

**Sunplus Technology Co., Ltd.**  
**2025 Annual General Shareholders' Meeting**  
**Meeting Proceeding**

- I. Time: 9:00a.m., June 13, 2025 (Friday)
- II. Place: Newton Hall, Science Park Life Hub  
No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300, Taiwan  
(Hsinchu Science Park Science and Technology Living Hall)
- III. Present shareholders: 383,052,342 shares of shares represented by attendance and delegates (including 96,678,903 shares of electronic voting shares ) are 65.09% of the total 588,434,923 shares of the company with voting rights.
- IV. Chairman: Chou-Chye Huang, Recorder: Meijuan Chen
- V. Attend:
- |                            |                    |
|----------------------------|--------------------|
| Audit Committee Convener   | Tse-Jen Huang      |
| Independent Director       | Rui-qi Chen        |
| Independent Director       | Cong-ling Guo      |
| Gwin-Attorneys Corporation | Lawyer Shigong Guo |
| Deloitte Taiwan            | CPA Allan Yeh      |
- VI. Chairman's Address (omitted)
- VII. REPORT ITEMS
- (1) 2024 Business Report
- Explanatory Notes:  
The 2024 Business Report is attached hereto as Attachment 1.  
(Shareholder question: None)
- (2) Audit Committee's Review Report
- Explanatory Notes:  
The Audit Committee's Review Report is attached hereto as Attachment 2.  
(Shareholder question: None)
- VIII. PROPOSALS
- (1) Adoption of the 2024 Business Report and Financial Statements.
- (Proposed by the Board of Directors)
- Explanatory Notes:
1. Sunplus' 2024 Financial Statements were approved by the Company's audit committee and Board Meeting on March 12, 2025 and audited by independent auditors.
2. The 2024 Business Report, the Independent Auditors' Report and Financial Statements are attached hereto as Attachment 1 and Attachment 3 to 4.  
(Shareholder question: None)
- Resolution:  
Explanation of voting results: Approval votes are 362,398,429 rights (including electronic voting 76,044,200 rights ). Disapproval votes are 184,337 rights (All exercised by electronic vote). Invalid votes are 0. Abstention votes are 20,469,576 rights (including electronic voting 20,450,366 rights). Approval votes are 94.60% of the total 383,052,342 votes of the attendance shareholders .

(2) Adoption of the Proposal for 2024 Deficit Compensation.

(Proposed by the Board of Directors)

Explanatory Notes:

1. The company's beginning accumulated deficit was NT\$430,396,224. An increase of NT\$27,757,093 in retained earnings was recognized due to the remeasurement of defined benefit plans. A decrease of NT\$3,405,049 in retained earnings resulted from the reclassification of cumulative gains on the disposal of equity instruments measured at fair value through other comprehensive income. After these adjustments, the beginning accumulated deficit was NT\$406,044,180.
2. The company's after-tax net income for the year 2024 was fully used to offset accumulated losses; therefore, no dividends are available for distribution this year.
3. Please refer to Attachment 5 of this manual for the 2024 Deficit Compensation Statement.  
(Shareholder question: None)

Resolution:

Explanation of voting results: Approval votes are 366,070,548 rights (including electronic voting 79,716,319 rights ). Disapproval votes are 263,767 rights (All exercised by electronic vote). Invalid votes are 0. Abstention votes are 16,718,027 rights (including electronic voting 16,698,817 rights ). Approval votes are 95.56% of the total 383,052,342 votes of the attendance shareholders .

IX. DISCUSSION ITEMS

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

(Proposed by the Board of Directors)

Explanatory Notes:

To align with the company's operational needs and recent regulatory amendments, the Company's Articles of Incorporation have been revised. For a comparison of the original and revised versions, please refer to Attachment 6 of this manual. The proposed amendments are hereby submitted to the shareholders' meeting for approval.

(Shareholder question: None)

Resolution:

Explanation of voting results: Approval votes are 366,225,786 rights (including electronic voting 79,871,557 rights ). Disapproval votes are 137,437 rights (All exercised by electronic vote). Invalid votes are 0. Abstention votes are 16,689,119 rights (including electronic voting 16,669,909 rights ). Approval votes are 95.60% of the total 383,052,342 votes of the attendance shareholders .

(2) Proposal of Release the non-competition restriction on the Company's Directors and their representatives for approval.

(Proposed by the Board of Directors)

Explanatory Notes:

1. According to Article 209 of the Company Act, if a director engages in business activities within the scope of the Company's operations for themselves or on behalf of others, they shall explain the material aspects of such activities to the shareholders' meeting and obtain its approval.
2. In consideration of business needs, the Company proposes to release the non-competition restriction for directors who invest in or operate other companies with similar or identical business scopes and serve as directors or managers in those companies. For a list of directors who have taken on new positions in other companies since the last annual shareholders' meeting, please

refer to Attachment 7 of this manual. This proposal is hereby submitted to the shareholders' meeting for approval.

