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**CyberLink Corp.**

**2025**

**Annual Report**

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<b>1 LETTER TO SHAREHOLDERS .....</b>	<b>3</b>
<b>2 CORPORATE GOVERNANCE REPORT .....</b>	<b>14</b>
2.1 BACKGROUND INFORMATION OF DIRECTORS, THE CEO, GM, VICE PRESIDENTS, ASSISTANT VICE PRESIDENTS, AND HEADS OF VARIOUS DEPARTMENTS AND BRANCHES .....	14
2.2 COMPENSATION PAID TO DIRECTORS (INCLUDING INDEPENDENT DIRECTORS), THE CEO, GM AND VICE PRESIDENTS IN THE LAST YEAR .....	24
2.3 CORPORATE GOVERNANCE .....	30
2.4 CERTIFIED PUBLIC ACCOUNTANT (CPA) FEES INFORMATION .....	82
2.5 INFORMATION ON REPLACEMENT OF CPA IN THE PAST TWO YEARS .....	82
2.6 ANY OF THE COMPANY’S CHAIRMAN, CEO, GM OR ANY MANAGER INVOLVED IN FINANCIAL OR ACCOUNTING AFFAIRS BEING EMPLOYED BY THE ACCOUNTING FIRM OR ANY OF ITS AFFILIATED COMPANY WITHIN THE MOST RECENT YEAR .....	82
2.7 DETAILS OF SHARES TRANSFERRED OR PLEDGED BY DIRECTORS, MANAGERS, AND SHAREHOLDERS WITH MORE THAN 10% OWNERSHIP INTEREST IN THE LAST YEAR, UP UNTIL THE PUBLICATION DATE OF ANNUAL REPORT .....	82
2.8 RELATIONSHIP AMONG THE TOP TEN SHAREHOLDERS .....	84
2.9 INVESTMENTS JOINTLY HELD BY THE COMPANY, THE COMPANY’S DIRECTORS, MANAGERS, AND ENTERPRISES DIRECTLY OR INDIRECTLY CONTROLLED BY THE COMPANY; DISCLOSE SHAREHOLDING IN AGGREGATE OF THE ABOVE PARTIES .....	85
<b>3 CAPITAL OVERVIEW .....</b>	<b>86</b>
3.1. CAPITAL AND SHARES .....	86
3.2. CORPORATE BONDS .....	94
3.3. ISSUANCE OF PREFERRED SHARES .....	94
3.4. DEPOSITORY RECEIPTS .....	94
3.5. EMPLOYEE STOCK OPTIONS .....	95
3.6. NEW ISSUANCE OF EMPLOYEE RESTRICTED SHARES .....	96
3.7. NEW SHARES ISSUED FOR MERGER OR ACQUISITION .....	96
3.8. PROGRESS ON THE PLANNED USE OF CAPITAL .....	96
<b>4 OPERATIONAL OVERVIEW .....</b>	<b>97</b>
4.1. BUSINESS ACTIVITIES .....	97
4.2. MARKET, PRODUCTION, AND SALES OVERVIEW .....	107
4.3. EMPLOYEE INFORMATION IN THE LAST 2 YEARS UP UNTIL THE PUBLICATION DATE OF ANNUAL REPORT .....	116
4.4. CONTRIBUTION TO ENVIRONMENTAL PROTECTION .....	117
4.5. LABOR-MANAGEMENT RELATIONS .....	118
4.6. CYBERSECURITY MANAGEMENT .....	122
4.7. MAJOR CONTRACTS .....	126
<b>5 REVIEW OF FINANCIAL POSITION, BUSINESS PERFORMANCE AND RISK MANAGEMENT .....</b>	<b>127</b>
5.1. REVIEW AND ANALYSIS OF THE FINANCIAL POSITION .....	127
5.2. FINANCIAL PERFORMANCE .....	128
5.3. CASH FLOW ANALYSIS .....	129
5.4. MATERIAL CAPITAL EXPENDITURES IN THE LAST YEAR AND IMPACTS ON THE FINANCIAL POSITION AND BUSINESS PERFORMANCE: .....	129
5.5. INVESTMENT POLICY IN THE MOST RECENT YEAR, CAUSES OF PROFIT OR LOSS INCURRED, IMPROVEMENT PLANS, AND INVESTMENTS PLANNED FOR THE NEXT YEAR .....	130
5.6. RISK DISCLOSURE .....	130
5.7. OTHER MATERIAL ISSUES .....	133
<b>6 SPECIAL DISCLOSURE .....</b>	<b>135</b>
6.1. SUMMARY OF AFFILIATED COMPANIES .....	135
6.2. PRIVATE PLACEMENT OF SECURITIES IN THE LAST YEAR UP UNTIL THE PUBLICATION DATE OF ANNUAL REPORT; DISCLOSE THE DATE OF SHAREHOLDERS’ OR BOARD OF DIRECTORS’ APPROVAL, THE BASIS AND RATIONALITY FOR THE VOLUME AND PRICING, THE METHOD FOR CHOOSING THE DESIGNATED SUBSCRIBERS, THE REASONS FOR PRIVATE PLACEMENT, ANY PROJECT COMPLETED WITH THE CAPITAL PROCEEDS RECEIVED, HOW CAPITAL FROM PRIVATE SECURITIES IS USED, AND THE	

EXECUTION PROGRESS .....	138
<b>6.3. OTHER SUPPLEMENTARY INFORMATION .....</b>	<b>138</b>
<b>6.4. OCCURRENCES SIGNIFICANT TO SHAREHOLDERS' EQUITY OR SECURITY PRICE, AS DEFINED IN SUBPARAGRAPH 2, PARAGRAPH 3, ARTICLE 36 OF THE SECURITIES AND EXCHANGE ACT, IN THE LAST YEAR UP UNTIL THE PUBLICATION DATE OF ANNUAL REPORT .....</b>	<b>138</b>

# 1 Letter to Shareholders

To all stakeholders of CyberLink:

In 2025, generative artificial intelligence (GenAI) technologies experienced rapid development. The depth and breadth of applications across various models continued to expand, creating numerous business opportunities for the software industry. In response to this development trend, CyberLink has focused on executing three core strategies—AI + creation, full-platform product development, and diversified customer expansion—to strengthen the Company’s position in the global video creation software market.

## AI + Creation

CyberLink actively integrates advanced AI technologies developed by companies such as Google, OpenAI, and Black Forest Labs into its products. In 2025, the Company introduced more than ten generative AI models, which were applied to creative content generation, marketing design, and editing automation. This strategy enables the Company to access high-quality AI technologies at a controllable cost amid the continuous advancement of AI technology, thereby enhancing the competitiveness of its products.

In 2025, the Company’s portfolio of video and creative software products introduced an expanded range of AI-enabled features. For example, the video editing software **PowerDirector** added more than 20 new features and enhancements, including image- and text-to-video generation, automatic clip editing, and voice translation. The image editing software **PhotoDirector** now offers more than 25 edge computing technologies and over 20 generative AI features, covering three key areas: **AI-enhanced editing**, **AI artistic creation**, and **AI beauty retouching**.

## Full-Platform Product Development

The Company’s creative software portfolio adopts a full-platform development strategy, comprehensively covering PC, mobile devices, and web applications. The PC platform has long been a key market for the Company. According to IDC statistics, global PC shipments grew to approximately 280 million units in 2025, providing stable end-user demand for the video software market. In addition to its existing markets, the Company continues to expand opportunities in AI PCs by closely collaborating with the hardware ecosystems of Intel Core Ultra and AMD Ryzen. Through joint optimization of software functionality and computing performance, as well as co-marketing initiatives, the Company actively promotes the development of AI PCs and further strengthens CyberLink’s important position in the PC market.

In the mobile segment, the Company continues to enhance the competitiveness of its flagship products, **PowerDirector** and **PhotoDirector**, while expanding into AI-generated/editing and beauty and fashion vertical markets through growth-oriented products such as **MyEdit Mobile** and **Vivid Glam**. On the web platform, the Company positions **MyEdit** as its core product, integrating a wide range of online tools for audio, image, and video processing together with the latest AI features. This approach effectively attracts cross-device user traffic and continues to drive operational momentum.

## Diversified Customer Expansion

CyberLink’s primary customer base consists of general consumers with needs for video editing and entertainment. To enhance customer diversity, the Company continues to expand its business customer segment through Promeo, a digital marketing design software. Promeo

provides users with a comprehensive AI-driven marketing solution that helps enterprise customers rapidly improve marketing effectiveness. For example, the newly launched AI Marketing Advisor feature integrates AI models for text, images, and video, supporting a complete workflow from product positioning analysis to marketing copywriting, layout design, and video advertisement generation. This enables marketers and small and medium-sized enterprises to efficiently produce professional-grade marketing materials with limited manpower and budgets.

In addition, the Company continues to expand its B2B market through the FaceMe facial recognition product line, with a strategic focus in 2025 on deepening applications in digital identity verification and high-security verticals. FaceMe eKYC integrates facial recognition, liveness detection, and identity document verification technologies to help financial institutions and digital platforms reduce fraud and regulatory risks while improving operational efficiency. FaceMe Security has been successfully deployed in government agencies and enterprise environments with high security requirements, further strengthening smart security applications. Moreover, in response to the growing demand for age verification—such as online platforms and self-checkout purchases of alcohol and tobacco in physical retail settings—FaceMe has proactively expanded its solutions and achieved leading results in the NIST age verification evaluations.

With the successful execution of its strategies, the Company's total revenue in 2025 increased by 18.9% year over year to NT\$2.46 billion, reaching a new high in nearly 12 years. All three major product lines recorded positive growth. Revenue from the Creative Editing Software (Create B2C) product line reached another historical high, growing by 19.0% year over year and accounting for 73.8% of total revenue. Both flagship products (PowerDirector and PhotoDirector) and emerging products (MyEdit, Promeo, and Vivid Glam) reported revenue growth compared to the previous year. The Computer Vision product line, centered on FaceMe facial recognition technology and applied across financial services, digital identity verification, access control, and security markets, contributed a stable 4.9% of total revenue. The PC-OEM/ODD product line saw a recovery from its previous decline, as retail sales of the video playback software PowerDVD exceeded expectations, contributing 21.3% of total revenue.

While advancing its business development, CyberLink is also committed to corporate sustainability. On the environmental front, the Company has implemented greenhouse gas inventories and adopted energy efficiency improvement as a core decarbonization strategy. In talent development, the Company is dedicated to fostering a high-quality workplace. In 2025, CyberLink not only retained its leading position among listed information service companies in terms of median employee compensation, but also received the HR Asia Best Companies to Work for in Asia Award. Furthermore, through the CyberLink Power of Beauty Education Foundation, the Company leverages its core expertise in digital media to support social engagement. In 2025, the Foundation helped more than 1,300 underprivileged students develop creative video editing skills and demonstrated its long-term commitment to society through initiatives such as blood donation drives, scholarships, and disaster relief fundraising.

Looking ahead, CyberLink will continue to drive innovation through AI technologies, expand applications in digital media creation, and enhance product competitiveness and user experience. Building on a foundation of sound and stable operations, the Company is committed to creating long-term value for shareholders, customers, and society.

## 2025 business overview :

### 1. Operating results

For 2025, consolidated global revenue amounted to approximately NT\$ 2.46 billion, with full-year operating profit of approximately NT\$ 0.368 billion. Consolidated revenue increased by 18.9% compared to the previous year. The parent company in Taiwan recorded full-year revenue of approximately NT\$ 2.044 billion, representing a 17.0% increase year over year. Net profit after tax for 2025 totaled approximately NT\$ 0.287 billion, reflecting a 8.8% decrease compared to the prior year, while overall revenue performance showed significant growth.

### 2. Revenue, expense, and profitability analysis:

#### (1) Global consolidated financial information:

Unit: NT\$ thousands; %

Item		2025	2024	Variation %	
Profit and loss	Revenue	2,459,506	2,068,359	18.9%	
	Gross profit	2,077,553	1,747,069	18.9%	
	Operating expenses	1,709,777	1,571,501	8.8%	
	Net income	286,976	314,595	-8.8%	
Profitability	Return on assets (%)	4.72	5.32	-11.3%	
	Return on equity (%)	6.13	6.86	-10.6%	
	As a percentage of paid-up capital (%)	Operating income	46.35	22.24	108.4%
		Income before tax	49.55	47.67	3.9%
	Net profit margin (%)	11.67	15.21	-23.3%	
	Earnings per share (EPS) (in NT dollars)	3.63	3.98	-8.8%	

#### (2) Domestic revenues of parent company:

Unit: NT\$ thousands; %

Item		2025	2024	Variation %	
Profit and loss	Revenue	2,044,184	1,746,563	17.0%	
	Gross profit	1,738,193	1,487,720	16.8%	
	Operating expenses	1,428,689	1,332,309	7.2%	
	Net income	286,976	314,595	-8.8%	
Profitability	Return on assets (%)	4.88	5.48	-10.9%	
	Return on equity (%)	6.13	6.86	-10.6%	
	As a percentage of paid-up capital (%)	Operating income	39.01	19.68	98.2%
		Income before tax	46.98	46.38	1.3%
	Net profit margin (%)	14.04	18.01	-22.0%	
	Earnings per share (EPS) (in NT dollars)	3.63	3.98	-8.8%	

### 3. Research and development:

- (1) In 2025, the Company completed the development of multiple new products and version upgrades, and continued to launch subscription-exclusive video and audio effect content packs. Newly released multimedia products included the desktop versions of Director Suite and Promeo, as well as the mobile versions of PowerDirector, PhotoDirector, and MyEdit. In addition, the Company continued to develop and roll out new features for the MyEdit web platform.
- (2) In response to the emerging AI PC trend, the Company optimized its Windows-based products, including PowerDirector, PhotoDirector, and Promeo. These products support multiple PC platforms and leverage on-device AI chip computing power to deliver AI functionalities. This approach not only enhances user experience but also eliminates the need for users to incur cloud computing costs. Supported platforms include Intel, AMD, and other ARM-based PCs.
- (3) The Company developed and launched the “AI Auto Edit” feature in PowerDirector, which automatically identifies highlights and transforms users’ short video and photo materials into polished videos. Meanwhile, Promeo introduced its first AI Marketing Advisor, which combines CyberLink’s latest content understanding technology with large language models (LLMs) to provide a one-stop, real-time, and privacy-focused intelligent marketing solution. This feature helps enterprise customers, small and medium-sized businesses, and individual sellers quickly identify target audiences, streamline content production workflows, and enhance promotional exposure during the early stages of product marketing.
- (4) The Company successfully developed and launched the MyEdit video editor, positioning MyEdit as a comprehensive online platform for image, audio, and video editing. In addition to offering a Timeline-based video editing mode that enables flexible video creation, the platform provides a wide range of AI-powered tools, such as AI video quality enhancement, audio noise reduction, face detection, and scene detection, to assist users in efficiently completing multimedia creations.
- (5) The Company continued to enhance its FaceMe facial recognition algorithms and delivered major upgrades to the intelligent security software FaceMe Security and the facial recognition solution FaceMe Platform, enabling enterprise customers to rapidly deploy facial recognition solutions across various application scenarios.

### **Summary of 2026 Business Plan:**

In 2026, CyberLink will continue to deepen the application of AI technologies across the creative and computer vision domains. Through product innovation, vertical market expansion, and channel development, the Company aims to further strengthen its competitive advantages.

The Digital Media Business Group will adopt 'AI + Creation' as its core strategy, dedicated to empowering creators to produce video and image content with greater ease and efficiency. On the technology front, we will continuously evaluate and integrate the latest external AI models based on diverse creative scenarios and user needs. In parallel, we will actively develop agentic AI, leveraging multi-model integration and workflow automation to reshape creative processes and significantly enhance overall production efficiency.

In terms of sales and distribution, the Company will continue to refine its digital marketing strategies and strengthen brand value, driving sales growth through proprietary online channels and mobile app stores. At the same time, we will actively manage third-party retail platforms,

distributors, resellers, and PC bundling channels to diversify revenue streams. In addition, through close collaboration with leading PC chipset vendors and notebook brands, we will proactively capture software opportunities arising from the rapid development of AI PCs. From a product perspective, flagship products PowerDirector and PhotoDirector will continue to focus on the integration of advanced AI technologies. Growth-oriented products such as MyEdit, Promeo, and Vivid Glam will target online creative tools, commercial digital marketing creativity, and the beauty and fashion verticals, respectively, expanding dedicated user segments through differentiated positioning.

The Computer Vision Business Group, with FaceMe as its core product, will continue to deepen its presence in high-value application scenarios, including financial services, access control, and security, while expanding across markets such as Taiwan, Japan, South Korea, the United States, and Southeast Asia. In product development, beyond introducing innovative features tailored to end-customer needs, the Company will build upon successful deployments and accumulated market experience to further develop modular and replicable solutions, thereby accelerating enterprise customer adoption.

As hardware and computing platforms continue to evolve, AI models and software applications will benefit from increasingly powerful support. CyberLink will continue to serve as a critical bridge between AI technologies and real-world applications by delivering innovative products and features, driving sustainable and steady business growth.

Lastly, we wish all our shareholders

a prosperous future ahead

Chairman: Jau Huang

GM: Mei Guu

GM: Vincent Lin

## Company Award Winning Record

Winning year/month	Awards
August 2003	Won the “Ministry of Economic Affairs Outstanding Performance Award for Industrial Technology Development”
September 2006	Outstanding Innovative Business Award in the “14th Industrial Technology Awards” by the Ministry of Economic Affairs
October 2006	Named Best Under a Billion by Forbes Asia, a world-renowned commercial media
November 2006	Named “2006 Top-100 Growing Companies in Asia” by Business Week (USA)
August 2007	Won 2007 “Best Employer Award” by Cheers
September 2007	Won “3rd Talent and Innovation Awards - Group Award” by Council of Labor Affairs, Executive Yuan
November 2007	Named Asia 200 Best Under a Billion by Forbes Asia, a world-renowned commercial media
October 2009	Won the “2009 Talent and Innovation Awards” by Council of Labor Affairs, Executive Yuan
October 2009	Won the top-20 brands during 2009 “Taiwan International Brand Value Survey” of Ministry of Economic Affairs of Taiwan
December 2009	Won the “Best Digital Learning Innovative Technology Development Award” by Industrial Development Administration, Ministry of Economic Affairs
September 2010	Won in the top-20 brands during 2010 “Taiwan International Brand Value Survey” of Ministry of Economic Affairs of Taiwan
September 2011	Won the 2011 top-20 brands in “Taiwan International Brand Value Survey” of Ministry of Economic Affairs of Taiwan
February 2012	Won the “New Taipei City Enterprise Excellence Award “ by the Economic Development Bureau, New Taipei City Government
September 2012	Won the top-20 brands in 2012 “Taiwan International Brand Value Survey” of Ministry of Economic Affairs of Taiwan
October 2012	Won the “2nd National Industrial Innovation Award” of the Ministry of Economic Affairs of Taiwan
November 2013	Won the “Happy Company Award” from the Department of Labor, Taipei City Government
December 2013	Won the top-20 brands in 2013 “Taiwan International Brand Value Survey” of Ministry of Economic Affairs of Taiwan
February 2014	Won 2nd “Taiwan Mittlestand Award” by the Ministry of Economic Affairs
May 2014	Won 1st “Work-Life Balance Award - Healthy Lifestyle Medal.”
December 2014	Won the top-20 brands in 2014 “Taiwan International Brand Value Survey” of Ministry of Economic Affairs of Taiwan
December 2018	Won the “25th National Quality Award” of Executive Yuan - Business Excellence Award
November 2020	Won the “Taiwan Excellence Award” of Ministry of Economic Affairs of Taiwan
December 2023	Won the “ 2023 SGS Green Label Award - Carbon Management Category “ of SGS.
August 2025	Won the” “Best Companies to Work for in Asia 2025” of HR Asia

## Product Award Winning Record

Winning year/month	Product	Award (incentive) won
February 2000	Medi@Show	Won CeBIT “Best of Taiwan’s Best” by EuroTrade (Germany)
May 2000	PowerDVD	Won Computer Easy “Editor’s Choice” (Germany)
May 2000	PowerDVD	Won Komputex Swiat “Editor’s Choice” (Poland)
May 2000	PowerVCR II	Won Best of Computex (Best Multimedia)
June 2000	PowerDVD	Won PC Plus “Best Software Decoder” (UK)
June 2000	PowerDVD	Won PC Magazin “Editor’s Choice” (Germany)
June 2000	PowerDVD	Won CHIP “Editor’s Choice” (Germany)
November 2000	TalkingShow	Won Comdex “Best of Taiwan’s Best” (USA)
November 2000	PowerDVD	Won SVM “Editor’s Choice” (France)
December 2000	PowerDVD	Won PC Achat “Editor’s Choice” (France)
December 2000	PowerDVD	Won DOS-V “Editor’s Choice” (Japan)
March 2001	PowerDVD	Won PC Fun “Editor’s Choice” (France)
March 2001	PowerDVD	Won Computer Bild “Editor’s Choice” (Germany)
April 2001	PowerDVD	Won Info.PC “Editor’s Choice” (France)
April 2001	PowerDVD	Won CHIP “Editor’s Choice” (Germany)
April 2001	PowerDVD	Won PC Achat “Editor’s Choice” (France)
April 2001	PowerVCR	Won Info PC magazine five-star (highest) rating (France)
May 2001	PowerDVD	Editor’s Choice by Computer Easy, a professional IT magazine in Germany
May 2001	PowerDVD	Editor’s Choice by PC Actual, a professional IT magazine in Spain
June 2001	PowerDVD 3.0	Won PC Praxis “Editor’s Choice” (France)
June 2001	PowerDVD	Won “Editor’s Choice” by PC Praxis, a professional IT magazine in Germany
June 2001	PowerDirector	“Best of Computex 2001” in the multimedia category
June 2001	PowerVCR II3.0 StreamAuthor TalkingShow	Won Honorable Mention during the 7th Academic Accomplishment Award
October 2001	PowerDVD 3.0	Won PC Achat “Editor’s Choice” (France)
January 2002	PowerDirector2.0 Pro	Eurotrade “Best of Taiwan’s Best”
January 2002	PowerDVD XP 4.	Won Hungary CHIP - “Best of 2001”
February 2002	CyberLink Corp	Won BCN “Best Vendor Award” (Japan)
February 2002	PowerDVD XP 4.0	Won Computer Easy “Editor’s Choice” (Germany)
February 2002	PowerDVD 3.0	Won PC Professionell “Editor’s Choice” (Germany)
March 2002	PowerDVD XP 4.0	Won Poland Computer CHIP “Editor’s Choice”
March 2002	PowerDVD XP 4.0	Won CHIP “Editor’s Choice” (Germany)
March 2002	PowerDVD XP 4.0	Won PC Praxis “Editor’s Choice” (Germany)
March 2002	PowerDVD XP 4.0	Won Computer Bild “Editor’s Choice” (Germany)
April 2002	PowerDVD XP 4.0	Won PC Welt “Editor’s Choice” (Germany)
November 2002	StreamAuthor	Won the “2002 Taiwan Creative Software Award”
December 2002	PowerDirector	Won the “8th Academic Accomplishment Award”

Winning year/month	Product	Award (incentive) won
January 2003	PowerDirector StreamAuthor	Won the 2003 "Taiwan Excellence Award"
January 2003	PowerCinema	Won "Best of Comdex 2002"
September 2003	PowerProducer 2	Won Eurotrade "Best of Taiwan's Best"
September 2003	StreamAuthor	Won the "9th Academic Accomplishment Award"
October 2003	PowerDVD 5	Won the 2003 Taiwan Creative Software Award organized by Industrial Development Bureau, Ministry of Economic Affairs
October 2003	PowerDVD PowerDirector PowerProducer	Won the "2003 Most Recommended OEM Software Award" in China
January 2004	PowerDVD	Won 2004 "Taiwan Excellence Award"
January 2004	PowerDirector PowerDVD PowerProducer StreamAuthor	Won 2004 "Taiwan Excellence Award"
January 2004	PowerDVD 5	Won the "2003 Audio and Video Product of the Year" by PC Magazine
February 2004	DVD PowerProduce 2	Won World's first software company to pass tests of DVD Forum
March 2004	Power2Go 3	Won "Eurotrade Awards"
March 2004	DVD PowerProduce 2	Won the "Best and Most Innovative Software Solution" by Eurotrade, a professional IT magazine in Europe
June 2004	PowerDirector	Won "Best Choice of Computex 2004"
June 2004	PowerCinema	Won "Buyer's Choice of Computex 2004"
August 2004	PowerDVD	Won PC Magazine "Best Product for 2003"
November 2004	威力劇院 Power Cinama	Won Innovations Award in 2005 CES, the largest consumer electronics show in the U.S.
December 2004	DVD PowerProduce 3	Won 2004 IT Month - "Outstanding Application Award"
December 2004	PowerCinema	Won CES - "Innovations Award" (USA)
January 2005	PowerDVD PowerDirector PowerCinema DVD PowerProduce 3	Won 2005 "Taiwan Excellence Award"
January 2005	PowerCinema 4	Won 2005 International CES Innovations Award Honoree
November 2005	PowerCinema 4	Won 2005 IT Month - "Outstanding IT Application and Product Award"
January 2006	PowerDirector 5	Won "Gold Award" by Top 10 Reviewer (USA)
May 2006	PowerDVD 7	Won "Best Software Award" by Retail Vision
May 2006	PowerDVD 7	Won "Gold Award" by Top 10 Reviewer (USA)
June 2006	PowerDVD 7	Won 2006 COMPUTEX Best Software Award by PC Professionell (Germany)
November 2006	MagicSports 3 PowerDVD 7	Won "CES 2007 Innovation Award Honoree Title" (USA)

Winning year/month	Product	Award (incentive) won
December 2006	PowerDirector 5	Won 2006 IT Month - "Outstanding IT Application and Product Award"
May 2007	PowerDirector 6	Won "Editor's Choice" in the May 2007 issue of DVD Info
November 2007	PowerDVD Ultra	Won 2007 IT Month - "Outstanding IT Application and Product Award"
November 2007	CyberLink Live	Won CES Innovation 2008 Design & Engineering Award (USA)
January 2008	MediaServer SoftDMA	Won the DLNA 1.5 certification and accepted as Reference Device
January 2008	PowerDVD Ultra	Certified by Blu-ray Disc Association for BD-Video Profile 1.1 playback
March 2008	PowerDVD PowerDirector 6	Won 2007 "Innovative Software Award"
March 2008	PowerDVD 6	Certified for DTS-HD Master Audio
March 2008	PowerDVD Ultra	Passed certifications for BD-Live and AVCREC
June 2008	PowerDirector 7	Won the 4.5-star "editor's choice" award from PC Magazine, the world's largest computer magazine!
June 2008	PowerDirector 7	Won the "Editor's Choice" award from PC Utilities Magazine.
June 2008	PowerDVD8 Ultra	Won No. 1 performance among all DVD playback software and won Test Winnier Award by CHIP magazine (Germany)
July 2008	PowerDirector 7	Won the "Editor's Choice" award from LAPTOP.
August 2008	PowerProducer	Received AVCREC certification
August 2008	PowerDirector 7 PowerDVD 8	Won the PC User "Editor's Choice" (Australia)
September 2008	PowerDirector 7	Won PC Magazin "Editor's Choice" (Singapore)
September 2008	PowerDirector 7	Won PC Pro "Editor's Choice" (UK)
October 2008	PowerDirector 7	Won "2008 Best Recommended for Functionality" in the October 2008 issue of PChome
October 2008	PowerDirector 7	Won the PC Authority "Editor's Choice" (Australia)
November 2008	PowerStarter 7	Won the "Editor's Choice" award from PC Advisor, UK.
November 2008	Medi@Show4	Won the PC Answers "Editor's Choice" (UK)
November 2008	PowerDirector 7	Won 5-star recommendation by CHIP.de (Germany)
January 2009	PowerStarter 7	Won Award of Excellence by PC Magazine (Germany)
January 2009	PowerStarter 7	Won "2009 Editor's Choice" by PChome
March 2009	PowerDVD 9	Won 5-star rating by CHIP.EU (Germany)
March 2009	PowerStarter 7	Won PC Magazine "Editor's Choice" (USA)
January 2010	PowerDVD 9 PowerDirector 8	Won 2010 "Taiwan Excellence Award"
March 2010	PowerStarter 8	Won PC Magazine "Editor's Choice" (USA)
December 2010	PowerDVD 10	Won 2010 "Taiwan Excellence Award"
April 2011	PowerDVD 10	Won the 2011 "Taiwan Excellence Award - Silver"

Winning year/month	Product	Award (incentive) won
December 2011	PowerDirector 10	Won PC Magazine “Editor’s Choice” (USA)
January 2012	PowerDVD PowerDirector	Won 2012 “Taiwan Excellence Award”
October 2012	PowerDirector 10	Won Best Design, the most prestigious award, during the “2012 Gold Pin Design Award”
December 2012	PowerDirector	Won 2012 IT Month - “Outstanding IT Application and Product Award”
January 2013	PowerDVD PhotoDirector	Won 2013 “Taiwan Excellence Award”
November 2013	PowerDirector 12	Won 2013 IT Month - “Top 100 Innovative Products”
November 2013	PowerDirector 12	Won “CES Innovations 2014 Design and Engineering Award” - Software and Mobile Apps Category (USA)
December 2013	PowerDVD PowerDirector PhotoDirector	Won 2013 “Taiwan Excellence Award”
January 2014	PowerDirector 12	Won “2013 Best Video Editing Software” by PC Magazine (USA)
April 2014	PhotoDirector 5	Won the “Taiwan Excellence Award - Gold”
May 2015	PowerDirector 13 PowerDVD 14	Won 2015 “Taiwan Excellence Award”
November 2015	PowerDirector 14	Won “Best Product for 2015” by PC Magazine
January 2016	PowerDirector 14 PhotoDirector 7 PowerDVD 15	Won 2016 “Taiwan Excellence Award”
January 2016	PowerDirector 14	Won the 2016 “Taiwan Excellence Award - Gold”
December 2016	PowerDirector Mobile App	Won Best of 2016 on Google Play
January 2017	PowerDirector 15 PhotoDirector 8 PowerDVD 17	Won 2017 “Taiwan Excellence Award”
January 2017	PowerDirector 15	Won the PCMag “Editor’s Choice” (USA)
December 2017	ActionDirector for mobile	Won Best of 2017 on Google Play
December 2017	PowerDirector 16	Won “Taiwan Excellence Award - Gold”
December 2017	PowerDirector for mobile ActionDirector for mobile	Won Editor’s Choice App on Google Play
October 2018	FaceMe™	Participated in the MegaFace Challenge and claimed its place as the number one AI facial recognition engine in Taiwan.
November 2018	PowerDirector 17	Won 2018 IT Month - “Top 100 Innovative Products - Gold”
October 2019	PowerDirector 18 PhotoDirector 11 U Bundle with integrated	Won 2019 “Taiwan Excellence Award”

Winning year/month	Product	Award (incentive) won
	FaceMe® engine	
November 2019	FaceMe® engine	Won “Taiwan Excellence Award - Silver”
April 2020	FaceMe® engine	Received favorable rating once again from NIST, delivering 99.7% accuracy that made CyberLink the only Taiwanese supplier to rank among the world’s Top 20
November 2020	PowerDirector Mobile App	Won the “Taiwan Excellence Award - Silver”
December 2020	FaceMe® engine	Ranked among the world’s top-10 in the NIST 1:N rating.
July 2021	FaceMe® engine	Ranked among the world’s top 3 in the liveness check competition during the 2021 International Conference on Computer Vision, making it a secure and reliable facial recognition technology for banks and insurance companies.
November 2021	PowerDirector 365 for Mac OS	Won the “2022 Taiwan Excellence Award - Silver”
November 2022	FaceMe® Platform	Won the “2023 Taiwan Excellence Award”
January 2023	PowerDirector 365	Won the “Editor’s Choice”, the only full five-star rating by U.S. tech magazine - PC Magazine
October 2024	PowerDirector 365	Won the “Editor’s Choice”, the only full five-star rating by U.S. tech magazine - PC Magazine
October 2024	PhotoDirector365	Awarded a 4.5-star rating by the renowned tech media website TechRadar.
November 2024	People Tracker Promeo MyEdit	Won the “2025 Taiwan Excellence Award”
February 2025	PowerDirector	Won the BCN Award for Best Video Editing Software.
November 2025	PhotoDirector mobile iOS	Won the “2026 Taiwan Excellence Award”
November 2025	FaceMe ®eKYC	Won the “2026 Taiwan Excellence Award - Silver

