

5. Change of accountant information: None.

6. The company’s chairman of the board, general manager, or manager responsible for financial or accounting affairs, who has worked in the firm where the certified accountant belongs or its related companies in the past year: None.

7. Equity transfers and equity pledge changes of directors, supervisors, managers and shareholders holding more than 10% of the shares in the most recent year and as of the date of publication of the annual report:

(1) Equity transfer and pledge of directors, supervisors, managers and shareholders holding more than 10%of the shares: Please refer to the Public Information Observatory > Single Company > Equity Changes / Securities Issuance > Equity Transfer Information Inquiry > Insider Shareholding Change Post-Report Form (https://mops. twse. com. tw/mops/#/web/query6_1) and the Public Information Observatory > Single Company > Equity Changes / Securities Issuance > Insider Pledge and Resolution > Insider Pledge and Resolution Announcement (https://mopsov. twse. com. tw/mops/web/STAMAK03_1).

(2) Information on the related parties of directors, supervisors, managers and shareholders holding more than 10% of the equity transfer: None.

(3) Information on related parties of directors, supervisors, managers and shareholders holding more than 10% of the shares pledged as related parties: None.

8. Information on the relationships between the top ten shareholders with the largest shareholding ratio and their spouses or relatives with in the second degree:

March 31,2026; unit: share;%

Name	I hold shares		Spouses and minor children hold shares		Holding shares in aggregate in the name of others		If the top ten shareholders are related to each other or are spouses or relatives within the second degree, their names and relationships		Remark
	Number of shares	shareholding Proportion	Number of shares	shareholding Proportion	Number of shares	Shareholding ratio	name(name)	relation	
Sunplus Technology (Co., Ltd.) Representative: Huang Zhoujie	29,890,061	49.81	-	-	-	-	Lingxu Investment Co., Ltd.	1. Investee companies evaluated using the equity method 2. The chairman of the company and the chairman of other companies are the same person	-
							Sunplus Venture Capital (Co. , Ltd.)	1. Investee companies evaluated using the equity method 2. The chairman of the company and the chairman of other companies are the same person	-
Sunplus Venture Capital (Co., Ltd.) Representative: Huang Zhoujie	2,998,490	5.00	-	-	-	-	Sunplus Technology (Co., Ltd.)	1. Other companies that use the equity method to evaluate the company 2. The chairman of the company and the chairman of other companies are the same person	-

Name	I hold shares		Spouses and minor children hold shares		Holding shares in aggregate in the name of others		If the top ten shareholders are related to each other or are spouses or relatives within the second degree, their names and relationships		Remark
	Number of shares	shareholding Proportion	Number of shares	shareholding Proportion	Number of shares	Shareholding ratio	name(name)	relation	
							Lingxu Investment Co., Ltd.	The chairman of the company and the chairman of other companies are the same person	-
Gong Zhihao	2,546,701	4.24	-	-	-	-	-	-	-
Lingxu Investment Co., Ltd. Representative: Huang Zhoujie	1,106,750	1.84	-	-	-	-	Sunplus Technology (Co., Ltd.)	1. Other companies that use the equity method to evaluate the company 2. The chairman of the company and the chairman of other companies are the same person	-
							Sunplus Venture Capital (Co. , Ltd.)	The chairman of the company and the chairman of other companies are the same person	-
Qiu Qiying	541,974	0.90	-	-	-	-	-	-	-
Lin Gaohuang	520,000	0.87	-	-	-	-	-	-	-
Liu Shu	400,947	0.67	-	-	-	-	-	-	-
Citi custody Berkeley Capital SBL/PB investment account	294,206	0.49	-	-	-	-	-	-	-
Wu Guoyan	203,997	0.34	-	-	-	-	-	-	-
HSBC maintains a dedicated investment account for Jacadi Emerging Markets Small Capital Equity	200,983	0.33	-	-	-	-	-	-	-

Name	I hold shares		Spouses and minor children hold shares		Holding shares in aggregate in the name of others		If the top ten shareholders are related to each other or are spouses or relatives within the second degree, their names and relationships		Remark
	Number of shares	shareholding Proportion	Number of shares	shareholding Proportion	Number of shares	Shareholding ratio	name(name)	relation	
Fund Co., Ltd.									

Note1: All the top ten shareholders should be listed. For legal person shareholders, the name of the legal person shareholder and the name of the representative should be listed separately.
Note2: The calculation of shareholding ratio refers to the calculation of shareholding ratio in one's own name, spouse, minor children or in the name of others.
Note3: The shareholders listed in the previous disclosure include legal persons and natural persons, and the relationship between them should be disclosed in accordance with the issuer's financial reporting standards.

9. Comprehensive shareholding ratio: Not applicable.

III.Participation and fundraising situation

1. Capital and shares

(1) Source of equity capital

March 31,115

Unit: Thousands of shares; Thousands of New Taiwan Dollars

years	issued Price	Approved share capital		Paid-up capital		Remark		
		Number of shares	Amount	Number of shares	Amount	Source of equity	by cash Those who use other property to offset the share capital	other
2006.12	10	35,000	350,000	22,000	220,000	Split new	-	Note 1
2007.11	14	35,000	350,000	24,200	242,000	Cash capital increase of 22,000,000	-	Note 2
2008.08	10	35,000	350,000	25,652	256,520	Employee dividends were converted into capital increase of 7,260,000, and surplus was converted into capital increase of 7,260,000.	-	Note 3
2008.10	25	35,000	350,000	27,052	270,520	Cash capital increase of 14,000,000	-	Note 4
2009.09	10	35,000	350,000	28,792	287,920	Employee bonuses were converted intocapital increase of 8,700,000, and surplus were converted into capital increase of 8,700,000.	-	Note 5
2009.12	16.7	40,000	400,000	36,879	368,789	Divided, transferred, and issuednew shares worth 80,869,000	-	Note 6
2010.02	12.7	40,000	400,000	37,459	374,587	579,813 employee stock options were exercised	-	Note 7
2010.06	10	40,000	400,000	38,416	384,160	Employee bonuses were converted intocapital increase of 4,300,000, and surplus were converted into capital increase of 4,300,000.	-	Note 8
	12.7					97,293 employee stockoptions were exercised		
2010.10	12	70,000	700,000	40,417	404,166	318,756 employee	-	Note

years	issued Price	Approved share capital		Paid-up capital		Remark		
		Number of shares	Amount	Number of shares	Amount	Source of equity	by cash Those who use other property to offset the share capital	other
						stock options were exercised		9
	16.2					1,681,849 employee stock options were executed		
2010.11	25	70,000	700,000	45,417	454,166	Cash capital increase of 50,000,000	-	Note 1
2011.02	13.4	70,000	700,000	45,504	455,038	45,284 employee stockoptions were exercised	-	Note 11
	17.2					41,885 employee stockoptions were exercised		
2011.03	10	70,000	700,000	48,184	481,838	Employee bonuses were converted into capital increase of 13,400,000, and surplus were converted into capital increase of 13,400,000.	-	Note 12
2011.05	13.4	70,000	700,000	48,410	484,101	110,496 employee stock options were exercised	-	Note 13
	11.6					22,557 employee stockoptions were exercised		
	17.2					56,543 employee stockoptions were exercised		
	15.2					Employee stock options wereexercised for 36,719 shares		
2011.08	11.6	70,000	700,000	48,450	484,495	Employee stock options wereexercised for 39,425 shares	-	Note 14
2011.11	11.6	70,000	700,000	48,469	484,690	19,518 employee stockoptions were exercised	-	Note 15
2012.03	11.6	70,000	700,000	48,497	484,968	27,737 employee stockoptions were exercised	-	Note 16
2012.05	11.6	70,000	700,000	48,528	485,286	31,852 employee stockoptions were exercised	-	Note 17

years	issued Price	Approved share capital		Paid-up capital		Remark		
		Number of shares	Amount	Number of shares	Amount	Source of equity	by cash Those who use other property to offset the share capital	other
2012.08	11.6	70,000	700,000	48,552	485,522	23,635 employee stockoptions were exercised	-	Note 18
2012.09	10	70,000	700,000	49,943	499,437	Employee dividends were converted into capital increase of 12,364,000(664,000 shares wereissued), and surplus was converted into capital increase of 7,275,000	-	Note 19
2012.11	11.6	70,000	700,000	49,947	499,478	4,110 employee stock options were exercised	-	Note 20
2013.03	10.9	70,000	700,000	49,989	499,899	42,121 employee stockoptions were exercised	-	Note 21
2013.08	-	70,000	700,000	50,989	509,899	Issued 1,000,000 new shares with restricted employee rights	-	Note 22
2013.11	10.9 10.5	70,000	700,000	51,040	510,407	Employee stock options were exercised for 50,838 shares	-	Note 23
2014.01	10.5	70,000	700,000	51,287	512,875	246,823 employee stock options were exercised	-	Note 24
2014.03	-	70,000	700,000	51,234	512,345	Received and canceled 53,000 new shares withrestricted employee rights	-	Note 25
2014.05	-	70,000	700,000	52,634	526,345	Issued 1,400,000 new shares with restricted employee rights	-	Note 26
2014.11	-	70,000	700,000	52,602	526,025	Collected and canceled 32,000 new shares withrestricted employee rights	-	Note 27
2015.03	-	70,000	700,000	52,558	525,585	Received and canceled 44,000 new shares withrestricted employee rights	-	Note 28
2015.06	-	70,000	700,000	52,343	523,436	Received and canceled 215,000 new shares with	-	Note 29

years	issued Price	Approved share capital		Paid-up capital		Remark		
		Number of shares	Amount	Number of shares	Amount	Source of equity	by cash Those who use other property to offset the share capital	other
						restricted employee rights		
2015.08	-	70,000	700,000	52,138	521,386	Received and canceled 205,000 new shares with restricted employee rights	-	Note 30
2015.11	-	70,000	700,000	51,485	514,851	Received and canceled 653,500 new shares with restricted employee rights	-	Note 31
2016.03	-	70,000	700,000	51,460	514,601	Recovered 25,000 new shares with cancellation of restricted employee rights	-	Note 32
2016.06	-	70,000	700,000	51,457	514,576	Recovered 2,500 new shares with cancellation of restricted employee rights	-	Note 33
2016.11	-	70,000	700,000	51,450	514,501	Recovered 7,500 new shares with cancellation of restricted employee rights	-	Note 34
2020.11	-	70,000	700,000	52,450	524,501	Issued 1,000,000 new shares with restricted employee rights	-	Note 35
2021.07	160	70,000	700,000	57,510	575,101	Cash capital increase of 50,600,000	-	Note 36
2021.07	-	70,000	700,000	57,500	575,001	Received and canceled 10,000 new shares withrestricted employee rights	-	Note 36
2021.09	-	70,000	700,000	58,500	585,001	Issued 1,000,000 new shares with restricted employee rights	-	Note 37
2023.08	-	70,000	700,000	58,498	584,985	Received and canceled 1,500 new shares with restricted employee rights	-	Note 38
2023.11	-	70,000	700,000	58,443	584,435	Received and canceled 55,000 new shares withrestricted	-	Note 39

years	issued Price	Approved share capital		Paid-up capital		Remark		
		Number of shares	Amount	Number of shares	Amount	Source of equity	by cash Those who use other property to offset the share capital	other
						employee rights		
2025.07	10	100,000	1,000,000	60,004	600,040	Profit converted into capital increase and 1,560,444 new shares issued		Note 40

