

# **CyberLink Corp.**

## **2025 Annual Meeting of Shareholders’ Meeting Handbook (TRANSLATION)**

Meeting Date: June 19, 2025

Venue: 2F, No. 223, Sec. 3, Beixin Rd., Xindian District, New Taipei City  
(Taipei innovation city Convention Center 2D International  
Conference Hall)

Notice to readers :

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders’ meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

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# **1.Meeting Procedure**

# **CyberLink Corp.**

## **Procedure for 2025 Annual Meeting of Shareholders**

1. Call the Meeting to Order

2. Chairman's Remarks

3. Reports Items

4. Acknowledgments

5. Discussions Items

6. Special motions

7. Meeting Adjournment

## **2. Meeting Agenda**

# **CyberLink Corp.**

## **Agenda of 2025 Annual Meeting of Shareholders**

Type of meeting: Physical shareholders' meeting

Time: 9:00am. , June 19, 2025 (Thursday)

Venue: 2F, No. 223, Sec. 3, Beixin Rd., Xindian District, New Taipei City

(Taipei innovation city Convention Center 2D International Conference Hall)

1. Call the Meeting to Order
2. Chairman's Remarks
3. Reports Items
  - (1) To report the business of 2024.
  - (2) Audit Committee's review report.
  - (3) To report 2024 employees' and directors' remuneration.
4. Acknowledgments
  - (1) Adoption of the 2024 business Report and Financial statements.
  - (2) Adoption of the Proposal for Distribution of 2024 Profits.
5. Discussions Items
  - (1) Amendments to the Company's "Articles of Incorporation".
6. Extraordinary Motions
7. Meeting Adjournment

## Reports Items

Motion 1:

Subject: To report the business of 2024.

Description: Please refer to Attachment 1 in page12 to 17 .

Motion 2:

Subject: Audit Committee's review report.

Description: Please refer to Attachment 2 in page18 .

Motion 3:

Subject: To report 2024 employees' and directors' remuneration.

Description:

1. In accordance with Article 27 of the Company's Articles of Incorporation, if the Company records a profit (the income before tax that undistributed employees' compensation and directors' remuneration) in the year, the Company shall allocate no less than 3% of the profits earned during the current year for the purpose of employee compensation and no more than 1.5% of the same for the director's remuneration.
2. The Company's profit (the income before tax that undistributed employees' compensation and directors' remuneration) in 2024 is NT\$458,266,557.
3. It is proposed to allocate 1.07% as director remuneration for 2024, at an amount of NT\$4,900,000, to be distributed equally to all directors.
4. It is proposed to allocate 19.01% as employee compensation for 2024 at an amount of NT\$87,123,000, to be distributed in cash.

# Acknowledgments

Motion 1: [Proposed by the Board of Directors]

Subject: Adoption of 2024 business report and financial statements.

Description: The 2024 Financial Statements of company were audited by independent auditors Chin-Lian Huang and Chung-Hsi Lai of PwC Taiwan. For the 2024 Business Report and Financial Statements, please refer to Attachment 1 in pages 12 to 17, Attachments 3 in pages 19 to 29, and Attachment 4 in pages 30 to 41. The motion is open for acknowledgment.

Resolution:

Motion 2: [Proposed by the Board of Directors]

Subject: Adoption of the Proposal for Distribution of 2024 Profits.

Description: The Company's 2024 earnings distribution schedule has been approved by the board meeting; please acknowledge.

CyberLink Corp.

## 2024 Earnings Distribution Schedule

Unit: NT\$

Item	Amount	
	Subtotal	Total
Net Income of 2024		314,594,499
Plus : Reversal of Special Surplus Reserve	130,666,627	
Plus : Actuarial Gains on Defined Benefit Plans for the Current Year	401,458	
Plus : Adjustment to Retained Earnings for the Current Year	370,106	
Earnings in 2024 Available for Distribution		446,032,690
Plus : Unappropriated Retained Earnings of Previous Years		100,625,038
Retained Earnings Available for Distribution as of December 31, 2024		546,657,728
Distribution items: :		
Cash dividend of ordinary shares (NT\$ 3.9 per share)		(308,485,320)
All distribution items:		(308,485,320)
Unappropriated Retained Earnings as of December 31, 2024		238,172,408

Chairman: Jau Huang

GM: Mei Guu

Chief Financial Officer: Ruby Hsiao

Vicent Lin



Note:

1. The cash dividend is NT\$3.9 per share, a total of NT\$308,485,320 was allocated,calculated based on 79,098,800 shares outstanding of March 25, 2025.
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 2024 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.
6. The Board of Directors will be authorized to set the ex-dividend date after the cash dividend proposal is approved in the shareholders' meeting.