## 2 Corporate Governance Report

### 2.1 Background information of directors, the CEO, GM, vice presidents, assistant vice presidents, and heads of various departments and branches

#### 2.1.1 Director's profile:

March 31, 2026

Position	Name	Gender Age	Nationality (Place of registration)	Date Elected/onboard	Term of service	Date First Elected (onboard)	Shareholding when Elected		Current shareholding		Spouse & Minor Shareholding		Shareholding in the name of a third party		Selected Education & Experiences	Current Positions at the Company and Other Companies	Spouse or relatives of second degree or closer acting as manager, director, or supervisor			Foot-note
							Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of shares (Shares)	%			Position	Name	Relationship with the counterparty	
Chairman	Jau Huang	Male 66-67	R.O.C	2023.6.20	3 years	2002.5.27	2,797,910	3.54	2,797,910	3.53	7,862,716	9.91	0	0	Ph.D. in Electrical Engineering, UCLA Founder, CyberLink Corp. Chairman & CEO, CyberLink Corp.	CEO, CyberLink Corp. Chairman, CyberLink.Com Corp. Chairman, CyberLink International Technology Corp. (BVI) Chairman, CyberLink Inc. (Japan) Director, Perfect Corp. (Cayman)	Director of the Company	Alice H.Chang	Spouse	
																	Director of the Company	Yi-Chen Huang	Father-son	
Directors	ClinJeff Corp.		R.O.C	2023.6.20	3 years	2002.5.27	12,176,497	15.42	12,176,497	15.35	0	0	0	0	None	None	None	None	None	
	Representative: Alice H.Chang	Female 60-65	R.O.C	2023.6.20	3 years	2002.5.27	7,862,716	9.96	7,862,716	9.91	2,797,910	3.53	0	0	MBA, UCLA Global Executive Vice President, Trend Micro Chairman & CEO, CyberLink Corp.	Chairman & CEO, Perfect Corp. (Cayman) Chairman, Perfect Corp. (USA) Chairman, Perfect Corp. (Japan) Chairman, Perfect Corp. (Shanghai) Chairman, Perfect Corp. SARL (France) Chairman, Perfect Mobile Corp. (BVI) Chairman, Wannaby Inc. (USA) Chairman, UAB Wannaby (Lithuania) Corporate Director Representative, Vita Elements Biomedical Corp.	Chairman of the Company	Jau Huang	Spouse	
	Representative: Ying-Lun Hai	Male 70-75	R.O.C	2023.6.20	3 years	2014.6.19	0	0	0	0	50,000	0.06	0	0			Chairman, Protour Taiwan	Chairman, Protour Taiwan	None	None
Directors	Rocky Mountain Investment Ltd.		R.O.C	2023.6.20	3 years	2018.6.19	106,000	0.13	106,000	0.13	0	0	0	0	None	None	None	None	None	
Directors	Representative: Yi-Chen Huang	Male 30-35	R.O.C	2023.6.20	3 years	2018.6.19	1,756,615	2.23	1,756,615	2.21	0	0	0	0	Chairman, Perfect Corp.	Chairman, Perfect Corp. Director, World Speed Company Limited (BVI) Director, DVDnet.com Inc. Director, Golden Edge Co., Ltd. Director, Ideal Max Management Limited Supervisor, ClinJeff Corp. Supervisor, Changbai Mountain Investment Corp.	Chairman of the Company	Jau Huang	Father-son	
																	Director of the Company	Alice H.Chang	Mother-son	
Independent director	Yean-Jen Shue	Male 66-70	R.O.C	2023.6.20	3 years	2023.6.20	5,000	0.01	5,000	0.01	0	0	0	0	Ph.D. University of Florida, Department of Electrical Engineering CTO & Senior VP, Pegatron Corp.	Special Assistant to the Chairman and Senior Vice CEO, Pegatron Corporation	None	None	None	

Position	Name	Gender Age	Nationality (Place of registration)	Date Elected/onboard	Term of service	Date First Elected (onboard)	Shareholding when Elected		Current shareholding		Spouse & Minor Shareholding		Shareholding in the name of a third party		Selected Education & Experiences	Current Positions at the Company and Other Companies	Spouse or relatives of second degree or closer acting as manager, director, or supervisor			Footnote
							Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of shares (Shares)	%			Position	Name	Relationship with the counterparty	
Independent director	Chien LEO Ming-TZ	Male 45-50	US	2023.6.20	3 years	2023.6.20	0	0	0	0	0	0	0	0	MBA. in Electrical Engineering, UCLA Director of FIC Global, Inc.	Chairman of FIC Global, Inc. Chairman of Ubiquconn Technology, Inc. Chairman of RuggOn General Manager of FIC Chairman of 3CEMS Group Independent Director, Promate Electronic Co., Ltd.	None	None	None	
Independent director	Yu Shen Lan	Male 65-70	R.O.C	2023.6.20	3 years	2020.6.23	65,197	0.08	65,197	0.08	1,000	0.00	0	0	Master's Degree, Graduate Institute of Human Resource Management, National Central University Ph.D. program, Graduate Institute of Human Resource Management, National Central University Vice President of Human Resources Department, Alltek Corporation Assistant Vice President of Human Resources Department, Phoenix Technologies Ltd. - Asia Pacific Assistant Vice President of Human Resources, Lam Research Co., Ltd. Assistant Vice President of Human Resources CitiBank	None	None	None	None	

### 2.1.2 Major shareholders of corporate shareholders:

March 31, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders (more than 10% ownership)
ClinJeff Corp.	Alice H. Chang, World Speed Company Limited
Rocky Mountain Investment Ltd.	DVDonet.com. Inc.

### 2.1.3 Key shareholders of major corporate shareholders:

March 31, 2026

Name of corporate entity	Major shareholders of corporate shareholders (more than 10% ownership)
World Speed Company Limited	Alice H.Chang
DVDonet.com. Inc.	World Speed Company Limited

## 2.1.4 Professional Qualifications and Independence Analysis of Directors:

Name	Criteria	Professional qualifications and experience	Independence Analysis	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman Jau Huang	Ph.D. in Electrical Engineering, UCLA. Current Chairman and CEO of the Company; visiting Professor at National Taiwan University; expertise in leadership, marketing, operational management, and strategic planning that help promote business sustainability.	<ul style="list-style-type: none"> <li>(1) Not a director, supervisor, or employee of any other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party.</li> <li>(2) Not a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides the above service to the Company or its affiliated companies.</li> <li>(3) Does not meet any of the conditions stated in Article 30 of The Company Act.</li> <li>(4) Not elected as a government or corporate representative according to Article 27 of The Company Act.</li> </ul>	None	
Directors ClinJeff Corp. Representative: Alice H. Chang	MBA, UCLA. Currently serves as director of the Company and Chairman of Perfect Corp.(Cayman). Specializes in business administration, financial planning, global competition, decision-making, and leadership.	<ul style="list-style-type: none"> <li>(1) Not a director, supervisor, or employee of any other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party.</li> <li>(2) Not a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides the above service to the Company or its affiliated companies.</li> <li>(3) Does not meet any of the conditions stated in Article 30 of The Company Act.</li> </ul>	None	

Name	Criteria	Professional qualifications and experience	Independence Analysis	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Directors ClinJeff Corp. Representative: Ying-Lun Hai	At present, a director of the Company and the founder and chairman of Protour Taiwan Inc.	<ul style="list-style-type: none"> <li>(1) Not employed by the Company or any of its affiliated companies.</li> <li>(2) Not a director or supervisor of the Company or any of its affiliates.</li> <li>(3) Not a manager listed in (1), or a spouse, 2nd-degree relative or closer or 3rd-degree direct relative or closer to any personnel listed in (2).</li> <li>(4) Not a director, supervisor, or employee of any other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party.</li> <li>(5) Does not assume concurrent duty as chairman, CEO or equivalent role in the Company, and is not a director, supervisor, or employee of another company or institution owned by spouse.</li> <li>(6) Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any company or institution that has a financial or business relationship with the Company.</li> <li>(7) Not a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides the above service to the Company or its affiliated companies.</li> <li>(8) Not a spouse or relative of second degree or closer to any other directors.</li> <li>(9) Does not meet any of the conditions stated in Article 30 of The Company Act.</li> </ul>	None	

Criteria Name	Professional qualifications and experience	Independence Analysis	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Directors Rocky Mountain Investment Ltd. Representative: Yi-Chen Huang	Current Director of the Company and Chairman of Perfect Corp.	<ul style="list-style-type: none"> <li>(1) Not a director, supervisor or employee of any corporate shareholder that: 1. holds 5% or more of the Company's outstanding shares; 2. is a top-5 shareholder; or 3. appoints director/supervisor representative in the Company according to Paragraph 1 or 2, Article 27 of The Company Act.</li> <li>(2) Not a director, supervisor, or employee of any other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party</li> <li>(3) Does not assume concurrent duty as chairman, CEO or equivalent role in the Company, and is not a director, supervisor, or employee of another company or institution owned by spouse.</li> <li>(4) Not a professional who provides audit service, or commercial, legal, financial, accounting or related services for an accumulated sum of more than NT\$500,000 in the last 2 years, to the Company or its affiliate, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides the above service to the Company or its affiliated companies.</li> <li>(5) Does not meet any of the conditions stated in Article 30 of The Company Act.</li> </ul>	None

Criteria Name	Professional qualifications and experience	Independence Analysis	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent director Yean-Jen Shue	Ph.D. University of Florida, Department of Electrical Engineering; a member of the Company's Audit Committee and Remuneration Committee, CTO and Senior VP of Pegatron Corporation; used to be Vice President of Pegatron Corporation and Associate Vice President of ASUS.	<ul style="list-style-type: none"> <li>(1) Not employed by the Company or any of its affiliated companies.</li> <li>(2) Not a director or supervisor of the Company or any of its affiliates.</li> <li>(3) Does not hold more than 1% of the Company's outstanding shares in their own names or under the name of spouse, underage children, or proxy shareholder; nor is a top-10 natural-person shareholder of the Company.</li> <li>(4) Not a manager listed in (1), or a spouse, 2nd-degree relative or closer or 3rd-degree direct relative or closer to any personnel listed in (2) or (3).</li> <li>(5) Not a director, supervisor or employee of any corporate shareholder that: 1. holds 5% or more of the Company's outstanding shares; 2. is a top-5 shareholder; or 3. appoints director/supervisor representative in the Company according to Paragraph 1 or 2, Article 27 of The Company Act.</li> </ul>	None
Independent director Chien LEO Ming-TZ	Master's degree in electrical engineering from UCLA, USA, and is a member of the Company's Audit Committee and Remuneration Committee; Chairman of FIC Global, Chairman of Ubiquconn Technology, Inc, Chairman of 3CEMS Group, and Independent Director of Promate Electronic Co., Ltd.	<ul style="list-style-type: none"> <li>(6) Not a director, supervisor, or employee of any other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party.</li> <li>(7) Does not assume concurrent duty as chairman, CEO or equivalent role in the Company, and is not a director, supervisor, or employee of another company or institution owned by spouse.</li> <li>(8) Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any company or institution that has a financial or business relationship with the Company.</li> <li>(9) Not a professional who has provided audit services, or commercial, legal, financial, accounting or related services in</li> </ul>	1

Criteria Name	Professional qualifications and experience	Independence Analysis	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent director Yu Shen Lan	Graduated from the Master's and Doctoral programs of the Institute of Human Resource Management of the National Central University, and is a member of the Company's Audit Committee and Remuneration Committee; used to work in the human resources department of Citibank, Taiwan Applied Materials, and Altek Corp.	<p>the last 2 years, to the Company or its affiliate, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides the above service to the Company or its affiliated companies.</p> <p>(10) Not a spouse or relative of second degree or closer to any other directors.</p> <p>(11) Does not meet any of the conditions stated in Article 30 of The Company Act.</p> <p>(12) Not elected as a government or corporate representative according to Article 27 of The Company Act.</p>	None

## 2.1.5 Board Diversity Policy:

### 1. Board Diversity Policy

According to the Company’s “Corporate Governance Code of Conduct,” the composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company’s business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

- (1) Basic requirements and value: Gender, age, nationality, culture etc.
- (2) Professional knowledge and skills: A professional background (e.g. law, accounting, industry, finance, marketing, or technology), professional skill, and industry experience.

All members of the Board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

- (A) Ability to make business judgments.
- (B) Ability to perform accounting and financial analysis.
- (C) Ability to conduct management administration.
- (D) Ability to conduct crisis management.
- (E) Knowledge of the industry.
- (F) An International market perspective.
- (G) Ability to lead.
- (H) Ability to make policy decisions.

### 2. Specific management objectives and achievement status of the diversity policy.

Management Objectives	Achievement Status
At least one-third of the board members possess expertise in the technology industry, marketing, or technology fields. At least one-third of the independent directors possess expertise in finance/accounting or technology.	Achieved
At least one board member is of a different gender.	Achieved
More than half of the independent directors have served no more than three consecutive terms.	Achieved

- (1) At least one-third of the Board members shall possess expertise in the technology industry, marketing, or technology-related fields, and at least one-third of the Independent Directors shall have professional backgrounds in finance, accounting, or technology.

The Company’s Board of Directors consists of 7 directors, including 3 Independent Directors, representing 43% of the Board. Among the Board members, there is one female director (accounting for 14%), and only one director concurrently serves as an employee of the Company. All Independent Directors have served for fewer than three terms and fully comply with the applicable independence requirements. There are no circumstances specified under Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act between the directors and Independent Directors. Overall, the Board demonstrates sound independence and an effective supervisory mechanism.

As of the end of 2025, among the 7 directors, 2 are under the age of 50, 4 are between the ages of 60 and 69, and 1 is aged 70 or above.

The Board members come from diverse professional fields and industries, possessing competencies in leadership and decision-making, business management, operational judgment, crisis management, industry expertise, and international market perspectives. For details regarding the directors’ academic backgrounds, gender, professional qualifications, and work experience, please refer to the table below or Section II, Corporate Governance Report, Item (1) “Information on Directors.”

(2) Gradual increase in the number of female directors.

With respect to gender diversity, given the relatively stable composition of the Board, the Company currently ensures at least one female director, representing 14% of the Board. Although the proportion of female directors has not yet reached one-third of total Board seats, the Company will continue to promote succession planning and leadership development programs for female senior management candidates. The Company will also continue to identify and monitor suitable female candidates to gradually increase the proportion of female director nominees and further enhance gender diversity on the Board.

Measurements of diversity		Basic composition					Terms and years as independent director			Professional background				Professional Knowledge and skills							
		Nationality	Gender	Employed by the Company	Age			Below 3 years	3-9 years	Above 9 years	Accounting	Finance	Marketing	Technology	Ability to make business judgment	Ability to conduct management administration	Ability to lead and make policy decisions	Ability to conduct crisis management	Knowledge of the industry	An International market perspective	
below 50	60-69				70 and above																
Directors	Jau Huang	R.O.C	Male	✓		✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Alice H. Chang		Female			✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Ying-Lun Hai		Male				✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Yi-Chen Huang		Male		✓							✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent director	Yean-Jen Shue	America	Male			✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Yu Shen Lan		Male			✓			✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Chien LEO Ming-TZ		Male		✓			✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

## 2.1.6 Background information of the CEO, GM, vice presidents, assistant vice presidents, and heads of departments and branches:

March 31, 2026

Position	Name	Gender	Nationality	Elected (inaugurated) Date	Shareholding		Spouse & Minor Shareholding		Shareholding in the name of a third party		Selected Education & Experiences	Concurrent positions in other companies	Spouse or relatives of second degree or closer serving as managers			Footnote
					Number of shares	%	Number of shares	%	Number of shares	%			Position	Name	Relationship with the counterparty	
Chairman and CEO	Jau Huang	Male	R.O.C	2002.05	2,797,910	3.53	7,862,716	9.91	None	None	- Ph.D. in Electrical Engineering, UCLA - Founder, CyberLink Corp. - Chairman & CEO, CyberLink Corp.	CEO, CyberLink Corp. Chairman, CyberLink.Com Corp. Chairman, CyberLink International Technology Corp. (BVI) Chairman, CyberLink Inc. (Japan) Director, Perfect Corp. (Cayman)	None	None	None	
GM of Business Unit 1	Vincent Lin	Male	R.O.C	2023.12	215,603	0.27	0	0.00	None	None	Ph.D., Graduate Institute of Electrical Engineering, National Taiwan University	None	None	None	None	
GM of Business Unit 2	Mei Guu	Female	R.O.C	2023.12	446,969	0.56	532	0.00	None	None	Master's Degree, Department of Computer Science & Information Engineering, National Taiwan University	None	None	None	None	
R&D Department Senior Vice President	David Lee	Male	R.O.C	2008.05	130,862	0.16	0	0.00	None	None	Master's Degree, Department of Computer Science & Information Engineering, National Taiwan University	None	None	None	None	
Business Development Assistant Vice President	Hilda Peng	Female	R.O.C	2009.07	44,663	0.06	0	0.00	None	None	Master of Business Administration, University of Bath, UK	None	None	None	None	
Head of Accounting	Ruby Hsiao	Female	R.O.C	2021.03	0	0	0	0.00	None	None	Department of Accounting, Fu Jen Catholic University	None	None	None	None	

## 2.2 Compensation paid to directors (including independent directors), the CEO, GM and vice presidents in the last year

### 2.2.1 Compensation to directors in 2025 (individual disclosure by name and amount)

Unit: NT\$ thousands

Title	Name	Directors' remuneration								Sum of A, B, C, and D and relative percentage to net income		Compensation received as employee								Sum of A, B, C, D, E, F, and G as a percentage of net income		Compensation from parent company or business investments other than subsidiaries		
		Salary (A)		Severance pay and pension (B)		Directors' remuneration (C)		Fees for services rendered (D)				Salaries, bonuses, special allowances etc (E)		Severance pay and pension (F)		Employees' compensation (G)								
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements			
																Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares					
Chairman	Jau Huang	500	500	0	0	700	700	0	0	1,200	1,200	12,701	12,701	108	108	1,750	0	1,750	0	15,759	15,759	5.49%	5.49%	None
Directors	ClinJeff Corp. Representative: Alice H. Chang	500	500	0	0	700	700	0	0	1,200	1,200	0	0	0	0	0	0	0	0	1,200	1,200	0.42%	0.42%	None
Directors	ClinJeff Corp. Representative: Ying-Lun Hai	500	500	0	0	700	700	5	5	1,205	1,205	0	0	0	0	0	0	0	0	1,205	1,205	0.42%	0.42%	None
Directors	Rocky Mountain Investment Ltd. Representative: Yi-Chen Huang	500	500	0	0	700	700	0	0	1,200	1,200	0	0	0	0	0	0	0	0	1,200	1,200	0.42%	0.42%	None
Independent director	Yean-Jen Shue Newly elected on June 20, 2023	500	500	0	0	700	700	3	3	1,203	1,203	0	0	0	0	0	0	0	0	1,203	1,203	0.42%	0.42%	None
Independent director	Chien LEO Ming-TZ Newly elected on June 20, 2023	500	500	0	0	700	700	3	3	1,203	1,203	0	0	0	0	0	0	0	0	1,203	1,203	0.42%	0.42%	None
Independent director	Yu Shen Lan	500	500	0	0	700	700	5	5	1,205	1,205	0	0	0	0	0	0	0	0	1,205	1,205	0.42%	0.42%	None
<p>1. Please explain the policy, system, standards, and structure by which independent director compensation is paid, and association between the amount paid and independent directors' responsibilities, risks and time commitment. All independent directors take part in board meetings to learn operations of the Company. They communicate persistently with external and internal auditors on key financial and business issues, and recommends improvements where appropriate. The Company considers itself to have adopted a relatively reasonable independent director compensation policy compared to peers.</p> <p>2. Compensation received by the director for providing service (e.g. consultancy service without the title of an employee) to the parent company, any company included in the financial statements, or any business investment in the last year, except those disclosed in the above table: None.</p>																								

### Directors' remuneration brackets range

Range of remuneration paid to the Company's directors	Names of the directors			
	Sum of first 4 compensations (A+B+C+D)		Sum of first 7 compensations (A+B+C+D+E+F+G)	
	The Company	All companies included in the financial statements H	The Company	All companies included in the financial statements I
Below NT\$ 1,000,000				
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000 (non-inclusive)	Jau Huang, ClinJeff Corp.(Representative:Alice H.Chang ,Ying-Lun Hai) Yean-Jen Shue,Chien LEO Ming-TZ, Yu Shen Lan, Rocky Mountain Investment Ltd.(Representative:Yi-Chen Huan)	Jau Huang, ClinJeff Corp.(Representative:Alice H.Chang ,Ying-Lun Hai) Yean-Jen Shue,Chien LEO Ming-TZ, Yu Shen Lan, Rocky Mountain Investment Ltd.(Representative:Yi-Chen Huan)	ClinJeff Corp.(Representative:Alice H.Chang ,Ying-Lun Hai) Yean-Jen Shue,Chien LEO Ming-TZ, Yu Shen Lan, Rocky Mountain Investment Ltd.(Representative:Yi-Chen Huan)	ClinJeff Corp.(Representative:Alice H.Chang ,Ying-Lun Hai), Yean-Jen Shue,Chien LEO Ming-TZ, Yu Shen Lan, Rocky Mountain Investment Ltd.(Representative:Yi-Chen Huan)
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (non-inclusive)				
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000 (non-inclusive)				
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000 (non-inclusive)				
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000 (non-inclusive)				
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000 (non-inclusive)			Jau Huang	Jau Huang
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000 (non-inclusive)				
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (non-inclusive)				
NT\$ 100,000,000 and above				
Total	6	6	6	6

\* The basis of compensation disclosed above is different from the basis of the income tax law, hence the above table has been prepared solely for information disclosure, and not for tax purposes.

## 2.2.2 Compensation to the CEO,GM and vice presidents in 2025

Unit: NT\$ thousands

Position	Name	Salary (A)		Severance pay and pension (B)		Bonus and special allowances (C)		Employee remuneration (D)				Sum of A, B, C, and D and relative percentage to net income (%)		Compensation from parent company or business investments other than subsidiaries
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
CEO	Jau Huang	27,089	27,089	432	432	6,176	6,176	6,800	0	6,800	0	40,497 14.11%	40,497 14.11%	None
GM of Business Unit 1	Vincent Lin													
GM of Business Unit 2	Mei Guu													
Senior Vice President	David Lee													

\* The basis of compensation disclosed above is different from the basis of the income tax law, hence the above table has been prepared solely for information disclosure, and not for tax purposes.

### Directors' remuneration brackets range

Range of compensations paid to the CEO,GM and vice presidents	Name of CEO,GM and vice presidents	
	Parent Company	All companies included in the financial statements (E)
Below NT\$ 1,000,000		
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000 (non-inclusive)		
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (non-inclusive)		
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000 (non-inclusive)		
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000 (non-inclusive)	Mei Guu, Vincent Lin, David Lee	Mei Guu, Vincent Lin, David Lee
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000 (non-inclusive)	Jau Huang	Jau Huang
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000 (non-inclusive)		
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000 (non-inclusive)		
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (non-inclusive)		
NT\$ 100,000,000 and above		
Total	4	4

\* The basis of compensation disclosed above is different from the basis of the income tax law, hence the above table has been prepared solely for information disclosure, and not for tax purposes.

## 2.2.3 Managers receiving employee remuneration and details of remuneration received in 2025

March 31, 2026

	Position (Note 1)	Name (Note 1)	Amount paid in shares (in thousands)	Amount paid in cash (in thousands)	Total (in thousands)	Total as a per- centage of net income after tax (%)
Manager	CEO	Jau Huang	-	6,800	6,800	2.37%
	GM of Business Unit 1	Vincent Lin				
	GM of Business Unit 2	Mei Guu				
	Senior Vice President of R&D Department	David Lee				

## 2.2.4 Amount of compensation paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, CEO, GM and vice presidents, and their respective proportions to standalone and consolidated net income, as well as the policies, standards, and packages by which they were paid, the procedures through which compensations were determined, and their association with business performance and future risks:

1. Directors', CEO's, GM's and vice presidents' compensations paid in the last two years as a percentage of net income

Position	Total compensation as a percentage of net income			
	2024		2025	
	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements
Directors	2.24%	2.24%	2.93%	2.93%
CEO, GM and vice presidents	15.38%	15.38%	14.11%	14.11%

2. Compensation policies, standards, packages and procedures, and association with future risks and business performance:

(1) Directors' compensation package includes benefits, remuneration, and fees for services rendered:

A. Directors' compensation: According to Article 23 of the Articles of Incorporation, "The board of directors is authorized to determine compensation for all directors in reference to peer levels."

B. Directors' remuneration: According to Article 27 of the Articles of Incorporation, "Profits concluded in a given year shall have no more than 1.5% allocated as director remuneration. However, profits must first be taken to offset against cumulative losses if any."

C. Fees for services rendered: Consist mainly of travel allowance. Amounts are determined in reference to public listed companies or peers.

- D. Directors' benefits are determined by the Remuneration Committee after taking into account the level of participation and contribution value of each director, the rationality and fairness of benefits given the performance delivered and the risks borne, the overall operating performance of the Company, and peer standards. All proposals raised by the committee are presented for resolution by the board of directors.
- (2) Managers' compensations comprise a fixed component and a variable component. The fixed component represents monthly salary; whereas the variable component includes employee remuneration, year-end bonus, and employee stock option, which are allocated based on the annual assessment of individual performance, the time committed, the responsibilities borne, attainment of personal targets, and performance in other job roles. As for employee remuneration, Article 27 of the Articles of Incorporation states that "Profits concluded from a financial year are subject to employee remuneration of no less than 3%. However, profits must first be taken to offset against cumulative losses if any." Details and rationality of the compensation package are supported by the Remuneration Committee and resolved by the board of directors.
  - (3) The remuneration procedures for directors and managerial officers are based on the evaluation results of the "Directors' Performance Evaluation Regulations" and the "Performance Management Evaluation", and reasonable remuneration is provided with reference to the industry's standards and the Company's operating performance, personal performance and individual contribution to the Company. The performance of the Company's managerial officers for FY2024 has met the predetermined target requirements, and the results of the external evaluation of the Board of Directors and the self-evaluation of the performance of the members of the Board of Directors and functional committees have been above the standard required. The reasonableness of the remuneration system is reviewed in a timely manner depending on the actual business conditions and relevant laws and regulations, and is submitted to the Remuneration Committee and the Board of Directors for regular review.
  - (4) The Company adopts a compensation policy that takes into account the organization's current financial position, business performance, and future capital requirements. The Company also assesses future risk exposures and takes actions to minimize the chances of risk occurrence. As of the publication date of the annual report, there had been no occurrence that would give rise to future responsibilities, obligations, or liabilities for the Company.

## 2.3 Corporate governance

### 2.3.1 Functionality of the board of directors:

A total of 7 meetings (A) were held in the most recent year; below are directors' attendance records:

Position	Name	Attendance in person (B)	Attendance by proxy	Attendance rate in person (%) (B/A)	Footnote
Chairman	Jau Huang	7	0	100%	
Directors	ClinJeff Corp. Representative: Alice H. Chang	7	0	100%	
Directors	ClinJeff Corp. Representative: Ying-Lun Hai	7	0	100%	
Directors	Rocky Mountain Investment Ltd. Representative: Yi-Chen Huang	7	0	100%	
Independent director	Yean-Jen Shue	7	0	100%	
Independent director	Chien LEO Ming-TZ	6	1	86%	
Independent director	Yu Shen Lan	7	0	100%	

Other mandatory disclosures:

(1) For board of directors meetings that meet any of the following descriptions, state the date, session, the discussed topics, independent directors' opinions and how the Company has responded to such opinions.

(I) Conditions described in Article 14-3 of the Securities and Exchange Act.

Date of board meeting	Motion details and subsequent actions taken	Independent directors' opinions and the Company's response to all independent directors' opinions
9th meeting of the 10th board 2025.2.27	<ul style="list-style-type: none"> <li>● 2024 director's and employee's remuneration.</li> <li>● 2024 director remuneration.</li> <li>● Passed the 2024 Financial Statements and Business Report</li> <li>● Pass the Evaluation of the Independence and Competence of the CPA and the 2025 CPA Remuneration Proposal.</li> <li>● Passed the Amendments to the Company's "Articles of Incorporation."</li> <li>● Passed the Amendments to the Company's Internal Control System and Internal Audit System.</li> </ul>	<p>Motion was supported unanimously by all independent directors, and no objection or reservation was expressed.</p> <p>Company's response to independent directors' opinions: None</p>
10th meeting of the 10th board 2025.3.26	<ul style="list-style-type: none"> <li>● Passed the 2024 Earnings Distribution Plan.</li> <li>● Passed the 2024 Declaration of Internal Control System.</li> </ul>	
11th meeting of the 10th board 2025.4.29	<ul style="list-style-type: none"> <li>● Passed the financial statements for the first quarter of 2025.</li> <li>● Passed the annual executive salary adjustment for 2025.</li> </ul>	

12th meeting of the 10th board 2025.7.30	<ul style="list-style-type: none"> <li>● Passed the financial statements for the first half of 2025.</li> <li>● Passed the company's cash dividend distribution plan.</li> <li>● Passed the company's "2024 Sustainability Report."</li> </ul>	
13th meeting of the 10th board 2025.10.29	<ul style="list-style-type: none"> <li>● Passed the financial statements for the first three quarters of 2025</li> <li>● Passed the Company's 2026 audit plan.</li> <li>● Passed the resolution to adjust the Company's annual green electricity procurement target.</li> <li>● Passed the company's "Sustainability Committee Charter."</li> <li>● Passed the appointment of the members of the Sustainability Committee.</li> <li>● Passed the resolution to donate to the CyberLink Perfect Education Foundation.</li> <li>● Passed the revision of the company's "Compensation Committee Charter."</li> </ul>	
14th meeting of the 10th board 2026.2.25	<ul style="list-style-type: none"> <li>● 2025 director's and employee's remuneration.</li> <li>● 2025 director remuneration.</li> <li>● Passed the 2025 Financial Statements and Business Report</li> <li>● Pass the Evaluation of the Independence and Competence of the CPA and the 2026 CPA Remuneration Proposal.</li> </ul>	
15th meeting of the 10th board 2026.3.26	<ul style="list-style-type: none"> <li>● Passed the 2025 Earnings Distribution Plan.</li> <li>● Passed the 2025 Declaration of Internal Control System.</li> <li>● Passed the adoption of the Procedures for Election of Directors.</li> </ul>	

(II) Any other documented objections or reservations raised by independent directors against board resolution in relation to matters other than those described above: None.

(2) Disclosure regarding avoidance of interest-conflicting motions, including the names of directors concerned, the motions, the nature of conflicting interests, and the voting process: None.

(3) Information on the evaluation cycle, duration, scope, method, and detail of Board of Directors performance self (or peer) evaluations performed:

The Company has established a set of board performance evaluation policy and assessment methods, and completed the board performance evaluation for 2025. Details of the evaluation are as follows:

The board of directors has passed the establishment of the "Rules for Performance Evaluation of Board of Directors" in accordance with Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies as a way to enforce sound corporate governance practices and improve board function. The policy introduces a set of performance targets that aim to increase the efficiency of board, and imposes rules that require the performance of the board to be evaluated on a yearly basis; furthermore, board performance has to be evaluated by independent institutions or experts/scholars from outside the organization at least once every three years.

A. Period of assessment: January 1, 2025 to December 31, 2025

The board is required to assess the performance of individual directors on a yearly basis using the procedures and indicators outlined in the policy.

B. Scope of assessment: Covers performance of the board as a whole, the individual directors, the Audit Committee, and the Remuneration Committee.

C. Assessment method and procedures

- The 2025 Board performance evaluation was conducted by an external independent institution, the 「Taiwan Institute of Ethical Business」, through questionnaires, director interviews, and a review of internal policies and records, with a report issued upon completion.

- Individual directors, the Audit Committee, and the Remuneration Committee conducted self-evaluations using the 'Director Performance Self-Assessment Questionnaire' and the 'Functional Committee

Performance Self-Assessment Questionnaire,' respectively.