Note 1: Ref. No. 0950032991, Science Park Bureauon on December 14, 2006

Note 2: Ref. No. 0960032263, Science Park Bureauon on November 30, 2007

Note 3: Ref. No. 0970021811, Science Park Bureauon on August 7, 2008

Note 4: Ref. No. 0970029005, Science Park Bureauon on October 16, 2008

Note 5: Ref. No. 0980025494, Science Park Bureauon on September 11, 2009

Note 6: Ref. No. 0980036450, Science Park Bureauon on December 23, 2009

Note 7: Ref. No. 0990004269, Science Park Bureauon on February 11, 2010

Note 8: Ref. No. 0990019050, Science Park Bureauon on July 7, 2010

Note 9: Ref. No. 0990029738, Science Park Bureauon on October 5, 2010

Note 10: Ref. No. 0990033360, Science Park Bureauon on November 10, 2010

Note 11: Ref. No.1000004856, Science Park Bureauon on February 22, 2011

Note 12: Ref. No. 1000007668, Science Park Bureauon on March 21, 2011

Note 13: Ref. No. 1000012328, Science Park Bureauon on May 3, 2011

Note 14: Ref. No. 1000024090, Science Park Bureauon on August 12, 2011

Note 15: Ref. No.1000033560, Science Park Bureauon on November 11, 2011

Note 16: Ref. No. 1010007222, Science Park Bureauon on March 13, 2012

Note 17: Ref. No. 1010013585, Science Park Bureauon on May 10, 2012

Note 18: Ref. No. 1010026409, Science Park Bureauon on August 24, 2012

Note 19: Ref. No.1010030097, Science Park Bureauon on September 28, 2012

Note 20: Ref. No.1010035075, Science Park Bureauon on November 13, 2012

Note 21: Ref. No. 1020007249, Science Park Bureauon on March 13, 2013

Note 22: Ref. No. 1020026367, Science Park Bureauon on August 30, 2013

Note 23: Ref. No.1020034673, Science Park Bureauon on November 14, 2013

Note 24: Ref. No. 1030001682, Science Park Bureauon on January 16, 2014

Note 25: Ref. No. 1030007362, Science Park Bureauon on March 14, 2014

Note 26: Ref. No. 1030013143, Science Park Bureauon on May 5, 2014

Note 27: Ref. No.1030035048, Science Park Bureauon on November 28, 2014

Note 28: Ref. No. 1040006505, Science Park Bureauon on March 13, 2015

Note 29: Ref. No. 1040015310, Science Park Bureauon on June 1, 2015

Note 30: Ref. No.1040025088, Science Park Bureauon on August 28, 2015

Note 31: Ref. No.1040033123, Science Park Bureauon on November 13, 2015

Note 32: Ref. No. 1050006586, Science Park Bureauon on March 14, 2016

Note 33: Ref. No. 1050017549, Science Park Bureauon on June 30, 2016

Note 34: Ref. No.1050032337, Science Park Bureauon on November 22, 2016

Note 35: Ref. No.1090032479, Science Park Bureauon on November 16, 2020

Note 36: Ref. No.1100022720, Science Park Bureauon on August 12, 2021

Note 37: Ref. No. 1100026122, Science Park Bureauon on September 9, 2021

Note 38: Ref. No. 1120027993, Science Park Bureauon on August 24, 2023

Note 39: Ref. No.1120037284, Science Park Bureauon on November 10, 2023

Note 40: Ref. No. 1140022947, Science Park Bureauon on July 21, 2025

March 31,2026; unit: shares

shares Kind	Approved share capital			Remark
	outstanding shares	unissued shares	total	
common stock	60,004,038	39,995,962	100,000,000	OTC company stocks

Information related to the blanket reporting system

Types of s ecurities	Scheduled issuance amount		Amount issued		The issuance purpose and expected benefits of the issued portion	unreleased part Scheduled release period	Remark
	Total number of shares	approve Amount	Numb er of shares	price			
none	none	none	none	none	none	none	none

(2)List of major shareholders

March 31,2026; unit: share;%

shares Name of major shareholder	Number of shares held	Shareholding ratio
Sunplus Technology Co., Ltd.	29,890,061	49.81
Sunplus Venture Capital Co., Ltd.	2,998,490	5.00
Gong Zhihao	2,546,701	4.24
Lingxu Investment Co., Ltd.	1,106,750	1.84
Qiu Qiying	541,974	0.90
Lin Gaohuang	520,000	0.87
Liu Shu	400,947	0.67
Citi custody Berkeley Capital SBL/PB investment account	294,206	0.49
Wu Guoyan	203,997	0.34
HSBC maintains a dedicated investment account for Jacadi Emerging Markets Small Capital Equity Fund Co., Ltd.	200,983	0.33

(3)Company dividend policy and implementation status

1. Dividend policy stipulated in the company’s articles of association

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

If there is a reduction in shareholders' equity accumulated in the previous year or occurring in the current year that is insufficient to be included in the after-tax surplus of the current year, the same amount of special surplus reserve should be set aside from the accumulated undistributed earnings of the previous year and deducted before distribution is planned.

When the company distributes all or part of dividends and bonuses or statutory surplus reserves and capital reserves by issuing new shares, it shall be handled in accordance with the provisions of Article 240 of the Company Law, and the distribution shall be submitted to the shareholders' meeting for resolution; when the company distributes cash, the board of directors shall be authorized to do so with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present, and report to the shareholders' meeting.

2. Dividend distribution status discussed this year

The 2025 profitdistribution proposal has been distributed by the board of directors on

February 26, 2026. The amount of cash dividends and capital reserves to be distributed is as follows:

(a) The cash dividend distributed from earnings is NT$463,231,174, witha distribution of NT $7.72 per share.
(b) Cash disbursement from capital reserve amounted to NT$76,805,169, with a disbursement of NT$1.28 pershare.

(4) The impact of the free allotment proposed at this shareholders' meeting on the company's operating performance and earnings per share: Not applicable.

(5)Remuneration of employees, directors and supervisors

1. The percentage or range of remuneration for employees, directors and supervisors as stated in the company's articles of association:

   If the company makes a profit during the year, it should allocate no less than 1% as employee remuneration (no less than 10% of the amount of employee remuneration in this item should be allocated to grassroots employees) and no more than 1%. Five is direct or's remuneration. However, if the company still has accumulated losses (including adjustments to the amount of undistributed surplus), it should reserve the amount to make up for it in advance.

   The employee remuneration and junior employee remuneration mentioned in the preceding paragraph may be in the form of stocks or cash, and the recipients of the remuneration may include employees of affiliated companies who meet the conditions set by the board of directors. The direct or's remuneration mentioned in the preceding paragraph shall only be paid in cash.

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

2. The estimation basis for the current period's estimated remuneration for employees, directors and supervisors, the calculation basis for the number of shares of employee remuneration distributed in the form of stocks, and the accounting treatment if the actual distribution amount is different from the estimated amount:

   The Company estimates the amount of remuneration for employees and directors based on the percentage stipulated in the Articles of Association, which is set aside at a certain proportion and recognized as expenses for the current period. Subsequently, if there is a difference between the actual amount distributed and the estimated amount, the difference will be accounted for based on changes in accounting estimates, and will be adjusted and accounted for in the annual resolution of the shareholders' meeting.

3. The board of directors approves the distribution of remuneration

   (1) The amount of employee remuneration distributed in cash or stocks and the remuneration of directors and supervisors. If there is a difference from the annual estimated amount of recognized expenses, the amount of the difference, the reason and the handling situation should be disclosed:

   The company's 2025 employee remuneration and directors' remuneration distribution has been approved by the board of directors resolution on February 26, 2026, and then submitted to the shareholders' regular meeting report. The amount of cash remuneration planned to be distributed to employeesis NT$6,139,933 (10% of the employee remuneration amount, including NT$613,994, is the remuneration of grassroots employees), and the directors' cash remuneration is NT$9,209,899, which isnodifferent from the annual estimated amount of recognized expenses.

   (2) The ratio of the amount of employee compensation distributed in stocks to the total net income after tax and total employee compensation for the current period:

   The company's 2025 employee remuneration distribution method is in cash, so it is not applicable.

4. The actual distribution of the remuneration of employees, directors and supervisors in

the previous year (including the number of shares allotted, the amount and the stock price), and if thereis any difference between the remuneration of employees, directors and supervisors recognized, the amount of the difference, the reasons and the handling situation should be stated.

Thiscase was approved by the board of directors on February 26, 2025 and submitted tothe shareholders'regular meeting report on May 29, 2025. The employee remuneration and direct or's remuneration in 2024 were NT$5,794,032 and NT$8,691,047 respectively, all of whichwerepaid in cash. There is no difference between the actual amount of employee remuneration and direct or's remuneration distributed and the amount of distribution reported at the regular shareholders' meeting.

(6)Situation in which the company repurchases its own shares: None.

2. The handling of corporate bonds should include corporate bonds that have not yet been repaid and those in the process of being handled, and relevant matters and their impact on shareholders' rights and interests should be disclosed in accordance with the provisions of Article 248 of the Company Law: None.

3. The handling of special shares should include special shares in circulation and those under handling, and the relevant issuance conditions, impact on shareholders’ rights and interests, and matters stipulated in Article 157 of the Company Law should be disclosed: None.

4. Overseas depositary receipts handling situation: None.

5. Processing of employee stock option certificates: Not applicable.

6. New shares restricting employee rights: None.

7. Processing of mergers and acquisitions or transfer of shares of other companies and issuance of new shares: None.

8. Implementation status of fund utilization plan: Not applicable.

IV. Operation overview

1. Business content

(1) Business scope

1. The main contents of the company's business:

CC01080 Electronic components manufacturing industry

I 501010 Product design industry

F401010 International trade industry

I 301010 Information software services industry

I 301020 Information processing services industry

Research, design, develop, manufacture and sell the following products:

A. Design, manufacturing, testing and sales of various integrated circuits.

B. Design, manufacturing, testing and sales of various integrated circuit modules.

C. Research, development and sales of various application software.

D. Research, development and sales of various silicon intellectual property.

E. Import and export trade business of various products mentioned in the preceding paragraph.

2. Existing product categories and business proportion

Unit: NT$ thousand;%

Main products	2024		2025	
	Operating revenue amount	Proportion of operating revenue	Operating revenue amount	Proportion of operating income
I C	1,816,537	99.92	1,994,797	99.75
other	1,390	0.08	4,951	0.25
Total	1,817,927	100.00	1,999,748	100.00

3. The company's current products(services): The company's current main product lines are divided into two categories:

(1) Laptop embedded ISP chip and USBexternalnetworkcamera image processing control chip.

(2) Personal computer peripheral device micro-control chips and low-power IOT imaging micro-control chips.

4. New products (services) planned to be developed
The company's future plans to develop new products based on market demand are divided into threemain axes:

(1) Image processing control chip products

A. Laptop embedded camera ISP chip

(a) 4K2K image processing control chip.

(b) Windows Hello Human Presence laptop embedded AI camera control chip.

B. USB external network camera ISP chip

(a) USB3.0 high-quality 4K2K AI artificial intelligence plug-in network camera control chip.

(b) USB2.0 five million pixel AI artificial intelligence plug-in network camera control chip.

(2) Safety & Sensing application chip [under development]

For automotive safety, industrial monitoring and specific environmental sensing needs, develop solutions with "sensing redundancy" capabilities:

A. AI infrared thermal imaging(Thermal Imaging) processing chip: combines non-contact temperature sensing and AI algorithms, suitable for industrial safety monitoring and night vision assistance.

B. Multi-sensor fusion (Sensor Fusion) processing platform: Integrate infrared and visible light images to provide more stable edge computing capabilities to meet the sensing needs of high security standards.

(3) Intelligent human-machine interface and medical imaging applications [under development]

A. Smart HMI (Smart Human Machine Interface) control chip: Integrate voicerecognition, gesture control and display driver technology to provide the interactive core of the next generation of smart home appliances and vehicle systems.

B. Low-power IOT smart vision microcontroller chip: Enhance edge AI recognition efficiency and extend device standby time.

C. High-resolution medical endoscopic image control chip: a low-latency, high-color restoration image solution developed for medical-grade accuracy.

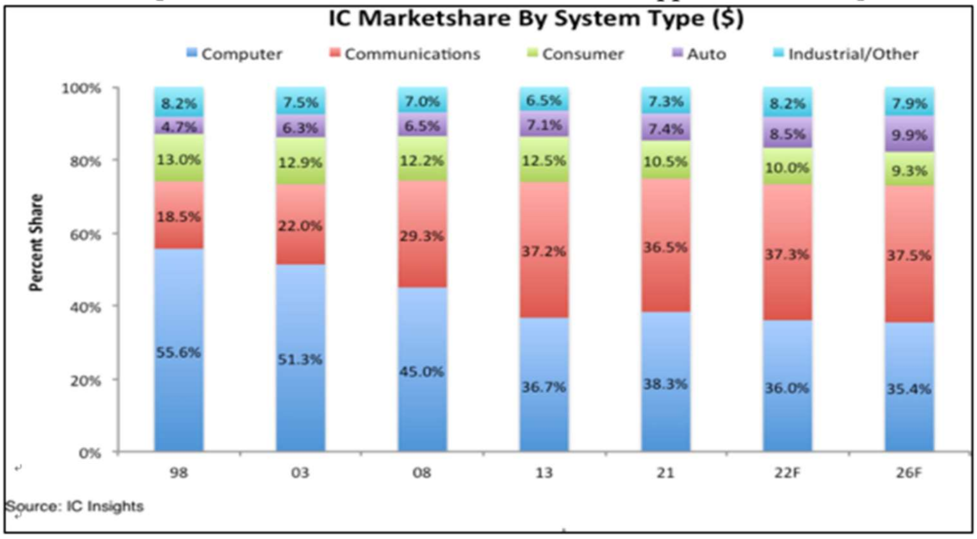
(2)Industry overview

1. Current status and development of the industry

(1) Camera image processing control chip

According to statistics from IC Insight, a research institute, the current terminal applications in the global semiconductor market are mainly computer and communication ICs, followed by consumer electronics ICs. Consumerelectronics IC applications cover different fields such as home appliances, entertainment, education, and health and medical equipment. Each field requires different core technical capabilities. The development strategy of consumer electronics IC design companies has gradually evolved from a single product line in the early days to a multi-product line to avoid the operational risks of over-concentrating a single consumer IC product.