(Shareholder question: None)

Resolution:

Explanation of voting results: Approval votes are 365,494,633 rights (including electronic voting 79,140,404 rights ). Disapproval votes are 670,403 rights (All exercised by electronic vote). Invalid votes are 0. Abstention votes are 16,887,306 rights (including electronic voting 16,868,096 rights ). Approval votes are 95.41% of the total 383,052,342 votes of the attendance shareholders .

X. EXTEMPORARY MOTIONS

(Shareholder question: None)

XI. MEETING ADJOURNED (AM09:16)

## BUSINESS REPORT

### 2024 Business Results

Sunplus consolidated net operating revenue totaled NT\$6,434 million and the gross profit were NT\$3,115 million in 2024. While R&D expense totaled NT\$2,153 million and the G&A expenses were NT\$526 million, marketing expense were NT\$328 million, The net loss was NT\$107 million in 2024. Including total non-operating net income NT\$686 million, Pre-tax net income reached NT\$792 million. Excluding the income tax expense NT\$196 million, after-tax net income of the year totaled NT\$596 million, net income attributable to the owners of the Company were NT\$259 million which the Earnings per Share after tax for 2024 was NT\$0.44.

The consolidated net sales in 2024 Increase 16.23% compared to the same period last year. Gross profit margin is approximately 48%, increase from 46% in the previous year. The Operating Income in 2024 is NT\$107 million compared with the Operating Loss of NT\$247 million in 2023, Benefit increase of 143.08%.

Non-operating revenue increase from NT\$ 161 million in 2023 to NT\$ 686 million in 2024, mainly due to the disposal of equity method company interests in 2024, which will increase by NT\$425 million compared with 2023.

The IFRS Consolidated Statement exposes other comprehensive gains and losses in 2024, Including the difference between the conversion of financial statements of foreign operating institutions, unrealized gains and losses on equity instrument investments measured at fair value through other comprehensive income, determine the number of reassessments of the welfare plan, the shareholding of related enterprises recognized by equity method, the total net after-tax other comprehensive profit and loss in 2024 is -NT\$97 million. The total Comprehensive Income in 2024 was NT\$499 million, the total comprehensive income attributable to owners of the parent is NT\$149 million.

### Product Research & Development and Business Plan

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

Sunplus is deeply engaged in automotive chips and intelligent surround sound chips. Automotive chips include intelligent cockpit, Advanced Driver Assistance Systems, In-car sound effects. Intelligent surround sound chips include products such as Soundbar, Gaming Soundbar, Party Speaker, and Speakerphone. In addition to the above two categories and audio-visual entertainment systems, Sunplus also offers intelligent computing chips Plus1 suitable for AIoT applications.

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

The intelligent computing chip Plus1 significantly reduces the development threshold for Edge Computing applications. With the development of a 12-nanometer chip with AI capabilities, it will be the optimal solution for small-scale diversified AIoT startups. It also received subsidies from the Ministry of Economic Affairs, which will be used to develop the next-generation 12nm AI chip with enhanced functionalities.

Generalplus's main product lines include consumer ICs, multimedia ICs, and MCUs. In the consumer IC segment, the company has launched an updated 4-bit RISC voice synthesis control IC, offering customers a cost-optimized voice synthesis solution. It continues to enhance its 16-bit voice microcontroller signal processor IC, delivering a high cost-performance voice and music synthesis solution. For multimedia products, Generalplus has completed the development of an experimental chip for a next-generation 40nm, 32-bit multimedia SoC with high cost-performance. This chip integrates an ARM9 CPU, image signal processing, an AI accelerator, and high-speed audio/video interfaces. In terms of algorithms, the company has successfully developed deep learning algorithms for applications such as facial aging, dual-person pose estimation, driver status detection, blind spot detection, and rear-end collision detection. For MCUs, Generalplus has developed a new generation of 8-bit and 32-bit high cost-performance Flash MCUs, suitable for applications such as brushless DC motor control and wireless charging. In terms of product applications, the company has successfully passed the latest Qi 2.0 certification by the Wireless Power Consortium (WPC), becoming one of the world's first certified providers.

In 2024, 83% of Sunplus Innovation Technology's sales revenue came from built-in cameras related to NB (Notebook) devices, while 17% came from USB external camera devices, dashcams, dashcams, high-speed cameras, IOT, and other related products. Amidst unclear market visibility, the company will continue to improve the efficiency of technology research and development and product development, while continuing to deepen its presence in the AI machine vision field.