D. Evaluation Indicators and Evaluation Results

Board member performance self-assessment	Audit Committee Performance evaluation	Remuneration Committee Performance Evaluation
1. Comprehension of the Company's targets and missions 2. Directors' duty awareness 3. Level of participation in the Company's operations 4. Management and communication of internal relations 5. Professionalism and ongoing education of directors 6. Internal control	1. Level of participation in the Company's operations 2. Awareness towards duties of the functional committee 3. Improvements to the quality of decisions made by functional committees 4. Composition of the functional committee and selection of committee members 5. Internal control	1. Level of participation in the Company's operations 2. Awareness towards duties of the functional committee 3. Improvements to the quality of decisions made by functional committees 4. Composition of the functional committee and selection of committee members
21 assessment indicators	18 assessment indicators	15 assessment indicators
4.96/5	5/5	5/5

The 2025 self-evaluation results for the board of directors, the Audit Committee, and the Remuneration Committee all scored above 4.96, on a scale ranging from 4 ("Agree") to 5 ("Strongly Agree"). The overall operational effectiveness of the board and its functional committees is high, demonstrating a sound governance framework and continuous efforts to strengthen corporate governance quality and the fulfillment of responsibilities.

E. External Evaluation Results of Board Performance

The 2025 board performance evaluation was entrusted to an external professional organization, the 「Taiwan Institute of Ethical Business」, and conducted by the expert team members Yang-Tsung Tsai, Chao-Sheng Chiang, and Yang Yue-Ping, who issued the assessment report. The questionnaire evaluation items and results are as follows:

Four Key Dimensions	Professional Competencies (3 Assessment Indicators)	Decision Effectiveness (9 Assessment Indicators)	Internal Control (6 Assessment Indicators)	Sustainability (6 Assessment Indicators)
Average Scores	4.9	4.95	4.98	4.93
Overall Average Score	4.95/5分			

**Assessment Conclusions and Recommendations:**

The Board of Directors operates effectively, with members well informed prior to meetings and engaging in substantive discussions during deliberations. In light of the characteristics of the software industry, the Company has strengthened information security and risk management, and advanced talent succession planning through a dual-CEO structure and a dual-track career development framework.

To further enhance governance quality, the Company plans to continue strengthening board diversity by maintaining an appropriate proportion of independent directors while progressively increasing female representation. In addition, the Company will evaluate the adoption of TIPS, ISO 56001, or other relevant intellectual property management systems to enhance the systematic management of emerging risks and R&D outcomes. The Company will also continue to review the appropriateness of its performance evaluation mechanisms and, through the identification of potential successors and the implementation of mid- to long-term development programs, further strengthen its succession pipeline to enhance operational resilience and sustainable competitiveness.

(4) Enhancements to the functionality of board of directors in the current and most recent year, and progress of such enhancements:

The Company believes that sound corporate governance is made possible only with a strong and efficient board of directors. With this understanding in mind, the Company set the following objectives to improve the performance of the 10th board of directors in 2025 and the progress is as explained below:

Item No.	Objective	Execution progress
1	Strengthen Sustainability (ESG) Governance Functions	The Board of Directors has established a “Sustainability Committee,” chaired by a director, which reports regularly to the Board on the progress of various sustainability initiatives.
2	Board Professional Competence and Continuing Education	All directors have completed at least the minimum required six hours of continuing education in accordance with regulations.
3	Increase in board meeting attendance rate	The Company has increased the attendance rate of directors through advanced planning , advance notice or video conference . In 2025, the in-person attendance of directors reached 100% .
4	Enhancement of corporate governance by facilitating communication between directors and internal and external auditors	All directors of the Company would regularly follow up on the execution and improvement of internal control and internal audit practices. They also gain insight into the Company’s operations and governance practices through independent auditor’s report, correspondences, and one-on-one meetings.
5	Implement Board Performance Evaluation	The Company commissions an external professional institution to conduct a board effectiveness evaluation every three years. In the current year, the “Self-Assessment of the Board, Its Members, and Functional Committees” was completed, and the results were submitted to the Board for follow-up improvement actions.

### 2.3.2 Functionality of the Audit Committee:

#### 1. Professional qualification and experience of Audit Committee members:

Criteria Name	Professional qualifications and experience
Independent director Yean-Jen Shue	Ph.D. University of Florida, Department of Electrical Engineering; a member of the Company’s Audit Committee and Remuneration Committee, CTO and Senior VP of Pegatron Corporation; used to be Vice President of Pegatron Corporation and Associate Vice President of ASUS, possessing work experience necessary for the Company’s business with insight into industry development and technology application.
Independent director Chien LEO Ming-TZ	Master’s degree in electrical engineering from UCLA, USA, and is a member of the Company’s Audit Committee and Remuneration Committee; Chairman of FIC Global, Chairman of Ubiqconn Technology, Inc, Vice Chairman of 3CEMS Group, and Independent Director of Promate Electronic Co., Ltd., possessing the experience necessary for the Company’s business, finance, accounting, and corporate affairs, which can improve the overall development of the Company and the supervisory function of the Audit Committee.
Independent director Yu Shen Lan	Graduated from the Master’s and Doctoral programs of the Institute of Human Resource Management of the National Central University, and is a member of the Company’s Audit Committee and Remuneration Committee; used to work in the human resources department of Citibank, Taiwan Applied Materials, and Altek Corp., and possessing rich experience in the industry and is well connected with the industry-related contacts.

2. The Company assembled an Audit Committee to supersede supervisors on June 23, 2020. The committee comprises three independent directors, and at least one of whom has expertise in accounting or finance. The Committee convenes meetings at least one per quarter according to the “Audit Committee Charter”; its main responsibilities in 2025 were to review financial statements, supervise risk management issues, and discuss finance-related

motions, specifically:

- (1) Financial reports, accounting and internal control systems, transaction of major assets or derivative, offering or issuance of securities, appointment/dismissal/compensation of financial statement auditors, matters concerning directors' personal interests, and appointment/dismissal of the head of finance, accounting, or internal audit.
  - (2) Review of the financial report: The Company's business report, annual financial report, and earnings appropriation proposal are reviewed by the Audit Committee and subsequently resolved by the board of directors and presented for acknowledgment during the annual general meeting. The Company's 2025 financial statements have been reviewed by the Audit Committee and approved by the board of directors on February 25, 2026, and will be presented for acknowledgment during the 2026 annual general meeting. Quarterly financial statements have also been discussed and passed by the Audit Committee, and presented to the board of directors for final resolution.
  - (3) Assessment of the internal control system: The Company conducts self-assessments of its internal control system and requires internal departments to complete their assessments according to the internal control cycle. The Audit Committee then verifies whether the design and execution of the internal control system is effective and provides assurance with regard to business performance, target accomplishment, reliability, timeliness and transparency of reported financial information, and compliance with relevant laws. Outcomes of the 2025 internal control system self-assessment were reviewed and approved by the Audit Committee and the board of directors on March 26, 2026.
  - (4) Appointment and evaluation of financial statement auditor: The Audit Committee and the board of directors assess the professional capacity, independence, and compensation of the financial statement auditor regularly at the end of each year. Outcomes of the 2024 financial statement auditor evaluation were reviewed and approved by the Audit Committee on February 25, 2026.
3. The Audit Committee comprises 3 members; tenure of members began on June 20, 2023 and ends on June 19, 2026. A total of 7 Audit Committee meetings (A) were held in the most recent year; committee members' attendance records are summarized below:

Position	Name	Attendance in person (B)	Attendance by proxy	Attendance rate in person (%) (B/A)	Footnote
Convener	Yean-Jen Shue	7	0	100%	
Committee member	Chien LEO Ming-TZ	6	1	86%	
Committee member	Yu Shen Lan	7	0	100%	

Other mandatory disclosures:

- (1) For Audit Committee meetings that meet any of the following descriptions, details such as the date and session of Audit Committee meeting held, the motions discussed, independent directors' objections, reservations, or key recommendations, the Audit Committee's resolution, and

how the Company has responded to Audit Committee's opinions are disclosed in the chart below:

(I) Conditions described in Article 14-5 of the Securities and Exchange Act.

Date of board meeting	Motion details and subsequent actions taken	Audit Committee's resolution and the Company's response to Audit Committee's opinions
8th meeting of the 10th committee 2025.2.27	<ul style="list-style-type: none"> <li>● Passed the 2024 Financial Statements and Business Report</li> <li>● Pass the Evaluation of the Independence and Competence of the CPA and the 2025 CPA Remuneration Proposal.</li> <li>● Passed the Amendments to the Company's "Articles of Incorporation."</li> <li>● Passed the Amendments to the Company's Internal Control System and Internal Audit System.</li> </ul>	All motions were supported unanimously by Audit Committee members, and subsequently approved by the board of directors as the Audit Committee had recommended.
9th meeting of the 10th committee 2025.3.26	<ul style="list-style-type: none"> <li>● Passed the 2024 Earnings Distribution Plan.</li> <li>Passed the 2024 Declaration of Internal Control System.</li> </ul>	
10th meeting of the 10th committee 2025.4.29	<ul style="list-style-type: none"> <li>● Passed the financial statements for the first quarter of 2025.</li> </ul>	
11th meeting of the 10th committee 2025.7.30	<ul style="list-style-type: none"> <li>● Passed the financial statements for the first half of 2025.</li> </ul>	
12th meeting of the 10th committee 2025.10.29	<ul style="list-style-type: none"> <li>● Passed the financial statements for the first three quarters of 2025</li> </ul>	
13th meeting of the 10th committee 2026.2.25	<ul style="list-style-type: none"> <li>● Passed the 2025 Financial Statements and Business Report</li> <li>● Pass the Evaluation of the Independence and Competence of the CPA and the 2026 CPA Remuneration Proposal.</li> </ul>	
14th meeting of the 10th committee 2026.3.26	<ul style="list-style-type: none"> <li>● Passed the 2025 Earnings Distribution Plan.</li> <li>● Passed the 2025 Declaration of Internal Control System.</li> </ul>	

(II) Other than those described above, any resolutions unapproved by the Audit Committee but passed by more than two-thirds of directors: None.

(2) Avoidance of involvement in interest-conflicting motions by independent directors; state the names of independent directors, the motion discussed, the nature of conflicting interests, and the voting process: None

(3) Communication between independent directors and internal/external auditors (e.g. discussions concerning the Company's financial and business affairs, the method of communication used, and the outcome).

- (a) All independent directors of the Company would regularly follow up on the execution and improvement of internal control and internal audit practices.
- (b) Independent directors gain insight into the Company's operations through regular examination of CPA audit reports.
- (c) Communication between independent directors and internal auditors:

Date	Form of communication	Subject of communication
2025.2.27	One-on-one meeting (The internal audit officer reports to the independent directors separately)	Report on the execution of audit tasks (No relevant suggestions were provided by the independent directors at this meeting.)
2025.3.26	Conference report	2024 Assessment of the Effectiveness of the Internal Control System and “Declaration of Internal Control System”
2026.2.25	One-on-one meeting (The internal audit officer reports to the independent directors separately)	Report on the execution of audit tasks (No relevant suggestions were provided by the independent directors at this meeting.)
2026.3.26	Conference report	2025 Assessment of the Effectiveness of the Internal Control System and “Declaration of Internal Control System”

(4) Summary of communications between independent directors and external auditors

Date	Form of communication	Subject of communication
2025.2.27	One-on-one meeting	1.Independent auditor’s report and conclusions on the 2024 financial statements 2.Description of audit quality indicators (AQIs) (No relevant suggestions were provided by the independent directors at this meeting.)
2026.2.25	One-on-one meeting	1.Independent auditor’s report and conclusions on the 2025 financial statements 2.Description of audit quality indicators (AQIs) (No relevant suggestions were provided by the independent directors at this meeting.)

### 2.3.3 Corporate Governance Implementation as Required by the Taiwan Financial Supervisory Commission

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
1. Does the Company established and disclosed the Corporate Governance Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company established its Corporate Governance Code of Conduct on October 27, 2014 and disclosed it to the public. Relevant details can be found on the Company’s website.	None
2. Shareholding structure and shareholders’ interests (1) Does the Company implemented a set of internal procedures to handle shareholders’ suggestions, queries, disputes, and litigations? (2) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?  (3) Has the Company established and implemented risk management practices and firewalls for companies it is affiliated with?  (4) Has the Company established internal policies that prevent insiders from trading securities against non-public	✓		(1) The Company has assigned dedicated personnel to oversee shareholder service. All shareholders’ suggestions are handled by dedicated personnel.  (2) The management is duly informed of the identities of its major shareholders and maintains sound interaction with them. All directors of the Company are appointed by major shareholders. Board of directors meetings are convened on a regular basis to keep major shareholders and directors informed of the Company’s operations. Directors would provide the management with useful suggestions at appropriate times and all major motions are executed with the board of directors’ approval.  (3) Although the Company has dealings with related enterprises, all business relationships are considered to be independent and at arm’s length. All related enterprises are financially independent and do not provide joint guarantees to each other. Robust risk management practices and firewalls have been implemented, and no non-arms length transactions had taken place.  (4) The Company has established “Insider Trading Prevention Procedures” to serve as guidance for directors, managers, and employees. On July 26, 2022, the board of directors passed	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
information?			the establishment of “Material Insider Information Handling Procedures” to prohibit directors, managers, and employees from trading securities against non-public information. The procedures specifically prohibit insiders (including but not limited to directors) from trading the Company’s listed securities or any other securities with equity characteristics held in possession after gaining knowledge of financial statement or performance details, including the blackout period 30 days before publication of annual financial statements and 15 days before publication of quarterly financial statements. The procedures have been posted on the corporate website (www.cyberlink.com) for view by employees to avoid violation or occurrence of insider trading.	
<p>3. Composition and responsibilities of the board of directors</p> <p>(1) Does the board of directors have a diversity policy and management goals that are duly enforced?</p> <p>(2) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its own discretion?</p>	✓		<p>(1) The Company has implemented and enforced a diversity policy for board members as part of its Corporate Governance Code of Conduct. The 9th board of directors has a total of 7 members, including 3 independent directors and 4 non-independent directors (representing 43% and 57% of total board members, respectively); female directors represented 14% of the board. All directors possess adequate knowledge of the industry and global markets, and specialize in skills such as leadership, finance, accounting, decision-making, operational management, and crisis management.</p> <p>(2) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, the Company voluntarily established a board-level Sustainability Committee in 2025. The committee’s charter was approved by the Board of Directors on October 29, 2025, and one director along with two senior executives with sustainability-related experience were appointed as members to jointly</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
<p>(3) Has the Company established a set of policies and assessment tools for evaluating board performance, and conducted performance evaluation on a yearly basis? Are performance evaluation results reported to the board of directors and used as reference for compensation and nomination decisions?</p> <p>(4) Does the Company regularly evaluate its external auditors' independence?</p>			<p>oversee the promotion and implementation of the Company's sustainability initiatives.</p> <p>(3) The Company has established the "Board Performance Evaluation Measures" and related evaluation procedures, which stipulate that an evaluation shall be conducted by an external professional independent institution or a team of external experts and scholars at least once every three years. The 2025 Board performance evaluation was conducted by the external professional independent institution, the Taiwan Institute of Ethical Business (TIEB), which issued an evaluation report. The evaluation results have been submitted to the Board of Directors on March 26, 2026.</p> <p>(4) The Company evaluates the independence of its financial statement auditors on a regular basis, and adopts the practice of reappointing financial statement auditors every five years to ensure CPA's independence. The Company assesses the independence of its financial statement auditors on a regular basis. A shareholder service department has been assigned to make sure that the financial statement auditor neither holds shares in the Company nor assumes concurrent employment position in the Company. The Company evaluates the professional capacity, quality control, independence, and supervisory and innovative capabilities of its financial statement auditor based on the statement of CPA's role, responsibilities, and independence issued by PwC Taiwan and 13 AQIs. The CPA assessment was discussed and approved by the Audit Committee on February 25, 2026, and submitted to the board of directors for resolution on the same day.</p>	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
4. Does the Company appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to board meetings and shareholders' meetings according to law, and recording minutes of board meetings and shareholders' meetings)?	✓		<p>The Company has designated the CEO Office as the concurrent corporate governance unit. On April 26, 2023, the Board appointed Manager Hsiao-Lin Chou as Head of Corporate Governance. Chou is responsible for matters related to corporate governance, including but not limited to providing directors with the information needed to perform their duties, handle matters related to the meetings of the Board of Directors and shareholders' meetings, register and change the registration of the Company, prepare minutes of the Board of Directors and shareholders' meetings, assist directors and supervisors in their appointment and continuing education, providing information necessary for directors and supervisors to perform their duties, and assist directors and supervisors in complying with laws and regulations.</p> <p>Business implementation in 2025 is as follows:</p> <ul style="list-style-type: none"> <li>● The Board members were regularly informed of the latest development of laws and regulations related to corporate governance.</li> <li>● The operation of the board of directors and various functional committees was carried out in accordance with the law.</li> <li>● Continuing education courses for directors were planned and executed.</li> <li>● Purchased and maintained liability insurance for directors.</li> <li>● Conducted the 2025 performance evaluation on the board of directors and each functional committee in accordance with the "Board of Directors Performance Evaluation Guidelines" established by the Company.</li> <li>● Responsible for shareholders' meetings.</li> <li>● Executed the annual corporate governance evaluation indicator projects, and proposed analysis, review, improvement plans and corresponding measures.</li> <li>● In 2025, the corporate governance officer has completed the required 12 hours of training in accordance with the law. The</li> </ul>	None

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			<p>details of the training are as follows:</p> <table border="1"> <thead> <tr> <th>Date of continuing education</th> <th>Organizer</th> <th>Course name</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>2025.05.16</td> <td>SECURITIES &amp; FUTURES INSTITRTE</td> <td>2025 Insider Trading Prevention Awareness Seminar</td> <td>3</td> </tr> <tr> <td>2025.07.25</td> <td>SECURITIES &amp; FUTURES INSTITRTE</td> <td>2025 Insider Shareholders' Trading Legal Compliance Seminar</td> <td>3</td> </tr> <tr> <td>2025.08.18</td> <td>TAIPEI FOUNDATION OF FINANCE</td> <td>Corporate and Directors' &amp; Supervisors' Responsibilities under the Securities and Exchange Act</td> <td>3</td> </tr> <tr> <td>2025.10.17</td> <td>TAIPEI FOUNDATION OF FINANCE</td> <td>ESG Fundamentals: Interpreting Taiwan's Sustainability Transition Blueprint</td> <td>3</td> </tr> </tbody> </table>	Date of continuing education	Organizer	Course name	Hours	2025.05.16	SECURITIES & FUTURES INSTITRTE	2025 Insider Trading Prevention Awareness Seminar	3	2025.07.25	SECURITIES & FUTURES INSTITRTE	2025 Insider Shareholders' Trading Legal Compliance Seminar	3	2025.08.18	TAIPEI FOUNDATION OF FINANCE	Corporate and Directors' & Supervisors' Responsibilities under the Securities and Exchange Act	3	2025.10.17	TAIPEI FOUNDATION OF FINANCE	ESG Fundamentals: Interpreting Taiwan's Sustainability Transition Blueprint	3	
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5. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?	✓		The Company has established channels for communication with the stakeholders, and has set up a stakeholder section on its official website for proper response to stakeholders' concerns on issues related to corporate social responsibility. (Stakeholders' grievance channels can be found at: "https://tw.cyberlink.com/prog/company/ir-bylaw.jsp	None																				
6. Does the Company engage a stock transfer agent to handle shareholders' meeting affairs?	✓		The Company has always engaged a professional stock transfer agent, the Share Administration Department of Yuanta Securities Co., Ltd., to handle matters relating to shareholders' meetings.	None																				
7. Information disclosure (1) Has the Company established a website that discloses financial, business, and corporate governance-related information? (2) Has the Company adopted other means to disclose information (e.g. English website, assignment of dedicated personnel to collect and disclose corporate	✓		<p>(1) The Company has created a website to make timely disclosure of financial, business, and corporate governance-related information.</p> <p>(2) The Company has created an English website, assigned dedicated personnel to gather and disclose company information, enforced a spokesperson system, and adopted the practice of posting investor conferences on the company website for</p>	None																				

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
<p>information, implementation of a spokesperson system, and broadcasting of investor conferences via the company website)?</p> <p>(3) Does the Company publish and make an official filing of the annual financial report within two months after the end of an accounting period, and publish/file Q1, Q2 and Q3 financial reports along with monthly business performance before the required due dates?</p>			<p>information disclosure.</p> <p>(3) The Company announced and reported the 2025 annual financial report on February 25, 2026, and announced the first, second, and third quarter and annual financial reports and the operating status of each month in accordance with the relevant regulations.</p>	
<p>8. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and liability insurance for directors and supervisors)?</p>	✓		<p>(1) Protection of employees' interests: The Company has established a safety and health code in accordance with worker safety and health regulations, and assigned the Human Resources Department to oversee workplace safety and personnel safety. Health checkups are organized on a yearly basis to provide total protection for employees' health and safety.</p> <p>(2) Environmental protection: The Company operates in the information and software industry, and engages disc manufacturers and package manufacturers to produce discs and color packages for the products developed. The Company is not involved in manufacturing activities and therefore does not generate wastewater, exhaust, or industrial waste. Products of the Company are manufactured through subcontract arrangements. All suppliers have signed commitments not to use prohibited or restricted substances in their production activities, and to ensure that all final products provided to the Company have complied with environmental regulations in the EU.</p> <p>(3) Stakeholders' rights: In addition to appointing a spokesperson, the Company also discloses on its website the various grievance channels available to stakeholders. Furthermore,</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>an Investors section has been created on the website to disclose financial, service, and product information (URL: <a href="http://www.cyberlink.com/">http://www.cyberlink.com/</a>).</p> <p>(4) Directors' ongoing education: All directors of the Company have completed ongoing education according to Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.</p> <p>(5) All directors of the Company are able to uphold the integrity and exercise their duties as prudent managers.</p> <p>(6) The Company has been purchasing liability insurance for directors and supervisors since 2002. The purchase of directors' liability insurance for 2025 was reported during the board of directors meeting held on October 29, 2025.</p> <p>(7) The Company convenes board of directors meetings at least once a quarter as a means to enhance corporate governance.</p> <p>(8) The Company convenes Remuneration Committee meetings at least twice a year.</p>	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
<p>9. Please explain the improvements made based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified. (Not required if the Company is not one of the evaluated subjects)</p> <p>(1) Improvement progress:</p> <p>(A) Completion of the 2025 Board Performance External Evaluation</p> <p>(B) Uploaded the Shareholders' Meeting Handbook 30 days before the meeting, and uploaded the Annual Report 18 days before the meeting.</p> <p>(C) Internal rules have been established to prohibit directors, employees, and insiders from trading securities against non-public information; detailed terms and updates are being disclosed on the corporate website.</p> <p>(D) The Company will make detailed disclosure of employee welfare measures, pension system, and the implementation progress in annual reports and over the website</p> <p>(E) A whistleblowing system has been established to facilitate report of illegal and unethical conducts (including bribery) involving internal as well as external personnel; details of which have been disclosed on the corporate website</p> <p>(F) Depreciation method and useful years of property, plant, and equipment have been disclosed on the annual report</p> <p>(G) Performed early greenhouse gas inventory and external verification in advance</p> <p>(H) Establishment of a Board-Level Sustainability Committee</p> <p>(II) Priority enhancements and measures</p> <p>Enforcement of corporate governance practices in accordance with laws</p>				

### 2.3.4 Composition, Responsibilities, and Operation of the remuneration:

1. The Company has a Remuneration Committee that is responsible for the regular review of directors' and managers' performance evaluation, the compensation policy, system, standards, and structure, and regular assessment and determination of compensations for directors and managers. Background information of committee members is as follows:

Criteria		Professional qualifications and experience	Independence Analysis	Number of positions as Remuneration Committee member in other public companies
Role	Name			
Independent director (Convener)	Yu Shen Lan	Graduated from the Master's and Doctoral programs of the Institute of Human Resource Management of the National Central University, and is a member of the Company's Audit Committee and Remuneration Committee; used to work in the human resources department of Citibank, Taiwan Applied Materials, and Altek Corp., and possessing rich experience in the industry and is well connected with the industry-related contacts.	<ul style="list-style-type: none"> <li>(1) Not employed by the Company or any of its affiliated companies.</li> <li>(2) Not a director or supervisor of the Company or any of its affiliates.</li> <li>(3) Does not hold more than 1% of the Company's outstanding shares in their own names or under the name of spouse, underage children, or proxy shareholder; nor is a top-10 natural-person shareholder of the Company.</li> <li>(4) Not a manager listed in (1), or a spouse, 2nd-degree relative or closer or 3rd-degree direct relative or closer to any personnel listed in (2) or (3).</li> </ul>	0
Independent director	Yean-Jen Shue	Ph.D. University of Florida, Department of Electrical Engineering; a member of the Company's Audit Committee and Remuneration Committee, CTO and Senior VP of Pegatron Corporation; used to be Vice President of Pegatron Corporation and Associate Vice President of ASUS, possessing work experience necessary for the Company's business with insight into industry development and technology application.	<ul style="list-style-type: none"> <li>(5) Not a director, supervisor or employee of any corporate shareholder that: 1. holds 5% or more of the Company's outstanding shares; 2. is a top-5 shareholder; or 3. appoints director/supervisor representative in the Company according to Paragraph 1 or 2, Article 27 of The Company Act.</li> <li>(6) Not a director, supervisor, or employee of any</li> </ul>	0

Role	Criteria Name	Professional qualifications and experience	Independence Analysis	Number of positions as Remuneration Committee member in other public companies
Independent director	Chien LEO Ming-TZ	Master's degree in electrical engineering from UCLA, USA, and is a member of the Company's Audit Committee and Remuneration Committee; Chairman of FIC Global, Chairman of Ubiquconn Technology, Inc, Vice Chairman of 3CEMS Group, and Independent Director of Promate Electronic Co., Ltd., possessing the experience necessary for the Company's business, finance, accounting, and corporate affairs, which can improve the overall development of the Company and the supervisory function of the Audit Committee.	<p>other company that controls directorship in the Company or where more than half of total voting rights are controlled by a single party.</p> <p>(7) Does not assume concurrent duty as chairman, GM or equivalent role in the Company, and is not a director, supervisor, or employee of another company or institution owned by spouse.</p> <p>(8) Not a director, supervisor, manager, or shareholder with more than 5% ownership interest in any company or institution that has a financial or business relationship with the Company.</p> <p>(9) Not a professional who has provided audit services, or commercial, legal, financial, accounting or related services in the last 2 years, to the Company or its affiliate, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides the above service to the Company or its affiliated companies.</p> <p>(10) Not a spouse or relative of second degree or closer to any other directors.</p> <p>(11) Does not meet any of the conditions stated in Article 30 of The Company Act.</p> <p>(12) Not elected as a government or corporate representative according to Article 27 of The Company Act.</p>	0

2. Functionality of the Remuneration Committee:

(1) The Company's Remuneration Committee consists of 3 members.

(2) Duration of service: from June 20, 2023 to June 19, 2026. The Remuneration Committee held 4 meetings (A) in the most recent year; details of members' attendance are as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate in person (%) (B/A)	Footnote
Convener	Yu Shen Lan	4	0	100%	
Committee member	Yean-Jen Shue	4	0	100%	
Committee member	Chien LEO Ming-TZ	4	0	100%	

Other mandatory disclosures:

(1) In the event where the Remuneration Committee's proposal is rejected or amended in a board of directors meeting, please describe the date and session of the meeting, details of the motion, the board's resolution, and how the Company had handled the Remuneration Committee's opinions (describe the differences and reasons, if any, should the board of directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None

(2) Should any member object or express reservations to the resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the motion, the entire members' opinions, and how their opinions were addressed: None

(3) Functionality of the Remuneration Committee in the most recent year:

Remuneration Committee Date/session	Motion details and subsequent actions taken	The final resolution and the Company's response to Remuneration Committee's opinions
4th meeting of the 5th committee 2025.2.27	<ul style="list-style-type: none"> <li>● 2024 director remuneration and employee remuneration.</li> <li>● 2024 director remuneration.</li> </ul>	Passed as proposed without objection from attending members when inquired by the chairperson. The Company's response to committee members' opinions: Not applicable.
5th meeting of the 5th committee 2025.4.29	<ul style="list-style-type: none"> <li>● 2025 Manager Compensation Adjustment Plan</li> </ul>	
6th meeting of the 5th committee 2025.10.29	<ul style="list-style-type: none"> <li>● Passed the revision of the company's "Compensation Committee Charter."</li> </ul>	
7th meeting of the 5th committee 2026.2.25	<ul style="list-style-type: none"> <li>● 2025 director remuneration and employee remuneration.</li> <li>● 2025 director remuneration.</li> </ul>	

### 2.3.5 Sustainable development practices; deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
1. Has the Company implemented a governance framework that supports sustainable development, and designated a unit that specializes (or is involved) in the promotion of sustainable development? Is the unit empowered by the board of directors and run by senior management, and how does the board supervise progress?	✓		<p>1. On October 29, 2025, the board of directors adopted the “Sustainability Development Committee Rules of Procedure” and resolved to establish the Sustainability Development Committee, composed of one director and two senior executives. The committee’s authorities and operations are as follows:</p> <ul style="list-style-type: none"> <li>• Committee Authorities: <ul style="list-style-type: none"> <li>(1) Formulate, promote, and strengthen the company’s sustainability policies, annual plans, and strategies.</li> <li>(2) Review, track, and revise the implementation and effectiveness of sustainability initiatives.</li> <li>(3) Supervise sustainability information disclosure and review the sustainability report.</li> <li>(4) Oversee the execution of the company’s Sustainability Code or other board-approved sustainability-related work.</li> </ul> </li> <li>• Committee Operations: <ul style="list-style-type: none"> <li>The first meeting of the inaugural Sustainability Development Committee was held on December 2, 2025, with all members in attendance. Member Huang Zhao-Xiong was appointed convener and chair. The committee confirmed that subsequent sustainability-related work would follow GRI standards and relevant regulatory requirements for data collection and ESG report preparation.</li> </ul> </li> </ul> <p>2. The Sustainability Development Committee is supported by a Sustainability Development Executive Taskforce, composed of heads of relevant departments, to assist in implementing various plans and regularly report results to the committee. The organization and operations are as follows:</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>(1)Corporate Governance Group: Responsible for legal compliance, establishing reasonable compensation policies and employee performance evaluation systems, training, and stakeholder communication mechanisms to achieve the company’s sustainability objectives.</p> <p>(2)Environmental Sustainability Group: Responsible for environmental management systems, compliance with environmental laws and international standards, sustainability transition assessment, resource efficiency improvement, climate change response, and establishing dedicated environmental management units or personnel to achieve environmental sustainability objectives.</p> <p>(3)Social Engagement Group: Responsible for promoting social participation and public welfare activities, focusing on digital equity, education support, and community care, coordinating departmental resources to fulfill corporate social responsibility and continuously enhance corporate social value.</p> <p>(4)Employee Care Group: Responsible for planning employee health management, workplace safety, welfare systems, and care activities, regularly reviewing execution effectiveness to enhance employee cohesion and strengthen the foundation of sustainable talent.</p> <ul style="list-style-type: none"> <li>• Taskforce Operations: The taskforce reported to the board four times on the progress of sustainability initiatives, covering: <ul style="list-style-type: none"> <li>(1)Materiality assessment and stakeholder identification and communication results.</li> <li>(2)Greenhouse gas inventory, assurance data, and target achievement.</li> </ul> </li> </ul>	