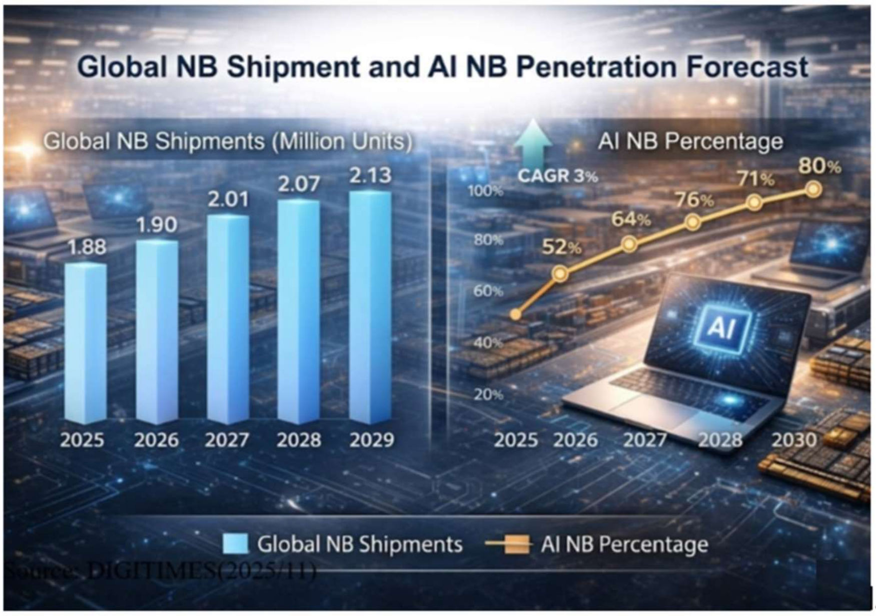
[Global semiconductor market terminal application needs]



Source: IC Insight(2020/06)

Laptop network camera image processing control chip is a part of the computer peripheralelectronic IC, which is closely related to the demand of the end product notebook computer. In the past, most consumer notebook computers were equipped with video lenses that were not of high quality until Microsoft announced at the 2026 Developer Conference that the Windows 10 operating system would have built-in Windows. The Hello biometric recognition system requires the addition of an infrared (IR) camera module for facial recognition to the camera to improve the image quality of the laptop's built-in camera and drive the demand for certified infrared networkcamera image processing control chips. With the popularization of the Windows 11 operating system, network camera video image quality has become a key element of product design. All major brand customer products need to pass image quality certification and obtain labels to demonstrate product standards. Although the popularity of remote working and teaching has continued to drive demand for notebook specifications and performance and stable shipments since the epidemic, the global memory market has undergone structural changes due to the continued expansion of generative AI, cloud computing and GPU servers. As the demand for high-end memory gradually erodes the production capacity of the consumer market, traditional memory prices continue to soar, resulting in increasing cost pressure on brand notebook computers, forcing In response to the increase in product prices and reduction of specifications of branded laptops, according to statistics from the research agency DIGITIMES, the annual growth rate of global laptop shipments in 2026 is only 1%. However, with the launch of new generation operating systems, improvements in AI computing capabilities, and the accelerated introduction of small language models into terminal devices, global shipments are estimated to grow to 213 million units in 2030, with acompound annual growth rate of approximately3%.

[Estimated global NB shipments from 2025 to 2030]



Source: DIGITIMES(2025/11)

External camera products are divided into twoforms: USB connection and wireless transmission. Compared with laptop built-in cameras, external cameras can provide higher qualityimages, including up to 4K image quality and theuse of High Dynamic Range Imaging (HDR) technology, which can still provideclear imagequality under various light sources from low light sources to direct sunlight. Replacing face-to-face meetings with clear video quality willeffectively reduce the need for business travel, according to research agency Precedence Research statistics show that theglobal external Webcam market is estimated to reach US$17.18 billion from 2025 to 2034, with an annual compound growth rate of 7.24%.

[Estimated global Webcams market size from 2025 to 2034]

Source: Precedence Research(2025/11)

In addition to traditional video and surveillanceneeds, external cameras are also gradually developing core technologies towards other similar products, such as:

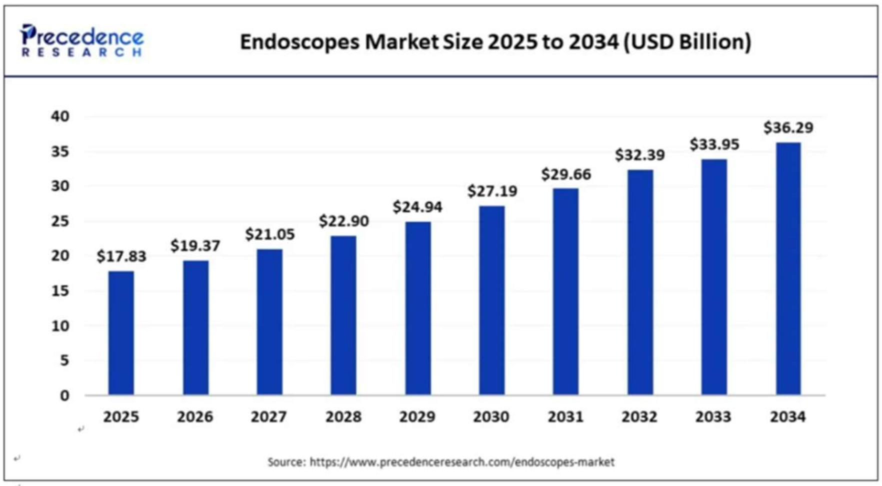
Document camera for office or education use

Compared with traditional scanning methods, high-definition cameras used in the office and education markets can complete the scan in one second and further recognize text through optical character recognition (Optical Character Recognition; OCR). Inthe long term, ifremote office and education become the norm, and the education model gradually develops towards digitalization, the demand for high-definition cameras will continue to grow in the future. According to the research agency Market Research Future, global Document sales from 2025 to 2035 are estimated. The camera market size will reach US$1.125 billion, with an annual compound growth rate of8%.

Medical camera

Medical endoscopes are common equipment used to observe the state of internal organs of the human body. The cameras they are equipped with require high technical content. They need to consider the impact of blood and water inside the human body on image imaging, and also need to overcome the problem of lens heating. With the rapid economic growth of emerging markets and the increase in people's demand for medical care, the demand for endoscopes will continue to grow in the long term, according to the research agency Precedence Researchestimates that the global endoscopymarket will reach US$36.29 billion from 2025 to2034, with an annual compoundgrowth rate of 8.39%.

[Estimated global endoscopy market size from 2025 to 2034]

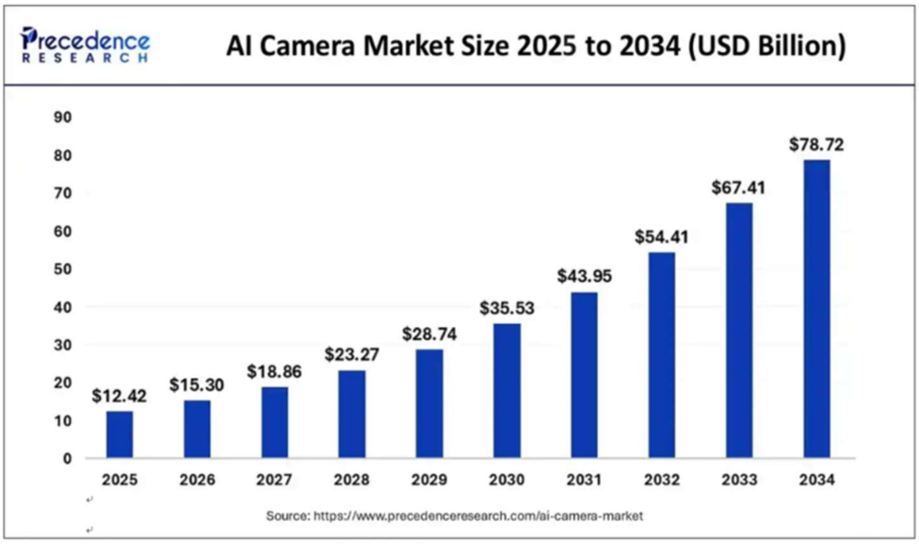


Source: Precedence Research (2025/11)

Artificial intelligence camera

Thewave of artificial intelligence has also improved the technical content of cameras. For example, the Right Sense™technology launched by Logitech, which focuses on the video field, in 2018 is to add artificial intelligence technology to the camera, so that the camera can automatically detect and move the lens and adjust the zoom, making dialogue and eye contact during video conferencing more natural. In terms of image quality, it uses wide dynamic range (Wide Dynamic) Range (WDR) technology separates people from the background and uses software to correctbacklight and glare problems in the image. It can still provide good image quality even under poor light conditions, especially in offices with overhead lighting and glare on both sides. Through this technology, you can have a good video experience regardless of whether there are multiple people or single people. In addition, through deep learning (Deep Neural) at the core of artificial intelligence Network (DNN) technology will allow camera technology to have moreapplication possibilities. Under traditional object recognition technology, features are found through feature extraction algorithms to highlight the important features of an object and filter out irrelevant noise. However, the biggest disadvantage is that no algorithm can be applied to all computer vision applications, so features need to be manuallyproposed for use as algorithms. Deep learning technology trains the system through a large amount of data Automatically learn appropriate features to identify objects. For example, traditional surveillance cameras can only detect human activities with the help of artificial intelligence technology, excluding the movement of cats and dogs, leaves or curtains. Therefore, with the continued development of artificial intelligence technology, it will lead the camera industry from traditional videoapplications to gradually move towards smart home appliances and AIoT (Artificial Intelligence Internet of Things). It will also continue to drive the growth of related image processing control chips in the future. Precedence Research estimates that the global AI Cameramarket will reach US$78.72 billion from 2025 to 2034, with an annual compoundgrowth rate of 22.81%.

[Estimated global AI Camera market size from2025 to 2034]



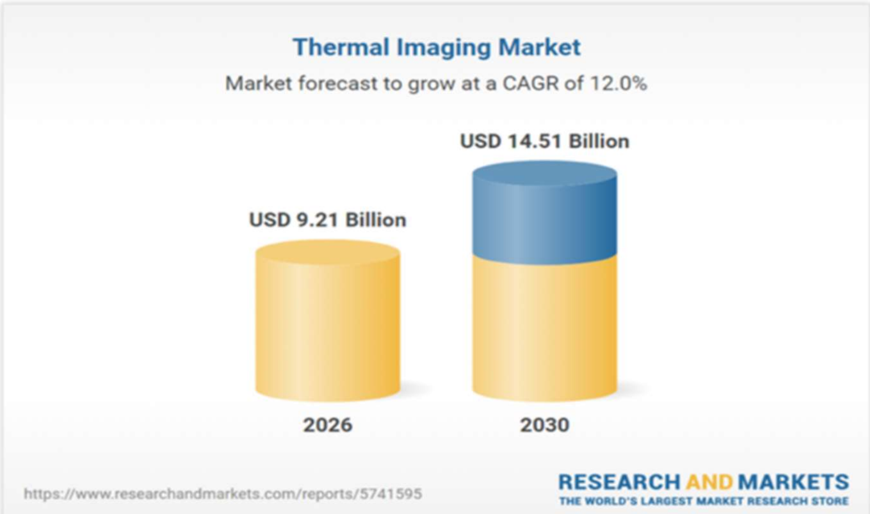
Source: Precedence Research(2025/11)

(2) Security and sensing thermal imaging control chip

According to market monitoring data for thermal imaging technology in2025 by the research institute Yole Group, thermal imaging sensors have all-weather sensing capabilities and can make up for the visual defects of traditional lenses and radars in strong light, harsh weather, or extremely low environmental contrast. They have become a key technology to comply with the "perceptualredundancy" in the new version of Euro NCAP safety regulations in 2026. Therefore, infrared thermal imaging technology has officially shifted from its past military or high-end monitoring applications to a "safety backup" core component for automotive ADAS and industrial automation. Under this architecture, the role of the sensing control chip has evolved from a simple data conversion to a key node responsible for real-time identification of "thermal signatures", ensuring that pedestrians and obstacles can be accurately identified in various environments.