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

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

Looking back at 2024, the global economy gradually recovered, but due to the U.S.-China trade war and geopolitical tensions, market demand fluctuated significantly. In the face of these changes, Sunplus not only provided customers with more cost-effective products and actively reduced inventory to successfully turn losses into profits, but also continued to invest in technology and product development, accelerating the pace of new product and application development to stay competitive and build long-term advantages.

Looking ahead to 2025, uncertainties and challenges remain, such as the tariff policies of the new U.S. administration and whether China's economy can rebound. The bottleneck for industry growth is no longer wafer or packaging and testing capacity, but rather the demand driven by economic growth. The company will closely monitor changes in the global economic environment and actively develop new products to meet market demand.

### **Future Company Development Strategy**

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

Chairman:

Manager:

Accountant:

**AUDIT COMMITTEE'S REVIEW REPORT**

Sunplus' Board has prepared and submitted the 2024 business report, Financial statements and Resolution for Deficit Compensation, etc. The CPAs of Deloitte & Touche were retained to audit those financial statements and have submitted the audit report. The above-mentioned business report, financial statement and Resolution for Deficit Compensation have been reviewed by this audit committee. According to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, the Committee hereby submits this report.

Please check

Sincerely

**To Sunplus Technology 2025 Annual General Shareholders' Meeting**

Chairman of the Audit Committee: Tse-Jen Huang

March 12, 2025

**SUNPLUS TECHNOLOGY COMPANY LIMITED**

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

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Sunplus Technology Company Limited

### **Opinion**

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

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

### **Basis for Opinion**

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

### **Key Audit Matters**

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

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

#### Occurrence of Revenue from Specific Customers

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



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

1. We obtained an understanding of the related internal control and operating procedures in Sunplus Technology Company Limited's sales transaction cycle, and we evaluated and confirmed the operating effectiveness of the related internal control and operating procedures.
2. We selected samples from the sales details, and we examined customers' original orders, sales electronic orders, delivery orders, logistics receipt documents or export declaration, and sales invoices for any abnormalities and confirmed that sales revenue did occur.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sunplus Technology Company Limited's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on Sunplus Technology Company Limited's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Sunplus Technology Company Limited to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within Sunplus Technology Company Limited to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

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

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 12, 2025

#### Notice to Readers

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

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED

## BALANCE SHEETS

DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

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

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED

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

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

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED

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

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

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

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED

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

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

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In Thousands of New Taiwan Dollars)

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

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED

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

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

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

(Concluded)



**SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES**

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

## DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The Company required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2024 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Sunplus Technology Company Limited

By

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CHOU-CHYE HUANG  
Chairman

March 12, 2025

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Sunplus Technology Company Limited

### **Opinion**

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Sunplus Technology Company Limited and its subsidiaries as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

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

#### Occurrence of Revenue from Specific Customers

Sunplus Technology Company Limited and its subsidiaries' revenue increased in 2024, customers whose revenue has grown significantly and significant amount carry a higher risk related to the occurrence of sales revenue. Therefore, we considered the occurrence of revenue as a key audit matter. For detailed disclosure of revenue, refer to Notes 4 and 25 to the accompanying consolidated financial statements.

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

1. We obtained an understanding of the related internal control and operating procedures in Sunplus Technology Company Limited and its subsidiaries' sales transaction cycle, and we evaluated and confirmed the operating effectiveness of the related internal control and operating procedures.
2. We selected samples from the sales details, and we examined customers' original orders, Sales via electronic orders or sales via manual order forms, delivery orders, logistics receipt documents or export declaration, and sales invoices for any abnormalities and confirmed that sales revenue did occur.

### **Other Matter**

We have also audited the accompanying financial statements of Sunplus Technology Company Limited as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sunplus Technology Company Limited and its subsidiaries' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Sunplus Technology Company Limited and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Sunplus Technology Company Limited and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within Sunplus Technology Company Limited and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 12, 2025