Assessment Item	Implementation Status			Reason for Non-implementation									
	Yes	No	Summary										
			<p>(3) Sustainability report and progress of short-, medium-, and long-term goals.</p> <p>The sustainability report was approved by the board on July 30, 2025.</p> <p>3. For the implementation status of the Sustainability Development Committee and Executive Taskforce, please refer to the company's Sustainability Report and the company website under Corporate Governance – Functional Committees.</p>										
2. Has the Company conducted a risk assessment on environmental, social, and corporate governance issues that are relevant to its operations, and implemented risk management policies or strategies based on principles of materiality?	✓		<p>The company primarily focuses its risk assessment on its own operations and includes subsidiaries based on the significance of their impact on key topics.</p> <p>The Sustainability Committee conducts analysis based on the materiality principle outlined in the Sustainability Report. Through communication with internal and external stakeholders, it assesses key ESG issues and risks, formulating the following management policies:</p> <table border="1"> <thead> <tr> <th>Key Issues</th> <th>Risk Items</th> <th>Strategies</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>           1. Energy and resource management            2. Greenhouse gas emissions            3. Impact of climate change         </td> <td> <ul style="list-style-type: none"> <li>● Promote internal water and energy conservation policies</li> <li>● Establish a greenhouse gas inventory management procedure and adopt TCFD (Task Force on Climate-related Financial Disclosures) guidelines to identify risks and set short-, medium-, and long-term targets</li> </ul> </td> </tr> <tr> <td>Social</td> <td>           1. Talent recruitment and retention,            2. Employee health and well-being,         </td> <td> <ul style="list-style-type: none"> <li>● Provide a competitive compensation and benefits package, ensuring a quality work environment and a harmonious workplace</li> <li>● Foster a healthy and friendly workplace with professional medical services, health check-ups, and</li> </ul> </td> </tr> </tbody> </table>	Key Issues	Risk Items	Strategies	Environment	1. Energy and resource management 2. Greenhouse gas emissions 3. Impact of climate change	<ul style="list-style-type: none"> <li>● Promote internal water and energy conservation policies</li> <li>● Establish a greenhouse gas inventory management procedure and adopt TCFD (Task Force on Climate-related Financial Disclosures) guidelines to identify risks and set short-, medium-, and long-term targets</li> </ul>	Social	1. Talent recruitment and retention, 2. Employee health and well-being,	<ul style="list-style-type: none"> <li>● Provide a competitive compensation and benefits package, ensuring a quality work environment and a harmonious workplace</li> <li>● Foster a healthy and friendly workplace with professional medical services, health check-ups, and</li> </ul>	None
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Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>3. Corporate social responsibility and community engagement</p> <p>consultations</p> <ul style="list-style-type: none"> <li>● Implement labor health protection programs, along with maternal care initiatives and a zero-violence workplace policy</li> </ul>	
		<p>Corporate Governance</p> <p>1. Information security</p> <p>2. Customer relationship management</p> <p>3. Business performance, and operational status</p> <ul style="list-style-type: none"> <li>● Establish comprehensive cybersecurity protection measures</li> <li>● Enhance customer service expertise and streamline processes</li> <li>● Set annual strategic goals and action plans, continuously develop and launch new software solutions to ensure stable revenue and profit growth</li> </ul>		
<p>3. Environmental issues</p> <p>(1) Has the Company developed an appropriate environmental management system, given its distinctive characteristics?</p>	✓		<p>As the Company operates within the information software industry, product manufacturing is outsourced. Upon completion of product development, the Company commissions optical disc manufacturers and packaging suppliers to perform disc pressing and packaging processes based on production volume. Accordingly, the Company does not engage in any in-house manufacturing activities and does not generate wastewater, air emissions, or waste in connection with production. All product manufacturing processes are handled through procurement outsourcing. Suppliers are required to sign a Declaration of Non-Use of Prohibited or Restricted Substances to ensure that finished products comply with EU environmental regulations and other applicable environmental requirements.</p> <p>The Company also continues to implement energy-saving measures across its daily office operations, including air-conditioning and lighting control, the adoption of energy-efficient equipment, and enhanced employee electricity-use management to reduce overall energy consumption. In addition, the Company promotes digital operations, paperless procedures, and waste sorting and recycling to reduce resource usage and improve operational efficiency.</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			Routine environmental management practices are carried out in accordance with internal regulations, while significant environmental matters are periodically reviewed by management to ensure that the Company's operations comply with environmental laws and continue to advance toward sustainability objectives.	
(2) Is the Company committed to making efficient use of energy, and using renewable materials that produce less impact on the environment?	✓		<p>The Company continues to enhance energy efficiency and reduce the environmental impact of its operations through a dual approach of equipment upgrades and employee behavior management. During the year, outdated lighting fixtures were gradually replaced and fully upgraded to LED lighting. The Company also procured copiers and various information equipment bearing energy-efficiency labels to further reduce baseline energy consumption. At the same time, employee awareness of energy conservation was strengthened through internal communication, including reminders to power off equipment after working hours, reduce standby power usage, and use office equipment appropriately.</p> <p>In addition, the Company engages certified vendors to carry out waste recycling and disposal, and promotes document digitalization by encouraging employees to use electronic files instead of printed copies. The Company also continues to implement waste sorting, recycling, and reduction practices to minimize resource consumption and environmental impact. Furthermore, in collaboration with the CyberLink Perfect Education Foundation, the Company regularly organizes second-hand clothing donation and charity sale activities to enhance resource reutilization and reinforce circularity and sustainability principles.</p> <p>The Company's energy consumption statistics for 2024 and 2025 are presented below, covering the headquarters and subsidiaries with complete energy usage data for their owned office facilities.</p>	None

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(3) Does the Company assess potential risks and opportunities associated with climate change, and undertake measures in response to climate issues?	✓		In addition to monitoring how climate change affects operations, the Company also reminds employees to turn off the power when appliances are not in use, reduce lighting in certain parts of the office, and adopt energy-efficient lighting where possible. Energy conservation practices are being enforced to minimize energy consumption and carbon footprint throughout the organization.	None																							

Assessment Item	Implementation Status			Reason for Non-implementation															
	Yes	No	Summary																
(4) Does the Company maintain statistics on greenhouse gas emission, water usage, and total waste volume in the last two years, and implement policies aimed at reducing greenhouse gas, water, and waste?	✓		<p>Since 2022, the company has conducted greenhouse gas inventories based on the ISO 14064-1:2018 standard. Starting in 2023, the inventory scope includes the parent company and subsidiaries (self-owned offices with complete energy usage data). As the company is not involved in production processes, there are no process-related or fixed emissions sources. The emissions sources in Scope 1 include only gasoline used by company vehicles (mobile emissions source) and refrigerants (fugitive emissions source). The company's main greenhouse gas emissions come from purchased electricity (Scope 2). The greenhouse gas emissions statistics for the parent company and subsidiaries over the past two years are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Item</th> <th>2024 (tCO2e)</th> <th>2025(tCO2e)</th> </tr> </thead> <tbody> <tr> <td>scope 1</td> <td style="text-align: center;">17.5776</td> <td style="text-align: center;">25.2737</td> </tr> <tr> <td>scope 2</td> <td style="text-align: center;">456.7806</td> <td style="text-align: center;">364.3757</td> </tr> <tr> <td>scope 3</td> <td style="text-align: center;">317.8387</td> <td style="text-align: center;">388.8210</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">792.1969</td> <td style="text-align: center;">778.4704</td> </tr> </tbody> </table> <p>The greenhouse gas emissions presented in the table above were inventoried in accordance with the requirements of ISO 14064-1:2018. Scope 1 and Scope 2 emissions were further verified by the independent third-party assurance provider, Cheng &amp; Co., CPAs, and a reasonable assurance report was issued.</p>	Item	2024 (tCO2e)	2025(tCO2e)	scope 1	17.5776	25.2737	scope 2	456.7806	364.3757	scope 3	317.8387	388.8210	Total	792.1969	778.4704	None
Item	2024 (tCO2e)	2025(tCO2e)																	
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Total	792.1969	778.4704																	

Assessment Item	Implementation Status			Reason for Non-implementation												
	Yes	No	Summary													
			<p>To more comprehensively assess and disclose the actual water usage and waste management performance, the Company has conducted an inventory of water consumption and waste generation at the head office since 2022, and has extended the scope to include subsidiaries since 2023. Using 2023 as the base year, the Company plans to achieve, by 2030, a 7%–15% reduction in water intensity and a 5% reduction in waste intensity. In addition, the Company has set interim targets for 2025: a 5%–10% reduction in water intensity and a 4% reduction in waste generation compared with the base year.</p> <p>The following table summarizes the water consumption statistics of the head office and subsidiaries for the base year and the past two years:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2023 (Base Year)</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Water usage (tons)</td> <td>8,951</td> <td>9,239</td> <td>11,592</td> </tr> <tr> <td>Average water consumption (tons/Revenue in NT\$ million)</td> <td>4.8</td> <td>4.47</td> <td>4.71</td> </tr> </tbody> </table> <p>In 2025, the water intensity of the head office and subsidiaries increased by 5.47% compared with the previous year, but decreased by 1.82% compared with the 2023 Base Year. The increase in overall water demand this year was driven by staff expansion and higher office occupancy rates. In addition, climate change led to increased water use for high-temperature cleaning, and aging public building facilities resulted in leaks (which have been actively reported and are being tracked for remediation), causing water intensity to rise above expectations. Consequently, the Company did not achieve the target of a 5%–10% reduction compared with the 2023 Base Year. The Company will continue to monitor changes in the building allocation mechanism and implement rolling adjustments to water-saving management measures, balancing operational growth</p>	Item	2023 (Base Year)	2024	2025	Water usage (tons)	8,951	9,239	11,592	Average water consumption (tons/Revenue in NT\$ million)	4.8	4.47	4.71	
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Assessment Item	Implementation Status			Reason for Non-implementation												
	Yes	No	Summary													
			<p>with environmental sustainability.</p> <p>The following table presents the waste generation of the head office and subsidiaries for the Base Year and the past two years:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2023 (Base Year)</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Waste (tons)</td> <td>About 92.5</td> <td>About 98</td> <td>About 94.1</td> </tr> <tr> <td>Average waste generation (tons/Revenue in NT\$ million)</td> <td>0.0496</td> <td>0.0474</td> <td>0.038</td> </tr> </tbody> </table> <p>Note : Daily general waste is calculated based on the average per capita daily municipal solid waste generation published by the Ministry of Environment (Taiwan), as well as the “Estimated Per Capita Daily Waste Generation (FY Reiwa 6)” released by the Tokyo 23 Wards Clean Association (Tokyo Metropolitan Government).</p> <p>As a company operating in the software industry, the Company has inherently low carbon emissions, and its R&amp;D processes do not generate single-use process waste. In 2025, waste intensity decreased by 19.35% compared with the previous year and by 22.87% compared with the 2023 Base Year, successfully achieving the interim waste reduction target of 4%. Since adopting a subscription-based business model in 2017, the Company has promoted packaging reduction initiatives. As of the end of 2025, the use of color boxes and optical discs has been cumulatively reduced by 59% and 98%, respectively. With respect to daily operational waste, the Company has implemented digitalized and paperless processes. Although waste is not considered a material environmental issue, the Company continues to enhance resource reduction efforts and fulfill its sustainability commitments.</p>	Item	2023 (Base Year)	2024	2025	Waste (tons)	About 92.5	About 98	About 94.1	Average waste generation (tons/Revenue in NT\$ million)	0.0496	0.0474	0.038	
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Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
<p>4. Social issues</p> <p>(1) Has the Company developed its policies and procedures in accordance with laws and the International Bill of Human Rights?</p>	✓		<p>The Company follows internationally recognized human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the conventions of the International Labour Organization (ILO), and has established a Human Rights Protection Policy. This policy applies to the Company and its subsidiaries, and covers employees, customers, suppliers, and business partners. The Company prohibits any acts that infringe upon or violate human rights.</p> <p>The Company designates the Board of Directors as the highest-level human rights governance body. In accordance with the Human Rights Protection Policy, the Sustainability Development Committee and its working groups promote human rights-related matters through cross-departmental collaboration, ensuring the comprehensive implementation of human rights protection across the Company. The Company complies with applicable labor laws and international human rights conventions, including those related to gender equality and the right to work, and has established relevant policies and work rules to safeguard employees' lawful rights and interests.</p> <p>The Company's Human Rights Management Policy:</p> <ol style="list-style-type: none"> <li>1. Comply with recognized international standards and the laws and regulations of the locations where the Company operates.</li> <li>2. Prohibit all forms of discrimination and harassment, foster a diverse and inclusive culture, and provide equal opportunities.</li> <li>3. Prohibit the use of child labor and any form of forced labor.</li> <li>4. Provide fair and reasonable compensation, working conditions, and sound career development and promotion channels.</li> <li>5. Establish a safe and healthy working environment.</li> <li>6. Support employees in maintaining physical and mental health</li> </ol>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>as well as work-life balance.</p> <p>7. Protect personal privacy and information security, and implement the protection of data rights.</p> <p>8. Provide diverse and transparent grievance channels and protect the anonymity and rights of whistleblowers.</p> <p>The Company incorporates its human rights policy into the internal control system, ensuring fair treatment in matters related to labor rights, and explicitly prohibits the employment of child labor in its recruitment procedures. A comprehensive training system has been established to cultivate future leaders. In addition, regular employee health check-ups and safety and disaster prevention awareness programs are conducted. The Company has also put in place mechanisms to prevent unlawful acts and to address sexual harassment, safeguarding employees' safety and labor rights.</p>	
(2) Has the Company developed and implemented reasonable employee welfare measures (including compensation, leave of absence, and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	✓		<p><u>Compensation Policy</u> To attract and retain talent, the Company offers competitive compensation and benefits. Annual salary adjustments are made based on employees' performance evaluations and future potential, taking into account economic inflation and market conditions within the industry. In addition, the Company has established incentive bonus schemes and distributes performance-based bonuses and employee remuneration in line with operational results. At appropriate times, employee stock options may also be granted to further motivate and retain employees.</p> <p><u>Employee Benefits</u> The Company provides regular health check-ups that exceed statutory requirements and has established a comprehensive medical protection system, including life insurance, accident insurance, and dependent group insurance. To promote a happy workplace, flexible working hours and remote work arrangements are implemented, along with paid sick leave and vacation leave exceeding legal</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>requirements. Through the Employee Welfare Committee and departmental subsidies, various club activities, family days, and festive gatherings are regularly organized. The Company also provides allowances for marriage, bereavement, and childbirth, aiming to strengthen organizational cohesion while supporting employees' physical and mental well-being and work-life balance.</p> <p><u>Workplace Diversity and Equality</u> The Company values workplace diversity, gender equality, and equal opportunities in compensation and promotion. Employees with outstanding performance are provided with fair promotion opportunities. In 2025, women accounted for 37.52% of the workforce, while female managers represented 24.07%.</p> <p><u>Employee Remuneration Reflecting Business Performance</u> According to Article 27 of the Company's Articles of Association, if the Company generates annual profits (before distribution of employee and director remuneration), no less than 3% shall be allocated as employee remuneration (of which at least 20% shall be for frontline employees), and no more than 1.5% may be allocated as director remuneration. In the event of accumulated losses (including adjusted undistributed earnings), amounts shall first be reserved to offset such losses.</p> <p>For 2025, the Board of Directors has resolved to allocate 21.37% of the Company's profits as employee remuneration, of which 50% will be distributed to frontline employees, reflecting the Company's recognition and encouragement of its staff.</p>	
(3) Does the Company provide employees with a safe and healthy work environment? Are employees trained regularly on safety and health issues?	✓		<p>In accordance with the Occupational Safety and Health Act, the Company has established comprehensive occupational safety and health management regulations to ensure employee safety. The Occupational Safety and Health Management Unit regularly conducts workplace safety inspections in collaboration with building inspection authorities. Any identified issues are promptly addressed to ensure swift response and minimize potential losses. In 2025, no</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>workplace accidents or fire incidents occurred.</p> <p>To enhance employee emergency preparedness, the Company regularly conducts occupational safety and health training. In 2025, a total of 26 hours of training were provided, combining systematic assessments and practical exercises, reinforcing the Company’s commitment to achieving a “zero workplace accidents, zero fire incidents” goal.</p> <p>Regarding workplace environment maintenance, the Company engages professional institutions semi-annually to conduct drinking water quality and indoor carbon dioxide (CO<sub>2</sub>) concentration testing. In 2025, water quality tests were completed in March and October, and CO<sub>2</sub> concentration tests were conducted in June and December, with all reports obtained on schedule in July 2025 and January 2026, confirming that environmental quality exceeds statutory standards. In addition, the Company actively promotes the “Five Workplace Protection Plans”, which include:</p> <ul style="list-style-type: none"> <li>• Prevention of human factor-related hazards</li> <li>• Prevention of diseases caused by abnormal workloads</li> <li>• Occupational safety and health for middle-aged and older employees</li> <li>• Prevention of unlawful acts encountered during work</li> <li>• Maternal health protection</li> </ul> <p>The Company also provides ergonomically designed equipment and conducts annual employee health check-ups. Through systematic assessment and individual guidance, the Company extends workplace safety protection to employees’ overall physical and mental well-being, demonstrating its commitment to sustainable business operations.</p>	
(4) Has the Company implemented an effective training program that helps employees develop skills over their careers?	✓		The Company organizes suitable training courses and allocates budgets on a yearly basis depending on employees’ current work requirements and career development needs. These training arrangements cover orientation, special skills, and managerial	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			training. For detailed information on employee training, please refer to the “Education and Training” section of this Annual Report.	
(5) Has the Company complied with laws and international standards with respect to customers’ health, safety, and privacy, marketing and labeling in all products and services offered, and implemented consumer/customer protection policies and complaint procedures?	✓		<p>The company is committed to strictly adhering to EU regulations in product design, raw material selection, and the manufacturing process, ensuring that no prohibited substances are used while actively reducing the environmental footprint across all aspects of our supply chain. We recognize the importance of protecting our customers' personal data. As a global leader in digital media software and facial recognition technology, we have established comprehensive personal data protection and information security policies to ensure the highest level of security in data collection, processing, and storage.</p> <p>To effectively manage customer service quality, CyberLink evaluates the performance of its customer service center based on four key metrics for its primary service languages, Chinese and English: telephone service level, call drop rate, average call handling time, and email service level. We provide real-time assistance via telephone for customers in Taiwan and overseas, while also collecting global customer inquiries and feedback via company email to implement necessary improvements.</p> <p>Additionally, the CyberLink website offers detailed product guides, FAQs, and user manuals to help users resolve technical issues and better understand product features. Our community forum serves as a platform for users to exchange experiences, share insights, and seek assistance from other users or experts. We also share the latest regulatory and compliance updates through newsletters and have established a technical support center and customer service hotline on our website. By integrating multiple service channels—including phone, website, app, social media, and forums—we meet diverse customer interaction needs and provide</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			<p>comprehensive support and assurance.</p> <ul style="list-style-type: none"> <li>• Customer Communication Website: <a href="https://tw.cyber-link.com/support-center/home">https://tw.cyber-link.com/support-center/home</a></li> <li>• Technical Support Hotline: +886-2-8667-1298 ext. 3333</li> </ul>	
(6) Has the Company implemented a supplier management policy that regulates suppliers' conduct with respect to environmental protection, occupational safety and health or work rights/human rights issues, and tracked suppliers' performance on a regular basis?	✓		<p>The Company is committed to building a resilient supply chain aligned with sustainable development principles and has established a Supplier Management Policy that clearly requires business partners to comply with core standards relating to environmental protection, labor and human rights, occupational health and safety, business integrity, as well as information and personal data security. To promote green procurement, suppliers are required to provide products compliant with the latest European Union environmental regulations and to execute relevant documents, including a Declaration of Non-Use of Restricted Substances and a Supplier Sustainability Responsibility Commitment, thereby ensuring that production activities and product quality meet international regulatory requirements and corporate ethical standards.</p> <p>In light of the relatively concentrated supplier structure, the Company has adopted enhanced management measures and conducts annual on-site inspections or document reviews of its key suppliers. Implementation in 2025 was satisfactory: the execution rate for the Integrity Commitment and Environmental Commitment reached 100%, and full execution of the Supplier Sustainability Responsibility Commitment is scheduled for completion in 2026. During the year, a total of 10 on-site inspections and product reviews were conducted, with key suppliers achieving an average annual evaluation score of 92.5. Based on evaluation results, the Company has established corrective action and elimination mechanisms, under which suppliers failing to make required improvements or committing material violations will have their business relationship terminated. In addition, the Company regularly communicates and provides</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
			guidance to key suppliers on sustainable procurement and information security matters, with the aim of fostering mutual growth, mitigating operational risks, and strengthening overall supply chain competitiveness.	
5. Does the Company prepare a sustainability report or any report of non-financial information based on international reporting standards or guidelines? Are the abovementioned reports supported by assurance or the opinion of a third-party certifier?	✓		Starting in 2023 our company will compile and publish the Sustainability Report in accordance with international sustainability standards, including the GRI Standards, TCFD Climate-Related Financial Disclosures, and SASB Standards. This report primarily targets global stakeholders and discloses the company’s relevant information in the field of sustainable development, as well as our commitments and practices regarding environmental, social, and corporate governance (ESG) issues. In the future, we will continue to advance the implementation of sustainability reporting as planned.	None
6. If the Company has established sustainability policies in accordance with “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please describe its current practices and any deviations from the Best Practice Principles: None				
7. Other information useful to the understanding of sustainable practice:  The Company, together with the CyberLink Perfect Education Foundation, gives back to society through concrete actions and fulfills its corporate social responsibility. In 2025, CyberLink and the CyberLink Perfect Education Foundation implemented and completed the following initiatives: Blood Donation Campaign (“Donate Blood Together, Let Love Continue”); Digital Magic Academy (employees visited elementary and junior high schools in underserved areas to conduct multimedia and video application workshops, enabling disadvantaged students to experience the enjoyment and practical applications of multimedia products firsthand and further narrowing the urban–rural digital divide); establishment of the CyberLink Perfect Education Foundation Scholarship Program in 2025, providing scholarships and grants to students from public elementary through senior high schools in Xindian, Wulai, Pinglin, and Shiding; and various charitable donations.				

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	

The major implementation outcomes are summarized as follows:

Item	Key measurements
1. Blood drive (blood donation for uninterrupted love)	884 people donated 1,297 bags of blood
2. Arts, culture, and educational activities (including “Digital Magic Academy” and other audiovisual and digital education promotion programs)	Participant count: 2,200
3. Established the CyberLink Perfect Education Foundation Scholarship Program in 2025, providing scholarships and grants to students from public elementary through senior high schools in Xindian, Wulai, Pinglin, and Shiding.	22 schools; 348 students (public elementary–senior high).
4. Sponsorships and donations to orphanages in Taipei City and New Taipei City, as well as contributions to the New Taipei City Dream Fund.	Total donations: NT\$1.888 million

In addition to supporting disadvantaged groups and sponsoring campus cultural activities through the CyberLink Perfect Education Foundation, the Company aligns with government policies and upholds social responsibility by providing employment opportunities for individuals with disabilities. Furthermore, the Company remains committed to its core business, actively pursuing annual revenue and profit growth to ensure a high-quality work environment and favorable working conditions for its employees.

### 2.3.6 Implementation of climate-related information

Item	Execution status																												
<p>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and management.</p>	<p>The Company has instructed the Internal Audit, CEO Office and risk management representatives from various departments to form a main risk management organization, continue to pay attention to climate-related risks and opportunities, and report the status to the Board of Directors on a regular basis. The Board of Directors also authorizes senior management to be responsible for the implementation of climate-related strategies and plans, including climate risk assessment and progress reporting. By doing so, we are able to ensure that the Company has appropriate transparency and supervision in terms of climate governance.</p>																												
<p>2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).</p>	<p>The Company assesses and manages climate change-related risks from multiple perspectives to proactively respond to potential operational disruptions caused by future severe climate changes.</p> <table border="1" data-bbox="712 592 2098 1428"> <thead> <tr> <th colspan="2" data-bbox="712 592 1111 643">Risk Type</th> <th data-bbox="1111 592 1514 643">Short-Term</th> <th data-bbox="1514 592 1816 643">Medium-Term</th> <th data-bbox="1816 592 2098 643">Long-Term</th> </tr> </thead> <tbody> <tr> <td data-bbox="712 643 846 922">Physical Risks</td> <td data-bbox="846 643 1111 922">Extreme Climate Events and Disasters</td> <td data-bbox="1111 643 1514 922"> <ul style="list-style-type: none"> <li>● Increased frequency of typhoons/floods, leading to disruptions in data center equipment and operational losses.</li> <li>● The disaster response and recovery measures during and after the disaster lead to an increase in operational expenses.</li> </ul> </td> <td data-bbox="1514 643 1816 922">Increased electricity consumption, unstable energy supply, and rising global energy prices lead to higher operating costs.</td> <td data-bbox="1816 643 2098 922">Rising Average Temperatures</td> </tr> <tr> <td data-bbox="712 922 846 1137">Transition Risks</td> <td data-bbox="846 922 1111 1137">Policy and Regulations</td> <td data-bbox="1111 922 1514 1137">Government mandate for companies to conduct inventories, submit reports, and verify emissions, leading to increased internal and external labor costs, and fines for late submissions.</td> <td data-bbox="1514 922 1816 1137">Greenhouse gas emission cap regulations, carbon taxes, and carbon fees</td> <td data-bbox="1816 922 2098 1137">Net-Zero Emission Trend</td> </tr> <tr> <td data-bbox="712 1137 846 1294"></td> <td data-bbox="846 1137 1111 1294">Stakeholder Concerns and Negative Feedback</td> <td data-bbox="1111 1137 1514 1294">Changes in consumer preferences, leading to a decline in demand for high-carbon products.</td> <td data-bbox="1514 1137 1816 1294">Failure to Meet Carbon Reduction Commitments, Impact on Investor and Customer Trust</td> <td data-bbox="1816 1137 2098 1294">Stakeholders begin to favor or avoid specific products and services</td> </tr> <tr> <td colspan="2" data-bbox="712 1294 1111 1428">Opportunities</td> <td data-bbox="1111 1294 1514 1428">Development and Innovation of New Low-Carbon Products and Services</td> <td data-bbox="1514 1294 1816 1428">Improved Resource Efficiency</td> <td data-bbox="1816 1294 2098 1428">Enhance Corporate Reputation, Establish a Sustainable Brand Image</td> </tr> </tbody> </table>				Risk Type		Short-Term	Medium-Term	Long-Term	Physical Risks	Extreme Climate Events and Disasters	<ul style="list-style-type: none"> <li>● Increased frequency of typhoons/floods, leading to disruptions in data center equipment and operational losses.</li> <li>● The disaster response and recovery measures during and after the disaster lead to an increase in operational expenses.</li> </ul>	Increased electricity consumption, unstable energy supply, and rising global energy prices lead to higher operating costs.	Rising Average Temperatures	Transition Risks	Policy and Regulations	Government mandate for companies to conduct inventories, submit reports, and verify emissions, leading to increased internal and external labor costs, and fines for late submissions.	Greenhouse gas emission cap regulations, carbon taxes, and carbon fees	Net-Zero Emission Trend		Stakeholder Concerns and Negative Feedback	Changes in consumer preferences, leading to a decline in demand for high-carbon products.	Failure to Meet Carbon Reduction Commitments, Impact on Investor and Customer Trust	Stakeholders begin to favor or avoid specific products and services	Opportunities		Development and Innovation of New Low-Carbon Products and Services	Improved Resource Efficiency	Enhance Corporate Reputation, Establish a Sustainable Brand Image
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Opportunities		Development and Innovation of New Low-Carbon Products and Services	Improved Resource Efficiency	Enhance Corporate Reputation, Establish a Sustainable Brand Image																									

Item	Execution status			
	The assessment of the above risks identifies climate-related risks and opportunities that may have a significant financial impact, along with corresponding response strategies as follows:			
	Risk Type	Risk(R)/Opportunity(O)	Impact on business, strategy, and finances	Response strategies
	Physical Risks	<p>R: Increased frequency of typhoons/floods, leading to disruptions in data center equipment and operational losses.</p> <p>R: Disaster response and recovery measures during and after the disaster lead to increased operational expenses.</p> <p>R: Increased electricity consumption, unstable energy supply, and rising global energy prices leading to higher operating costs.</p> <p>R: Rising average temperatures.</p> <p>O: Improved resource usage efficiency.</p>	<p>—Asset damage or value reduction</p> <p>—Disruption of data center equipment leading to operational losses</p> <p>—Increased electricity consumption, leading to higher operating costs</p> <p>—Purchase of renewable energy certificates, leading to increased operating costs</p> <p>+ Decrease in electricity costs(O)</p>	<ul style="list-style-type: none"> <li>● Monitor weather information in real-time and plan corresponding preventive measures for different natural disasters.</li> <li>● Implement off-site backup equipment and continuous systems.</li> <li>● Seek affordable alternative energy sources and improve energy-saving measures.</li> <li>● Improve energy efficiency and invest in green energy equipment.</li> <li>● Use renewable energy</li> </ul>
Transition Risks	<p>R: Government mandates require the company to conduct inventories, submit reports, and undergo verification, resulting in increased internal and external labor costs for these processes, as well as fines for late submissions.</p> <p>R: Total greenhouse gas emission cap regulations, carbon</p>	<p>—Non-compliance with regulations requires fines, resulting in increased operating expenses.</p> <p>—Paying carbon fees leads to higher operating costs.</p>	<ul style="list-style-type: none"> <li>● Timely execution of greenhouse gas inventory and reporting</li> <li>● Continuously implement greenhouse gas reduction</li> </ul>	

Item	Execution status			
		<p>taxes, and carbon fees.  R: The trend toward net-zero emissions.</p> <p>R: Shifting consumer preferences leading to a decreased demand for high-carbon products.</p> <p>O: Research and innovation in new low-carbon products and services.</p> <p>R: Failure to meet carbon reduction commitments, which impacts investor and customer trust.</p> <p>R: Stakeholders beginning to favor or reject specific products and services.</p> <p>O: Enhancing corporate reputation and establishing a sustainable corporate image.</p>	<p>—Increased costs for installation and operation of carbon reduction equipment.</p> <p>—Sales decline, causing a drop in revenue.</p> <p>+ Increasing the sales ratio of low-carbon products to boost revenue (O).</p> <p>—Failure to meet customer expectations leads to reduced sales, resulting in revenue decline.</p> <p>+ A strong corporate reputation leads to increased market sales.(O)</p>	<p>actions</p> <ul style="list-style-type: none"> <li>● Continuously invest in the research and development of low-carbon products</li> <li>● Strengthen green research and innovation</li> <li>● Enhance the company's green image through transparent disclosure</li> <li>● Strengthen corporate governance to foster a culture that values and actively addresses climate-related issues</li> <li>● Improve sustainability ratings to build a positive image</li> </ul>

Item	Execution status		
<p>3. Describe the financial impact of extreme climate events and transformation actions.</p>	Extreme climate events:		
	Aspect	Climate risk	Financial impact
	Immediate risk	Extreme weather (flood, typhoon)	<ul style="list-style-type: none"> <li>● Flood and typhoon: Power interruption or non-operability of self-used generators, resulting in personnel unable to work normally and damage to machinery and equipment</li> <li>● High temperature and power shortage/fire: may cause damage to the office environment, resulting in damage to the equipment in the server room and interruption of related services.</li> </ul>
	Long-term risk	Chronic climate change (rise of temperature)	Increased electricity consumption - unstable energy supply will cause the global energy to rise, and thus the operating cost will increase.
	Transformation actions:		
	Aspect	Description	Financial impact
	Policies and regulations	International or government regulations to control greenhouse gas emissions and compulsorily check, report, and verify the Company's greenhouse gas emissions.	<ul style="list-style-type: none"> <li>● Inventory and report internal and external manpower expenses</li> <li>● Penalty imposed for failure to report on time</li> </ul>
Carbon tax	Tax system related to greenhouse gas emissions or climate change established internationally or by the government.	The government's proposed carbon fee will increase operating costs.	
Stakeholders	Stakeholder concerns and negative feedback	Given the global trend of net zero emissions, and the impact of government policies and regulations, stakeholders (e.g. customers) begin to prefer or reject specific products and services.	
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>The highest decision-making body for risk management is the Board of Directors, which is responsible for reviewing and monitoring the operation of risk management. Each unit's risk management representatives and department heads conduct preliminary assessments on risk topics, propose corresponding strategies, and report them to the Internal Audit and the Chairman's Office. The CEO Office compiles risk management reports and reports them to the Board of Directors, where they are resolved and implemented.</p>		