According to data released by Research and Markets in January 2026, the global thermal imaging market is in aperiod of rapid expansion. It is estimated that the global thermal imaging market will grow to US$9.21 billion in 2026 and reach a growth rate of 11.8%. The main automatic driving assistance system (ADAS) has an increasingly urgent demand for perception redundancy (Perception Redundancy), coupled with the widespread introduction of equipment preventive maintenance and smart monitoring in the Industry 4.0 environment. In addition, governments' budgets in the aerospace and defense fields continue to increase, further strengthening the deployment of thermal imaging technology in all-weather environmental monitoring and detection. With the significant improvement in the performance of artificial intelligence and edge computing chips, thermal imaging data can be integrated into various Internet of Things (IoT) architectures in a more real-time manner, which not only improves the system's identification accuracy in extreme environments, but also accelerates its popularity in diverse application scenarios such as medical imaging, consumer electronics, and smart city infrastructure, thus driving a steady increase in the overall market size. Looking to the future, Research and Markets predicts that the global thermal imaging market will reach US$14.51 billion from 2026 to 2030, with an annual compound growth rate of 12%. The main trendis estimated to be the widespread application and democratization of AI-powered thermal imaging analysis technology (AI-powered Thermal Analytics). With the development of deep learning algorithms and edge computing (Edge) With the deep integration of AI) chips, thermal imaging systems have evolved from simple image capture devices in the past to "smart sensing nodes" that can instantly identify specific objects, predict abnormal hot spots, and automatically trigger decisions.

[Estimated global thermal imaging market size from 2026 to 2030]



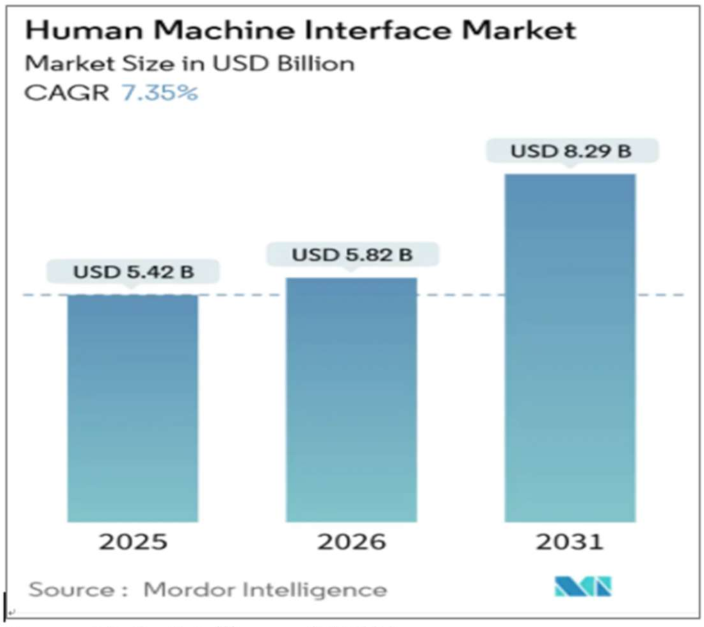
Source: Research and markets (2026/1)

(3)Smart HMI

The main function of Smart HMI is to act as an intelligent bridge for communication between humans and machines. Its core function is to use edge AI computing to instantly transform complex machine operating data into intuitive operational feedback, and proactively sense user intentions and environmental conditions to achieve human-machine collaboration. Under this technology, according to the market monitoring data of smart cockpit and industrial interface technology in 2025 by the research organization Omdia, Smart HMI technology has officially transformedfrom a simple information display and manual input device (such as a screen and buttons) in the past to a smart collaboration system with AI cognitive capabilities. Through the real-time computing of edge AI, it has the ability to actively perceive user intentions and environmental changes, rather than just passively waiting for instructions. Therefore, the role of the sensing control chip has evolved from a simple graphics rendering (GPU) toa key decision-making node responsible for real-time analysis of user status and scene requirements, ensuring that the system can accurately interpret user needs and provide corresponding decision-making suggestions with in milliseconds.

According to data released by research agency Mordor Intelligence in February 2026, it isestimated that theglobal Smart HMI market will grow to US$5.82 billion in 2026, reaching a growth rate of 7.38%. Thisis mainly due to the fact that global factories are driven by governments around the world to promote digital transformation policies, hoping to truly connect office management systems and field equipment. As the industry shifts to the human-centered "Industry 5.0" production model, the manufacturing industry continues to increase its investment in edge connection panels, immersive visualization and "security by design" architecture to meet the urgent needs for real-time data observation, reducing equipment downtime and improving overall productivity. In addition, as edge AI chip computing can provide a moreaccurate and predictive user experience, companies are actively introducing HMI systems with AI analysis capabilities, which notonly improves the intuitiveness of human-computer interaction, but also effectively enhances the efficiency of data decision-making in complex manufacturing environments. Looking to the future, Mordor Intelligence predicts that the global Smart HMI market will reach US$8.29 billion from 2026 to 2031, with an annual compound growth rate of 7.35%. The main trend is estimated to be the deep integration of generative AI and large language models (LLM), which will drive the human-machine interface to shift from "predefined logic control" to "generative adaptive interface". Under this development path, Smart HMI will evolve into an active decision support system with high situational awareness. Through real-time calculations of AI Agents and visual language models, the interface will be able to dynamically generate optimized andultra-personalized interactive content and operation guidance based on the operator's experience, task scenarios and environmental data. In addition, as technology evolves, it will focus on the popularization of decentralized edge computing, ensuring that high-order semantic understanding and complex decision-making processing can be achieved while maintaining low latency at the millisecond level.

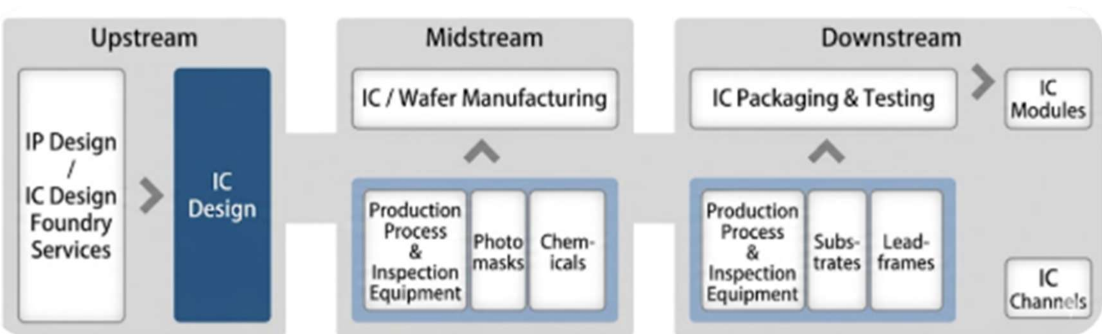
[Estimated global thermal imaging market size from 2026 to 2030]



Source: Modor Intelligence (2026/2)

2. Relevance between the upper, middle and lower reaches of the industry

Our company is an ICdesigncompany in the upstream of the IC industry chain. Its main business is to develop, design and sell image processing and microcontroller IC chips on its own. The operation process is that our company first designs and develops relevant chips based on the needs of the market and brand factories, and thenentrustsmidstream IC manufacturing companies to process the wafers produced by the wafer factory to the optical The basic pattern of the circuit is printed onthe mask, and then the circuit and the components on the circuit are produced on the wafer using methods such as oxidation, diffusion, CVD, etching, and ion implantation. The final processed wafer is then further packaged and testedby thedownstream IC packaging and testing factory to complete the final IC product. The correlation among the upstream, midstream and downstream industries is listed below:



Data source: Industrial Value Chain Information Platform (https://ic. tpex. org. tw/introduce. php?ic=D000)

Due to the clear division of labor in the domestic semiconductor industry, most IC design companies in my country do not have their own wafer fabs, but instead outsource wafer foundries. In order to reduce production costs and focus on product research and development, most of them will focus on a single or a few wafer foundries. Our company chooses world-renowned wafer foundries as foundries. Based on past cooperation experience, they can meet production capacity needs and improve the stability of supply and delivery through long-term cooperation.

3. Product development trends and competition situation

Product series	Application areas
Image processing control chip	Laptop embedded camera (NB Camera), USB external network camera (USB Webcam), document scanner, medical endoscopic camera, driving recorder pull-back camera, Io T surveillance camera
safety and perception	Infrared Thermal Imaging Sensor, AI edge computing perception system, Io T monitoring and remote diagnosis and treatment device
Smart HMI	Intelligent human-machine interface device, low-power Io T intelligent control system

The company currently focuses its R&D and business resources on applications with high gross profit and high added value. The main product lines are divided into three categories: the first category is image processing control chips, the second category is safety and perception products, and the third category is Smart HMI control chips. The development trends of each product line are described below:

A. Image processing control chip

The image processing control chip is the Backend IC(commonly known as the ISP chip) in the Webcam module that is responsible for image adjustment, encoding and USB transmission. Its core includes an image digital signal process or (DSP), a microcontroller (MCU), and a USB interface. Its function isto process and compress the image signal received by the image sensor, and then transmit it to the computer system. In response to changes in the end market and demand for product differentiation, the Company has shifted its strategic focus to the high-end notebook computer (High-end NB) and AI PC markets with higher gross profit margins. We focus onproducts with HD, FHD, 5 million and 4K2K resolution specifications, and introduce artificial intelligence edge computing (Edge AI) capabilities to provide high-quality imaging solutions. With thepopularization of Microsoft Windows 11 operating system and AI PC specifications, all major brand customer products must pass strict image quality certification. Our company's development and quality team has established a complete measurement environment and verification technology, has rich adjustment experience, and can provide customers with comprehensive image adjustment technical support. In addition, for the Windows Hello biometric recognition system, the company's image control chip equipped with an RGB IR sensor has successfully obtained certification. In the future, we will continue to optimize chip performance to meet the high-end market's requirements for the security and reliability of biometric recognition systems.

B. Security and Perception

With the evolution of AI and sensing technology, imaging applications are undergoing a major transformation from simple "seeing" to deep "perceiving". The company is actively venturing into the sensing market with high growth potential and investing in the research and development of control technologies related to infrared thermal imaging sensors. In terms of technical layout, the company is committed to independent research and development of core infrared thermal imaging technology. We have successfully developed Thermal ISP technology and highly integrated NUC (non-uniformity correction) and AGC (automatic gain control) and other advanced image processing functions. Looking to the future, underlying core technologies including readout integrated circuits (ROIC) are also the focus of our company's continued in-depth cultivation and development. This technical layout can not only effectively reduce the overall system cost, but also significantly improve development efficiency, product flexibility and market competitiveness.

C. Smart HMI:

In response to the increasingly complex human-machine interaction requirements of the Internet of Things and smart devices, the company launched the Smart HMI (smart human-machine interface) product line. This series of products has been fully upgraded in architecture, with a highly integrated microcontroller (MCU) and neural network process or (NPU) as the core, combined with memory components, independent output and input circuits and peripheral communication interfaces, focusing on providing extremely power-saving control solutions with high-performance computing capabilities. In view of the popularization and intelligent development of low-power IoT devices, our company's Smart HMI chips can not only independently complete the control tasks of embedded systems, but also significantly introduce edge computing (Edge AI) technology. Through the built-in NPU computing power, AImodels aremainly used to achievelow-latency, high-precision speech recognition, audio processing, gesture control and other advanced functions. This will enable terminal equipment to have more powerful local data processing and real-time decision-making capabilities, fully meeting the market trend of intelligent, diversified and low-power consumption of human-machine interface devices.

4. Product competition situation

A. Image processing control chip

According to the latest report from research institutions (such as Trend Force), with the wave of AIPC replacements and the upgrade of high-end notebook specifications, the image processing requirements and specification thresholds of built-in cameras are increasing day by day. At present, in the global NBCamera image processing chip (ISP) design industry, the company has a market share ofup to 40% in the global market, and is the market leader together with the domestic giant Realtek. The product lines of both parties fully cover HD, FHD and 5M/4Khigh-resolutionchips, and both parties are actively competing for technology in thefield of Edge AI edge computing. The company will continue to consolidate and expand its leading position in the high-endmarket with excellent image quality and highly integrated AI solutions.