Resolution:

## Discussions Items

Motion 1:

[Proposed by the Board of Directors]

Subject: Amendments to the Company's "Articles of Incorporation".

Description:

1. In accordance with Presidential Order Hua-Zong-Yi-Yi-Zi No. 11300069631 issued on August 7, 2024, and Financial Supervisory Commission Order Jin-Guan-Zheng-Fa-Zi No. 1130385442 issued on November 8, 2024, certain provisions of the company's "Articles of Incorporation" are to be amended.
2. A comparison between existing and amended clauses is presented below. The motion is open for discussion.

Content	Amended clause	Existing clause	Basis and reasons for amendment
Article 27	If the Company records a profit (the income before tax that undistributed employee's compensation and director's remuneration) in a year, the Company shall allocate no less than 3% of the profits earned during the current year for the purpose of employee's compensation ( <u>of which no less than 20% shall be designated for frontline employees</u> ) and no more than 1.5% of the same for the director's remuneration; provided, however, that the Company shall first reserve a sufficient amount to compensate its accumulated deficits (including adjusted for the amount of undistributed surplus earnings). 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	If the Company records a profit (the income before tax that undistributed employee's compensation and director's remuneration) in a year, the Company shall allocate no less than 3% of the profits earned during the current year for the purpose of employee's compensation and no more than 1.5% of the same for the director's remuneration; provided, however, that the Company shall first reserve a sufficient amount to compensate its accumulated deficits (including adjusted for the amount of undistributed surplus earnings). 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	In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, provisions are amended to specify a certain percentage of annual earnings to be allocated for salary adjustments or compensation distribution to basic-level employees.

Content	Amended clause	Existing clause	Basis and reasons for amendment
	<p>compensation, including the employees of subsidiaries of the company meeting certain specific requirements.</p> <p>A company shall only have the profit distributable as director's remuneration in the preceding paragraphs distributed in cash.</p> <p>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.</p>	<p>meeting certain specific requirements.</p> <p>A company shall only have the profit distributable as director's remuneration in the preceding paragraphs distributed in cash.</p> <p>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.</p>	
Article 30	<p>The Articles of Incorporation duly enacted on August 2, 1990; and the 1st amendment was made on June 17, 1992; the 2nd amendment was made on May 22, 1993; the 3rd amendment was made on February 2, 1996; the 4th amendment was made on April 5, 1996; the 5th amendment was made on November 28, 1996; the 6th amendment was made on June 5, 1998; the 7th amendment was made on April 8, 1999; the 8th amendment was made on May 18, 2000; the 9th amendment was made on May 4, 2001; the 10th amendment was made on May 27, 2002. The 11th amendment was made on May 15, 2003. The 12th amendment was made on May 18, 2004. The 13th amendment was made on May 18, 2005. The 14th amendment was made on</p>	<p>The Articles of Incorporation duly enacted on August 2, 1990; and the 1st amendment was made on June 17, 1992; the 2nd amendment was made on May 22, 1993; the 3rd amendment was made on February 2, 1996; the 4th amendment was made on April 5, 1996; the 5th amendment was made on November 28, 1996; the 6th amendment was made on June 5, 1998; the 7th amendment was made on April 8, 1999; the 8th amendment was made on May 18, 2000; the 9th amendment was made on May 4, 2001; the 10th amendment was made on May 27, 2002. The 11th amendment was made on May 15, 2003. The 12th amendment was made on May 18, 2004. The 13th amendment was made on May 18, 2005. The 14th</p>	Revised Version

Content	Amended clause	Existing clause	Basis and reasons for amendment
	May 18, 2005. The 15th amendment was made on June 14, 2006. The 16th amendment was made on June 21, 2007. The 17th amendment was made on June 13, 2008. The 18th amendment was made on June 17, 2010. The 19th amendment was made on June 22, 2011. The 20th amendment was made on June 22, 2012. The 21st amendment was made on June 23, 2016. The 22nd amendment was made on June 19, 2018. The 23rd amendment was made on June 23, 2020. The 24th amendment was made on June 21, 2022. <u>The 25th amendment was made on June 19, 2025.</u>	amendment was made on May 18, 2005. The 15th amendment was made on June 14, 2006. The 16th amendment was made on June 21, 2007. The 17th amendment was made on June 13, 2008. The 18th amendment was made on June 17, 2010. The 19th amendment was made on June 22, 2011. The 20th amendment was made on June 22, 2012. The 21st amendment was made on June 23, 2016. The 22nd amendment was made on June 19, 2018. The 23rd amendment was made on June 23, 2020. The 24th amendment was made on June 21, 2022.	