Item	Execution status
<p>5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.</p>	<p>Our company has not yet utilized scenario analysis to assess resilience in addressing climate change risks</p>
<p>6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.</p>	<p>To address associated risks and achieve transformation goals, our company has developed a comprehensive carbon emission reduction plan with the following key initiatives:  Promoting carbon reduction and green operations within internal departments: We are optimizing workflows by implementing paperless processes, digital signatures, and upgrading to high-efficiency, energy-saving office equipment to reduce energy consumption in daily operations.  Renewable energy supply plan: Since 2022, we have steadily increased the proportion of green electricity usage by 10% annually. By 2030, we aim to fully transition to renewable energy, replacing traditional energy sources and achieving a sustainable energy transformation for our operations.</p>
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.</p>	<p>The Company is a software industry, not a manufacturing industry, which belongs to a green industry. The main carbon emission is the daily waste generated by employees. Therefore, the internal carbon pricing is not used as a planning tool at present.</p>
<p>8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon reduction credits or quantity or RECs offset should be explained.</p>	<p>1. Using 2023 as the baseline year, our company aims to achieve the following intensity reduction targets by 2030: a reduction of 7%~15% in water intensity (tons per NT\$ million in revenue), a 7% reduction in electricity intensity (MWh per NT\$ million in revenue), and a 5% reduction in waste intensity (tons per NT\$ million in revenue) across the parent company and subsidiaries.  2025 Progress: Compared with the 2023 Base Year, the Company achieved reductions of 1.82% in water intensity, 38.57% in electricity intensity, and 22.87% in waste intensity.</p> <p>2. Since 2022, the Company has gradually increased the proportion of green power procurement to support renewable energy development and carbon reduction efforts. As of 2025, green power accounts for 40% of total electricity consumption. CyberLink supports the transition to renewable energy and will continue to optimize energy efficiency and carbon emission management under its existing strategy, ensuring operational stability while advancing its sustainability goals.  Progress in 2025: The usage of green electricity in 2025 has reached 40% (estimated purchase volume based on the previous year's electricity consumption.)</p>

Item	Execution status						
	Year	2023 (HQ)	2024 (HQ)	2025 (HQ)			
	Green Power Purchased	154.970 MWh	287.708 MWh	361.884 MWh			
	Green Power Certificates	155	287	420			
9. Greenhouse Gas Inventory and Assurance Status, Reduction Targets, Strategies, and Specific Action Plans	1. Greenhouse Gas Inventory Information:						
	Headquarters and Subsidiaries	2023		2024		2025	
	Item	Emissions (tCO2e)	Intensity (tCO2e per NT\$ million in revenue)	Emissions (tCO2e)	Intensity (tCO2e per NT\$ million in revenue)	Emissions (tCO2e)	Intensity (tCO2e per NT\$ million in revenue)
	Scope 1	18.2505	/	17.5776	/	25.2737	/
	Scope 2	470.5045		456.7806		364.3757	
	Scope 3	292.3495		317.8387		388.8210	
	Total	781.1045	0.4188	792.1969	0.3831	778.4704	0.3165
	The Scope 3 categories and annual emissions for the Headquarters and Subsidiaries in 2025 are as follow						
	NO.	Item		Emissions (tCO2e)			
	4.1	Purchased Goods and Services - Emissions from electricity generation		90.1124			
4.1	Purchased Goods and Services - Water usage		0.5850				
4.3	Waste generated in operations		31.6109				
4.4	Downstream leased assets emissions		266.5127				
2. Greenhouse Gas Assurance Information :							
Headquarters and Subsidiaries	Scope of Assurance	2024 Emissions (tCO2e)		2025 Emissions (tCO2e)			
	Scope1	17.5776		25.2737			
	Scope2	456.7806		364.3757			
	Total	474.3582		389.6494			
	Assurance Organization	Grant Thornton Taiwan		Grant Thornton Taiwan			
	Assurance Standards	ISAE 3410 Limited Assurance		ISAE 3410 Limited Assurance			
Conclusion	Compliant with ISO 14064-1:2018		Compliant with ISO 14064-1:2018				

Item	Execution status
	<p>3. Greenhouse Gas Reduction Goals, Strategies, and Specific Action Plans</p> <p>The Company has designated 2023 as its carbon reduction base year, with Scope 1–3 carbon emission intensity of 0.4188 tCO<sub>2e</sub>. The Company aims to achieve a 10%–15% reduction in carbon emission intensity by 2030.</p> <p><b>Reduction Strategy:</b></p> <p>The Company’s reduction strategy focuses on enhancing energy efficiency, while flexibly planning the adoption of renewable energy based on market availability and operational conditions.</p> <p><b>Action Plans:</b></p> <p>In line with its decarbonization pathway, the Company is committed to low-carbon operations through technological energy-saving measures and management optimization. Key initiatives include:</p> <ol style="list-style-type: none"> <li>(1) Continuously evaluating green electricity procurement and/or renewable energy certificate acquisition, with dynamic adjustments to the proportion of renewable energy usage.</li> <li>(2) Fully replacing lighting systems with energy-efficient LED lighting and adopting high-efficiency office equipment to reduce electricity consumption.</li> <li>(3) Reducing resource consumption through paperless office operations.</li> </ol> <p><b>Achievement Status:</b></p> <p>The Company’s carbon reduction target is based on 2023 as the baseline year, with a year-by-year reduction in carbon emission intensity, aiming to achieve a 10%–15% reduction by 2030. Actual performance indicates that the total carbon emission intensity in 2025 was 0.3165, representing a decrease of approximately 24.44% compared to the baseline level of 0.4188 in 2023, thereby exceeding the annual target ahead of schedule. The Company will continue to monitor and periodically review its performance to ensure the achievement of its long-term reduction targets.</p>

### 2.3.7 Performance of business integrity and differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
<p>1. Establishment of integrity policies and solutions</p> <p>(1) Has the Company established a set of board-approved business integrity policy, and stated in its Memorandum or external correspondence about the policies and practices it implements to maintain business integrity? Are the board of directors and the senior management committed to fulfilling this commitment?</p> <p>(2) Has the Company developed systematic practices for assessing integrity risks? Does the Company perform regular analyses and assessments on business activities that are prone to a higher risk of dishonesty, and implement preventions against dishonest conduct that include at least the measures mentioned in Paragraph 2, Article 7 of “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?</p> <p>(3) Has the Company defined and enforced operating procedures, behavioral guidelines, penalties, and grievance systems as part of its preventive measures against dishonest conduct? Are the above measures reviewed and revised on a regular basis?</p>	✓		<p>(1) The Company has established the “Corporate Governance Code of Conduct,” “Ethical Corporate Management Best Practice Principles,” “Employee Code of Conduct,” “Whistle-blowing Policy,” and “Insider Trading Prevention Procedures” to serve as guidance for employees. All business decisions are made in conformity with business integrity principles and in compliance with The Company Act, International Accounting Standards, International Financial Reporting Standards, Securities and Exchange Act, and regulations relevant to public listing.</p> <p>(2) The Company has established its own “Corporate Governance Code of Conduct” and “Ethical Corporate Management Best Practice Principles,” and has rules in place to regulate recusal from conflict of interest and prevent inappropriate dealings. Furthermore, awareness campaigns are organized on a regular basis to reinforce employees’ training.</p> <p>(3) The Company has also developed effective internal control systems and compliance practices to support business integrity.</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation		
	Yes	No	Summary			
<p>2. Enforcement of business integrity</p> <p>(1) Does the Company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?</p> <p>(2) Does the Company have a unit that enforces business integrity directly under the board of directors? Does this unit report its progress (regarding implementation of business integrity policy and prevention against dishonest conduct) to the board of directors on a regular basis (at least once a year)?</p>	✓		<p>(1) The Company is a global leader in AI multimedia solutions and digital creative editing software services. Our primary clients are internationally renowned corporations. The Company is committed to conducting business activities exclusively with entities that demonstrate integrity, avoiding transactions with those engaged in dishonest practices.</p> <p>(2) The Company has designated the CEO Office as a concurrent unit to promote corporate integrity management. In accordance with the duties and responsibilities of each unit, we assist the Board of Directors and the management in formulating integrity management policies and prevention plans and integrity policies. At present, the Company has formulated the “Corporate Governance Code of Conduct”, the “Ethical Corporate Management Best Practice Principles”, the “Employee Code of Conduct”, “Whistleblowing Management Regulations”, and the “Prevention of Insider Trading Procedures”, which are all publicly disclosed on the Company’s official website.</p> <p>The Company’s integrity management policy for 2025 and its implementation are as follows and were reported to the Board of Directors on February 25, 2026.</p>	None		
			Execution item		Execution policy	Execution status
			Education and training		Through regular education and integrity training courses, the Company has enhanced employees’ awareness of integrity matters.	As of 2025, a total of 459 people have participated in the Ethical Corporate Management Best Practice Principles training courses, with a total of 91.8 hours.

Assessment Item	Implementation Status			Reason for Non-implementation						
	Yes	No	Summary							
			<table border="1"> <tr> <td>Supplier Pledge</td> <td>Establish a supplier management policy and promote the Company's integrity policy.</td> <td>100% of the Company's major suppliers have signed the "Integrity Pledge" and "Environmental Pledge".</td> </tr> <tr> <td>Regular audits</td> <td>The Company has established an effective and continuous internal control system and compliance mechanism, and the auditing unit conducts independent audits to ensure the overall operation of the mechanism and to jointly manage and prevent dishonest behavior. The Company has established a "Employee Code of Conduct" and incorporated integrity management into employee performance appraisal and human resources policies, and established a clear and effective disciplinary system.</td> <td>No corruption or anti-competitive behavior occurred in 2025.</td> </tr> </table>	Supplier Pledge	Establish a supplier management policy and promote the Company's integrity policy.	100% of the Company's major suppliers have signed the "Integrity Pledge" and "Environmental Pledge".	Regular audits	The Company has established an effective and continuous internal control system and compliance mechanism, and the auditing unit conducts independent audits to ensure the overall operation of the mechanism and to jointly manage and prevent dishonest behavior. The Company has established a "Employee Code of Conduct" and incorporated integrity management into employee performance appraisal and human resources policies, and established a clear and effective disciplinary system.	No corruption or anti-competitive behavior occurred in 2025.	
Supplier Pledge	Establish a supplier management policy and promote the Company's integrity policy.	100% of the Company's major suppliers have signed the "Integrity Pledge" and "Environmental Pledge".								
Regular audits	The Company has established an effective and continuous internal control system and compliance mechanism, and the auditing unit conducts independent audits to ensure the overall operation of the mechanism and to jointly manage and prevent dishonest behavior. The Company has established a "Employee Code of Conduct" and incorporated integrity management into employee performance appraisal and human resources policies, and established a clear and effective disciplinary system.	No corruption or anti-competitive behavior occurred in 2025.								

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
(3) Does the Company have any policy that prevents conflict of interest, and channels that facilitate the report of conflicting interests?			<p>Whistle-blower System and Whistle-blower Protection</p> <p>Formulate the “Whistle-blowing Management Regulations” to specify the whistleblowing process and the review unit to encourage internal and external personnel to report dishonest behavior or misconduct. We have also established a whistleblower protection system to protect the identity and content of whistleblowers from being improperly disposed of because of their whistleblowing actions.</p>	No whistleblower cases occurred in 2025.
			(3) The Company has outlined recusal rules as part of its “Ethical Corporate Management Best Practice Principles,” which state that directors are not allowed to participate in the discussion or voting of Board of Directors motions that concern their own interests or the interests of the corporate entities they represent. Not only are they required to recuse from discussion and voting, they must also refrain from exercising voting rights on behalf of other directors. Directors and managers of the Company must not exploit their vested authorities for improper gains, whether for themselves or for spouse, parents, children, or any other parties.	
(4) Has the Company implemented an effective accounting policy and internal control system to maintain business integrity? Has an internal or external audit unit been assigned to devise audit plans based on the			(4) The Company has developed an effective accounting system and internal control system, and assigned an internal audit unit to conduct independent audits, enforce system function, and monitor/prevent dishonest conducts. Both systems and audit practices are being properly executed. Internal auditors	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
<p>outcome of integrity risk assessment, and to audit employees' compliance with various preventions against dishonest conduct?</p> <p>(5) Does the Company organize internal or external training on a regular basis to maintain business integrity?</p>			<p>would review the design and execution of the above systems on a regular basis, and present relevant reports issuance by the Board of Directors.</p> <p>(5) All concerned personnel actively take part in internal and external business integrity training. In 2025, business integrity courses received 531 enrollments and delivered 63.72 hours of training in total.</p>	
<p>3. Whistleblowing system</p> <p>(1) Does the Company provide incentives and means for employees to report misconduct? Does the Company assign dedicated personnel to investigate the reported misconduct?</p> <p>(2) Has the Company implemented any standard procedures for handling reported misconduct, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?</p> <p>(3) Has the Company provided proper whistleblower protection?</p>	✓		<p>(1) The Company has established the "Whistleblowing Procedure Management Guidelines," which clearly define the reporting channels, as well as the disciplinary and appeal mechanisms for violations of ethical business conduct. Dedicated personnel have been appointed to handle reported cases, and the guidelines and reporting channels are disclosed on the Company's website.</p> <p>(2) The "Whistleblowing Policy" outlines standard procedures for handling reported misconducts and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation</p> <p>(3) The Company's whistleblowing system is deemed to have been properly executed. Furthermore, measures have been taken to maintain the secrecy of whistleblower identities and to protect them from retaliation.</p>	None
<p>4. Enhanced information disclosure</p> <p>Has the Company disclosed integrity principles and progress on its website and MOPS?</p>	✓		The Company has disclosed the terms of its Business Integrity Code of Conduct and execution progress on the corporate website and MOPS.	None
<p>5. If the Company has established business integrity policies in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: None.</p>				

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary	
6. Other information useful to the understanding of integrity in business dealings:				
<p>The Company makes all business decisions in conformity with business integrity principles and in compliance with The Company Act, International Accounting Standards, International Financial Reporting Standards, Securities and Exchange Act, and regulations relevant to public listing. The Company has established its own Corporate Governance Code of Conduct and Ethical Corporate Management Best Practice Principles, and outlined recusal practices in “Rules of Procedure for Board of Directors’ Meeting” that allow directors to express opinions and answer queries, but prohibit them from discussing and voting, on any motion that poses a conflict between the Company’s interests and interests of the director or the corporate entity they represent. In which case, the directors concerned may not exercise voting rights on behalf of other directors. The Company has developed effective and sustainable internal controls and compliance systems to enforce business integrity. Internal auditors would review the design and execution of the above systems on a regular basis, and present relevant reports to the board of directors. External auditors (CPAs), too, issue internal control recommendations based on audit findings to provide a useful reference to the Company on the improvement of the internal control system.</p> <p>The Company has implemented a spokesperson system to ensure the consistency of messages communicated with the public, and to address the public’s queries regarding the Company’s operations in a complete and efficient manner. The Company’s directors, managers, employees, and controllers are prohibited from offering, committing, requesting or accepting any illegitimate benefits, or involving in any conduct that would be construed as dishonest, illegal or in breach of trust, whether directly or indirectly, while carrying out their duties. Parties referred to in the preceding paragraph include civil servants, election candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, managers, employees or substantive controllers or other stakeholders.</p>				

### 2.3.8 Other important information material to the understanding of corporate governance within the Company:

1. The board meeting organizer assigns employees to corporate governance courses from time to time, and provides directors and managers with information on the latest regulations.
2. The Company has the following employees that are relevant to the transparency of financial information: one IIA-affiliated Certified Internal Auditor (CIA), two Certified Public Accountant, two Securities Investment Analysts, one Futures Trading Analyst, one AML and CTF Specialist, one Trust Service Personnel, one Stock Affairs Specialist, one Certified Financial Planner, two Senior Securities Specialists, one Foreign Exchange Specialist.
3. The Company has developed robust practices on the handling and disclosure of material insider information to ensure the completeness and accuracy of information released to the outside world. A set of “Insider Trading Prevention Procedures” was established and was announced on July 26, 2022 for compliance by managers and staff. The terms of which are also being communicated to new recruits at a higher intensity.
4. Managers’ corporate governance training: Managers of the Company are given the option to choose training courses that best meet their professional requirements and the requirements of the authority. Managers’ participation in corporate governance training:

Name	Position	Training details	
	Training institution	Course name	Training hours
Finance Manager and Head of Accounting Ruby Hsiao	Accounting Research and Development Foundation of the R.O.C.	Practical Financial Statement Analysis for the Board of Directors and Senior Executives	3
		Common Deficiencies in Financial Statement Preparation and Internal Control Practices Related to Sustainability Information Disclosure	3
		Overview of International Financial Reporting Standard No. 18 (IFRS 18): Presentation and Disclosure in Financial Statements	3
		Legal Responsibilities and Case Studies on Workplace Bullying in Corporations	3
Audit Manager Tzu-Chiang Cheng	The Institute of Internal Auditors-Chinese Taiwan	Practical Audit Techniques	6
	Securities and Futures Institute	Key Practices and Discussion on “Sustainability Information Management” and Internal Control & Internal Audit	6

### 5. Intellectual Property Management Plan and Implementation :

The Company has established an intellectual property management plan covering patents, trademarks, and trade secrets, and implements systematic management mechanisms to enhance technological innovation and brand competitiveness.

#### (1) Patent Management

The Company promotes patent strategy through the Patent Technology Committee in collaboration with the Legal Department. Patent proposals are reviewed on a regular

basis, and intellectual property training is provided to newly hired R&D personnel to mitigate potential infringement risks. Incentive mechanisms for patent proposals, applications, and granted patents have been established to encourage innovation. In addition, the Company engages external patent firms to conduct patent searches, filings, and risk assessments, and continuously monitors updates to domestic and international intellectual property regulations and practices to support new technology development.

## (2) Trademark Management

In line with its brand development strategy, the Company conducts early trademark planning. Trademark searches and applications are completed at the product planning stage to reduce operational risks and strengthen brand identification. Trademark usage is reviewed periodically in accordance with product life cycles to determine renewal or discontinuation, ensuring alignment between trademark resources and business objectives.

## (3) Trade Secret Management

The Company safeguards trade secrets through confidentiality agreements and training for new employees, and implements information security management mechanisms to control system access rights, confidential document access, and periodic reviews, thereby preventing unauthorized access or disclosure.

Implementation Status as of December 31, 2025 :

- A. The Company held a total of 193 valid patents and 426 valid trademarks.
- B. A mandatory training course on the Company's patent proposal system was provided to R&D personnel, with a total of 42 attendances and an aggregate training duration of 8 hours and 4 minutes.
- C. Intellectual property-related matters were reported to the Board of Directors on February 25, 2026.

### 2.3.9 Execution of internal control system

1. Statement of Internal Control System: Market Observation Post System >> Individual Company > Corporate Governance > Company Regulations / Internal Controls > Statement on Internal Control, Company Code: 5203.

URL : <https://mops.twse.com.tw/mops/#/web/t06sg20>



2. CPA's review of the internal control system: Not applicable.

### 2.3.10 Major resolutions passed in shareholders' meetings and board of directors meetings held in the most recent year up until the publication date of annual report:

1. The Company held its 2025 annual general meeting on June 19, 2025 at Taipei innovation city Convention Center. Resolutions passed by shareholders during the meeting and the execution progress:

Resolutions of Shareholder's Meeting	Execution status
1. Acknowledgment of 2024 business report and year-end accounts.	1. Minutes of the 2024 annual general meeting have been distributed to shareholders according to laws.
2. Acknowledgment of 2024 earnings appropriation.	2. The distribution of cash dividends was completed on August 30, 2024.
3. Passed Amendments the the Company's "Articles of Incorporation"	3. The change has been duly registered in accordance with the law.

2. Significant resolutions made by the board of directors in 2025 and up until the publication date of annual report are summarized below:

Term	Time of Meeting	Major resolutions
2025 1st meeting	February 27, 2025	<ol style="list-style-type: none"> <li>1. Passed 2024 director remuneration and employee remuneration.</li> <li>2. Passed the 2024 remuneration to directors.</li> <li>3. Passed review of the Company's 2024 financial statements and business report.</li> <li>4. Pass the Evaluation of the Independence and Competence of the CPA and the 2025 CPA Remuneration Proposal.</li> <li>5. Pass the company's definition of 'frontline employees'.</li> <li>6. Passed the Amendments to the Company's "Articles of Incorporation."</li> <li>7. Passed the Amendments to the Company's Internal Control System and Internal Audit System.</li> <li>8. Passed the "Tax Governance Policy."</li> </ol>
2025 2nd meeting	March 26, 2025	<ol style="list-style-type: none"> <li>1. Passed the 2024 earnings distribution proposal.</li> <li>2. Passed the 2024 Declaration of Internal Control System.</li> <li>3. Passed the date and details relating to the Company's 2025 annual general meeting.</li> </ol>

Term	Time of Meeting	Major resolutions
2025 3rd meetin	April 29,2025	<ol style="list-style-type: none"> <li>1. Passed the Company’s 2025 first quarter financial statements.</li> <li>2. Passed the Managers’ salary adjustment.</li> </ol>
2025 4th meeting	July 30, 2025	<ol style="list-style-type: none"> <li>1. Passed the Company’s 2025 first-half financial statements.</li> <li>2. Passed the adjustment of the cash dividend payout ratio.</li> <li>3. Passed the distribution of cash dividends.</li> <li>4. Passed the “2024 Sustainability Report.”</li> </ol>
2025 5th meeting	October 29, 2025	<ol style="list-style-type: none"> <li>1. Passed the Company’s 2025 Q1-Q3 financial statements.</li> <li>2. Passed the Company’s 2025 audit plan.</li> <li>3. Passed the establishment of the “Sustainability Committee Charter.”</li> <li>4. Passed the appointment of the members of the Sustainability Committee.</li> <li>5. Passed the decision to donate to Perfect Cyber-Link Education Foundation.</li> <li>6. Passed the amendment to the “Compensation Committee Charter.”</li> </ol>
2026 1st meeting	February 25, 2026	<ol style="list-style-type: none"> <li>1. 2025 director’ s and employee’s remuneration.</li> <li>2. 2025director remuneration.</li> <li>3. Passed the 2025 Financial Statements and Business Report</li> <li>4. Pass the Evaluation of the Independence and Competence of the CPA and the 2026 CPA Remuneration Proposal.</li> </ol>
2026 2nd meeting	March 26, 2026	<ol style="list-style-type: none"> <li>1. Passed the 2025 earnings distribution proposal.</li> <li>2. Passed the 2025 Declaration of Internal Control System.</li> <li>3. Passed the re-election of all members of the Board of Directors.</li> <li>4. Passed the adoption of the Procedures for Election of Directors.</li> <li>5. Passed the date and details relating to the Company’s 2026 annual general meeting.</li> </ol>

**2.3.11 Documented opinions or declarations made by directors against board resolutions in the most recent year, up until the publication date of the annual report: None**

## 2.4 Certified Public Accountant (CPA) Fees Information

### 2.4.1 Information on CPA's Fees

Unit: NT\$ thousands

Name of accounting firm	Name of CPA	Period of audit service	Auditing fee	Non-auditing fee	Total	Remarks
PwC Taiwan	Huang, Chin-Lien	2025Q1 to 2025Q4	3,985	1,380	5,365	The non-audit fee primarily consist of expenses related to tax compliance and certifications.
	Lai, Chung-Hsi					

**2.4.2 If the accounting firm changes, and the audit fee paid in the year of such change is reduced from the audit fee of the previous year, the amounts of the audit fees before and after such change and the reason of such change should be disclosed:** None.

**2.4.3 If the audit fee is reduced by more than 10% from the previous year, the amount, ratio, and reason for the reduction of the audit fee should be disclosed:** None.

## 2.5 Information on replacement of CPA in the past two years

**2.5.1. Information on replacement of CPA:** None.

### 2.5.2. Evaluation of the external auditor's independence

The Audit Committee annually monitors the independence of the Company's external by conducting the following evaluation standards and reports the same to the board of directors:

- (1) The auditor's independence declaration.
- (2) The auditor neither holds shares in the Company nor assumes concurrent employment position in the Company.
- (3) Audit Quality Indicators (AQIs)

## 2.6 Any of the Company's Chairman, CEO, GM or any manager involved in financial or accounting affairs being employed by the accounting firm or any of its affiliated company within the most recent year

None.

## 2.7 Details of shares transferred or pledged by directors, managers, and shareholders with more than 10% ownership interest in the last year, up until the publication date of annual report

(1) **Share Transfer Situation:** Please refer to the Public Information Observation Station >> Single Company >> Shareholder Changes/Securities Issuance >> Share Transfer Data Inquiry >> Insider Shareholding Change Post-Reporting Form , Company Code: 5203.

Inquiry URL: [https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1)



(2) **Share Pledge Change Situation:** Please refer to the Public Information Observation Station >> Single Company >> Shareholder Changes/Securities Issuance >> Insider Pledge and Release >> Insider Pledge and Release of Pledged Shares Announcement ,Company Code: 5203.

Inquiry URL: [https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)



(3) **Share Transfer or Share Pledge Related Parties:** None.

## 2.8 Relationship among the Top Ten Shareholders

April 20, 2026

Name	Personal shareholding		Spouse & Minor Shareholding		Total shareholding in the name of a third party		Relationships characterized as spouse or second-degree relative or closer among top-ten shareholders		Note
	Shares (units)	%	Shares (units)	%	Shares (units)	%	Name (or Name)	Relationship with the counterparty	
ClinJeff Corp.	12,176,497	15.35%	0	0	0	0	Alice H. Chang	The subject company's major shareholder	
Alice H. Chang	7,862,716	9.91%	2,797,910	3.53%	0	0	ClinJeff Corp.	The subject company's major shareholder	
							Jau Huang	Spouse	
							Yi-Chen Huang	Mother-son	
Jau Huang	2,797,910	3.53%	7,862,716	9.91%	0	0	Alice H. Chang	Spouse	
							Yi-Chen Huang	Father-son	
Yi-Chen Huang	1,756,615	2.21%	0	0	0	0	Jau Huang	Father-son	
							Alice H. Chang	Mother-son	
Morgan Stanley & Co. International Plc	1,594,934	2.01%	0	0	0	0	None	None	
Jui-Hsing Huang	1,156,000	1.46%	0	0	0	0	None	None	
Rhine River Investment Ltd.	1,016,424	1.28%	0	0	0	0	Alice H. Chang	The subject company's major shareholder	
Jing-Bin Lin	793,133	1.00%	0	0	0	0	None	None	
Changbai Mountain Investment Ltd.	781,707	0.99%	0	0	0	0	Alice H. Chang	The subject company's major shareholder	
J.P.Morgan Securities plc	660,103	0.83%	0	0	0	0	None	None	

**2.9 Investments jointly held by the Company, the Company's directors, managers, and enterprises directly or indirectly controlled by the Company; disclose shareholding in aggregate of the above parties**

Unit: shares; %

Business investments (Note)	Held by the Company		Held by directors, managers, and directly or indirectly controlled enterprises		Aggregate ownership	
	Number of shares	%	Number of shares	%	Number of shares	%
CyberLink.Com Corp.	4,000,000	100%	無	無	4,000,000	100%
CyberLink International Technology Corp.	44,000,000	100%	無	無	44,000,000	100%
CyberLink Inc.	1,900	100%	無	無	1,900	100%
Perfect Corp.	無	無	36,960,961	36.29%	36,960,961	36.29%

Note: Investments that the Company has accounted for using the equity method

## 3 Capital Overview

### 3.1 Capital and Shares

#### 3.1.1 Source of Capital:

##### 1. Source of share capital:

Unit: NT\$ thousands; thousand shares

Year/ month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital Increase by Assets Other than Cash	Others
1998.09	18.53	25,000	250,000	7,000	70,000	Cash and cash equivalents	None	None
1999.05	10	25,000	250,000	8,400	84,000	Capitalization of earnings	None	None
1999.05	10	25,000	250,000	11,900	119,000	Capitalization of capital surplus	None	None
2000.08	10	25,000	250,000	17,850	178,500	Capitalization of earnings	None	None
2000.08	10	25,000	250,000	19,314	193,137	Capitalization of capital surplus	None	None
2000.08	10	25,000	250,000	20,000	200,000	Capitalization of employee profit sharing	None	None
2001.01	210	25,000	250,000	22,685	226,850	Cash issue	None	November. 1, 2010 Tai-Tsai-Cheng-(1)- 88178 Dec. 1, 2000 Tai-Tsai-Cheng-(1)- 97357
2001.06	10	100,000	1,000,000	34,027.5	340,275	Capitalization of capital surplus	None	May 30, 2001 Tai-Tsai-Cheng-(1)- 133405
2001.06	10	100,000	1,000,000	35,330	353,300	Capitalization of employee profit sharing	None	May 30, 2001 Tai-Tsai-Cheng-(1)- 133405
2002.06	10	100,000	1,000,000	48,710	487,100	Capitalization of earnings, employee profit sharing, and capital surplus	None	June 27, 2002 Tai-Tsai-Cheng-(1)- 0910135184
2003.03	90	100,000	1,000,000	48,713	487,133	Conversion of convertible bonds into shares	None	August 30, 2003 Jing-Shou-Shang- 09201260800
2003.06	10 74.3	100,000	1,000,000	59,197	591,971	Conversion of earnings, employee profit sharing, and convertible bonds into shares	None	June 20, 2003 Tai-Tsai-Cheng-(1)- 0920127506
2003.09	74.3	100,000	1,000,000	60,709	607,093	Conversion of convertible bonds into shares	None	September 15, 2003 Jing-Shou-Shang - 09201269190
2003.11	74.3	100,000	1,000,000	63,371	633,714	Conversion of convertible bonds into shares	None	November 12, 2003 Jing-Shou-Shang - 09201312100
2004.02	74.3	100,000	1,000,000	67,764	677,642	Conversion of convertible bonds into shares	None	February 23, 2004 Jing-Shou-Shang 09301027310
2004.05	74.3	100,000	1,000,000	68,521	685,219	Conversion of convertible bonds into shares	None	May 6, 2004 Jing-Shou-Shang 09301077220
2004.07	74.3	100,000	1,000,000	68,538	685,381	Conversion of convertible bonds into shares	None	July 29, 2004 Jing-Shou-Shang 09301132540
2004.10	74.3	100,000	1,000,000	84,861	848,606	Conversion of earnings, employee profit sharing, and convertible bonds into shares	None	October 19, 2004 Jing-Shou-Shang 09301197590
2005.07	58.6~62.2	101,000	1,010,000	85,740	857,395	Conversion of convertible bonds into shares and exercise of employee stock option	None	July 14, 2005 Jing-Shou-Shang 09401124820

Unit: NT\$ thousands; thousand shares

Year/ month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital Increase by Assets Other than Cash	Others
2005.10		140,000	1,400,000	96,651	966,518	Capitalization of earnings and employee profit sharing	None	October 6, 2005 Jing-Shou-Shang 09401195800
2005.12	48.3~65.1	140,000	1,400,000	97,215	972,150	Exercise of employee stock option	None	December 13, 2005 Jing-Shou-Shang 09401256770
2006.4	48.3~65.1	140,000	1,400,000	97,479	974,793	Exercise of employee stock option	None	April 28, 2006 Jing-Shou-Shang 09501078040
2006.9	48.3~54.0	140,000	1,400,000	97,798	977,982	Exercise of employee stock option	None	September 15, 2006 Jing-Shou-Shang 09501207510
2006.10	41.1~46.4	140,000	1,400,000	102,347	1,023,471	Capitalization of earnings and employee profit sharing	None	October 2, 2006 Jing-Shou-Shang 09501222330
2006.11	41.1~46.4	140,000	1,400,000	102,613	1,026,128	Exercise of employee stock option	None	November 10, 2006 Jing-Shou-Shang 09501253910
2007.4	41.1~46.4	140,000	1,400,000	102,833	1,028,333	Exercise of employee stock option	None	April 10, 2007 Jing-Shou-Shang 09601070800
2007.5	41.1~46.4	140,000	1,400,000	102,867	1,028,667	Exercise of employee stock option	None	May 22, 2007 Jing-Shou-Shang 09601103860
2007.8	41.1~46.4	140,000	1,400,000	103,146	1,031,462	Exercise of employee stock option	None	August 24, 2007 Jing-Shou-Shang 09601207310
2007.9		140,000	1,400,000	107,029	1,070,294	Capitalization of earnings and employee profit sharing	None	September 29, 2007 Jing-Shou-Shang 09601239270
2007.11	33.1~38.3	140,000	1,400,000	107,039	1,070,391	Exercise of employee stock option	None	November 14, 2007 Jing-Shou-Shang 09601277520
2008.3	33.1~38.3	140,000	1,400,000	107,225	1,072,253	Exercise of employee stock option	None	March 6, 2008 Jing-Shou-Shang 09701054930
2008.4	33.1~38.3	140,000	1,400,000	107,474	1,074,743	Exercise of employee stock option	None	May 15, 2008 Jing-Shou-Shang 09701112980
2008.7	33.1~38.3	140,000	1,400,000	107,516	1,075,159	Exercise of employee stock option	None	August 25, 2008 Jing-Shou-Shang 09701213670
2008.9		140,000	1,400,000	112,278	1,122,780	Capitalization of earnings and employee profit sharing	None	October 1, 2008 Jing-Shou-Shang 09701251350
2009.3	24.4~29.2	140,000	1,400,000	112,633	1,126,335	Exercise of employee stock option	None	March 12, 2009 Jing-Shou-Shang 09801046520
2009.4	24.4~29.2	140,000	1,400,000	112,952	1,129,516	Exercise of employee stock option	None	May 15, 2009 Jing-Shou-Shang 09801096950
2009.8	24.4~29.2	140,000	1,400,000	113,125	1,131,250	Exercise of employee stock option	None	August 6, 2009 Jing-Shou-Shang 09801176600
2009.9		140,000	1,400,000	115,596	1,155,964	Capitalization of earnings and employee profit sharing	None	September 25, 2009 Jing-Shou-Shang 09801221850
2009.11	21.2	140,000	1,400,000	115,627	1,156,267	Exercise of employee stock option	None	November 11, 2009 Jing-Shou-Shang 09801262570
2010.3	21.2	140,000	1,400,000	115,705	1,157,048	Exercise of employee stock option	None	March 16, 2010 Jing-Shou-Shang 09901049760
2010.4	21.2~101.6	140,000	1,400,000	115,924	1,159,243	Exercise of employee stock option	None	May 18, 2010 Jing-Shou-Shang 09901101630
2010.6	21.2	161,000	1,610,000	116,305	1,163,045	Exercise of employee stock option	None	August 26, 2010 Jing-Shou-Shang 09901193810