Notice to Readers

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

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

ASSETS	2024		2023	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 4,919,087	34	\$ 4,091,218	29
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,081,478	8	1,062,950	8
Trade receivables, net (Notes 4, 5, 11, 25 and 35)	946,597	7	805,983	6
Other receivables (Notes 4, 11 and 35)	37,895	-	70,972	1
Inventories (Notes 4 and 12)	1,220,895	8	1,366,297	10
Other financial assets - current (Notes 4 and 19)	153,476	1	29,077	-
Other current assets (Notes 4, 19 and 35)	<u>83,524</u>	<u>1</u>	<u>69,217</u>	<u>-</u>
Total current assets	<u>8,442,952</u>	<u>59</u>	<u>7,495,714</u>	<u>54</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	1,519,152	11	1,693,706	12
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	422,728	3	379,853	3
Financial assets at amortized cost - non-current (Notes 4, 9 and 10)	50,258	-	-	-
Investments accounted for using the equity method (Notes 4 and 14)	440,318	3	898,833	7
Property, plant and equipment (Notes 4, 15 and 36)	1,790,783	13	1,811,640	13
Right-of-use assets (Notes 4 and 16)	205,807	1	189,690	1
Investment properties (Notes 4 and 17)	759,166	5	805,213	6
Intangible assets (Notes 4 and 18)	231,150	2	199,006	1
Deferred tax assets (Notes 4 and 27)	42,546	-	57,897	-
Net defined benefit assets - non-current (Notes 4 and 23)	68,223	-	40,513	-
Other financial assets - non-current (Notes 4, 19 and 36)	243,669	2	242,831	2
Other non-current assets (Notes 4 and 19)	<u>118,973</u>	<u>1</u>	<u>141,135</u>	<u>1</u>
Total non-current assets	<u>5,892,773</u>	<u>41</u>	<u>6,460,317</u>	<u>46</u>
<b>TOTAL</b>	<u>\$ 14,335,725</u>	<u>100</u>	<u>\$ 13,956,031</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 20)	\$ 75,078	-	\$ 27,635	-
Contract liabilities - current (Note 25)	48,318	-	29,544	-
Accounts payable (Note 21)	381,779	3	331,737	2
Current tax liabilities (Notes 4 and 27)	126,378	1	154,794	1
Lease liabilities - current (Notes 4 and 16)	13,251	-	7,425	-
Deferred revenue - current (Notes 4, 22 and 30)	1,635	-	1,885	-
Current portion of long-term bank borrowings (Note 20)	231,250	2	270,295	2
Other current liabilities (Note 22)	<u>969,788</u>	<u>7</u>	<u>891,419</u>	<u>7</u>
Total current liabilities	<u>1,847,477</u>	<u>13</u>	<u>1,714,734</u>	<u>12</u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings (Note 20)	931,250	7	929,705	7
Lease liabilities - non-current (Notes 4 and 16)	204,463	1	192,545	2
Deferred revenue - non-current (Notes 4, 22 and 30)	52,192	-	52,012	-
Net defined benefit liabilities - non-current (Notes 4 and 23)	13,899	-	18,414	-
Guarantee deposits (Note 35)	255,434	2	248,452	2
Other liabilities (Note 22)	<u>888</u>	<u>-</u>	<u>888</u>	<u>-</u>
Total non-current liabilities	<u>1,458,126</u>	<u>10</u>	<u>1,442,016</u>	<u>11</u>
Total liabilities	<u>3,305,603</u>	<u>23</u>	<u>3,156,750</u>	<u>23</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 24 and 32)</b>				
Share capital				
Ordinary shares	<u>5,919,949</u>	<u>41</u>	<u>5,919,949</u>	<u>43</u>
Capital surplus	<u>1,148,828</u>	<u>8</u>	<u>1,160,931</u>	<u>8</u>
Retained earnings				
Legal reserve	1,898,136	13	1,898,136	14
Special reserve	124,159	1	180,682	1
Accumulated deficit	<u>(147,075)</u>	<u>(1)</u>	<u>(486,919)</u>	<u>(4)</u>
Total retained earnings	<u>1,875,220</u>	<u>13</u>	<u>1,591,899</u>	<u>11</u>
Other equity	<u>(271,415)</u>	<u>(2)</u>	<u>(124,159)</u>	<u>(1)</u>
Treasury shares	<u>(63,401)</u>	<u>-</u>	<u>(63,401)</u>	<u>-</u>
Total equity attributable to owners of the Company	8,609,181	60	8,485,219	61
<b>NON-CONTROLLING INTERESTS (Notes 4, 13, 24 and 32)</b>	<u>2,420,941</u>	<u>17</u>	<u>2,314,062</u>	<u>16</u>
Total equity	<u>11,030,122</u>	<u>77</u>	<u>10,799,281</u>	<u>77</u>
<b>TOTAL</b>	<u>\$ 14,335,725</u>	<u>100</u>	<u>\$ 13,956,031</u>	<u>100</u>