B. Safety and Perception

Infrared thermal imaging sensor (Infrared Thermal Imaging Sensor) belongs to a niche market with high technical threshold and high gross profit. Thecore of its competition lies in the underlying readout integrated circuit (ROIC) design capabilities and complex thermal image processing algorithms. In the past, this field was mostly dominated by a few specific international manufacturers. The company relies on its long-term technical foundation accumulated in the field of image processing, combined with high value-added sensor fusion (Sensor Fusion) solutions, to enter thishigh-growth market. Compared with traditional thermal imaging suppliers, we can provide solutions with greater system integration and development flexibility, there by breaking down existing market barriers.

C. Smart HMI

The Io T human-machine interface and low-power control chip market is a diversified and fragmented application field, and there is currently no single dominant competitive leader. Facing the market's increasing demand for intelligent interaction, most traditional competitors still rely on simple microcontroller (MCU) solutions. The company uses a dual-core architecture of highly integrated MCU and neural network process or (NPU), focusing on low-latency and accurate AI audio voice recognition and gesture control. It has formed strong product differentiation in the fiercely competitive Red Sea market and has excellent market breakthrough advantages.

(3) Technology and R&D overview

1. Researchand development expenses invested in the most recent year

Unit: NT$ thousand;%

project	2024	2025
R&D expenses	371,090	393,794
Operating revenue	1,817,927	1,999,748
Proportion of net operating revenue (%)	20	20

2. Successfully developed technologies and products (lastfive years)

year	Specific research and development results	Application areas
2021	5M USB camera controller with HW TNR for NB/PC	In response to the demand for image quality, the second-generation TNRtechnology was developed to increase a small amount of cost in exchange for higher image quality, foruse in NB/PC network cameras with5M resolution.
	Low power IOT snap camera ISP	Ultra-low power consumption ISP with built-inmemory for Io Tapplications
2022	USB2.0 camera controller with AI for NB/PC	Completed the development of a low-power, AI-enabled NB/PC camera controller that can fully comply with Microsoft's new generation HPD (Human Presence Detection) strict requirementsfor low power consumption.
	USB2.0 camera controller with HDR for NB/PC	Using advanced algorithms to complete the development ofhardware HDR (High Dynamic Range) technology that does not require built-in DRAM, it can still retain the details of the bright and dark parts of the photo in an environment with a greater difference between light and dark.
2023	USB3.0 camera controller for video conference/industrial	Utilize advanced image processing algorithms and use USB3.0high transmissionrate controller to complete the development of control chips for video conferencing and

	camera	industrial cameras.
2024	4K2K USB2.0 camera controller with AI for NB/PC	Compliant with Windows Hello Human Presence notebook embedded 4K2K AI camera control chip
	Low power IOT snap camera ISP with AI	Intelligent image detection function image processing chip with multiple detection and ultra-low power IOTimaging system
2025	e USB2V1 Compliant 5MP AI Camera Controller for Notebook and PC	A five million pixel AI control chip that is compatible with Windows Hello Human Presence laptops and meets the new INTEL/AMD e USB2V1 interfaceplatform
	e USB2V1 Compliant 4K UHD AI Camera Controller for Notebook and PC	4K UHD AI control chip that complies with Windows Hello Human Presence laptops and meets the new INTEL/AMD e USB2V1 interface platform
	Thermal ISP IP	Develop customized ISP (Image Signal Processing) IPto optimizefar-infrared thermal sensor image quality

3.
Intellectual Property Management Policy

In order to properly protect R&D results and strengthen competitiveness, Sunplus Innovation Technology formulates an intellectual property management plan that is combined with operational goals. The R&D unit develops patents according to the layout direction. The proposal review is through the company's internal patent review meeting to ensure the quality of the patents. Under this framework, the Intellectual Property Management System developed by the information unit ensures the proper recording, integration, maintenance and utilization of patent assets.

A. Patent protection

In order to build solid intellectual property rights, the company has designed multiple mechanisms to encourage innovation and continue to encourage employees to submit invention applications. At the same time, it has established an intellectual property management system. Patent proposals are applied for in the legal intellectual property system, and are reviewed by the Patent Examination Committee in a hierarchical manner. Applications are made in different countries according to patent attributes, taking into account the quantity and quality of patents.

B. Business secret protection

The company has established document and information control procedures, and all internal and external documents are controlled and supplemented by classification. The employee work rules and employment contracts stipulate that employees have the obligation to keep personal business and company confidentiality. Employees shall not disclose the information after taking office or leaving the company, otherwise the company has the legal right to trace and compensate the company for losses.

C. Trademark protection

In order to enable others to distinguish the source of goods or services, our company applies for trademarks for specific goods or service names and brands. Through trademarks, we build company goodwill, guide trust, and further build company value. Applying for a registered trademark can obtain the exclusive right to use the trademark, which is protected by law. It can exclude others from applying to register the same/similar trademark on the same/similar goods or services.

D. Execution situation

- The company’s implementation of intellectual property management will be reported to the board of directors once a year. The date of the board ofdirectors’report is: December 23, 2025.
- The main activities related to intellectual property management systems in recent years are explained as follows:
  In 2007, the company's "Patent Application Management Measures" were formulated to improve the quality of patents.
  In 2009, the company added the "Patent Proposal Bonus" to the Patent Application Management Measures to encourage colleagues to actively obtain intellectual property through independent research and development results.
  In 2009, the company's "Confidential Document Information Disclosure Control Procedure" was added to strengthen the protection of business secrets. In 2020, the company's Patent Technology Committee was expanded to deepen the integration of patent management and company operations.

As of the end of 2025, the list of intellectual property and achievements obtained are as follows: Patents: The company has a total of 14 patents appro
ved. Trademark: The company has a total of 4 approved trademarks.

(4) Long-term and short-term business development plans

1. Short-term business development plan

(1) Product market strategy

a. Through in-depth cooperation with market leading brand customers and strategic partners (such as Tianyuan Industrial, etc.), we can accurately grasp the latest ideas and needs of the high-end NB, AI PC, infrared thermal imaging and smart IoT markets. This enables early stage technology development, planning of high-end functions covering advanced perception and intelligent interaction, and the launch of products ahead of the market.

b. Based on the developed image processing (ISP), readout integrated circuit (ROIC) and Smart HMI (MCU with NPU) architecture, continue to make incremental technologicalimprovements. Targeting the mainstream edge computing (Edge AI) applications in the market, wepropose high-quality products with multi-functional integration (such as sensor fusion, AI voice and gesture recognition) and extremely low power consumption to improve customers' cost structure and product performance-to-price ratio.

c. Provide customers with a complete product portfolio selection plan, which is widely used in customers' mainstream and mid- and high-end terminal equipment. In addition, based on changes in market demand, the development roadmap (Roadmap) of the three core product lines (image processing, safety and perception, and Smart HMI) is regularly updated to consolidate long-term customer partnerships and strategic alliances.

d. In terms of improving brand value, the company's export countries include China, Japan, South Korea, Thailand and Vietnam, among which China is the main country. This is mainly due to the fact that major international manufacturers entrust Chinese module factories for OEM production. However, if we look at the terminal brand factories that are OEMs for notebook embedded network camera modules, the company's terminal brand customers include not only domestic brand factories, but also well-known European and American brands and Asian brands. The Company has actively deployed in high-end markets such as Japan, South Korea, Europe and the United States to further enhance the Company's international brand value.

(2) Product service strategy

a. In response to market pulsating trends and customers' diverse edge computing needs, develop appropriate software and hardware integration solutions and product portfolios, and provide standard reference design solutions (such as thermal image sensing modules, Smart HMI voice control public boards), so that customers can quickly develop and manufacture products into the market, greatly saving the time from design introduction to mass production.

b. Provide customer technical consultation and adjustment support for industrial technology quality certification specification requirements, and during the mass production stage, technical support personnel will go to customer factories to provide diagnostic services to solve production problems. In terms of application support, we actively cooperate with customers to develop drivers or application software (APP) to enhance the AIfunctionality of end products to meet market needs.

2. Long-term business development plan

(1) Productresearch and development focuses on the advanced development of image processing chips and core algorithms:

a. Image processing control: low-power standby and AIimage edge computing of high-end notebookcomputers (High-end NB) and AI PC; remote medical diagnosis and disposable endoscopic medical photography; high-speed sequence image transmission, high-pixel image processing and industrial vision applications.

b. Safety and perception: The development of the underlying core technology of the Infrared Thermal Imaging Sensor, including the design of a new generation of readout integrated circuits (ROIC) and the advanced algorithm of Sensor Fusion.

c. Smart HMI: Deepening of smart human-machine interface technology, it continues to improve the performance of the MCU and NPU dual-core architecture, and improves ultra-low-latency AIvoicerecognition, audio processing and gesture control capabilities.

(2) The product portfolio will continue to shift to the fields of high-end NB and AI PC computing ISP, infrared thermal image sensing and Smart HMI. Through high-tech threshold and high-margin product lines, we will strive to maintain long-term performance with revenue and profit margins thatare better than the IC design industry average.

(3) Continue topay attention to whether there are any industrial innovation or government department plans that can increase the company'svalue: The company continues to pay attention to whether there are relevant industrial innovation or other government department project plans that can increase the company's value. If there is an opportunity in the future, the company will actively invest in the plan and contribute the company's R&D energy to create a win-win situation with the government departments.

2. Marketand production and sales overview

(1) Market analysis

1. Sales areas of main products

Unit: NT$ thousand;%

year / Regional difference	2024		2025	
	sales amount	%	sales amount	%
Domestic sales	1,006,428	55.36	1,109,812	55.50
Export sales	811,499	44.64	889,936	44.50
Total	1,817,927	100.00	1,999,748	100.00

2. Market share

According to reports from research institutions (such as Trend Force), global notebook computer shipments in 2025 willbeapproximately182,000 units. Among them, Apple's Mac notebook computers are not included in the overall market shipments because they use self-developed image processing chips. The company is deeply involved in the field of image processing chips and currently has a market share of up to 40% in the global market. Its revenue performance is stable and better than the industry average. In addition to consolidating its existing image processing chip advantages in high-end notebook computers and AI PCs, the company is actively exploring the two emerging fields of security and perception and Smart HMI. In the safety and perception section, through in-depth strategic cooperation with Tianyuan Industrial, the company has officially entered the Infrared Thermal Imaging Sensor market. The first batch of readout integrated circuit (ROIC) and VGA ISP samples are expected to be developed by the end of 2026. In the field of Smart HMI, the company has entered the IoT Edge AI human-machine interface market with anMCU and NPU architecture. It is expected that this high value-added product line layout will become a huge growth driver for the company in the future.

3. Market’s future supply and demand situation and growth

The impact of the epidemic that has lasted for several years has pushed up remote demand, leading to significant growth in notebook computers and video conferencing systems. Although the second half of 2022 to 2024 has experienced the challenges of slowing demand for terminal devices and destocking, with the AI PC replacementwave in 2025, edge computing (Edge AI) and IoT applications have begunto penetratedeeply into various fields, and the application of new technologies (such as sensor fusion, AI voice and gesture recognition) has led to a comprehensive upgrade of product specifications and a business reversal.

In terms of wafer production capacity, the company's main products have all adopted 12-inch wafer processes, and production capacity expansion and yield rates are relatively stable. Looking into the future, the terminal market's demand for intelligence and perception capabilities will continue to grow significantly. The company will continue to develop differentiated, high-quality and high-margin image processing chips, infrared thermal imaging technology and Smart HMI solutions, and provide customers with industry-leading quality products to maintain and expand the company's market competitiveness.

4. Advantages and disadvantages of competitive niche and development prospects and countermeasures

(1) Competitive niche

A. Professional R&D team

The company's R&D engineering team has strong digital and analog IC design, core algorithms, application circuit design and software and firmware R&D capabilities and rich practical experience. It provides complete solutions for various products such as webcams, smart human-machine interface devices (including gesture AI, AI-driven user interfaces) and IoT smart wireless control.

At the same time, the R&D team is actively investing in the field of Infrared Thermal Imaging Sensor, using high-order synthesis (HLS) technology to realize the Thermal ISP prototype, and integrating advanced imaging functions such as NUC (non-uniformity correction) and AGC (automatic gain control), which can effectively reduce hardware costs while greatly improving development efficiency and product performance.