Unit: NT\$ thousands; thousand shares

Year/ month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital Increase by Assets Other than Cash	Others
2010.10		161,000	1,610,000	117,684	1,176,837	Capitalization of earnings and employee profit sharing	None	October 1, 2010 Jing-Shou-Shang 09901221660
2011.3	94.1	161,000	1,610,000	117,740	1,177,398	Exercise of employee stock option	None	April 15, 2011 Jing-Shou-Shang 10001075100
2011.8	54.8	161,000	1,610,000	117,899	1,178,990	Exercise of employee stock option	None	August 24, 2011 Jing-Shou-Shang 10001197630
2011.8		161,000	1,610,000	94,351	943,507	Capital reduction for cash	None	August 24, 2011 Jing-Shou-Shang 10001197630
2013.9		161,000	1,610,000	100,012	1,000,118	Capitalization of capital surplus	None	September 3, 2013 Jing-Shou-Shang 1020118106
2013.11	59.2	161,000	1,610,000	100,143	1,001,429	Exercise of employee stock option	None	November 12, 2013 Jing-Shou-Shang 10201231940
2014.4	59.2	161,000	1,610,000	100,147	1,001,473	Exercise of employee stock option	None	April 10, 2014 Jing-Shou-Shang 10301061700
2014.6	59.2	161,000	1,610,000	100,156	1,001,557	Exercise of employee stock option	None	June 6, 2014 Jing-Shou-Shang 10301103000
2014.11	55	161,000	1,610,000	100,171	1,001,706	Exercise of employee stock option	None	November 21, 2014 Jing-Shou-Shang 10301235600
2015.3	55	161,000	1,610,000	100,238	1,002,383	Exercise of employee stock option	None	March 16, 2015 Jing-Shou-Shang 10401046350
2015.5	55	161,000	1,610,000	100,380	1,003,802	Exercise of employee stock option	None	May 27, 2015 Jing-Shou-Shang 10401094400
2015.8	55	161,000	1,610,000	100,549	1,005,487	Exercise of employee stock option	None	August 13, 2015 Jing-Shou-Shang 10401168830
2015.11	49.8	161,000	1,610,000	101,144	1,011,443	Exercise of employee stock option	None	November 18, 2015 Jing-Shou-Shang 10401243820
2016.1		161,000	1,610,000	96,765	967,653	Retirement of treasury stock	None	January 15, 2016 Jing-Shou-Shang 10501006440
2016.3	49.8	161,000	1,610,000	96,795	967,950	Exercise of employee stock option	None	March 14, 2016 Jing-Shou-Shang 10501050150
2016.5	49.8	161,000	1,610,000	96,855	968,547	Exercise of employee stock option	None	May 17, 2016 Jing-Shou-Shang 1050199710
2016.8	49.8	161,000	1,610,000	96,880	968,797	Exercise of employee stock option	None	August 17, 2016 Jing-Shou-Shang 10501204050
2016.11	47	161,000	1,610,000	96,886	968,860	Exercise of employee stock option	None	November 16, 2016 Jing-Shou-Shang 10501267780
2017.3	47	161,000	1,610,000	92,359	923,590	Retirement of treasury stock, exercise of employee stock option	None	March 23, 2017 Jing-Shou-Shang 10601034470
2017.5	47	161,000	1,610,000	92,389	923,890	Exercise of employee stock option	None	May 18, 2017 Jing-Shou-Shang 10601064720
2017.8	47	161,000	1,610,000	86,915	869,150	Retirement of treasury stock, exercise of employee stock option	None	August 29, 2017 Jing-Shou-Shang 10601118910
2017.12	49.6	161,000	1,610,000	87,071	870,710	Exercise of employee stock option	None	December 5, 2017 Jing-Shou-Shang 10601161840
2018.4	45.7~49.6	161,000	1,610,000	87,160	871,600	Exercise of employee stock option	None	April 3, 2018 Jing-Shou-Shang 10701030110

Unit: NT\$ thousands; thousand shares

Year/ month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital Increase by Assets Other than Cash	Others
2018.4		161,000	1,610,000	84,161	841,610	Retirement of treasury stock	None	April 12, 2018 Jing-Shou-Shang 10701039050
2018.5	45.7~49.6	161,000	1,610,000	84,597	845,970	Exercise of employee stock option	None	May 29, 2018 Jing-Shou-Shang 10701057290
2018.9	45.7~49.6	161,000	1,610,000	84,769	847,690	Exercise of employee stock option	None	September 14, 2018 Jing-Shou-Shang 10701105310
2018.11	48.4	161,000	1,610,000	84,914	849,140	Exercise of employee stock option	None	November 21, 2018 Jing-Shou-Shang 10701142870
2019.3	48.4	161,000	1,610,000	83,585	835,850	Retirement of treasury stock, exercise of employee stock option	None	March 25, 2019 Jing-Shou-Shang 10801031280
2019.5	48.4	161,000	1,610,000	83,684	836,840	Exercise of employee stock option	None	May 21, 2019 Jing-Shou-Shang 10801058390
2019.9	48.4	161,000	1,610,000	83,858	838,580	Exercise of employee stock option	None	September 5, 2019 Jing-Shou-Shang 10801116230
2019.12	46.6	161,000	1,610,000	84,352	843,528	Exercise of employee stock option	None	December 2, 2019 Jing-Shou-Shang 10801168040
2020.3	46.6	161,000	1,610,000	84,656	846,565	Exercise of employee stock option	None	March 13, 2020 Jing-Shou-Shang 10901042150
2020.5	46.6	161,000	1,610,000	84,923	849,231	Exercise of employee stock option	None	May 22, 2020 Jing-Shou-Shang 10901083830
2020.8	46.6	161,000	1,610,000	83,918	839,183	Retirement of treasury stock, exercise of employee stock option	None	August 31, 2020 Jing-Shou-Shang 10901158060
2020.11		161,000	1,610,000	82,418	824,183	Retirement of treasury stock	None	November 9, 2020 Jing-Shou-Shang 10901207080
2020.11	45.2	161,000	1,610,000	82,485	824,853	Exercise of employee stock option	None	November 18, 2020 Jing-Shou-Shang 10901214560
2021.1		161,000	1,610,000	80,485	804,853	Retirement of treasury stock	None	January 21, 2021 Jing-Shou-Shang 11001011630
2021.3	45.2	161,000	1,610,000	80,636	806,363	Exercise of employee stock option	None	March 16, 2021 Jing-Shou-Shang 11001044700
2021.04		161,000	1,610,000	78,636	786,363	Retirement of treasury stock	None	April 19, 2021 Jing-Shou-Shang 11001065200
2021.05	45.2	161,000	1,610,000	78,793	787,933	Exercise of employee stock option	None	May 31, 2021 Jing-Shou-Shang 11001085870
2021.08	44	161,000	1,610,000	78,843	788,433	Exercise of employee stock option	None	August 30, 2021 Jing-Shou-Shang 11001151400
2021.12	44	161,000	1,610,000	77,088	770,883	Exercise of employee stock option Retirement of treasury stock	None	December 13, 2021 Jing-Shou-Shang 11001215710
2022.04	44	161,000	1,610,000	77,514	775,143	Exercise of employee stock option	None	April 7, 2022 Jing-Shou-Shang 11101052620
2022.05	44	161,000	1,610,000	78,801	788,008	Exercise of employee stock option	None	May 30, 2022 Jing-Shou-Shang 11101086440
2022.09	44	161,000	1,610,000	78,942	789,418	Exercise of employee stock option	None	September 7, 2022 Jing-Shou-Shang 11101161690

Unit: NT\$ thousands; thousand shares

Year/ month	Issued price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital Increase by Assets Other than Cash	Others
2024.11	83.3	161,000	1,610,000	78,959	789,593	Exercise of employee stock option	None	November 28 , 2024 Jing-Shou-Shang 11330206080
2025.04	83.3	161,000	1,610,000	79,074	790,743	Exercise of employee stock option	None	April 2 , 2025 Jing-Shou-Shang 11430039400
2025.06	83.3	161,000	1,610,000	79,098	790,988	Exercise of employee stock option	None	June 16, 2025 Jing-Shou-Shang 11430071660
2025.09	80	161,000	1,610,000	79,118	791,188	Exercise of employee stock option	None	September 17 ,2025 Jing-Shou-Shang 11430134570
2025.12	80	161,000	1,610,000	79,182	791,825	Exercise of employee stock option	None	December 24 ,2025 Jing-Shou-Shang 11430186950
2026.4	80	161,000	1,610,000	79,342	793,425	Exercise of employee stock option	None	April 10 ,2026 Jing-Shou-Shang 11530038240

## 2. Share category

Unit: thousand shares

Share category	Authorized capital			Footnote
	Outstanding shares (Note)	Unissued shares	Total	
Common shares	79,342	0	79,342	

Note: The Company's shares are listed for trading on TWSE.

3. Information relevant to the aggregate reporting policy: None.

### 3.1.2 Major shareholders:

April 20, 2026

Name of major shareholder	share	Number of shares held (Shares)	Shareholding ratio (%)
ClinJeff Corp.		12,176,497	15.35%
Alice H. Chang		7,862,716	9.91%
Jau Huang		2,797,910	3.53%
Yi-Chen Huang		1,756,615	2.21%
Morgan Stanley & Co. International Plc		1,594,934	2.01%
Jui-Hsing Huang		1,156,000	1.46%
Rhine River Investment Co., Ltd.		1,016,424	1.29%
Jing-Bin Lin		793,133	1.00%
Changbai Mountain Investment Co., Ltd.		781,707	0.99%
J.P.Morgan Securities plc		660,103	0.83%

### 3.1.3 Dividend policy and execution

1. Dividend policies stated in the Company's Articles of Incorporation:

After closing of accounts, if there is earnings during this period, it shall make up for the cumulative losses of the previous years (including adjusted for the amount of undistributed surplus earnings); the remaining amount, if any, shall be used for an appropriation of 10% legal reserve in accordance with the law. However, this restriction shall not apply when the legal reserve has reached the total capital of the Company. Then, a special reserve shall be allocated or reversed according to laws or regulations or the provisions by the competent authority. The Board of Directors should present the distribution of the remaining earnings along with undistributed earnings at beginning of periods (including adjustment amount of undistributed earnings) for the approval of the shareholders.

The Company's dividend policy is aligned with the development plan for the present and the future taking into consideration investment environment, capital requirement, domestic and overseas competition condition and profit of shareholders. The annual dividend distribution to shareholders shall be based on the principle of not less than 50% of the distributable earnings for the current year, and the principle of matching stock dividends with cash dividends. Twenty percent is the principle in the current stage; however, if the Company has major capital expenditure plans, the distribution of cash dividends may be less than 20% of the annual dividend with the approval of the shareholders'

meeting. The Company's dividend policy is expected to have no significant change.

2. Dividends proposed for the current year: (approved by the board of directors but not yet resolved in a shareholders' meeting)

The Company intends to distribute cash dividends of NT\$285,633,180 from its net earnings for FY2025. The distribution of earnings is as follows:

CyberLink Corp.  
Earnings Distribution Schedule  
2025

Unit: NT\$

Item	Amount	
	Subtotal	Total
Net Income of 2025		286,976,092
Less: Appropriation to Special Reserve	(103,940,139)	
Less: Actuarial Loss from Defined Benefit Plan (Current Year)	(10,163,946)	
Less: Current-year Adjustments to Retained Earnings	(180,102)	
Earnings in 2025 Available for Distribution		172,691,905
Plus : Unappropriated Retained Earnings of Previous Years		238,172,408
Retained Earnings Available for Distribution as of December 31, 2025		410,864,313
Distribution items: :		
Cash dividend of ordinary shares (NT\$ 3.6 per share)		(285,633,180)
All distribution items:		(285,633,180)
Unappropriated Retained Earnings as of December 31, 2025		125,231,133

Note:

1. The cash dividend is NT\$3.6 per share, a total of NT\$285,633,180 was allocated, calculated based on 79,342,550 shares outstanding of March 25, 2026.
2. If the legal reserve has exceeded the paid-in capital, it is not required to set aside any further legal reserve according to law; therefore, it is not proposed to set aside any legal reserve this year.
3. In accordance with the provisions of the letter from the Ministry of Finance dated April 30, 1998 referenced Tai-Tsai-Shui No. 871941343, the surplus of 2025 will be distributed first; if there is any deficiency, the surplus will be distributed in the order of last in first out according to the year in which it is generated.
4. Cash dividends distributed to shareholders are calculated up to NT\$1 and rounded off below NT\$1. Any amount less than NT\$1 is transferred to the Company's Employee Welfare Committee. Therefore, the above is in line with the principle that the current cash dividend distribution shall not be less than 20% of the annual dividend distribution as required in the dividend policy of the Company.
5. However, if the total share capital changes due to the repurchase of shares of the Company or the implementation of employee stock options or other factors, it is proposed to request the shareholders' meeting to authorize the Chairman to handle the relevant changes, and an announcement will be made separately in due course.

**3.1.4 Impacts of proposed stock dividends on the Company's business performance and earnings per share: Not applicable as no stock dividend was proposed for 2026.**

**3.1.5 Employee and director remuneration:**

1. Percentage or range of employee/director remuneration stated in the Articles of Incorporation:

Profits concluded in a given year (profit before tax, employee remuneration, and director remuneration) shall have no less than 3% allocated as employee remuneration ( of which no less than 20% shall be designated for frontline employees) and no more than 1%. Allocated as director remuneration. However, profits must first be reserved to offset against cumulative losses (including adjustments to unappropriated earnings) if any.

A company may have the profit distributable as employees' compensation in the preceding paragraphs distributed in the form of shares or in cash; qualification requirements of employees who may receive employee compensation, including the employees of subsidiaries of the company meeting certain specific requirements.

A company shall only have the profit distributable as director's remuneration in the preceding paragraphs distributed in cash.

A company may, by a resolution adopted by a majority vote at a meeting of board of directors, have the profit distributable in the preceding two paragraphs; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

2. Basis for estimating employee/director remuneration and stock dividends, and accounting treatments for any discrepancies between the amounts estimated and the amounts paid:

Profits concluded in a given year (profit before tax, employee remuneration, and director remuneration) shall have no less than 3% allocated as employee remuneration and no more than 1%. Allocated as director remuneration. However, profits must first be reserved to offset against cumulative losses (including adjustments to unappropriated earnings) if any.

A company may have the profit distributable as employees' compensation in the preceding paragraphs distributed in the form of shares or in cash; qualification requirements of employees who may receive employee compensation, including the employees of subsidiaries of the company meeting certain specific requirements.

3. Information on the proposed allocation of remuneration as approved by the Board of Directors:

The board of directors passed a resolution on February 25 2026 to pay NT\$4,900,000 of director remuneration (representing 1.02% of current year's profits); this amount is indifferent from the amount of director remuneration previously estimated. The board also resolved to pay NT\$102,641,500 of employee remuneration (in cash; representing 21.37% of current year's profits); this amount is indifferent from the amount of employee remuneration previously estimated.

4. Actual distribution of employees' compensation and director's remuneration recognized in the previous year:

	Previous year(2024)			
	Amount resolved in shareholders' meeting	Amount recognized in financial statements	Difference	Cause of difference
Actual payment:				
(一) Employees' remuneration in cash	87,123,000	87,123,000	None	None
(二) Directors' remuneration	4,900,000	4,900,000	None	None

**3.1.6 Buyback of company shares: None.**

**3.2 Corporate bonds**

None.

**3.3 Issuance of preferred shares**

None.

**3.4 Depository receipts**

None.

### 3.5 Employee stock options

The Company sought approval from the Financial Supervisory Commission in June 2022 to issue employee stock options (FSC approval reference: Correspondence Jin-Guan-Zheng-Fa No. 1110346790 dated June 20, 2022). This issue totaled 2,000,000 units; each unit was vested with the right to subscribe to one share for a total of 2,000,000 common shares, which shall be fulfilled by issuing new shares. The exercise price was determined as the closing price of underlying shares on the date of issuance. Employees may exercise the stock option according to the Company's "Employee Stock Option Issuance and Subscription Policy" two years after being granted the stock option.

Disclosure relating to stock options:

#### 3.5.1 Disclosure relating to stock options

March 31, 2026

Type of employee stock option	The 11th employee stock option offering
Announcement/effective date and total number of units	2022.6.20 2,000,000
Issuance (processing) date	2022.7.26
No. of units issued	2,000,000
Remaining units available for issuance	0
Exercisable shares as a percentage of total outstanding shares	2.53%
Duration of stock option	7 years
Method of delivery	Issuance of new shares
Period and percentage (%) of exercise restriction	50% exercisable after 2 years 75% exercisable after 3 years 100% exercisable after 4 years
No. of shares acquired through exercise	400,750
Amount of shares subscribed through exercise	32,644,100
No. of shares unexercised	1,544,250
Subscription price per unexercised share	80
Number of unexercised shares as a percentage of total outstanding shares (%)	1.95%
Effects on shareholders' equity	None

**3.5.2 Names of managers receiving employee stock options, names of employees ranking top ten in terms of exercisable shares, amount acquired, and amount exercised:**

March 31, 2026

	Title	Name	Exercisable shares (share in thousands)	Exercisable shares as a percentage of total outstanding shares (%)	Exercised			Not exercised				
					Quantity exercised (share in thousands)	Average subscription price (in dollars)	Subscription amount (in thousands)	Exercised shares as a percentage of total outstanding shares (%)	Quantity exercised (share in thousands)	Average subscription price (in dollars)	Subscription amount (in thousands)	Exercised shares as a percentage of total outstanding shares (%)
Manager	Chairman and CEO	Jau Huang	1,080	1.36%	185	80	14,800	0.23%	895	80	71,600	1.13%
	Business Unit 1 GM	Vincent Lin										
	Business Unit 2 GM	Mei Guu										
	Senior Vice President	David Lee										
Employees	Assistant Vice President	Hilda Peng	430	0.54%	101.25	81.65	8,339.25	0.13%	328.75	80	26,300	0.41%
	Assistant Vice President	Ronald Yang										
	Director	Jeffy Chuang										
	Director	Michael Tsai										
	Director	Vinson Hsieh										
	Director	Max Yan										
	Director	Miracle Lin										
	Architect and Senior Manager	Allen Chen										
	Principal Architect	Sherlock Chen										
	Principal Engineer & Senior Manager	BruceYL Tsai										

**3.6 New issuance of employee restricted shares**

None.

**3.7 New shares issued for merger or acquisition**

None.

**3.8 Progress on the planned use of capital**

Uncompleted securities offering or private securities placement or any capital plans completed in the last three years that have yet to yield the desired outcome: None.

# 4 Operational Overview

## 4.1 Business activities

### 4.1.1 Business Scope

#### 1. The Main Business business activities of Company

- (1) Research, design, and sale of computer peripherals equipment, software, and hardware.
- (2) Design of computer peripherals equipment, and design and maintenance of circuit boards services.
- (3) Trading of computers, electronics, mechanical equipment, and books.
- (4) Import, export, and trading of the aforementioned products.
- (5) Planning of computer and electronic information systems and related consultancy services.
- (6) I401010 General Advertising Services.
- (7) I501010 Product Designing.
- (8) ZZ99999 Other business not prohibited or restricted by law, except any business requiring special approval.

#### 2. Current products (services) of the Company and revenue weight (worldwide, consolidated)

Unit: %

Product category/year	2024	2025
Media Creation	76	76
Media Experience and Entertainment and others	24	24
Total	100	100

#### 3. Current products (services) of the Company:

Products of the Company can be divided into the five categories below:

##### (1) Media Entertainment software, including

–PowerDVD

##### (2) Media Creation software, and online editing services, including

- PowerDirector
- PhotoDirector
- Director Suite
- Color Director
- Audio Director
- MyEdit.online
- Power2Go
- YouCam

(3) Work software, including

- Promeo
- PowerDirector 365 Business
- MyEdit Business

(4) Mobile App, including

- PowerDirector
- PhotoDirector
- MyEdit
- VividGlam
- Promeo

(5) AI-assisted facial recognition engine and solutions, including

- FaceMe SDK
- FaceMe Platform
- FaceMe eKYC
- FaceMe Security
- People Tracker

4. New product and service development plans

Following the successive launch of multiple products, the Company has established a leading position among global peers in the development of digital video and multimedia solutions. The Company will continue to invest human resources in the development of related new technologies and new products in order to maintain its existing advantages. The Company's research and development plans for new products in 2026 are as follows:

Expected time of completion	Project description		
2026	In addition to making version upgrades and user experience optimizations to existing products, research projects in 2026 will also focus on: Develop AI and generative AI algorithms to provide video and photo editing features and effects, enhance video and photo editing experiences on PCs and mobile devices, and advance technologies related to facial recognition software development kits (FR SDK) and facial recognition system implementation (FR System) The projected expenses, estimated timeline, and details of future R&D projects are presented below:		
	R&D projects	Expected project timeline	Required budget
	Core technology and product development of video, audio, and photo editing software	2026 full year	250,000 (in thousands)

	Audiovisual software technology and App development on mobile devices	2026 full year	200,000 (in thousands)	competent R&D personnel 2. Customers' requirements and market changes 3. Product development schedule of other competing companies
	Development of the video/audio editing service platform (My Edit)	2026 full year	170,000 (in thousands)	
	Development of AI and generative AI algorithms	2026 full year	120,000 (in thousands)	
	Development of face recognition software components (FR SDK) and system implementation (FR System)	2026 full year	40,000 (in thousands)	

#### 4.1.2 Industry overview

##### 1. Current overview and development

As global demand for digital video and image content continues to expand, together with breakthroughs in Generative AI technologies, the video and image creative editing software industry is undergoing a paradigm shift from traditional tools to “AI-empowered creative tools.” Generative AI has significantly improved content production efficiency. Through innovative functions such as text-to-video generation, automated editing, intelligent subtitles, and personalized asset generation, it continues to lower the barriers to creation, enabling more consumers to participate in digital content creation. In addition, driven by the growth of social media platforms, the short-form video economy, and personal brand development, global demand for video creation continues to grow steadily. According to forecasts by the industry research institution Research and Markets, the global multimedia editing software market is expected to maintain a compound annual growth rate (CAGR) of approximately 10% from 2026 to 2032, demonstrating strong market momentum.

At the same time, the evolution of AI PC hardware continues to provide increasingly powerful computing support for creative editing software applications. Major global processor manufacturers have successively launched new-generation high-performance chips, enabling more AI models and functions to be executed in real time on personal computers. This not only reduces users' cloud computing costs but also enhances data privacy and information security. Continuous improvements in hardware performance are expected to further increase market demand for high-performance AI creative software and drive the development of integrated software and hardware applications.

In the field of computer vision, the facial recognition market continues to maintain steady growth. According to estimates by the research institution Mordor Intelligence, the global facial recognition market is expected to grow at a compound annual growth rate of approximately 16% from 2026 to 2031. Its applications broadly cover multiple areas, including access control and security, financial technology, smart healthcare, smart

retail, information security, and digital identity verification. In addition, as global awareness of cybersecurity increases and personal data protection regulations become more stringent, product development has expanded from improving recognition accuracy to also addressing privacy compliance, de-identification design, and anti-spoofing security mechanisms. Vendors capable of providing corresponding solutions are expected to capture more business opportunities in the future.

## 2. Association between upstream, midstream, and downstream industry participants

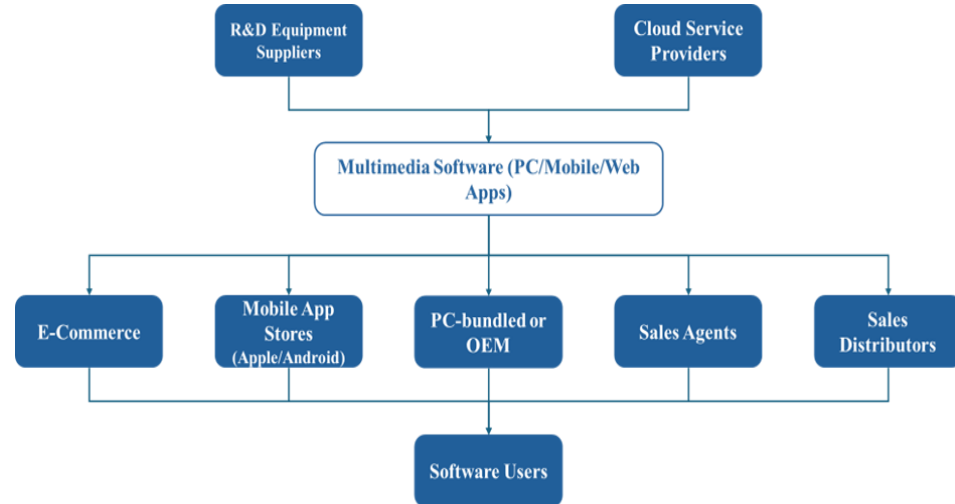
### (1) Digital Creative Editing Software

The technology industry is characterized by rapid change. Compared with the hardware industry, which provides tangible products, the software industry is distinguished by the intangible nature of its products and their ability to extend product life cycles through continuous updates and optimization. As a result, the software industry places greater emphasis on responding to market changes and promptly adjusting product strategies, including aspects such as feature design, pricing models, sales channels, and marketing approaches. While the software industry offers greater flexibility and room for adjustment, it must also maintain faster response capabilities to address evolving market demands and competitive dynamics.

CyberLink's headquarters and R&D center are located in Taiwan, and its software technologies and products are developed in-house. Major suppliers include cloud service providers as well as hardware suppliers of computers and servers. In its early years, the Company's multimedia player products primarily served major personal computer and notebook computer (PC/NB) brands, with its PowerDVD software pre-installed on computers at the time of shipment through a pre-load model. As the pre-installed PowerDVD products gradually built global brand recognition, the Company began expanding globally through multiple distribution channels under its own brand, CyberLink, including its online store, third-party sales channels, physical retail channels, and strategic alliances with major computer manufacturers.

With the increasing popularity of smartphones, CyberLink expanded into the development of multimedia creative editing apps, with products made available through mobile platforms such as the Apple App Store and Google Play Store for consumer download and use. In recent years, in response to the rise of web applications, CyberLink has further developed web-based multimedia creative editing software, enabling users to easily access services without platform limitations. Through the development of multi-platform solutions, CyberLink aims to meet consumers' multimedia software needs across a variety of devices, including personal computers and smartphones. Currently, the Company's flagship products, PowerDirector (supporting Windows/macOS/Android/iOS) and PhotoDirector (supporting

Windows/macOS/Android/iOS), have achieved outstanding sales performance across various channels. In recent years, new products have also been launched, including the marketing design tool Promeo, the online creative tool MyEdit, and the beauty enhancement app Vivid Glam. The Company's product sales markets cover Taiwan, the United States, Japan, South Korea, and countries across Europe.



## (2) FaceMe

Leveraging many years of experience in artificial intelligence, image enhancement technology, image acceleration technology, and cross-platform optimization, CyberLink launched the FaceMe AI facial recognition engine in 2018. With outstanding accuracy, FaceMe has repeatedly ranked among the top performers in global facial recognition tests conducted by National Institute of Standards and Technology (NIST), making it one of the world's leading facial recognition engines. FaceMe supports multiple operating systems, including Windows, Linux, iOS, and Android, and has established strategic alliances with leading chip manufacturers such as Intel, NVIDIA, NXP Semiconductors, Qualcomm, and MediaTek. Through algorithm optimization for different chipsets, FaceMe achieves optimal facial recognition performance in edge computing environments, enabling CyberLink to integrate into the ecosystems of major chip manufacturers.

Through integration, optimization, and strategic alliances with leading chip manufacturers, CyberLink provides powerful facial recognition engines to IoT hardware vendors and system service providers. This enables customers to easily integrate the technology into various hardware devices, including high-end workstations, personal computers, mobile devices, digital signage, access control systems, POS systems, and automated self-service kiosks, thereby meeting the artificial intelligence of things (AIoT) application needs across multiple industries.

In addition, CyberLink continues to strengthen cooperation with mainstream video management system and security vendors such as Genetec, Milestone Systems, Axis Communications, Network Optix, Hanwha Vision, and Vivotek. For example, through the FaceMe

Security smart security solution, CyberLink deeply integrates video management and access control systems, assisting system integrators in rapidly deploying facial recognition-enabled intelligent security systems in facilities such as factories, offices, and campuses. CyberLink also actively collaborates with global marketing channels of major security vendors and partners with local system integrators worldwide to deploy localized solutions.

### FaceMe's technology and security partners



In response to the growing demand for identity verification services from governments, enterprises, and financial institutions, CyberLink has in recent years developed corresponding facial recognition solutions to strengthen identity authentication mechanisms and reduce risks related to fraud and cybersecurity. Its product FaceMe eKYC is equipped not only with a facial recognition engine that supports liveness detection and protection against deepfake attacks, but also provides a variety of functional modules, including identification document recognition, document anti-counterfeiting verification, and OCR text recognition, thereby meeting diverse application needs across different scenarios.

### 3. Product development trends

#### (1) Creative Editing Solution

Video creation and editing software is undergoing a transformation driven by the integration and expansion of AI technologies. With the introduction of AI, traditional and time-consuming editing workflows have become more intelligent. In the past, creators needed to spend substantial time on tasks such as editing, color grading, subtitles, and music arrangement. Today, AI can automatically analyze materials, assist with editing, and generate subtitles and sound effects, significantly improving both creative efficiency and the quality of output. These technologies not only lower professional barriers but also enable novice creators to produce content that meets professional standards.

With the growing popularity of social media platforms and short-form videos, the functional design of video creation software has increasingly aligned with the needs of social interaction. For example, the rise of short-form video has driven the introduction of new features in creative tools, including automatic aspect ratio cropping, the application of trending templates, and rapid automated editing. Integration between software and platforms also allows creators to publish their works directly to social media, shortening the time from creation to

sharing and facilitating the rapid dissemination of content.

In commercial applications, video editing software has gradually become an important tool for brand content strategies and digital marketing. Features such as built-in asset libraries, special effect templates, and AI-generated assets enable enterprises to produce marketing videos, advertising clips, and social media promotional content more efficiently.

In addition, the multi-platform development trend of video creation software meets the needs of different types of users. The PC platform remains the primary environment for professional creators, suitable for detailed editing, color adjustments, and complex special effects processing. Mobile devices, on the other hand, support fast-paced short-form video creation, allowing users to capture footage instantly, perform quick edits, and share content directly to social media platforms. Web-based platforms mainly serve light users and collaborative teams by providing functions such as asset sharing, cloud-based editing, and remote collaboration. This multi-platform strategy not only broadens the market reach of such software but also enables users with diverse needs to complete their creative work using the most suitable tools.