Resolution:

## Extraordinary Motion

## Adjournment

### **3. Attachments**

# Attachment I

## 2024 Annual Business Report

The year 2024 marked a period of rapid expansion for CyberLink in Generative AI (GenAI). We drove business growth through technological innovation and harnessed global trends. As a pioneer in AI-powered creative editing software, CyberLink has progressed from the early stage of AI development into a phase of accelerated growth. After successfully launching over 10 widely acclaimed GenAI features in 2023, we introduced more than 30 innovative AI features in 2024, spanning video, image, and audio applications.

Driven by product innovation, deepened digital marketing efforts, international market expansion, and continuous user experience optimization, CyberLink achieved revenue of NT\$2.07 billion in 2024—a 10-year high and a 10.9% growth compared to 2023. Among the three main product lines, Create B2C (Creative Editing Software) experienced an 18.4% annual revenue growth, reaching NT\$1.52 billion, a historic high, accounting for 74% of total revenue. New Biz (Facial Recognition and Others) grew by 1.5% to NT\$80 million, steadily improving its market position. Together, these two growing product lines contributed 78% of the total revenue, reflecting the improvement of revenue structure. Although PC-OEM/ODD (PC-bundled and optical disc drive software) saw a 6.9% revenue decline, the reduction was better than expected, and the line continued to provide stable cash flow.

### **Artificial intelligence (AI) drove product innovation and business opportunities**

CyberLink's creative editing software spans five major platforms: PC, Mac, Android, iOS, and Web. With advancements in AI technology, we have integrated AI into our software to deliver unique customer experiences. For example, in video editing, AI-powered features included quality restoration, frame interpolation, text-based editing, and anime style. In image editing, AI capabilities such as object removal, face swap, and image fusion were available. In audio editing, innovative features included AI music generator and AI voice changer.

We also announced our advancement to GenAI 2.0 in 2024. Compared to the past, when users found it difficult to generate images that met their expectations, we introduced new technology to make AI creations more precise, intuitive, and aligned with user needs. For example, the newly launched text-to-image generation feature allows users to upload reference images (such as faces, poses, styles, or layouts) combined with text prompts to generate images, significantly improving the accuracy of AI creations and user satisfaction.

Continuous innovation and excellent consumer satisfaction have led our flagship product, "PowerDirector," to receive a perfect five-star rating from the renowned U.S. media PC Magazine, marking it as the only product in the video editing category to achieve this honor. It has also earned the Editors' Choice award for 15 consecutive years. Additionally, "PhotoDirector" received a high rating from the well-known British tech media TechRadar, further strengthening our brand's influence. Furthermore, we have added a credit-based pricing system to several products, creating an additional revenue stream when users use our AI features.

Driven by GenAI, 2024 ushered in the era of the AI PCs. Leveraging years of expertise in software and hardware integration, we have optimized our multimedia creative editing software to harness the computational power of AI PCs. At the same time, we have partnered with Intel, AMD, and several major PC brands to market globally. These collaborations not only promoted the development of the AI PC industry but also enhanced the global brand awareness of our multimedia creation software.

### **Identified demand and expanding diverse target audiences**

Focusing on diversifying revenue sources, CyberLink continued to attract more business users in 2024 with its products "Promeo" and "MyEdit." "Promeo" is a marketing content creation software powered by GenAI, capable of generating high-quality marketing materials quickly and scalably, including elements like images, text, and templates. It effectively addressed the pain points of advertising material creation with its newly launched AI Magic Designer feature, a major highlight of the year. "MyEdit" is an online image and audio editing tool (Web Application) that allows users to easily create and edit content without device or space limitations. It integrates multiple GenAI features to empower users with limitless creativity, aiming to attract more business users. Both products have achieved significant revenue growth, with each receiving recognition through the 2025 Taiwan Excellence Awards.

In 2024, the FaceMe facial recognition product line actively expanded its enterprise customer base, cultivating a growth-oriented revenue source. We continued to deepen strategic collaborations with global chip companies, renowned video management system providers, and system integration partners. We also strengthened solutions for vertical application scenarios, such as deepfake detection for financial eKYC, People Tracker in the security sector, and customer data analysis dashboards for smart retail. In addition to technological innovation, CyberLink achieved ISO 27001:2022 international information security certification, providing customers with top-tier cybersecurity protection. We observed a gradual increase in market acceptance of facial recognition technology in 2024. We have responded to market demand by transforming our products into comprehensive

solutions, achieving more large-scale success cases. With continuous investment in marketing, business development, and product quality, we are confident about the future.