B. Complete intellectual property (IP) knowledge base

The company actively develops core technologies for target product lines and has established a complete IP database, core algorithms and software and firmware programs for microcontrollers (MCUs), CMOS image sensors, DSP image processors, high-speed interface physical layer circuits.

In the application of Edge AI, in addition to the improvement of algorithms, physical acceleration (DLA) has alsobeen improved inresponse to demand, and its own IP has been developed to save power and improve computing power to strengthen the competitiveness of the product.

The company also pays close attention to customer needs in the terminal market at all times, cooperates with outsourcing advanced technology IP, and independently designs and develops product solutions withstable and excellent quality for customers.

C. Comprehensive customer support

In addition to providing integrated development tools (IDE or ICE), reference design circuits and control firmware programs that customers need to develop end products, our company also provides production program burning equipment to assist customers in developing production test programs and fixtures, guides customers throughout the entire process to successfully establish mass production processes, and establishes a customer service tracking process database system to ensure the quality of customer support activities and improve customer satisfaction.

D. Good brand image and strategic cooperation

The products developed and sold by the company have excellent performance and have a market share of up to 40% in the global market. Our main products have been adopted by major international brands for a long time and continue to gain recognition from end customers. In addition, the company has actively developed strategic alliances, signed a memorandum of cooperation (MOU) with Tianyuan Industrial and other partners, and successfully demonstrated the AI high frame rate infrared thermal imaging solution at CES 2026, leading the evolution of industrial technology from "seeing" to "perceiving", further consolidating the leading position of high-tech brands.

(2) Advantages, disadvantages and countermeasures for development prospects:

Favorable factors:

A. It is difficult to develop key technologies in the product field and the barriers to entry are high

The research and development of network cameras, human-machine interface devices and thermal imaging control chips developed by our company must have IC design capabilities for digital circuits, analog circuits, optical sensors, digital signal processors and wireless transmission, and develop appropriate algorithms (such as Sensor Fusion and Thermal algorithms) for the target application market. At the same time, control firmware and PC drivers must be developed based on the specific functions of the computer host, operating system, and device. This requires a high level of technology and involves a wide range of fields. The barriers to entry are significantly higher than those of ordinary general-purpose IC design companies. This can avoid price bargaining due to competition among peers and protect the company's profitability.

B. Specializes in booming market development

The product market that the company specializes in has successfully expanded from the NB/PC industry to non-NB/PC application fields such as document scanning, medical endoscopy, networked TVs, IoT remote diagnosis and treatment, and smart home control.

Accordingto the latest 2026 market research agency reports (such as Fortune Business Insights and Mordor Intelligence), thanks to the normalization of hybrid offices, the global video conferencing market is expected to exceed US$41 billion in 2026, and the video conferencing hardware market hasalso shown a strong double-digit compound annual growth rate (approximately 10% to 15%). As devices with updated functions such as AI edge computing, virtual background and noise reduction are gradually launched, the company's product demand in then on-NB/PC field will maintain strong growth.

C. Internet of Things product market segments are diverse and customer needs are complex

The product application fields of the Internet of Things are constantly introducing new ones. Customers in different fields have different needs and belong to a small number of diverse niche markets. Therefore, as long as we can quickly provide products and services that satisfy customers, we can make profits in these niche market segments without having to compete with other players at lower prices. Through the cross-domain product development and marketing capabilities of our R&D team, we will be conducive to maintaining a leading position in these new product fields.

D. The domestic semiconductor industry supply chain has a complete division of labor

The semiconductor industry is a capital- and technology-intensive industry. The division of labor in the domestic semiconductor industry is complete. With the rapid evolution of industrial technology, wafer foundries, packaging plants, and testing plants are continuously expanding and updating their technologies under the growing economic scale. This has enhanced the leading edge of my country's semiconductor industry in the international competitiveness. As a result, IC design companies have been able to concentrate resources on the development of advanced products and fully grasp the opportunities to enter the market.

Unfavorable factors and countermeasures:

A. The notebook computer (NB) terminal market is affected by rising component prices and faces the risk of shipment decline.

Accordingto the latest forecasts released by IDCand Gartner in early 2026, due to the skyrocketing prices of memory and storage components such as DRAM and SSD (estimated to surge by approximately 130% by the end of 2026), PC terminal production costs and selling prices have increased significantly, and the entry-level laptop market under $500 is expected to shrink rapidly. Research institutions predict that global PC shipments will face a significant decline of approximately 10.4% to11.3% in 2026, which will put certain pressure on the demand for traditional NB camera chips.

Countermeasures:

Shift the focus of R&D and business to the high-end NB and AI PC markets with higher gross profit margins. At the same time, through in-depth strategic cooperation with Tianyuan Industrial, the firstbatch of readout integrated circuit (ROIC) and VGA ISPsamples are expected tobedeveloped by the end of 2026, officially entering the infrared thermal imaging market withhigh growth potential. This move not only effectively reduces dependence on a single mid-to low-end NB terminal market, but also maintains the company's overall long-term profitability and growth momentum through new-generation sensing solutions with high added value.

B. The initial investment cost of product development is huge, and the predetermined rate of return is not easy to achieve.

The research and development of IC products requires long-term investment in engineering manpower and development equipment, and R&D-related costs are relatively high. If the product fails to meet market demand or surpasses competing manufacturers, resulting in poor sales, the company will suffer losses due to the misplacement of funds and resources.

Countermeasures:

The company strictly controls output performance and schedule at each stage of development, and actively uses AI-assisted development tools to improve the efficiency of code writing and technical document generation, ensuring that the design quality and development progress of the product are highly competitive.

C. Marketproduct specifications are changing rapidly and product life cycles are getting shorter and shorter.

End products are changing rapidly and life cycles are getting shorter and shorter, resulting inincreasing pressure to shorten IC development schedules. In addition, the rapid progress of semiconductor technology, the increasing demand for product integration functions, and the continuous development of new products by competitors have accelerated the pace of replacing old products with new ones.

Countermeasures:

Whenplanning and developing a new series of chips, the company will consider various possible application fields, allowing the design of the chip architecture to reserve hardware and firmware design flexibility, there by quickly providing application system design solutions (PCB, firmware and driver software) according to changes in market demand to reduce the resource consumption of developing new chips. At the same time, the company is committed to strengthening personnel education and training and improving human quality to improve overall research and development capabilities and shorten development time.

D. As the market scale continues to expand, new competitors will join in, causing prices to decline.

In the target market, there are many new competitors joining the market, and they often adopt low-price strategies to attract customers, which may lead to a decline in the overall sales price.

Countermeasures:

Establish strategic partnerships with key customers to provide differentiated functional products(such as AI solutions integrating infrared thermalimage sensing), comprehensive technical services, and competitive price strategies to maintain long-term and stable cooperative relationships, and improve product design and process capabilities to reduce unit cost of wafers, increase unit wafer yield, and strengthen product competitiveness.

(2) Important uses and production processes of main products:

1. Main product uses:

Product series	Application areas
Image processing control chip (ISP)	● High-end notebook embedded network camera (High-end NB / AI PC Camera) ● USB external network camera (USB Webcam) ● High-definition camera, document scanner ● Medical endoscopic camera ● IoT surveillance camera

	● HDR/WDR image processing chipwith high AI computing power
safety and perception	● InfraredThermal Imaging Sensor control module ● Readout integrated circuit(ROIC) andsensor fusion (Sensor Fusion) solutions ● High-end edge computing security monitoring system ●Remote intelligent medical sensing equipment
Smart HMI	● Edgecomputing control chip with MCU and NPU dual cores ● Low power consumption IoTintelligent control system ● Smart human-machine interface module with AI voice recognition, audio processing and gesture control

2. Production process of main products

Our company is a professional ICdesigncompany. The IC chips we develop areentrusted to foundries, packaging plants, and testing plants for OEM production according to each process. The following is a flow chart of the product manufacturing process:

integrated circuit design → photomask make → wafer manufacture → wafer test → encapsulation → Finished product test → Package Warehouse

(3) Supply status of main raw materials:

main raw materials	main suppliers	supply status
silicon wafer	A、B	Good, stable quality

(4) List of major purchasing and selling customers in the past two years

1. Major suppliers that have accounted for more than 10% of total purchases in any of the last two years:

Unit: Thousands of New Taiwan Dollars

Year113				114years			
Manufacturer name	Amount	Proportion of net purchases in the year (%)	with our company relationship	Manufacturer name	Amount	Proportion of net purchases in the year (%)	Relationship with our company
Company A	510,498	98.36	none	Company A	605,549	96.93	none
other	8,517	1.64		other	19,200	3.07	
Net purchase amount	519,015	100.00		Net purchase amount	624,749	100.00	

Analysis of increases and decreases: Therehave been no major changes in purchasing manufacturers in the past two years.

2. Major sales customers that have accounted for more than 10% of total sales in any of

the last two years:

Unit: Thousands of New Taiwan Dollars

2024				2025			
Customer name	Amount	Proportion of annual operating revenue (%)	Relationship with our company	Customer name	Amount	Proportion of annual operating revenue (%)	Relationship with our company
Company A	534,741	29.41	none	Company A	591,784	29.59	none
Company B	369,432	20.32	none	Company B	461,010	23.05	none
C company	325,434	17.90	none	C company	418,524	20.93	none
Company D	219,026	12.05	none	Company D	203,281	10.17	none
other	369,294	20.31		other	325,149	16.26	
Operating revenue	1,817,927	100.00		Operating revenue	1,999,748	100.00	

Analysis of increases and decreases: There have been no major changes in major sales customers in the past two years.

3. Information about employees

Unit: person; %

year		2024	2025	2026 (As of the date of publication)
staff Number of people	managers	26	27	26
	General staff	108	111	112
	part time	-	-	-
	Total	134	138	138
Average age(years)		42.83	42.80	42.76
Average years of service		11.18	11.42	11.31
Educational qualifications distributed ratio (%)	Ph D	1.5	1.5	1.5
	master	62.7	63.8	63.8
	University	30.6	29.7	29.7
	Specialist	5.2	5.0	5.0
	high school	-	-	-

4. Environmental protection expenditure information

(1). For persons who, in accordance with the provisions of laws and regulations, should apply for a pollution facility installation permit or a pollution discharge permit, or should pay pollution prevention and control fees, or should establish a dedicated environmental protection unit, an explanation of their application, payment, or establishment circumstances:

Our company is mainly engaged in IC design and development, and the process does not produce pollution problems such as waste water, exhaust gas, and noise. Therefore, there have been no losses due to environmental pollution in the past two years, and it is expected that there will be no major environmental protection expenditures in the future.

(2). List the company’s investment in major equipment for preventing and controlling environmental pollution, its uses and possible benefits: None.

(3). In the past two years and as of the date of printing of the public statement, the company has improved its environmental pollution process. If there are any pollution disputes, it should also explain its handling process: None.

(4). Describe the losses suffered by the company due to environmental pollution in the past two years and up to the date of publication of the public statement (including compensation and environmental protection audit results for violations of environmental laws and regulations. The date of punishment, brand name of the punishment, violation of legal provisions, content of violations, and content of punishment) should be stated, and the estimated amount and response measures that may occur currently and in the future should be disclosed. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained: None.

(5). The impact of the current pollution situation and its improvement on the company's earnings, competitive position and capital expenditures and its expected major environmental protection capital expenditures in the next two years: None.

5. Labor-management relations

1. List the company’s various employee welfare measures, further education, training, retirement systems and their implementation status, as well as the agreements between labor and management and various employee rights protection measures.

(1) Employee welfare measures

In accordance with relevant laws and regulations, the company allocates employee welfare funds and organizes employee welfare committees to plan, supervise and implement employee welfare matters; employees enjoy benefits such as birthday gift certificates, Dragon Boat Festival, Mid-Autumn Festival and Spring Festival gift certificates, and have subsidies for marriage, funeral, hospitalization and maternity to take care of employees' lives. In addition, in addition to purchasing labor and health insurance for employees in accordance with the Labor Standards Law and relevant laws, the company also provides employees with group medical insurance and business travel safety insurance and other measures to provide employees with higher living security.