## (2) Facial Recognition Solution

Advancements in machine learning and deep learning technologies have enabled facial recognition technology to achieve a high level of accuracy. To facilitate the practical deployment of end-user applications, vendors are not only strengthening the adaptability of algorithms to various environmental conditions—such as different angles, lighting conditions, facial expressions, and occlusions—but are also continuously optimizing product performance across various hardware devices to further enhance recognition speed and overall system performance.

Against the backdrop of growing awareness of information security and privacy protection, facial recognition products are increasingly integrating liveness detection, multi-factor authentication, and other cybersecurity control technologies to reduce risks related to fraud and deepfake attacks, while ensuring compliance with privacy regulations and legal requirements in different jurisdictions worldwide.

In terms of commercial applications, facial recognition has expanded widely across multiple industries. In the retail and service sectors, facial recognition is used to analyze customer behavior and preferences, enabling personalized services and more accurate recommendations. In the financial and payment sectors, high-precision identity verification enhances transaction security and efficiency. Applications in transportation, healthcare, and smart cities also leverage facial recognition technology to improve management efficiency and user experience. In security and access control scenarios, facial recognition can effectively manage the flow of people and enhance overall site

security.

### (3) Video and Multimedia Solution

With the continuous advancement of digital media and video technologies, video playback software has gradually expanded its support for various video formats, including Blu-ray, 4K resolution, HDR, and streaming media content. The widespread adoption of smart devices has also driven software development toward cross-platform integration, enabling users to switch freely among devices such as computers, smartphones, tablets, and smart TVs, thereby meeting diverse usage needs.

At the same time, optimization of the user interface and operational experience has become an important focus in product design. An increasing number of playback software solutions provide intuitive user interfaces and integrate various control functions, allowing users to operate the software more conveniently. With the rise of cloud storage and streaming platforms, playback software has also incorporated cloud streaming features, enabling users to play videos online directly and conveniently share multimedia experiences with friends and family, enjoying multimedia entertainment anytime and anywhere.

## 4. Product competition

CyberLink is one of the few Taiwanese software companies that has successfully expanded into the global market. Its core multimedia products include PowerDirector, PhotoDirector, and PowerDVD. Their applications span both digital playback (Play) and digital content creation (Create), offering a comprehensive range of functions including video playback, editing, production, disc burning and backup, as well as image and photo editing. In recent years, CyberLink has also actively developed its FaceMe facial recognition technology into a business segment with significant scale and growth potential.

Since its launch in 2001, PowerDirector has released versions for multiple platforms including Windows, macOS, Android, and iOS, meeting the needs of different users and continuously receiving recognition from major international awards. In 2025, “PowerDirector 365” once again received the only five-star rating in the video editing category from the well-known U.S. technology magazine PC Magazine. In addition, the Company’s video software products (PowerDirector, PowerDVD, and Power2Go) have ranked No. 1 in market share in Japan for ten consecutive years (2016–2025) in the BCN Award. Furthermore, the photo editing application PhotoDirector App received recognition at the Taiwan Excellence Awards (34th edition). Currently, the main competitors in video creative editing software include international companies such as Adobe, ByteDance, and Wondershare, while competitors in image creative editing software include Adobe and Canva.

With regard to the facial recognition product line, following the achievement of ISO 27001 information security management certification

in 2024, FaceMe obtained ISO 27701 privacy information management certification in 2025. In addition, the FaceMe eKYC “Digital Identity Verification Solution” received the Silver Award at the 34th Taiwan Excellence Awards. The FaceMe facial recognition engine delivers an accuracy rate of up to 99.83% and achieved a 100% success rate in preventing presentation attacks, obtaining the iBeta PAD Level 2 international certification. It also ranked No. 1 globally in presentation attack detection in the NIST Face Analysis Technology Evaluation (FATE) test and placed among the global top five in the age estimation evaluation. Current competitors mainly include international vendors such as NEC, SenseTime, and VisionLabs.

#### 4.1.3 Technology and R&D overview:

1. R&D expenses made in the last year up until the publication date of annual report:

Unit: NT\$ thousands; %

Year	R&D expenses	As a percentage of operating revenues (%)
2025 (Note)	723,557	29
January 1 to February 28, 2026	120,228	30

2. R&D progress in the last year up until the publication date of annual report:

Year	R&D progress
2025	<ol style="list-style-type: none"> <li>(1) CyberLink completed several new products and version upgrades in 2025, and continued making updates to the product subscription service.</li> <li>(2) In response to the diverse requirements of various multimedia platforms and devices, the Company launched multiple video editing features and applications. During the year, PowerDirector completed the rollout of numerous new features, including a wide range of generative AI functions, as well as diverse fast-trend AI features and content packs, enabling users to easily and efficiently complete video creation using AI.</li> <li>(3) The Company continued to deepen its presence in the AI facial recognition market by continuously updating and releasing the “FaceMe” facial recognition technology and SDK development kits. These solutions have been successfully integrated into multiple system vendors’ offerings, including access control systems, banking eKYC applications, and cybersecurity systems.</li> <li>(4) The Company developed and launched new features for Promeo, including the AI Marketing Advisor, which integrates large language models to provide a one-stop, real-time, and highly privacy-protected intelligent marketing service. This solution helps enterprise customers and</li> </ol>

Year	R&D progress
	<p>individual sellers quickly focus on target audiences, optimize content creation workflows, and enhance exposure effectiveness during product promotion.</p> <p>(5) Launched a fully upgraded MyEdit, a cloud-based photo and audio editing platform, integrating advanced AI-powered automatic editing and generative AI capabilities to provide a seamless end-to-end editing experience.</p> <p>(6) R&amp;D of generative AI technology, and gradually introduced the results into products, and launched functions such as Product Showcase 、 Auto-Editing 、 Story Telling.</p>
2026	<p>The Company completed several new products and version upgrades between January and February 2026, including:</p> <ul style="list-style-type: none"> <li>● Director Suite 365</li> <li>● Promeo</li> <li>● MyEdit</li> <li>● PowerDirector App for iOS and Android</li> <li>● PhotoDirector App for iOS and Android</li> <li>● FaceMe SDK, FaceMe SECURITY and FaceMe Platform</li> </ul>

#### 4.1.4 Long and short-term business plans:

The Company's future development plans are as follows:

- (1) Integration of AI technologies into creative editing products: Continue integrating artificial intelligence technologies into the Company's creative editing software, including PowerDirector, PhotoDirector, Promeo, and MyEdit. More generative AI features will be introduced, such as automated video editing, intelligent photo enhancement, and marketing asset generation, to improve users' creative efficiency and content quality.
- (2) Deepening platform development: Continue collaborating with PC hardware manufacturers to promote the development of the AI PC ecosystem, while optimizing the on-device computing performance and functions of the Company's creative editing software on PCs. At the same time, the Company will continue strengthening creative capabilities on its Web platforms to meet diverse user needs and deliver a consistent cross-device experience.
- (3) Expansion of commercial user segments: Further develop and optimize the marketing design tool Promeo and plan to launch MyEdit.Business, providing enterprise video editing and marketing solutions to support brand management and product marketing-related content creation needs.
- (4) Driving the growth of the FaceMe facial recognition business: Continue optimizing anti-spoofing and liveness detection capabilities, enhancing the deployment performance of solutions for enterprise customers, and strengthening cooperation with VMS providers and system integrators to further expand business opportunities.

## 4.2 Market, production, and sales overview

### 4.2.1 Market analysis:

1. Locations where products were mainly sold in the last 2 years (global consolidated revenues)

Unit: NT\$ thousands; %

Location		Year		2024		2025	
		Amount	%	Amount	%		
Domestic sale		88,764	4.29	117,630	4.78		
Export sale	America	1,340,457	64.81	1,591,862	64.72		
	Asia	522,071	25.24	616,927	25.09		
	Europe & Others	117,067	5.66	133,087	5.41		
Total		2,068,359	100.00	2,459,506	100.00		

2. Market share

According to statistics from the BCN Award, CyberLink ranked first in sales in the video software category in the Japanese retail market in 2025, marking the tenth consecutive year of achieving the No. 1 market share in Japan. On mobile devices, both PowerDirector and PhotoDirector received excellent user ratings of over 4.4 stars on the Apple App Store and Google Play Store.

In 2025, the FaceMe facial recognition products gained adoption by additional high-profile clients. The digital identity verification solution, FaceMe eKYC, was adopted by companies in automotive rental, commercial banking, electronic payments, and securities sectors. For access control and security solutions, new clients included airports, electronics factories, and semiconductor manufacturing facilities.

3. Future market supply, demand, and growth

CyberLink continues to invest resources in high-growth-potential new businesses and to expand the scale of its subscription-based services. In response to the rapid development of generative AI, the Company has adopted a points-based pricing model for generative AI features, generating additional revenue. Future development will remain focused on the Company's growth engine products, including its creative editing software and FaceMe facial recognition solutions.

- (1) Creative Editing Software on PCs, mobile devices, and web

- (A) AI+ for Exceptional User Experience

By integrating generative AI features into existing creative editing products, CyberLink continues to enhance product functionality and competitiveness. The Company will keep introducing innovative features while improving the quality of AI-generated content in existing functions, aiming to deliver the best user

experience, strengthen customer acquisition, and increase user engagement.

(B) Diverse Marketing and Distribution Strategies

Digital marketing drives high traffic in key overseas markets such as the United States and Japan. CyberLink will continue investing in digital marketing to deepen its market share in existing regions and expand into high-potential markets. At the same time, the successful B2B2C distribution model established through partnerships with major PC manufacturers will be extended to additional partners and markets, accelerating channel penetration in North America, Japan, and Europe. Furthermore, as AI PC adoption grows, the Company will continue co-marketing with leading PC hardware manufacturers to generate additional sales momentum.

(C) Continuous Development of the Web-Based Editing Tool, MyEdit

MyEdit operates under a freemium business model and introduced subscription upgrade services in 2023 to support convenient cross-platform online editing. Coupled with the continuous addition of video, image, and audio creative editing features, the platform has effectively attracted a large number of new users. The Company will continue developing new functionalities to meet the growing demand for online editing.

(D) Expansion of Commercial Customer Base

Since its launch in 2022, the digital marketing design software Promeo has assisted small and medium-sized enterprises and social media creators in producing distinctive digital marketing materials with ease. In response to the rise of generative AI, features such as “AI Magic Designer” and “AI Marketing Advisor” have been introduced, and the Company will continue to roll out more advanced solutions. In addition, CyberLink plans to launch a new product, MyEdit Business, focusing on commercial applications to enhance customer base penetration.

(2) FaceMe Facial Recognition and Computer Vision

(A) World-Class Facial Recognition Algorithms

FaceMe’s exceptional recognition accuracy and anti-spoofing capabilities have consistently maintained a leading position in global evaluations, including the well-known National Institute of Standards and Technology (NIST) facial recognition benchmarks. CyberLink will continue to refine its algorithms, aiming to improve FaceMe’s rankings across NIST facial recognition assessments and establish FaceMe as a global leader in facial recognition technology.

(B) Defense Against Emerging Cybersecurity Threats

With the increasing prevalence of identity theft, impersonation, and deepfake-related fraud, the importance of secure digital identity verification continues to grow. CyberLink will support customers in mitigating new types of cybersecurity attacks by providing and developing technologies such as liveness detection and deepfake prevention.

(C) Enhancing Customer Implementation and Deployment Efficiency

By collecting customer feedback, CyberLink continuously optimizes verification and deployment processes while strengthening FaceMe's support and compatibility with mainstream software and hardware platforms. Localized technical services are provided for domestic and international markets, including standardized installation guides, FAQs, database support, and expert technical assistance, accelerating deployment and troubleshooting efficiency for customers.

(D) Leveraging Channel Resources to Expand Market Opportunities

CyberLink strengthens collaboration with domestic and international sales channels and integrates resources to enhance brand visibility, such as participating in industry exhibitions, joint marketing initiatives, and product briefings. Building on successful case experience, the Company aims to increase penetration in vertical markets, including access control, security, and digital identity verification solutions. Business and marketing teams in the United States, Japan, South Korea, Southeast Asia, and Taiwan will be further reinforced.

(E) Deepening Strategic Partnerships

FaceMe widely supports mainstream chipsets from leading manufacturers such as Intel, NVIDIA, Qualcomm, and MediaTek. CyberLink collaborates closely with major VMS providers such as Genetec, Milestone Systems, Network Optix, Hanwha Vision, Axis Communications, and Vivotek to deepen technical integration. The Company continues to establish strategic partnerships with multiple system integrators to expand domestic and international markets.

4. Competitive advantage

(1) Extensive Experience and Capability in Integrating R&D, Technology, Product, and Marketing Resources

CyberLink possesses a strong R&D and technical team, with years of dedicated software innovation and development, having accumulated over 180 patents. Leveraging deep insights into market trends and

consumer needs, the Company conducts product design and planning to successfully commercialize and iteratively optimize its software technologies. Over the years, CyberLink has shipped more than 400 million units of PC software and mobile apps globally, establishing itself as one of the few Taiwanese software companies that has successfully marketed products worldwide.

(2) Outstanding Human Resources and Sound Financial Foundation

Compared with manufacturing industries, the software industry does not require significant capital investment in factories or inventory, but places great emphasis on the accumulation of high-skilled and high-quality human resources to drive technology development, product planning and design, and international marketing. CyberLink has built a solid human capital foundation over the years. In addition to an executive team with extensive software industry experience, the Company continuously develops mid- and junior-level managers and professional engineers, while recruiting top talent. Steady operations over the years have also enabled CyberLink to accumulate ample financial resources. Coupled with the stable cash flow generated by its subscription-based business model, the Company is well-positioned to support continuous growth.

(3) International Operations and Proprietary Brand

Since its establishment, CyberLink has pursued a global-oriented business strategy. Leveraging its leading multimedia software technologies, the Company maintains long-term and stable partnerships with multiple internationally recognized OEM/ODM clients. In parallel, CyberLink continues to develop its proprietary brand and has diversified its presence across digital and physical channels, establishing strong brand recognition and customer loyalty, which reinforces its competitive advantage in the international market.

5. Future opportunities, threats, and response strategies

(1) Favorable Factors

- (A) Strong capability of the R&D team to continuously innovate products and technologies
- (B) Rapid development of AI technologies driving demand for both software and hardware, while generative AI lowers the entry barrier for creators
- (C) Experienced management team
- (D) Ability to grasp industry development trends
- (E) Global-oriented business strategy and strategic partnerships within the industry
- (F) Growing demand for digital creative editing driven by short-form video, social media, and digital marketing

- (G) High growth potential of the multimedia software industry
- (H) Comprehensive and diversified product lines
- (I) High product compatibility and strong practicality
- (J) Sound financial structure and ample capital
- (K) Complete upstream and downstream hardware and software supply chains
- (L) Government support policies
- (M) Adoption of AI productivity tools in company operations to optimize employee productivity

(2) Unfavorable Factors

- (A) Competitors launching new products or features
- (B) Slowing growth in personal computer demand
- (C) Foreign exchange losses caused by currency fluctuations
- (D) Increased competition due to significant advertising spending by industry peers
- (E) Emergence of global AI product opportunities, making recruitment of skilled professionals more challenging
- (F) Adoption of AI-generated answers by major web search engines, impacting traditional search engine optimization (SEO) traffic

(3) Response strategies:

- (A) Optimize product user experience and develop more competitive product content and services to consolidate and increase the market share of the Company's products.
- (B) Continuously monitor market demand and rapidly launch products that meet emerging market needs, such as generative AI features, to attract new users and improve subscription renewal rates.
- (C) Continuously enhance the accuracy and reliability of facial recognition algorithms and expand applications across more vertical scenarios.
- (D) Expand product offerings across multiple platforms (PC, App, and Web-based), increase revenue contribution from growth-oriented product lines, and accelerate global market expansion.
- (E) Strengthen research and monitoring of exchange rate trends for major trading currencies, and appropriately mitigate impacts through risk diversification and foreign exchange hedging.
- (F) Improve marketing effectiveness through refined customer segmentation, in-depth user data analysis, and strengthening of brand value.
- (G) Cultivate diverse recruitment channels and provide employees with better employment conditions and work environment to attract and retain the professional talent needed by the Company.
- (H) Expand diversified distribution channels, including strategic partnerships and additional sales partners, to increase product exposure opportunities.

## 4.2.2 Main products and purposes:













Media playback	
PowerDVD 24 	Power DVD is the world's No.1 video/audio playback software, featuring 4K UHD and 8K video quality, optimized version of Blu-ray and DVD playback, full support for all major audio/video formats and YouTube online platforms, and high-quality DTS-HD, Dolby audio, and 7.1 high-quality track surround sound. This maximizes the benefits of the home theater system, so that users can enjoy the theater watching experience comfortably at home.
PowerPlayer 	PowerPlayer organizes all of your media files in one place, giving you easy access to your favorite shows and films wherever you go. The player supports playback of 8K, 4K, and HDR10 video and HiFi 5.1 surround audio for the best viewing and listening experience. Using CyberLink Cloud, users may even access, view, and share media files wherever they go.
Video Clips & Expanded Content	
PowerDirector 365 	PowerDirector 365 is a movie editing software equipped with cutting-edge AI technology. The software combines powerful audio/video editing features and easy-to-use tools to provide users with new eye-catching special effects. With a smooth user experience and an ever-growing library of clips, PowerDirector 365 is suitable for both novice and professional movie editing professionals, allowing all creatives to edit their works in their own style without much effort.
Director Suite 365 	Director Suite 365 provides subscribers with a full range of audio and video editing functions, and continues to evolve and update throughout the year! Director Suite 365 combines four professional tools: video editing, photo editing, audio post-production, and video color grading. The software also provides unlimited access to Getty Images' huge material library. Searching directly within the software and choosing from thousands of materials gives full control of post-production process, and complete masterpieces with ease!
ColorDirector 365 	ColorDirector is a professional video color grading software that precisely adjusts color details and features a built-in library of royalty-free licensed materials. Users can easily enhance the richness and professionalism of their work, creating outstanding videos with more layers.
AudioDirector365 	AudioDirector 365 is professional music editing software that perfectly edits, mixes, records and restores audio. The software applies world-class AI algorithm to delete or enhances the speech in the recording, and precisely removes the noise in the audio, so that you can easily achieve the sound you want.

Photo editing	
PhotoDirector 365 	PhotoDirector 365 provides exclusive AI tools, new functions, and comprehensive format support. Subscription users can also enjoy a wealth of expanded contents and software packages, giving them the most complete image editing experience! PhotoDirector 365 is a powerful AI technology that selects objects in the picture with one click, quickly performs memorization, analyzes the photos intelligently, and converts the photos into master drawings with one click.
Video conferencing application & screen recording	
YouCam 10 	YouCam is an all-in-one video conferencing software that supports all online video applications from live streaming to business meeting. YouCam can be seamlessly integrated with Zoom, U Meeting, Microsoft Teams, Google Meet, Facebook, YouTube Live, Twitch, and popular live streaming software to provide skin smoothing, among other cosmetic filters, in real-time to look your best with just one click! At the same time, more than 200 types of augmented reality graphics or customized text and graphics can be used to add more wonderful elements to your meetings, video conferences or live broadcasts.
Disc-writing and backup	
Power2Go 13 	Power2Go is a comprehensive audio/video storage solution that satisfies the needs of CD burning, CD production, backup, and file conversion. With powerful support for all popular CD-ROM and video formats, you can easily drag and drop files and quickly complete data or video recording. Power2Go 13 is equipped with professional optical disc authoring functions and comprehensive menu editing tools, as well as free menu templates and background music, allowing you to create impressive DVD and Blue-ray discs with ease. Power2Go uses 256-bit military-grade encryption protection to ensure the safety of important data recorded to CD-ROM or USB.
Mobile Apps	
Promeo 	Promeo is a comprehensive marketing video production tool for corporate brands that helps you easily create eye-catching advertising videos. No design experience is required, and you can easily customize your own text and materials by applying thousands of high-quality video templates to easily enhance your branding power and interaction with fans.
PowerDirector 	PowerDirector 365 is loaded with all-round powerful creative tools, and uses intelligent assistant tools and eye-catching special effects to create amazing videos.
PhotoDirector 	PhotoDirector is an easy-to-use photo editing software that uses high-quality AI special effects to inspire unlimited creativity. Even a novice user can instantly create wonderful creations that are comparable to digital cameras.

### 4.2.3 Supply of key materials

Name of key materials	Supplier	State of supply	Footnote
User manual, color box, and packaging	Kin-Shine Printing Corp.	Good	The Company provides the final design to be produced by the printing plant.
Discs	Kin-Shine Printing Corp.	Good	The Company provides a master disk of the software developed to be produced by the disc manufacturer.

#### 4.2.4 Names of customers accounting for more than 10% of the total sales in any of the previous two years

##### 1. Names of suppliers accounting for more than 10% of the total purchase in any of the previous two years

Unit: NT\$ thousands; %

	2024				2025			
Item	Name	Amount	% of annual net purchases	Relationship with the issuer	Name	Amount	% of annual net purchases	Relationship with the issuer
1	A	7,158	99.47	Not-related parties	A	6,501	99.09	Not-related parties
2	Others	38	0.53		Others	60	0.91	
	Net purchases	7,196	100.00		Net purchases	6,561	100.00	

##### 2. Names of customers accounting for more than 10% of the total sales in any of the previous two years:

Unit: NT\$ thousands; %

	2024				2025			
Item	Name	Amount	% of annual net sales	Relationship with the issuer	Name	Amount	% of net sales (%) in the previous quarter of the current year	Relationship with the issuer
1	A	345,755	16.72	Not-related parties	A	490,869	19.96	Not-related parties
2	Others	1,722,604	83.28		Others	1,968,637	80.04	
	Net sales	2,068,359	100.00		Net sales	2,459,506	100.00	

### 4.3 Employee information in the last 2 years up until the publication date of annual report

#### 4.3.1 Employee information in the last 2 years up until the publication date of annual report

<Global consolidated> Unit: persons

Item	Year	2024	2025	2026/3/31
Employee size	Managerial personnel	23	26	26
	Technology and R&D personnel	289	306	308
	General staff	171	169	166
	Intern	34	32	33
	Total	517	533	533
Average age		35.56	36.0	36.1
Average years of service (years)		7.07	7.64	7.80
Analysis of employees' education	Doctoral Degree	5	5	5
	Master's Degree	309	322	318
	University (college)	202	205	208
	Others	1	1	2
	Total	517	533	533

Note: Including employees of the company's headquarters and subsidiaries.

#### 4.3.2 Work environment and protection of employees' safety:

The Company has established a safety and health code in accordance with worker safety and health regulations to maintain workplace safety and personnel safety. The following measures have been taken in this regard:

Item	Specific Measures	Frequency
1	The Human Resources Department is the dedicated unit responsible for protecting the work environment and employee safety. It handles all matters related to the work environment and employee safety both within and outside the company. The company has established occupational safety and health management regulations, which include the formulation of measures such as [Human Factor Hazard Prevention], [Prevention of Diseases Induced by Abnormal Workloads], [Maternal Health Protection Management], [Prevention of Illegal Violations during Job Duties], and [Fire Protection Plans] to implement comprehensive workplace safety protection.	Annually
2	Strict Access Control Management: The company uses CyberLink's self-developed facial recognition FaceMe <sup>®</sup> smart security system to manage personnel identification, access control, mask-wearing compliance, and temperature screening. This system provides tight and real-time security control and emergency alert capabilities, ensuring a safe workplace. Additionally, the company has a Zhongxing Security access control system and a nighttime and holiday security system, which, through police-community connection and other methods, safeguard the office environment and employee safety.	Daily

Item	Specific Measures	Frequency
3	Regular Office Environment Cleaning and Disinfection: The company conducts regular cleaning and disinfection of the office environment every year to maintain hygiene and cleanliness in the workplace	Daily cleaning and biannual deep disinfection
4	Night Shift Employee Safety: The company has an emergency security setup with police-community connection in the office and arranges designated taxi services for employees working late to ensure their safety.	Daily
5	Regular Office Safety and Disaster Prevention Inspections: The company conducts annual safety and disaster prevention inspections in collaboration with the building's safety inspection unit and organizes irregular safety and disaster prevention seminars and awareness campaigns to ensure the workplace meets safety and disaster prevention standards.	Twice a year
6	Annual Employee Health Checkups: The company conducts regular annual health checkups for employees to ensure their physical well-being.	Annually
7	Comprehensive Employee Insurance Coverage: In addition to providing mandatory labor and health insurance, the company also offers group insurance for employees, ensuring more comprehensive protection for their safety and health.	Annually

#### 4.4 Contribution to environmental protection

The Company has not suffered any losses or penalties due to environmental pollution since 2025.

CyberLink is an IT software manufacturer, and no one-time waste is generated during the development process. In 2018, the Company switched to the use of thin boxes for retail sales in Germany and Taiwan, reducing paper consumption by 13% and the shipping volume by 50% for packaging and materials, effectively reducing carbon emissions. In addition, with the transformation of major products shifted to subscription, the production volume of retail color boxes and the usage of optical discs have been decreasing year by year. As of 2025, the production volume of boxed products reduced by 59% and the usage of optical discs by 98%.

The Company's primary source of greenhouse gas emissions is purchased electricity. In 2025, the combined electricity consumption of the parent company and its subsidiaries totaled approximately 774 MWh, resulting in carbon dioxide emissions of approximately 364.37 metric tons.

Since 2021, CyberLink has committed to increasing its green energy ratio by 10% annually. In 2025, the Company targeted a green power procurement rate of 40% of total electricity consumption. The actual volume of green power transferred was approximately 361.88 MWh, with a total expenditure of approximately NT\$2.191 million.

The procurement and wheeling of green power are adjusted based on actual annual electricity consumption and power supply conditions. Looking forward, the Company will continue to conduct rolling reviews of its electricity management practices, taking into account operational requirements, energy policies, and cost-effectiveness. on a rolling basis, taking into consideration operational needs, energy policies, and cost-effectiveness.

## **4.5 Labor-management relations**

The Company has always valued good labor-management relations. In addition to complying with relevant laws and regulations, the employee welfare measures, continuing education, training, retirement system, and various employee rights protection measures are as follows:

### **4.5.1 Employee benefits:**

1. In order to attract outstanding talented people, the Company provides competitive remuneration packages, and makes annual salary adjustments based on the performance appraisal and future potential of employees, as well as economic inflation and the competitive market conditions in the same industry. In addition, the Company has also formulated incentive bonus measures for employees to enjoy the Company's earnings.
2. The Company provides comprehensive health and medical protection, including labor insurance, national health insurance, and group insurance. Group insurance includes life insurance, accident insurance, occupational disaster, critical illness, hospitalization and outpatient surgery medical insurance, accidental injury insurance, cancer insurance, and family members' insurance benefits.
3. Flexible working hours.
4. Employees are offered the option to work remotely or from home. They can apply for working from home if necessary.
5. The leave system is better than the statutory leave system (2 days of travel leave per year, 12 days of sick leave with full pay per year).
6. The health examination items are better than the statutory requirements.
7. Quarterly subsidy for departmental gatherings
8. Annual year-end activities.
9. An Employee Welfare Committee has been established to discuss meeting affairs and supervise the income and expenditure on a regular basis, and provide a number of recreational activities and subsidies for employees:
  - (1) Gifts/money for Dragon Boat Festival and Mid-Autumn Festival.
  - (2) Wedding subsidy, childbirth subsidy, funeral subsidy.
  - (3) Employee travel allowance.
  - (4) Regular subsidies are provided to employees for club activities, including childcare clubs, yoga clubs, running club, boxing & aerobics club, baseball club, etc., to enhance the friendship and emotional exchange among the Company's employees.
  - (5) A variety of activities are organized to build up cohesion among employees and help relieve stress. These included half-day parent-child trip, spring one-day trip, basketball and table tennis games, photo competitions, family day challenge, and parent-child road running activities.

### **4.5.2 Employee health care and work environment management:**

1. The Company employs one full-time occupational health nurse to provide comprehensive health care services for employees. These services include the planning and implementation of annual health

examinations; nursing guidance and health consultations; promotion of health initiatives; prevention of occupational injuries and diseases; on-site medical care and injury treatment; health management for both new and existing employees; execution of the four major health promotion programs (including preventive programs for middle-aged and senior employees); and regular dissemination of health- and disease-related information.

2. The Company engages one contracted occupational medicine specialist physician who provides on-site health services on a quarterly basis. Through professional medical consultations and referral support, the physician assists in workplace hazard identification and risk assessment, provides recommendations for the prevention of occupational injuries and diseases, and supports the planning and implementation of the four major health promotion programs, including preventive programs for middle-aged and senior employees.
3. The Company has established a medical room and a nursing (lactation) room, providing employees with a safe, private, and employee-friendly environment. In addition, the Company has entered into partnership arrangements with licensed childcare institutions and provides childcare subsidies to employees, thereby enhancing childcare support resources and assisting employees in achieving a better work–life balance.
4. The Company has developed a diversified sports and recreational environment, including a fitness center, yoga studio, multi-purpose KTV room, rooftop garden, and appointment-based massage services, providing employees with facilities for relaxation, physical activity, and leisure.
5. In accordance with the Occupational Safety and Health Act, the Company has established a comprehensive occupational safety and health management system to prevent occupational accidents and to safeguard employee health and safety. A designated fire safety manager has been appointed, and a fire safety protection plan has been implemented. Fire-fighting and emergency notification drills are conducted semi-annually, together with regular maintenance of fire safety equipment, inspections of fire prevention and evacuation facilities, and management of energy equipment usage, to ensure a safe and secure office environment.
6. The Company conducts regular monitoring of workplace environmental quality. Carbon dioxide level monitoring and drinking water quality testing are performed semi-annually, and all monitoring results comply with applicable regulatory standards, ensuring a safe, healthy, and reassuring working environment for employees.

#### **4.5.3 Continuing education and training:**

CyberLink continues to cultivate a comprehensive learning environment, offering diversified training programs tailored to different roles and career

stages. These programs support employees' growth in professional knowledge, managerial capabilities, compliance awareness, and international communication skills, thereby enhancing overall organizational competitiveness. In 2025, the Company conducted a total of 600 courses with 10,861 participant attendances, totaling 685.5 training hours.

### **1. Management Training**

Various management courses are offered periodically to help supervisors at all levels develop core management competencies. Through structured training programs and executive-level reading clubs, leadership experiences are exchanged and transferred to enhance management capabilities and leadership effectiveness. In 2025, a total of 19 training sessions were conducted with 176 participant attendances.

### **2. Elite Talent Development**

The Company emphasizes the cultivation of high-potential talent. For young employees with development potential, specialized elite programs are regularly provided, focusing on soft skill development as well as deepening understanding of corporate culture and values, laying a solid foundation for long-term career growth. In 2025, 13 elite talent programs were held, with a total of 375 participant attendances.

### **3. Professional Skills Training**

To support continuous professional development, the Company designs customized training programs based on specific functional needs. Departments are encouraged to arrange in-house training and upskilling initiatives aligned with team goals. Activities such as reading clubs and knowledge-sharing sessions promote self-learning and knowledge exchange, fostering a learning-oriented organizational culture. In 2025, a total of 521 courses and events were conducted, with 7,524 participant attendances. Additionally, the Company provides external training budgets to support employees' participation in external professional courses and industry events, strengthening their mastery of the latest technologies and industry trends.

### **4. Language Training**

CyberLink values English communication skills and the development of international talent. Multiple English-speaking courses are offered to enhance employees' language proficiency and global communication competitiveness. In 2025, 32 hours of English courses were provided, with 248 participant attendances.

### **5. Other Educational Programs**

To promote compliance governance and workplace safety, the Company continuously strengthens employees' awareness of workplace ethics, information protection, and integrity through educational programs. In

2025, courses covered topics such as sexual harassment prevention, information security, personal data protection, and business integrity. The personal data protection course had 459 participants completing training, achieving 100% coverage with a total of 114.75 training hours. Completion rates for related courses also reached 100%, effectively enhancing employees' understanding of legal compliance responsibilities and workplace risk management, and further fostering a safe and trustworthy working environment.

CyberLink prioritizes the integration and development of new hires. Monthly corporate culture training sessions are provided to help newcomers understand the organizational structure, core values, and relevant policies. Online resources are also offered to strengthen familiarity with company rules and system operations. To accelerate adaptation and establish a supportive environment, a "Buddy System" is implemented to assist new employees in quickly understanding internal processes and work standards, enhancing their initial work experience and sense of belonging.