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 4, 25 and 35)	\$ 6,434,086	100	\$ 5,535,421	100
OPERATING COSTS (Notes 12 and 26)	<u>3,319,165</u>	<u>52</u>	<u>3,011,176</u>	<u>54</u>
GROSS PROFIT	<u>3,114,921</u>	<u>48</u>	<u>2,524,245</u>	<u>46</u>
OPERATING EXPENSES (Notes 26 and 35)				
Selling and marketing expenses	328,215	5	218,384	4
General and administrative expenses	526,417	8	512,457	9
Research and development expenses	<u>2,153,360</u>	<u>34</u>	<u>2,040,283</u>	<u>37</u>
Total operating expenses	<u>3,007,992</u>	<u>47</u>	<u>2,771,124</u>	<u>50</u>
OTHER OPERATING INCOME AND EXPENSES	<u>(381)</u>	<u>-</u>	<u>(475)</u>	<u>-</u>
PROFIT (LOSS) FROM OPERATIONS	<u>106,548</u>	<u>1</u>	<u>(247,354)</u>	<u>(5)</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 14, 26, 30 and 35)				
Interest income	69,593	1	59,068	1
Other income	201,298	3	119,955	2
Other gains and losses	488,423	8	132,548	3
Finance costs	(47,265)	(1)	(41,142)	(1)
Share of profit or loss of associates	<u>(26,213)</u>	<u>-</u>	<u>(109,245)</u>	<u>(2)</u>
Total non-operating income and expenses	<u>685,836</u>	<u>11</u>	<u>161,184</u>	<u>3</u>
PROFIT (LOSS) BEFORE INCOME TAX	792,384	12	(86,170)	(2)
INCOME TAX EXPENSE (Notes 4 and 27)	<u>196,176</u>	<u>3</u>	<u>135,103</u>	<u>2</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>596,208</u>	<u>9</u>	<u>(221,273)</u>	<u>(4)</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss (Notes 4 and 24):				
Remeasurement of defined benefit plans	30,105	-	4,215	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(204,884)	(3)	98,531	2

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023	
	Amount	%	Amount	%
Share of the other comprehensive (loss) income of associates accounted for using the equity method	\$ (8,138)	-	\$ 17,355	-
Items that may be reclassified subsequently to profit or loss (Notes 4 and 24):				
Exchange differences on translation of the financial statements of foreign operations	80,145	2	(30,016)	-
Share of other comprehensive income (loss) of associates accounted for using the equity method	<u>5,460</u>	<u>-</u>	<u>(2,420)</u>	<u>-</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(97,312)</u>	<u>(1)</u>	<u>87,665</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 498,896</u>	<u>8</u>	<u>\$ (133,608)</u>	<u>(2)</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 258,969	4	\$ (493,147)	(9)
Non-controlling interests	<u>337,239</u>	<u>5</u>	<u>271,874</u>	<u>5</u>
	<u>\$ 596,208</u>	<u>9</u>	<u>\$ (221,273)</u>	<u>(4)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 149,039	2	\$ (404,437)	(7)
Non-controlling interests	<u>349,857</u>	<u>6</u>	<u>270,829</u>	<u>5</u>
	<u>\$ 498,896</u>	<u>8</u>	<u>\$ (133,608)</u>	<u>(2)</u>
EARNINGS (LOSS) PER SHARE (Note 28)				
Basic	<u>\$ 0.44</u>		<u>\$ (0.84)</u>	
Diluted	<u>\$ 0.44</u>		<u>\$ (0.84)</u>	

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

(Concluded)



SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company											
							Other Equity		Treasury Shares	Total	Non-cotrolling Interests	Total Equity
							Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
	Share Capital Issued and Outstanding		Retained Earnings		Unappropriated Earnings (Accumulated Deficit)							
	Share (Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve							
BALANCE AT JANUARY 1, 2023	591,995	\$ 5,919,949	\$ 1,197,373	\$ 1,870,234	\$ 239,203	\$ 279,413	\$ (136,477)	\$ (44,206)	\$ (63,401)	\$ 9,262,088	\$ 2,472,840	\$ 11,734,928
Appropriation of 2022 earnings												
Legal reserve	-	-	-	27,902	-	(27,902)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(309,613)	-	-	-	(309,613)	-	(309,613)
Reversal of special reserve	-	-	-	-	(58,521)	58,521	-	-	-	-	-	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	21,249	-	-	-	-	-	-	21,249	-	21,249
Issuance of cash dividends from capital surplus	-	-	(45,584)	-	-	-	-	-	-	(45,584)	-	(45,584)
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(26,377)	-	-	(26,377)	-	(26,377)
Changes in percentage of ownership interest in subsidiaries	-	-	(14,244)	-	-	-	-	-	-	(14,244)	14,244	-
Net profit (loss) for the year ended December 31, 2023	-	-	-	-	-	(493,147)	-	-	-	(493,147)	271,874	(221,273)
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	5,809	(27,316)	110,217	-	88,710	(1,045)	87,665
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	(487,338)	(27,316)	110,217	-	(404,437)	270,829	(133,608)
Adjustment of capital surplus for the Company												
Cash dividends received by subsidiaries	-	-	2,137	-	-	-	-	-	-	2,137	-	2,137
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(443,851)	(443,851)
BALANCE AT DECEMBER 31, 2023	591,995	5,919,949	1,160,931	1,898,136	180,682	(486,919)	(190,170)	66,011	(63,401)	8,485,219	2,314,062	10,799,281
Appropriation of 2023 earnings												
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(56,523)	56,523	-	-	-	-	-	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(43,427)	-	-	-	-	-	-	(43,427)	-	(43,427)
Proceeds from disposal of subsidiaries	-	-	-	-	-	-	(1,102)	-	-	(1,102)	-	(1,102)
Proceeds from disposal of associates	-	-	1,264	-	-	-	10,887	(23,039)	-	(10,888)	-	(10,888)
Difference between the consideration and carrying amount of subsidiaries during actual disposal or acquisition	-	-	32,258	-	-	-	83	197	-	32,538	-	32,538
Changes in percentage of ownership interest in subsidiaries	-	-	(2,198)	-	-	-	-	-	-	(2,198)	2,198	-
Net profit for the year ended December 31, 2024	-	-	-	-	-	258,969	-	-	-	258,969	337,239	596,208
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	27,757	75,454	(213,141)	-	(109,930)	12,618	(97,312)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	286,726	75,454	(213,141)	-	149,039	349,857	498,896
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(245,176)	(245,176)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(3,405)	-	3,405	-	-	-	-
BALANCE AT DECEMBER 31, 2024	591,995	\$ 5,919,949	\$ 1,148,828	\$ 1,898,136	\$ 124,159	\$ (147,075)	\$ (104,848)	\$ (166,567)	\$ (63,401)	\$ 8,609,181	\$ 2,420,941	\$ 11,030,122

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

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) before income tax	\$ 792,384	\$ (86,170)
Adjustments for:		
Depreciation expense	344,073	380,370
Amortization expense	124,792	118,821
Net loss (gain) on fair value change of financial assets at FVTPL	11,336	(98,133)
Finance costs	47,265	41,142
Interest income	(69,593)	(59,068)
Dividend income	(39,065)	(35,892)
Compensation costs of share-based payments	-	19,323
Share of loss of associates	26,213	109,245
Loss (gain) on disposal of property, plant and equipment	15	(183)
Loss on disposal of intangible assets	366	658
Gain on disposal of subsidiaries	(978)	(19,485)
Gain on disposal of associates	(424,639)	-
Impairment loss recognized on financial assets	-	6,009
Unrealized gain on transactions with associates	(1,256)	(1,256)
Net (gain) loss on foreign currency exchange	(8,982)	22,982
Intangible assets transferred to expenses	773	-
Changes in operating assets and liabilities:		
Trade receivables	(124,842)	51,409
Other receivables	31,106	66,602
Inventories	145,402	880,359
Other current assets	(36,044)	28,718
Net defined benefits assets - non-current	(27,710)	(8,520)
Contract liabilities	18,774	(23,893)
Accounts payables	46,588	(80,621)
Deferred revenue	(1,932)	(1,906)
Other current liabilities	30,635	(160,832)
Net defined benefits liabilities	25,590	4,352
Cash generated from operations	910,271	1,154,031
Interest received	70,979	54,509
Dividends received	47,294	52,351
Interest paid	(47,670)	(36,908)
Income tax paid	(209,241)	(124,420)
Net cash generated from operating activities	771,633	1,099,563
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(244,490)	(15,290)
Proceeds from the disposal of financial assets at fair value through other comprehensive income	1,904	27,378
Purchase of financial assets at amortized cost	(50,265)	-

(Continued)

# SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

	2024	2023
Purchase of financial assets at fair value through profit or loss	\$ (1,438,453)	\$ (2,181,488)
Proceeds from the sale of financial assets at fair value through profit or loss	1,495,667	1,727,001
Acquisition of associates	-	(54,043)
Proceeds from disposal of associates	739,315	-
Payments for property, plant and equipment	(185,567)	(187,263)
Proceeds from the disposal of property, plant and equipment	154	366
Increase in refundable deposits	(986)	-
Decrease in refundable deposits	24,965	138
Payments for intangible assets	(108,975)	(86,586)
Other financial assets	(116,219)	2,178
Decrease in other non-current assets	2,183	-
Proceeds from return of capital of financial assets at fair value through profit or loss	95,000	-
Refund of shares through capital reduction of financial assets at fair value through profit or loss	<u>53,256</u>	<u>-</u>
Net cash generated from (used in) investing activities	<u>267,489</u>	<u>(767,609)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	46,235	-
Repayments of short-term borrowings	-	(14,365)
Proceeds from long-term borrowings	850,000	200,000
Repayments of long-term borrowings	(887,500)	-
Proceeds of guarantee deposits received	6,244	36,993
Refund of guarantee deposits received	(12,896)	(60,975)
Repayment of principal portion of lease liabilities	(13,952)	(12,500)
Cash dividends paid	-	(353,060)
Dividends paid to non-controlling interests	(250,978)	(459,643)
Disposal of equity in subsidiaries	41,840	-
Decrease in non-controlling interests	<u>(3,500)</u>	<u>(3,533)</u>
Net cash used in financing activities	<u>(224,507)</u>	<u>(667,083)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>		
	<u>13,254</u>	<u>(1,572)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>827,869</b>	<b>(336,701)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u><b>4,091,218</b></u>	<u><b>4,427,919</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><b>\$ 4,919,087</b></u>	<u><b>\$ 4,091,218</b></u>

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

(Concluded)

**SUNPLUS TECHNOLOGY CO. LTD**  
**DEFICIT COMPENSATION STATEMENT**  
**YEAR 2024**

Unit: New Taiwan Dollar (NTD)

ITEMS	AMOUNT
Beginning accumulated deficit	(430,396,224)
The remeasurement amount of defined benefit plans recognized in retained earnings	27,757,093
The cumulative gain or loss on disposal of equity instruments measured at fair value through other comprehensive income is transferred directly to retained earnings	(3,405,049)
Adjusted beginning accumulated deficit	(406,044,180)
Net income after tax for the year 2024	258,968,715
This period's Deficit yet to be compensated	(147,075,465)
The end-of-period accumulated deficit	(147,075,465)

Chairman:

Manager:

Accountant:

**SUNPLUS TECHNOLOGY CO. LTD**  
**Articles of Incorporation – Comparison Table of Amended Provisions**

Articles	Content		Reason for revision
	Before Revision	After Revision	
Chapter 1 General Provisions			
Article 2	<p>The company's business is as follows:</p> <ol style="list-style-type: none"><li>1. The design, manufacture, testing and sales of various integrated circuits.</li><li>2. Design, manufacture, testing and sales of various integrated circuit modules.</li><li>3. Research, development and sales of various application software.</li><li>4. Research, development and sales of various intellectual property assets.</li><li>5. Various integrated circuit trading and agency services.</li><li>6. CC01080 Electronics Components Manufacturing.</li><li>7. I501010 Product Designing.</li><li>8. F401010 International Trade.</li><li>9. I301010 Information Software Services.</li><li>10. I301020 Data Processing Services.</li></ol>	<p>The company's business is as follows:</p> <ol style="list-style-type: none"><li>1. CC01080 Electronics Components Manufacturing.</li><li>2. I501010 – Product Designing.</li><li>3. F401010 – International Trade.</li><li>4. I301010 – Information Software Services.</li><li>5. I301020 – Data Processing Services.</li><li>6. CE01010 – General Instrument Manufacturing.</li><li>7. IG01010 – Biotechnology Services.</li></ol> <p>Research, development, manufacturing, and sales of the following products:</p> <ol style="list-style-type: none"><li>a. Design, manufacturing, testing, and sales of various integrated circuits.</li><li>b. Design, manufacturing, testing, and sales of various integrated circuit modules.</li><li>c. Research, development, and sales of various application software.</li><li>d. Research, development, and sales of various silicon intellectual property (IP).</li><li>e. Trade and agency services of various integrated circuits.</li><li>f. High-Sensitivity Biochip Detection Technology Platform and Applications.</li><li>g. Biochemical and Molecular Biology-related Diagnostic Equipment and Reagents.</li></ol>	<ol style="list-style-type: none"><li>1. Adjust item order and revise wording as appropriate</li><li>2. Add business items to align with company operational needs.</li></ol>
Chapter 6 Financial Statements			

Articles	Content		Reason for revision
	Before Revision	After Revision	
Article 28-1	<p>If the company is profitable for the year, it shall pay no less than 1 percent for the employee's compensation and no more than 1.5 percent for the director's compensation. However, when the company still has accumulated losses (including the adjustment of undistributed earnings), it should reserve the amount of compensation in advance.</p> <p>The employee compensation in the preceding paragraph can be obtained from stocks or cash, and the object of the employee's payment can include the employees of the subordinate company that meet the conditions set by the board of directors. The preceding directors' remuneration can only be paid in cash.</p> <p>The first two items should be decided by the board of directors and report to the shareholders meeting.</p>	<p>If the company is profitable for the year, it shall pay no less than 1 percent for the employee's compensation (No less than ten percent of the total amount of employee compensation shall be allocated to non-executive employees) and no more than 1.5 percent for the director's compensation. However, when the company still has accumulated losses (including the adjustment of undistributed earnings), it should reserve the amount of compensation in advance.</p> <p>The employee compensation in the preceding paragraph and non-executive employee compensation can be obtained from stocks or cash, and the object of the employee's payment can include the employees of the subordinate company that meet the conditions set by the board of directors. The preceding directors' remuneration can only be paid in cash.</p> <p>The first two items should be decided by the board of directors and report to the shareholders meeting.</p>	<p>In accordance with the amendment to Article 14 of the Securities and Exchange Act, provisions for the distribution of compensation to frontline employees are added.</p>