The company adheres to the concept of caring for the physical and mental health of its employees and actively creates a safe and healthy working environment so that employees can receive comprehensive health support in the workplace. We specially hire professional occupational health nurses and specialist doctors to serve in the factory to ensure that workplace health management meets regulatory requirements and at the same time implement the company's care for employees. The company was recognized by the National Health Service with the 2025 "Healthy Workplace Certification - Healthy Start Label" and continues to promote various health promotion activities. The specific implementation results are as follows:

project	Classification	113 years ratio	114 years ratio	Recent changes	Remark
blood pressure	above standard	8.60%	2.40%	-6.20%	significant improvement
	standard	90.00%	97.60%	7.60%	
	below par	1.40%	0.00%	-1.40%	
blood sugar before meals	above standard	4.30%	6.10%	1.80%	Anomaly rate increases
	standard	94.30%	92.70%	-1.60%	
	below par	1.40%	1.20%	-0.20%	
BMI(male)	above standard	60.40%	62.50%	2.10%	Anomaly rate increases
	standard	34.00%	32.10%	-1.90%	
	below par	3.80%	5.40%	1.60%	
BMI (female)	above standard	33.30%	38.50%	5.20%	Anomaly rate increases
	standard	66.70%	57.70%	-9.00%	
	below par	0.00%	3.80%	3.80%	
LDL cholesterol	above standard	38.60%	37.80%	-0.80%	improve
	standard	61.40%	62.20%	0.80%	
	below par	0%	0%	0.00%	
Triglycerides	above standard	22.90%	17.10%	-5.80%	significant improvement
	standard	77.10%	82.90%	5.80%	
	below par	0.00%	0.00%	0.00%	

(2) Further education and training

The company allocates education and training funds every year to provide employees with further education and training. It combines internal and external training resources to plan a variety of training courses, including language courses, functional professional courses and management training courses. In addition, it also designs a counselor mechanism for new employees to provide assistance in daily life and technical aspects to help newcomers quickly integrate into the environment.

(3) Retirement system and implementation status

The company has established an employee retirement system in accordance with the Labor Standards Act, Labor Pension Regulations and related measures. According to the Labor Standards Act, the Labor Pension Supervisory Committee has been established since 2007. Every month, 2% of the salary retirement reserves are deposited to the Central Trust Bureau (later changed to a special account in the Bank of Taiwan) for employees who choose the Labor Standards Act and retain their seniority. In 2021, the old system seniority of domestic employees has been fully paid off. Currently, only foreign employees are eligible for retirement projects under the Labor Standards Act.

Conditions for employees to apply for retirement:

According to the Labor Standards Law, employees who meet the following circumstances may request for retirement.

1. Those who have worked for more than fifteen years and are over fifty-five years old.
2. Those with more than 25 years of working experience.
3. Those who have worked for more than ten years and are over sixty years old.

Procedures for employees to apply for retirement:

Retirement applications must be submitted to the responsible person in charge and approved by the company's Pension Supervisory Committee before retirement can be formalized.

When applying for retirement who meet the retirement qualifications in accordance with the "Labor Standards Act", the company will provide a pension equivalent to two months' average salary for each year of service under the normal system; for those who have worked for more than fifteen years, a pension equivalent to one month's average salary will be provided for each year of service, up to a maximum total of forty-five months.

In addition, for employees whose pension is applicable to the Labor Pension Ordinance, no less than 6% of the salary will be transferred to the employee's personal pension account every month in accordance with the Labor Pension Ordinance. The amount of the withdrawal under the Labor Pension Ordinance in 2025 is NT$10,467,000.

(4) Agreements between labor and management and various measures to protect employees' rights and interests

The company complies with labor laws and relevant regulations, and both parties handle matters in accordance with employment contracts, work rules and various management regulations. Since the company was founded, labor relations have been harmonious, and no major labor disputes or losses have occurred.

(5) Various measures to protect employees' rights and interests

The company has established comprehensive management regulations, which clearly stipulate employees' rights, obligations and welfare items to safeguard the rights and interests of employees.

2. In the past two years and up to the date of publication of the public statement, the company has suffered losses due to labor disputes (including labor inspection results that violate the Labor Standards Act, which should specify the date of punishment, the name of the punishment, the violation of legal provisions, the content of the violation, and the content of the punishment), and disclose the estimated amount and response measures that may occur currently and in the future: The company attaches great importance to employee welfare and labor harmony. There have been no labor disputes so far, and will uphold the same principles in the future to avoid labor disputes.

6. Information security management

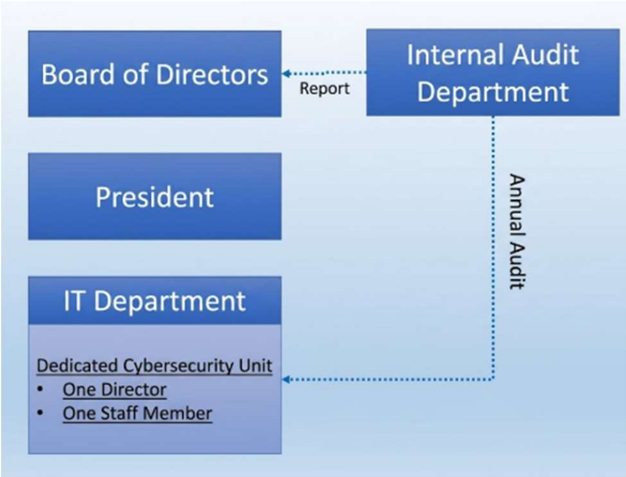
(1). Describe the information security risk management structure, information security policies, specific management plans and resources invested in information security management, etc.

(i) Information security risk management structure

A. Information security governance organization

The company has formed a "Dedicated Information Security Unit" from the Information Department, which is responsible for coordinating the formulation, implementation, risk management and compliance of information security policies. The members include an information security supervisor and an information security personnel. The general manager regularly supervises its operations and confirms the implementation of information security policies. In addition, the audit office inspects the information security management operations every year and reports the inspection results to the board of directors and the audit committee.

B. Information security organizational structure



(ii) Information security policy

In the era of the Internet of Everything, various information security incidents such as cyber attacks, ransomware viruses, and theft of information secrets are becoming increasingly frequent. Any negative information security incident will cause serious damage to a company's reputation, leading to the risk of customer loss and long-term operating difficulties. Effective information security measures can help the company identify, assess and manage these risks to ensure the continuity and stability of corporate operations. The company's information security policy is:

1. Allocate budget every year to upgrade and maintain information security-related software and hardware.
2. Adopt various information security measures to prevent employee/customer-related information, financial information, product technical documents and business confidential information from being stolen, tampered with or leaked by unauthorized persons.
3. Enhance the trust of employees and partners through strict information security protection.
4. Ensure a safe and good network and information system environment, optimize management and processes, and improve corporate operational efficiency and productivity.

A. Specific management plan

--Multi-layer information security protection mechanism

project	Specific management plan
Internet security	● Introduce anti-virus technology, perform computer scans and system and software updates. ● Strengthen network firewalls and network controls to prevent computer viruses from spreading across machines.
Device security	● Build endpoint anti-virus software to enhance malware behavior detection.
Application security	● Key application systems, regular disaster recovery drills every year ● Program development is carried out in the test environment, which is different from the formal environment.
Personnel and Physical Security	● The computer room is equipped with access control, temperature and humidity monitoring and uninterruptible power supply systems.
Account and permission management	● Permissions are given as required by the position. ● Permissions for resigned accounts are frozen.
Data security protection technology enhancement	● Document and data encryption control and tracking. ● The storage device has read access only. ● Important customers or suppliers sign confidentiality agreements.

--Review and continuous improvement

Educational training and promotion	● Raise the information security awareness of colleagues and promote email social attacks. ● Disclose hardware and software usage rules to new colleagues and sign a consent form.

B. Invest resources in information security management

(a) Prepare a fixed proportion of budget (not less than 10% of the total information budget) every year to upgrade and maintain information security-related software and hardware. In 2025, information security-related expenses accounted for 13% of the overall information department expenses.

(b) Regularly select information personnel to attend information security-related courses.

(iii) Information security risks and countermeasures:

The company has established network and computer information security protection measures, but there is no guarantee that computer systems with important corporate functions can completely avoid cyber attacks, causing damage to operations and reputation. In view of this, the company has actively joined the "Taiwan Computer Network Crisis Management and Coordination Center" to improve various internal information security protections through intelligence sharing. In addition, the company has established "Computer Anti-Virus Management Measures", "Company Major Poisoning Incident Handling SOP" and other information security incident response and reporting procedures to respond in a timely manner.

(2) Losses, possible impacts and response measures caused by major information security incidents in the most recent year and as of the date of publication of the annual report: No major information security incidents have occurred as of the date of publication.

7. Important contracts

Contractual nature	party	contract Start and end date	Main content	limit Terms
lease deed	Science Park Authority	2024.01.01-2028.12.31	Office rental	none
Agency contract	Company A	2023.03.27-2025.12.31(Note)	product sales	none
Agency contract	Company B	2023.03.10-2025.12.31(Note)	product sales	none
Agency contract	Company C	2024.01.01-2025.12.31(Note)	product sales	none
Agency contract	Company D	2024.01.01-2025.12.31(Note)	product sales	none
Agency contract	Company E	2025.01.01-2026.12.31	product sales	none
Agency contract	Company F	2025.01.01-2026.12.31	product sales	none
Entrusted processing contract	A supplier	2024.12.01-2029.11.30	Entrusted packaging and processing contract	none
Entrusted processing contract	B supplier	2024.12.01-2029.11.30	Commissioned testing and processing contract	none
Entrusted processing contract	C supplier	2025.09.01-2030.08.31	Packaging and test processing contract	none
Sunplus Group	Sunplus Chengxin	2025.01.01-2027.12.31	software development	none

related	Technology (Chengdu)Co., Ltd.			
Sunplus Group related	Lingyao Technology (Shenzhen) Ltd.	2024.01.01-2025.12.31(Note)	Software and firmware development and FAE Technical services	none
Silicon Intellectual Property License Agreement	DEEPLUX INC	2023.10.25-2028.10.24	Silicon Intellectual Property Authorization	none
Memorandum of cooperation	Tianyuan Industrial Co., Ltd.	2026.03.16~2031.03.15	Chip and system solutions for thermal imaging applications	none

Note: All contracts have been renewed as of the date of publication.

V. Review and analysis of financial status and financial performance and riskmatters

1. Financial status

The main reasons for the significant changes in assets, liabilities and shareholders' equity in the past two years (the change rate reaches 20% and the change amount reaches10million yuan) and their impact. If the impact is significant, future response plans should be stated.
Unit: NT$ thousand;%

year / project	2024	2025	Increase or decrease	
			Amount	%
Current assets	3,018,302	3,043,687	25,385	0.84
Property, Plant and Equipment	11,254	7,868	(3,386)	(30.09)
Intangible assets	22,485	16,485	(6,000)	(26.68)
Other assets	32,230	53,611	21,381	66.34
Total assets	3,084,271	3,121,651	37,380	1.21
Current liabilities	450,635	431,113	(19,522)	(4.33)
Non-current liabilities	35,611	29,549	(6,062)	(17.02)
Total liabilities	486,246	460,662	(25,584)	(5.26)
Share capital	584,436	600,040	15,604	2.67
Capital surplus	1,285,881	1,252,276	(33,605)	(2.61)
Retained earnings	788,851	869,816	89,965	10.26
Other equity	(61,143)	(61,143)	-	-
Total equity	2,598,025	2,660,989	62,964	2.42
Analysis of increases and decreases:1. Main reasons and impacts of major changes: Increase in other assets: itis the strategicinvestment in Tianyuan Industrial Co., Ltd. this year, and the prepaidinvestment is recorded in the account.2. Future response plans for those with significant impact: The above changes have no significant adverse impact on the company, and there are no major abnormalities in the company's overall operating performance, so there is no need to formulate response plans.				

2. Financial performance

(1) Themain reasons for significant changes in operating income, operating net profit and pre-tax net profit in the last twoyears (thechange rate reaches 20%and the change amount reaches 10 million yuan):

Unit: NT$ thousand;%

year / project	2024	2025	Increase or decrease	
	Amount	Amount	Amount	%
Operating revenue	1,817,927	1,999,748	181,821	10.00
Operating costs	731,298	843,983	112,685	15.41
Gross Profit	1,086,629	1,155,765	69,136	6.36
Operating expenses	566,802	593,037	26,235	4.63
Income from operating	519,827	562,728	42,901	8.25
Non-operating income and expenses	45,091	35,915	(9,176)	(20.35)
Profit before tax	564,918	598,643	33,725	5.97
Income tax expense	82,851	83,464	613	0.74
Net profit for this period	482,067	515,179	33,112	6.87
Total Comprehensive income	481,997	514,908	32,911	6.83
Analysis of increases and decreases: The company's operating income, operating net profit and pre-tax net profit did not change significantly in the pasttwo years, and its operating performance was stable.				