Category	No. of Courses	Total Training Hours	Number of Participants
Management Courses	19	36	176
Elite Courses	13	24	375
Professional Course	521	538	7,524
Language Courses	32	64	248
Other Courses	15	23.5	2,538
Total	600	685.5	10,861

#### 4.5.4 Retirement system:

1. In accordance with the provisions of the Labor Standards Act, the Company regularly allocates the labor pension reserve into a special account at the Bank of Taiwan, and convenes a meeting of the Labor Pension Reserve Supervisory Committee on a quarterly basis to ensure that the pension fund is adequate.
2. The new labor retirement system was implemented on July 1, 2005. According to the Labor Pension Act, for those who opt for the new system, the Company shall contribute no less than 6% of the employees' monthly wages to the labor pension account each month. Retirement-related matters are handled in accordance with the regulations of the Labor Pension Act.
3. The Company has established its own retirement system in accordance with the regulations related to retirement set forth in the "Labor Standards Act" and "Labor Pension Act".

#### **4.5.5 Coordination between labor and management and various measures to protect the rights and interests of employees:**

1. Labor-management meetings: The Company introduced labor-management meetings in July 2017; these meetings are held every three months to discuss employees' suggestions and improvements, and are intended to create a harmonic work environment.
2. Sexual harassment and stalking harassment complaint mailbox/hotline: to provide employees with a work environment free from sexual harassment, a dedicated complaint mailbox and hotline have been established to provide employees with a safe complaint channel.
3. Whistleblower complaint mailbox: In order to implement the Company's ethical corporate culture value, the Company has formulated the "Whistleblowing Policy" and has a dedicated whistle-blowing mailbox.

#### **4.5.6 The Company's losses due to labor disputes in the most recent year and up to the publication date of the annual report:**

In 2025 and up to the date of publication of this Annual Report, the Company did not incur any losses as a result of labor-management disputes. However, the Company was subject to an administrative fine following a labor inspection, as detailed below.

The penalty (Labor Inspection Letter No. 1134662661 issued by the New Taipei City Government) resulted from deficiencies in the Company's mechanisms for verifying actual extended working hours based on employees' personal activity records retained by the Company. As a result, discrepancies arose in the recognition of certain working hours, constituting a violation of Article 24 of the Labor Standards Act.

In response, the Company has comprehensively reviewed and optimized its attendance verification procedures and has clearly defined the methods for employees to record and report overtime work. In addition, the Company has enhanced the functionality of its attendance management system to enable supervisors and employees to promptly reconcile actual working hours, thereby ensuring transparency and compliance in labor-related records, safeguarding employee rights, and mitigating management risks.

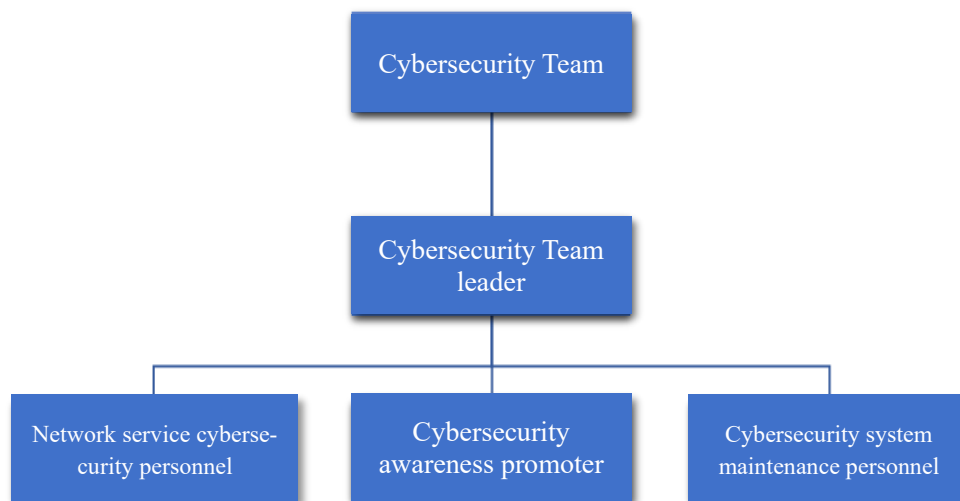
## **4.6 Cybersecurity management**

The Company has developed its own cybersecurity risk management plan in accordance with government regulations and requirements to ensure the confidentiality, integrity, and availability of information held in possession.

### **4.6.1 Cybersecurity risk management framework**

The Company is committed to maintaining a robust cybersecurity protection system, coordinated and implemented by a dedicated cybersecurity team. The Information Department has established a Cybersecurity Working Group to oversee and execute cybersecurity policies. The current team structure comprises one Head of the Cybersecurity Working Group, six network service cybersecurity officers, two cybersecurity awareness and

communication staff, and three cybersecurity system maintenance staff. To ensure effective policy implementation and timely incident response, the Company assigns a dedicated cybersecurity officer to each network service and has established an incident reporting group. Cybersecurity intelligence is analyzed and internal security risks are reviewed on a daily basis. Cross-departmental cybersecurity meetings are held monthly. Relevant cybersecurity policies and their implementation status are regularly reported to the Board of Directors. Most recently, on February 25, 2026, the Chief Information Security Officer presented a special report to the Board, reinforcing senior management oversight.



**Organizational chart for the Cybersecurity Team**

#### 4.6.2 Cybersecurity Policy

For network service engineers, the Cybersecurity Team gathers relevant information and takes protection measures immediately in response to cybersecurity incidents. Arrangements are also made to have engineers take part in cybersecurity seminars, where they can develop the skills needed to enhance cybersecurity in network service. With regards to the Company's network services, the Cybersecurity Team conducts vulnerability scans and source code scans regularly to ensure that all network services are adequately protected. In addition to internal vulnerability scans and source code scans, the Cybersecurity Team also engages third-party institutions to perform penetration tests and obtains test reports and certifications. These exercises help prevent leak of important data. Aside from system scans and tests, the Cybersecurity Team assigns a dedicated personnel to oversee cybersecurity of each network service, and creates a cybersecurity incident reporting group to ensure that the cybersecurity policy is duly enforced and that incidents are handled in a proper manner.

For employees of the Company, the Cybersecurity Team organizes regular programs to promote cybersecurity awareness, and makes tutorial videos to be used in the training of new recruits. Furthermore, the Cybersecurity Team forces employees to change passwords for internal systems in regular intervals, and ensures that protection software is installed on all workstations

and are updated regularly. Employees are required to sign in to internal systems using multi-factor authentication. When accessing internal systems outside company premise, employees are required to use secured connection combined with two-factor authentication in order to connect to the Intranet. All remote connection attempts are recorded on system and notified to relevant personnel.

In addition to the above, the Cybersecurity Team is also responsible for maintaining the effectiveness of cybersecurity solutions and procedures. The Company allocates cybersecurity budgets each year to enforce cybersecurity management and to provide the required technologies, hardware, and software so that network services, systems, and equipment are adequately protected to free of cybersecurity concern.

#### **4.6.3 Specific Management Measures**

- (1) Internet security control: Through the deployment of firewalls, endpoint detection and protection mechanisms, as well as intrusion detection and prevention systems, the Company monitors and blocks unauthorized or abnormal connections and malicious activities in real time. Network anomalies are continuously tracked, and cybersecurity personnel are promptly notified to respond and take corrective actions, ensuring the security of the Company's information systems and employee work platforms.
- (2) Data access control: Through a systematic account and access management mechanism, employees and relevant personnel are required to update their passwords periodically, and access rights are strictly controlled to ensure that only authorized personnel have necessary access. Secure connections and multi-factor authentication have been implemented across remote logins and internal information systems, with real-time monitoring and notification of login activities to prevent unauthorized or abnormal access, thereby strengthening overall information security protection.
- (3) Data backup and restoration drill: Critical data is backed up daily at an offsite location, and data restoration drills are conducted semi-annually to ensure that, in the event of system or equipment failures, key operational data can be quickly and fully recovered, minimizing the risk of operational disruption.
- (4) Cybersecurity training and promotion: Cybersecurity training and awareness programs are conducted regularly. Network service engineers participate in annual cybersecurity seminars, company-wide cybersecurity awareness campaigns are held quarterly, and phishing simulation exercises are conducted periodically to enhance employees' cybersecurity awareness.
- (5) Renewal of cybersecurity software and hardware: Cybersecurity hardware and software are regularly updated and maintained. Through a combination of automated system checks and manual verification, the Company ensures that information security protections remain continuously effective.
- (6) System Maintenance: Weekly system vulnerability scans are performed,

and medium or higher risks are tracked and remediated. Security scans of source code are conducted before system deployment, and annual penetration tests are commissioned to external cybersecurity experts with reports obtained to ensure the security of information systems and critical data.

#### **4.6.4 Resources Allocated to Cybersecurity Management in 2025**

- (1) Deployed 365 endpoint detection and response (EDR) systems; the intrusion prevention system (IPS) blocked a total of 23,091 suspicious events.
- (2) Restricted account login regions to reduce the risk of abnormal geographic logins; remote desktop access requires OTP multi-factor authentication.
- (3) Windows AD login automatically triggers security notification emails to users to enhance awareness of abnormal login attempts.
- (4) Upgraded all operating systems to Windows 11 to mitigate known risks and strengthen endpoint security baseline, with a total of 528 devices upgraded.
- (5) Joined TWCERT/CC (Taiwan Computer Emergency Response Team/Coordination Center) and CISO (Taiwan Chief Information Security Officer Alliance), with daily analysis of cybersecurity intelligence and internal risk review, handling a total of 256 intelligence items.
- (6) Conducted three social engineering exercises. Employees who clicked on simulated phishing emails received additional training and awareness sessions. Multiple follow-up educational sessions were held in batches to continuously improve employee cybersecurity awareness and defense capabilities.
- (7) FaceMe product obtained ISO 27001 information security certification (valid from April 20, 2024, to April 19, 2027) and ISO 27701 privacy information management system certification (valid from February 24, 2025, to April 19, 2027).
- (8) Cybersecurity awareness training is mandatory for new hires. Professional knowledge and skills training for cybersecurity personnel was conducted 9 times, totaling 88 hours.

#### **4.6.5 Losses arising as a result of major cybersecurity incidents in the last year up until the publication date of annual report, and possible impacts and response measures; state the reasons if losses can not be reasonably estimated: None.**

## 4.7 Major contracts

March 31, 2026

Contract nature	Parties involved	Contract start/end date	Main details	Restrictions
Patent licensing	BHA	20240801 - now	CLIP Source code	None
Patent licensing	Via LA	20060101~20271231 (Automatically renewed for 5 years upon maturity)	VC-1 Patent Portfolio	None
Technology licensing	Dolby Laboratories	20121001 - now	Dolby Codec Program	None
Patent licensing	One-Blue, LLC	20110701~20251231 (Note)	Licensing of Blu-ray basic patent	None
Patent licensing	Toshiba	20180101~20271231 (Automatically renewed for 5 years upon maturity)	Premier BD Patent License	None
Patent licensing	Via LA	20020801~20251231 (Automatically renewed for 5 years upon maturity)	H.264 (AVC) Patent Portfolio	None
Patent licensing	Via LA	20130501~20251231 (Automatically renewed for 5 years upon maturity)	H.265 (HEVC) Patent Portfolio	None
Patent licensing	Access Advance	20161101~20301231 (Automatically renewed for 5 years upon maturity)	H.265 (HEVC) Patent Portfolio	None
Patent licensing	DTS Licensing Limited	20130819~ now	DTS audio decoder/encoder	None

Note: Effective January 1, 2026, the license will be converted into a paid-up, royalty-free, perpetual patent license.

## 5 Review of Financial Position, Business Performance and Risk Management

### 5.1 Review and analysis of the financial position

#### 5.1.1 Comparative analysis of the financial position

Unit: NT\$ thousands; %

Item \ Year	2025	2024	Difference		
			Amount	%	Description
Current assets	2,600,332	2,485,661	114,671	4.61	
Long-term investment	1,779,259	1,885,220	(105,961)	(5.62)	
Property, plant and equipment, net	420,952	427,205	(6,253)	(1.46)	
Right-of-use assets	8,498	15,031	(6,533)	(43.46)	1
Investment property	1,192,004	1,203,641	(11,637)	(0.97)	
Other assets	71,643	83,781	(12,138)	(14.49)	
Total assets	6,072,688	6,100,539	(27,851)	(0.46)	
Current liabilities	1,057,162	960,900	96,262	10.02	
Non-current liabilities	374,106	415,295	(41,189)	(9.92)	
Total Liabilities	1,431,268	1,376,195	55,073	4.00	
Capital Stock	793,426	789,593	3,833	0.49	
Capital surplus	2,344,336	2,295,299	49,037	2.14	
Retained earnings	1,663,234	1,695,088	(31,854)	(1.88)	
Other equity interest	(159,576)	(55,636)	(103,940)	186.82	2
Total equity	4,641,420	4,724,344	(82,924)	(1.76)	

#### 5.1.2 Analysis of deviation in financial position (for deviation over above 20%):

1. Decrease in right-of-use assets: mainly due to no new lease contracts being added and continued recognition of depreciation and amortization.
2. Decrease in other equity: mainly due to exchange differences arising from the translation of financial statements of foreign operations.

## 5.2 Financial performance

### 5.2.1 Financial performance

Unit: NTD thousands; %

Item \ Year	2025	2024	Deviation	% of change	Description
Net revenue	2,459,506	2,068,359	391,147	18.91	
Operating costs	381,953	321,290	60,663	18.88	
Gross profit	2,077,553	1,747,069	330,484	18.92	
Operating expenses	1,709,777	1,571,501	138,276	8.80	
Operating income	367,776	175,568	192,208	109.48	1
Non-operating income and expenses	25,343	200,856	(175,513)	(87.38)	2
Income before income tax	393,119	376,424	16,695	4.44	
Income tax expenses	106,143	61,829	44,314	71.67	3
Net income for the year	286,976	314,595	(27,619)	(8.78)	
Other comprehensive income (net of tax)	(114,104)	131,068	(245,172)	(187.06)	4
Total comprehensive income for the period	172,872	445,663	(272,791)	(61.21)	5
Net income attributable to owners of the parent company	286,976	314,595	(27,619)	(8.78)	
Total comprehensive income attributable to owners of the parent company	172,872	445,663	(272,791)	(61.21)	5

### 5.2.2 Explanation of major deviation:

1. Operating income: mainly due to revenue growth.
2. Non-operating income and expenses: mainly due to significant foreign exchange losses incurred in the current period.
3. Income tax expense: mainly due to withholding tax paid to foreign tax authorities on cash dividends distributed during the year.
4. Other comprehensive income (net of tax): the shift from gain to loss was mainly due to foreign currency translation differences arising from foreign operations and investments in associates during the year.
5. Total comprehensive income for the period and comprehensive income attributable to owners of the parent: mainly due to foreign currency translation differences from foreign operations and investments in associates, as well as foreign exchange losses during the year.

### 5.2.3 Explanation of significant changes in income or cost: None.

## 5.3 Cash flow analysis

### 5.3.1 Analysis of cash flow variations for the current year

Unit: NT\$ thousands

Cash balance at the beginning of the period	Net cash flow from operating activities for the year	Net cash flow from investing and financing activities for the year	Cash surplus (deficit)	Remedy for cash deficits	
				Investment plans	Financing plans
587,718	(425,202)	427,597	590,113	Not applicable.	Not applicable.

Analysis of cash flow for the year:

1. Cash outflows from operating activities of approximately NT\$425,202 thousand: mainly due to an increase in investments in financial assets mandatorily measured at fair value through profit or loss.
2. Cash inflows from investing activities of approximately NT\$415,029 thousand: mainly due to a decrease in time deposits with original maturities of more than three months.
3. Cash inflows from financing activities of approximately NT\$24,565 thousand: mainly due to cash inflows from employees exercising stock options.

### 5.3.2 Liquidity analysis for the next year:

Unit: Amounts expressed in thousands of New Taiwan Dollars

Cash balance at the beginning of the period	Projected net cash inflow from operating activities for the year	Expected cash inflow for the year	Expected cash surplus (deficit)	Remedy for cash deficits	
				Investment plans	Financing plans
590,113	(230,000)	160,000	750,113	Not applicable.	Not applicable.

1. Analysis of cash flow variation for the next year:
  - (A) Operating activities: The Company expects stable growth in revenue and profitability and will invest surplus funds in financial assets mandatorily measured at fair value through profit or loss.
  - (B) Investing activities: The Company will acquire data center equipment in line with business needs and reduce investments in USD time deposits with original maturities of more than three months.
2. Response measures and liquidity analysis on expected cash flow deficits: Not applicable.

## 5.4 Material capital expenditures in the last year and impacts on the financial position and business performance:

None.

## 5.5 Investment policy in the most recent year, causes of profit or loss incurred, improvement plans, and investments planned for the next year

The Company's equity-method investments are made for long-term strategic purposes. In the future, the Company will continue to evaluate its equity-method investments prudently, based on the principle of long-term strategic investments.

## 5.6 Risk Disclosure

### 5.6.1 Risk management policy and risk management framework:

1. Risk management policy: All major policies, investment projects, asset acquisitions/disposals, endorsements, guarantees, third-party lending, and bank borrowing that pose business risks to the Company are subject to comprehensive assessment and analysis by responsible departments in accordance with relevant rules of the authority and the Company, and executed with board's resolution. Each department performs its own risk management process and is responsible for conducting preliminary assessments and making reports on risk management activities and outcomes.
2. Risk management organization:
  - (1) Organizational structure:

	Responsibilities
Senior management (Chairman, GM)	Determines risk management goals, the decision-making process, and the feedback model to ensure the effectiveness of risk management practices
CEO Office	Executes risk management goals and decisions Consolidates risk management progress across departments Assists and coordinates departments in the execution of risk management tasks.
Internal Audit	Follows the annual audit plan and conducts objective and independent audits to ensure that the current risk management system continues to be effective.
Risk management representatives of various departments and projects	Executes risk management tasks and processes of various departments Conducts preliminary assessment and makes reports on risk management activities and outcomes
All employees	Adopt risk management practices in line with the Company's policies, and report to the line manager on any possible major risk.

## (2) Description of responsibilities

### (A) Senior management

The Risk Management Execution Committee is the primary enforcer of risk management practices within the Company. Members of the committee include the Chairman, the GM, and department heads. Responsible for determining risk management goals, the decision-making process, and the feedback model to ensure the effectiveness of risk management practices.

### (B) CEO Office

Performs secretary duties in relation to risk management. Serves as the main contact for the risk management system, executes risk management goals and decisions, consolidates risk management progress across departments, assists and coordinates departments in the execution of risk management tasks, coordinates with Internal Audit to determine key audit points for the year, and prepares risk management execution reports to ensure that the risk management system remains effective.

### (C) Internal Audit

Follows the annual audit plan and conducts objective and independent audits to ensure that the current risk management system continues to be effective.

### (D) Risk management representatives of various departments and projects

Department risk management representatives are appointed by the head of department. They help identify, assess, handle, and monitor risks for their respective departments. They are also responsible for conveying relevant messages to department employees and helping the head of department consolidate data and make reports to the Risk Management Execution Committee.

Project risk management representatives are assumed by the respective project controllers. They are responsible for assisting project managers with risk identification, assessment, handling, and monitoring tasks, conveying relevant messages to department members, and gathering data to be reported to the assistant manager of the Project Office.

### (E) All employees

Adopt risk management practices in line with the Company's policies, and report to the line manager on any possible major risk.

## 5.6.2 Analysis of various risks

1. Impact of interest rate, exchange rate, and inflation on the Company's earnings, and response measures:

The Company has an abundant source of capital and is not in need of financing. For this reason, interest rate changes have a limited impact on the Company. Most of the Company's foreign currency assets and liabilities are denominated in USD. Any significant change in the exchange rate may adversely affect the Company's financial position, which is why the Company pays constant attention to market changes and adjusts the level of

foreign currency cash held on hand accordingly. The Company also uses currency forwards to mitigate the effect of exchange rate changes on the Company's profits. Inflation, too, has an immaterial impact on the Company.

2. Policies on high-risk and highly leveraged investments, loans to external parties, endorsements/guarantees, and trading of derivatives; describe the main causes of any profits or losses incurred and future response measures:

The Company makes conservative use of its capital and does not engage in high-risk or highly leveraged investments. The Company has complete policies and internal procedures in place to govern external party lending, endorsements, guarantees, and derivatives trading. Derivative transactions are undertaken mainly to hedge against exchange rate risks.

3. Future research and development plans and projected expenses:

CyberLink is committed to investing in research and development to continue our leadership position in technology and continue to refine our industry-leading video editing, photo editing, and audio/video playback software to enable creators from all walks of life to express their creativity and share their creative content with ease, with the goal of becoming the strongest support for our users. The Company expects to invest about NT\$780 million in R&D in 2026.

4. Financial impacts and response measures in the event of changes in local and foreign regulations:

The Company sells its products worldwide. Any change or new implementation of tax laws in countries or regions where products are sold may have adverse impacts on the profitability of the Company.

While conducting and expanding businesses around the world, the Company and its subsidiaries pay extra attention to ensure compliance with the tax laws of all countries that it operates. The Company operates mainly in Taiwan and is therefore subject to compliance with the tax laws of The Republic of China. Any adverse change in tax laws or regulations would increase the effective tax rate and have negative impacts.

For proper management of taxation risks, the Company has been paying close attention to any policies and regulations local and abroad that are likely to affect its financial performance, so that business and financial impacts can be determined with greater certainty.

5. Financial impacts and response measures in the event of technological or industrial changes (including cybersecurity risks):

The Company sells its products on a global scale, which is why technological and industrial changes have a significant impact on the Company's financial and business performance. The Company adopts the practice of actively gathering information on technological and industrial changes, and works with leading business partners to secure technological advantage in this industry and to maximize business opportunities.

6. Crisis management, impacts, and response measures in the event of a change in the corporate image:

The Company places great emphasis on the establishment and maintenance of corporate image; not only has it created a dedicated unit for this

purpose and engages actively in charity activities, the multimedia software sold by the Company poses no concern of public hazard and should not compromise corporate image in any way. In the last year and up until the publication date of annual report, the Company encountered no occurrence that affected corporate image.

7. Expected benefits, risks and response measures of planned mergers or acquisitions  
There is no such plan at the moment.
8. Expected benefits, risks and response measures associated with plant expansion:  
The Company has no plant expansion plan.
9. Risks and response measures associated with concentrated sales or purchases:  
Due to the characteristics of the Company's industry, its products software downloads and subscriptions and software-as-a-service (SaaS), which are marketed globally without concentration of sales, and the suppliers are highly replaceable. Therefore, the Company is not exposed to risks of purchase or sales.
10. Impacts, risks and response measures following a major transfer of shareholding by directors or shareholders with more than 10% ownership interest.  
Directors, major shareholders with more than 10% ownership interest, and management of the Company have been quite stable. There was no significant transfer of shareholding by the management, directors, or shareholders with more than 10% ownership interest and neither do they have any plan to do so. For this reason, the Company considers itself to be free from this risk.
11. Impacts, risks, and response measures associated with a change of management:  
Management of the Company has been quite stable. There was no significant transfer of shareholding by the management, directors, or shareholders with more than 10% ownership interest and neither do they have any plan to do so. For this reason, the Company considers itself to be free from this risk.
12. Major litigations, non-contentious cases, or administrative litigations involving the Company or any director, GM, person-in-charge or major shareholder with more than 10% ownership interest, whether concluded or pending judgment, that are likely to pose a significant impact to shareholders or security prices of the Company. Disclose the nature of the dispute, the amount involved, the date the litigation first started, the key parties involved, and progress as of the publication date of this annual report: None.
13. Other key risks and response measures: None.

## **5.7 Other material issues**

1. Recoverability assessment of accounts receivable - bad debt provisions:  
Customers are generally granted a credit term of 30 days after month-end; some customers are granted 45-90 days after month-end. Accounts receivable are

evaluated by taking into account all reasonable and verifiable information (including prospective information). Assets that exhibit no significant increase in credit risk after initial recognition will have impairment provisions measured based on 12-month expected credit loss, whereas those that exhibit a significant increase in credit risk after initial recognition will have impairment provisions measured based on expected credit loss over the remaining duration.

The Company generally makes 100% loss provision on balances that are overdue for more than 180 days, unless there is objective evidence to suggest recoverability of the receivable balance, in which case impairment provisions are made based on the possibility of recovery.

2. Likelihood of inventory devaluation - allowance for inventory devaluation:

Closing inventory is stated at the lower of cost or net realizable value. The lower of cost or net realizable value is compared separately across individual inventory categories. Net realizable value refers to the estimated selling price less all additional costs required and variable marketing expenses under normal circumstances. If the net realizable value falls below book value, inventory devaluation is recognized on the difference.

Any software product that is outdated by more than two versions at period-end is outright impaired. End-of-period inventory that has not been sold for more than six months is regarded as obsolete, for which a 100% devaluation loss is provided.

3. Impairment of financial assets:

The Group assesses at each balance sheet date the loss allowance for financial assets measured at amortized cost after considering all reasonable and supportable information (including forecasts). When the credit risk has not increased significantly since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss within 12 months after the reporting date. If, there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from all possible default events over the expected life. For accounts receivable and contract assets that do not include significant financing components, a loss allowance is recognized at an amount equal to expected credit loss resulting from all possible default events over the expected life.

4. Impairment of non-financial assets:

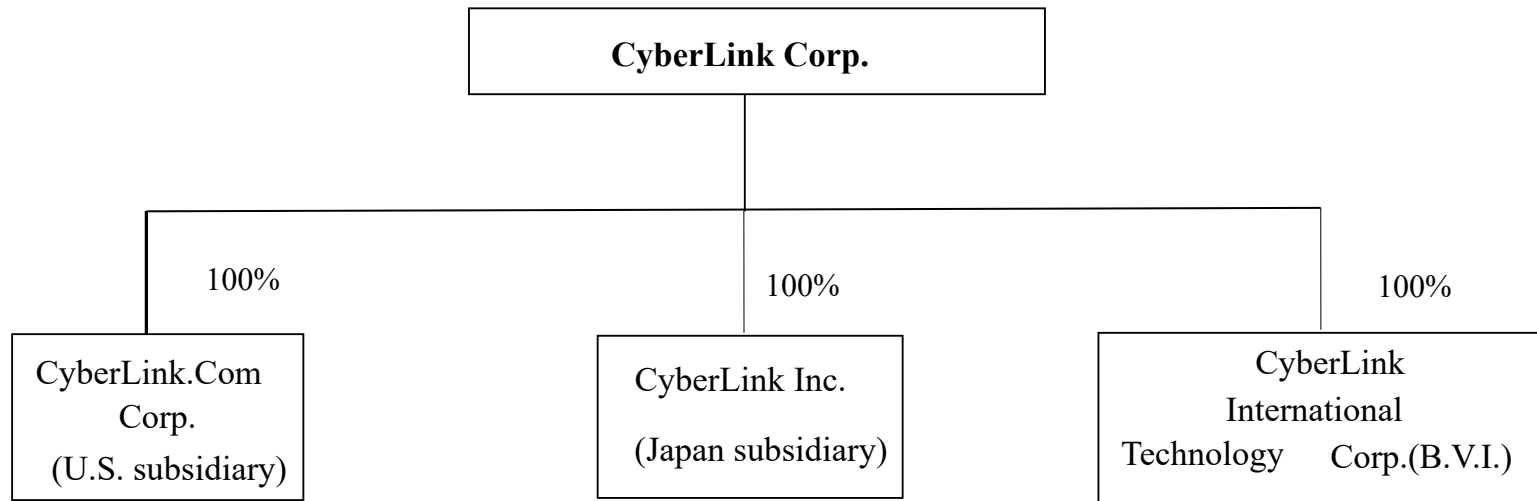
The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount refers to the higher of an asset's fair value net of disposal cost or its utilization value. Impairment losses previously recognized can be reversed if asset impairment no longer exists or has been reduced. However, the reversal of impairment loss shall not increase the asset's book value above the amount of book value after depreciation/amortization if the impairment loss had not occurred in the first place.

## 6 Special Disclosure

### 6.1 Summary of affiliated companies

#### 6.1.1 Consolidated business report

##### 1. Organization chart of affiliated enterprises



2. The entities shall be concluded as the existence of the controlling and subordinate relation, as defined in Article 369-3 of The Company Act: None.
3. Subordinate entities with the management of personnel, financial, or business operation directly or indirectly controlled by the Company, as defined in Paragraph 2, Article 369-3 of The Company Act: None.

### 6.1.2 Profile of affiliated companies

December 31, 2025  
Unit: JPY thousands; USD thousands

Name of entity	Date of incorporation (acquisition)	Address	Paid-in capital	Main business activities or products
CyberLink.Com Corp.	1999.1.06	1150 South Olive Street Floor 10, Los Angeles, CA 90015, U.S.A.	USD4,000	Sale of software
CyberLink International Technology Corp	2004.4.16	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands	USD44,000	Professional investment
CyberLink Inc.	2005.3.9	Shibadaimon 116 Bldg. 3F, 1-16-3, Shibadaimon, Minato-ku, Tokyo, JAPAN	JPY95,000	Sale of software

### 6.1.3 Common shareholders in controlling and subordinate relation companies: None.

### 6.1.4 Businesses activities covered by affiliated companies

**The Company and affiliated enterprises are collectively involved in: programming and design, general investment, and general service.**

### 6.1.5 Directors, supervisors, and GM of affiliated companies

December 31, 2025  
Unit: shares; %

Name of entity	Position	Name or name of representative	Shareholding	
			Number of shares	Shareholding percentage
CyberLink.Com Corp.	Directors	Jau Huang	4,000,000	100.00%
CyberLink International Technology Corp.	Directors	Jau Huang	44,000,000	100.00%
CyberLink Inc.	Directors	Jau Huang	1,900	100.00%

## 6.1.6 Operational overview of affiliated enterprises

Financial position and business performance of affiliated enterprises:

December 31, 2025

Unit: USD thousands; JPY thousands

Name	Capital	Total as- sets	Total Lia- bilities	Net asset value	Net reve- nue	Operating income (loss)	Net in- come (loss)	Earnings per share (EPS)
								(in dollars)
								(after tax)
CyberLink. Com Corp.	USD 4,000	USD 15,115	USD 5,080	USD 10,035	USD 16,899	USD 760	USD 799	USD 0.20
CyberLink In- ternational Technology Corp.	USD 44,000	USD 56,479	USD 9	USD 56,470	-	USD (36)	USD (1,137)	USD (0.03)
CyberLink Inc.	JPY 95,000	JPY 1,304,157	JPY 455,885	JPY 848,272	JPY 1,493,769	JPY 105,255	JPY 75,101	JPY 39,526.84

## 6.1.7 Consolidated financial statements of affiliated companies

### CyberLink Corp.

#### Declaration Concerning Consolidated Financial Statements of Affiliated Enterprises

Affiliated enterprises subject to the preparation of consolidated financial statements of affiliated enterprises under "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" were identical to the affiliated companies subject to the preparation of consolidated financial statements under International Financial Reporting Standards No. 10 (IFRS 10) for the FY2025 (from January 1 to December 31, 2025). All mandatory disclosures of the consolidated financial statements of affiliated enterprises have been disclosed in the consolidated financial statements. Therefore, no separate consolidated financial statements of affiliated enterprises were prepared.

This declaration is solemnly made by

Company name: CyberLink Corp.

Person-in-charge: Huang, Jau-Hsiung

February 25, 2026

## 6.1.8 Affiliation report: None.

**6.2 Private placement of securities in the last year up until the publication date of annual report; disclose the date of shareholders' or board of directors' approval, the basis and rationality for the volume and pricing, the method for choosing the designated subscribers, the reasons for private placement, any project completed with the capital proceeds received, how capital from private securities is used, and the execution progress**

None.

**6.3 Other supplementary information**

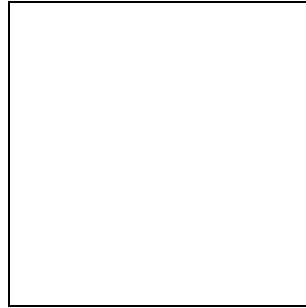
None.

**6.4 Occurrences significant to shareholders' equity or security price, as defined in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act, in the last year up Until the publication date of annual report**

None.

# CyberLink Corp.

Company seal



Chairman: Jau Huang