Articles	Content		Reason for revision
	Before Revision	After Revision	
Article 33	<p>This Charter was established on July 30, 1990.</p> <p>The first revision was made on August 7, 1990.</p> <p>The second revision was made on February 7, 1992.</p> <p>The third amendment was made on June 12, 1993.</p> <p>The fourth revision was made on July 30, 1994.</p> <p>The fifth amendment was made on September 28, 1994.</p> <p>The sixth amendment was made on June 14, 1995.</p> <p>The seventh revision was made on May 25, 1996.</p> <p>The eighth amendment was made on May 31, 1997.</p> <p>The ninth revision was made on November 20, 1997.</p> <p>The tenth revision was made on April 30, 1998.</p> <p>The eleventh revision was made on June 7, 1999.</p> <p>The twelfth revision was made on July 28, 1999.</p> <p>The thirteenth revision was made on May 19, 2000.</p> <p>The 14th revision was made on June 12, 2001.</p> <p>The fifteenth revision was made on May 17, 2002.</p> <p>The 16th revision was made on May 6, 2003.</p> <p>The seventeenth revision was made on June 1, 2004.</p> <p>The 18th revision was made on June 13, 2005.</p> <p>The nineteenth revision was made on June 9, 2006.</p> <p>The 20th revision was made on June 15, 2007.</p> <p>The twenty-first revision was made on June 13, 2008.</p> <p>The twenty-second revision was made on June 10, 2011.</p> <p>The 23rd revision was made on June 18, 2012.</p> <p>The 24th revision was made on June 11, 2014.</p> <p>The 25th revision was made on June 12, 2015.</p> <p>The 26th revision was made on June 13, 2016.</p> <p>The 27th revision was made on June 12, 2020.</p> <p>The 28th revision was made on June 8, 2022.</p>	<p>This Charter was established on July 30, 1990.</p> <p>The first revision was made on August 7, 1990.</p> <p>The second revision was made on February 7, 1992.</p> <p>The third amendment was made on June 12, 1993.</p> <p>The fourth revision was made on July 30, 1994.</p> <p>The fifth amendment was made on September 28, 1994.</p> <p>The sixth amendment was made on June 14, 1995.</p> <p>The seventh revision was made on May 25, 1996.</p> <p>The eighth amendment was made on May 31, 1997.</p> <p>The ninth revision was made on November 20, 1997.</p> <p>The tenth revision was made on April 30, 1998.</p> <p>The eleventh revision was made on June 7, 1999.</p> <p>The twelfth revision was made on July 28, 1999.</p> <p>The thirteenth revision was made on May 19, 2000.</p> <p>The 14th revision was made on June 12, 2001.</p> <p>The fifteenth revision was made on May 17, 2002.</p> <p>The 16th revision was made on May 6, 2003.</p> <p>The seventeenth revision was made on June 1, 2004.</p> <p>The 18th revision was made on June 13, 2005.</p> <p>The nineteenth revision was made on June 9, 2006.</p> <p>The 20th revision was made on June 15, 2007.</p> <p>The twenty-first revision was made on June 13, 2008.</p> <p>The twenty-second revision was made on June 10, 2011.</p> <p>The 23rd revision was made on June 18, 2012.</p> <p>The 24th revision was made on June 11, 2014.</p> <p>The 25th revision was made on June 12, 2015.</p> <p>The 26th revision was made on June 13, 2016.</p> <p>The 27th revision was made on June 12, 2020.</p> <p>The 28th revision was made on June 8, 2022.</p> <p>The 29th revision was made on June 13, 2025.</p>	<p>1. Minor wording revisions.</p> <p>2. Addition of the amendment date in accordance with this revision.</p>

**SUNPLUS TECHNOLOGY CO. LTD****List of Release the non-competition Restriction on the Company's Directors and their Representatives**

<b>Director's Name</b>	<b>Serve concurrently in the company</b>	<b>Hold concurrent positions</b>
Chou-Chye Huang	AttoSense Co., Ltd.	Chairman