(2) Expected sales volume and its basis, possible impact on the company’s future financial business and corresponding plans:

The company's main products are image processing control chips (ISP), which are used inhigh-end notebook embedded network cameras, USB external network cameras and other high-definition cameras, document scanners, medical endoscopic cameras and IoT surveillance cameras. Business units make decisions based on sales forecasts of existing products, new product development progress, customer production demand forecasts, and business development strategies. The Company mainly uses long-term funding sources to finance capital expenditures, and there should be no significant impact of insufficient funds in the short term. In addition, the company has a solid cooperative relationship with wafer foundries, packaging and testing manufacturers, so there should be no worries about the supply of products required for sales.

3. Cash flow

Analysis and explanation of cash flow changes in the most recent year, improvement plan for insufficient liquidity, and cash liquidity analysis for the next year.

1. Analysis and explanation of cash flow changes in the most recent year

Unit: NT$ thousand;%

<table>
<tr><th rowspan="2">Beginning of period cash balance (1)</th><th rowspan="2">Estimated full-year net cash flow from operating activities(2)</th><th rowspan="2">Estimated full-year net cash flow from investing activities (3)</th><th rowspan="2">Estimated full-year net cash flow from financing activities(4)</th><th rowspan="2">Closing cash balance (1)+(2)+(3)+(4)</th><th colspan="2">Anticipated cash shortage remedies</th></tr>
<tr><th>investment plan</th><th>financial planning</th></tr>
<tr><td>2,076,248</td><td>542,994</td><td>(112,059)</td><td>(457,575)</td><td>2,049,608</td><td>-</td><td>-</td></tr>
<tr><td colspan="7">Analysis description:
1. Cash liquidity analysis for the next year:
(1) Operating activities: mainly net cash inflows from operations and profits.
(2) Investing activities: mainly net cashoutflows from the saleof financial assets and investment funds.
(2) Financing activities: mainly net cash outflows from the paymentof cash dividends.</td></tr>
</table>

2. Improvement plan for insufficient liquidity: None.

3. Cash liquidity analysis for the next year

Unit: Thousands of New Taiwan Dollars

<table>
<tr><th rowspan="2">Beginning of period cash balance (1)</th><th rowspan="2">Estimated full-year net cash flow from operating activities(2)</th><th rowspan="2">Estimated full-year net cash flow from investing activities (3)</th><th rowspan="2">Estimated full-year net cash flow from financing activities(4)</th><th rowspan="2">Closing cash balance (1)+(2)+(3)+(4)</th><th colspan="2">Anticipated cash shortage remedies</th></tr>
<tr><th>investment plan</th><th>financial planning</th></tr>
<tr><td>2,049,608</td><td>527,964</td><td>(13,482)</td><td>(547,472)</td><td>2,016,618</td><td>-</td><td>-</td></tr>
<tr><td colspan="7">Analysis description:
1. Cash liquidity analysis for the next year:
(1) Operating activities: Estimated netcash inflows from operations and profits.
(2) Investingactivities: Net cashoutflows from the purchase of equipment and intangible assets are expected.
(2) Financing activities: expected net cash outflow from cash dividends.
2. Remedies for estimated cash shortage: None.</td></tr>
</table>

4. Impact of major capital expenditures in recent years on financial operations

(1) Application status and funding sources of major capital expenditures: None.

(2) Expected benefits: None.

5. Reinvestment policy in the most recent year, main reasons for its profits or losses, improvement plans and investment plans for the next year

(1) Reinvestment policy, main reasons for profits or losses and improvement plans in the most recent year: There are no major reinvestment cases.

(2) Expected benefits: None.

6. Analysis and evaluation of risk events in the most recent year and as of the publication date of the annual report

(1) The impact of interest rates, exchange rate changes, and inflation on the company's profits and losses and future response measures:

1. The impact of interest rate changes on the company's profits and losses and future response measures:

The company's interest expenses in 2025 and 2024 were 858 thousand and 1,215 thousand respectively, accounting for 0.04% and 0.07% of net operating income respectively, indicating thatchanges in interest rates will nothavea significant impact on the company's profits and losses. The company's financial structure is sound and its debt credit is good. It is expected that future interest rate changes will not have a significant impact on the company's overall operations.

2. The impact of exchange rate changes on the company's profits and losses and future response measures:

The Company's operating income is mainly denominated in US dollars, so the appreciation or depreciation of the US dollar will result in exchange gains and losses, which will affect the Company's profitability. In order to reduce the impact of exchange rate changes on the company's profits and losses, the company's financial department also collects exchange rate information at any time, grasps exchange rate trends, and strategically balances foreign currency assets and liabilities as much as possible to achieve a natural hedging effect and reduce the impact of exchange rate fluctuations on the company's profits and losses. The impact of exchange gains and losses in recent years is as follows:

Unit: NT$ thousand;%

project	2024	2025
Exchange(loss)	12,704	(8,643)
net revenue	1,817,927	1,999,748
Proportion of operating revenue (%)	0.70	(0.43)

3. The impact of inflation on the company's profits and losses and future response measures:

Affected by the Ukrainian-Russian war, the overall economic environment has shown a trend of rising inflation. However, the company has not had a major impact due to inflation so far. In the future, when planning cases, we will continue to pay attention to overall price changes and take inflation risks into consideration, and timely grasp and flexibly adjust operating strategies.

(2) Policies for engaging in high-risk, high-leverage investments, lending funds to others, endorsement guarantees, and derivatives transactions, the main reasons for profits or losses, and future countermeasures:

(i) The company focuses on the operation of its own business and has not ventured into other high-risk businesses. Based on sound principles and pragmatic business philosophy, the company has not engaged in high-risk or high-leverage investments, so the risks are still limited.

(ii) The company has formulated relevant measures such as "Measures for the Operation of Fund Loans to Others", "Operational Procedures for Endorsement Guarantees" and "Procedures for Acquiring or Disposing of Assets", which have been approved by the shareholders' meeting and are on file. The relevant operations are handled in accordance with the risk status and relevant regulations.

(3) Future R&D plans and estimated R&D expenses:

(A) Future R&D plans:

In addition to focusing on smart imaging core algorithms, embedded software, firmware and chips, our company's future research and development plans are also committed to shifting core technologies from traditional image processing to the **"Safety & Sensing"** field. In response to the needs of automotive safety, industrial automation and high-performance computing, the company has formulated relevant research and development plans and allocated dedicated human and financial support. At the same time, it is actively developing solutions that comply with the next-generation embedded USB (eUSB) specification.

Ongoing R&D projects include:

High-end imaging and sensing fusion: Research higher-end image processing algorithms and hardware implementation, integrate infrared thermal imaging and multi-sensor fusion technology, and improve edge computing capabilities to meet autonomous driving sensing redundancy and specific artificial intelligence vision applications.

Smart HMI product line development: Combining touch, voice and smart vision, develop a new generation of smart human-machine interface (Smart HMI) solutions to provide a more intuitive, safe and interactive user experience, and expand to the smart home appliances and vehicle system markets.

eUSB high-speed transmission and integration: Continuously optimize low-power high-speed transmission technology to ensure excellent stability and compliance in complex system architecture.

The company will also continue to explore the trend of smart vision applications, adhere to the thinking of innovation and breakthrough technology, and strive to improve product value. By continuing to invest in R&D funds and cooperating with outsourcing key IP to enhance core technologies and accelerate the R&D process, the design of smart imaging application products has been completed and it is expected to launch highly integrated, high-performance, low-power eUSB smartimaging and Smart HMI related application products in the second half of this year.

(B) Estimated R&D expenses:

The company's research and development expenses in recent years are as follows. The investment in research and development funds will be compiled based on future operating conditions and new product development progress. Itis expected that research and development expenses in 2026 will account for approximately 20% of net revenue to enhance the company's market competitiveness.

Unit: NT$ thousand;%

project	2024	2025
R&D expenses	371,090	393,794
net revenue	1,817,927	1,999,748
Proportion of operating revenue (%)	20	20

(4) The impact of important domestic and foreign policy and legal changes on the company's financial business and the corresponding measures:

The company's daily operations are conducted in compliance with relevant laws and regulations, and it pays attention to policy development trends and regulatory changes at any time, collects relevant information to provide reference for management's decision-making, and responds to the impact of various changes in atimely and effective manner. So far, the Company has not been affected by any important domestic or foreign policy and legal changes that have affected the Company's financial business.

(5) The impact of technological changes (including information security risks) and industrial changes on the company’s financial business and response measures:

The company always pays attention to changes in the industry and technology in which it operates, and quickly grasps industry trends to make relevant plans and response measures. Therefore, changes in technology and industry have no significant impact on the company's financial business. For information on information security, please refer to Part 5, Operation Overview, Part 6, Information Security Management.

(6) The impact of changes in corporate image on corporate crisis management and countermeasures:

The company continues to actively strengthen the company's internal management and improve service quality management capabilities to establish the corporate image and further increase customers' trust in the company. In addition to planning to develop into the capital market in China, in the future, while pursuing the maximization of shareholders' rights, the company will also fulfill its corporate social responsibilities. As of the date of publication, there has been no corporate crisis caused by changes in corporate image.

(7) Expected benefits, possible risks and countermeasures for mergers and acquisitions:

In the most recent year and as ofthe publication date of the annual report, the Company did not have any acquisition plans.

(8) Expected benefits, possible risks and countermeasures of expanding the factory:

The Company hasno plans to expand its factory buildings in the most recent year and as of the date of publication.

(9) Risks faced by purchase or sales concentration and countermeasures:

1. Risks and countermeasures faced by the concentration of purchasing goods:

Professional IC design companies need to consider the foundry's production capacity, equipment, quality yield, and processtechnology when entrusting foundry manufacturing. Therefore, it is an industry characteristic to concentrate on one purchasing manufacturer, so this is the case for our company. Inaddition to continuing to strengthen relationships with existing foundries, the company will also seek other foundries at home and abroad to avoid excessive concentration of purchases.

2. Risks faced by sales concentration and countermeasures:

The company's main sales targets are agents and large-scale module assembly plants. Due to differences in product mix, sales targets have increased or decreased. In addition to strengthening credit management and providing adequate collateral, we also pay attention to the collection of accounts receivable at all times, and the current results are good.

(10) The impact, risks and response measures of directors, supervisors or major shareholders holding more than 10% of the shares on the company due to large-scale transfer or replacement of shares: In the most recent year and as of the date of publication of the annual report, the company did not have the above situation.

(11) The impact, risks and countermeasures of changes in operating rights on the company: In the most recent year and as of the date of publication of the annual report, the company did not have the above-mentioned circumstances.

(12) Litigation ornon-litigation events, which should list the major litigation, non-litigation or administrative disputes that have been decided or are still pending in the company and its directors, supervisors, general managers, substantive persons in charge, major shareholders with a shareholding ratio of more than 10% and subsidiary companies, and their results. For those that may have a significant impact on shareholders' rights or securities prices, the facts of the dispute, the amount of the subject matter, the start date of the lawsuit, the main parties involved in the lawsuit, and the handling situation as of the date of publication of the annual report should be disclosed: In the most recent year and as of the date of publication of the annual report, the company did not have the above situations.

(13) Other important risks and response measures: None.

7. Other important matters: None.

VI. special recorded matters

1. Information related to related companies in the most recent year: Please refer to the Public Information Observatory > Single Company > Electronic File Download > Related Companies Three-Book Form Area (https://mopsov.twse.com. tw/mops/web/t57sb01_q10).
2. In the most recent year and as of the date of publication of the annual report, the situation of private placement securities: None.
3. Other necessary supplementary explanations: None.

VII. In the most recent year and up to the date of publication of the annual report, if there are any events that have a significant impact on shareholders' rights or securities prices as stipulated in Paragraph 2 of Article 36 of the Securities and Exchange Act:

The company signeda memorandum of cooperation with the related party Tianyuan Industrial on March 24, 2026. Since this cooperation project is a major strategic cooperation layout for future business transformation, it complies with the provisions of Article 36, Paragraph 3, Paragraph 2 of the Securities and Exchange Act, and is a matter that has a significant impact on shareholders' rights or securities prices. Therefore, it is announced with major information. In the future, the direction and progress of the cooperation project will be disclosed in external information such as legal meetings and annual reports to enhance information transparency and ensure shareholder rights.

Sunplus Innovation Technology Inc.

Person in charge:
Huang Zhoujie

A2, 3rd Floor, No. 1, Chuangxinlixing 1st Road, Hsinchu Science Park
TEL：03-5632822 FAX：03-6687799
http://www.sunplusit.com