### **ESG corporate social responsibility and sustainable development.**

Sustainable development is at the core of corporate responsibility and an important direction for the future. CyberLink deeply understands the impact of global climate change on business operations and integrates green innovation and sustainability into its management strategy. We actively promote a model that fosters environmental protection and social value.

The information technology and software sector is deemed a green industry. As a member of it, CyberLink adheres to environmental principles during product development, advocating no generation of disposable waste. We actively optimize our energy structure and continue to increase the use of renewable energy. Since 2021, CyberLink has been implementing a ten-year plan to increase its green energy usage by 10% each year, aiming to achieve a 40% green energy usage rate by 2025. We plan to fully replace traditional electricity with green energy by 2030, demonstrating our firm commitment to sustainable development.

Since 2023, CyberLink has initiated a comprehensive greenhouse gas (GHG) inventory process and, in 2024, proactively began external verification and assurance of GHG emissions. Our collaboration with professional organizations ensures the transparency and accuracy of emissions data, allowing us to develop effective carbon reduction strategies based on the verification results. Additionally, we have completed our 2023 Sustainability Report, systematically presenting our achievements and plans in environmental protection, social responsibility, and corporate governance. That showcased our long-term commitment to sustainable development.

CyberLink upholds its five core values: “Professional Excellence, Innovation, Change, Customer, and Integrity” and actively fulfills its corporate social responsibility by creating social value alongside business growth. For many years, we have been recruiting new talent, creating job opportunities, and fostering the diversity of employees and the fairness of compensation and career opportunities, with a goal to build a diverse, inclusive, and healthy workplace. According to the government-published 2024 compensation data of the information services sector, CyberLink recorded steady year-over-year growth in employees’ average compensation and ranked first among publicly listed companies in the industry. This achievement underscores our unwavering commitment to enhancing employee benefits and welfare.



For many years, we have partnered with the Perfect CyberLink Education Foundation to actively engage in various public welfare activities. Through education promotion, bridging the gap between learning and application, and social care, we aim to reduce the urban-rural gap and enhance social equity. The foundation is dedicated to supporting disadvantaged groups and promoting sustainable development by offering educational resources, digital learning, and other diverse initiatives, helping more individuals seize opportunities to change their future. We regularly hold blood donation campaigns and charitable activities, encouraging employees to participate actively. We aim to collectively advance the practice of corporate social responsibility for positive social value and to embody the spirit of shared sustainability.

We understand that sustainable development is not only about environmental protection but also a commitment to society, employees, and shareholders. We will continue to take concrete actions to achieve energy conservation and carbon reduction, promote green innovation, and adopt a business model that creates greater social value, pursuing a future of sustainable shared growth.

## 2024 business overview:

### 1. Operating results

In 2024, the consolidated revenue was NT\$2.068 billion, and the gross profit was NT\$ 176 million. The consolidated revenue increased by 10.9% compared to the previous year. The annual revenue of the domestic parent company was NT\$ 1.747 billion, a 12.2% increase from the previous year. The after-tax net income in 2024 was NT\$ 315 million, a 41.7% increase from the previous year, demonstrating good operating performance.

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

#### a. Global consolidated financial information:

Unit: NT\$ thousands; %

Item			2024	2023	Variation %
Profit and loss	Revenue		2,068,359	1,865,022	10.9%
	Gross profit		1,775,770	1,595,606	11.3%
	Operating expenses		1,600,202	1,445,491	10.7%
	Net income		314,595	222,036	41.7%
Profitability	Return on assets (%)		5.32	3.85	38.2%
	Return on equity (%)		6.86	4.88	40.6%
	As a percentage of paid-up capital (%)	Operating income	22.24	19.02	16.9%
		Income before tax	47.67	38.75	23.0%
	Net profit margin (%)		15.21	11.91	27.7%
	Earnings per share (EPS) (in NT dollars)		3.98	2.81	41.6%

b. Domestic revenues of parent company:

Unit: NT\$ thousands; %

Item			2024	2023	Variation %
Profit and loss	Revenue		1,746,563	1,556,729	12.2%
	Gross profit		1,516,421	1,341,876	13.0%
	Operating expenses		1,361,010	1,176,355	15.7%
	Net income		314,595	222,036	41.7%
Profitability	Return on assets (%)		5.48	3.96	38.4%
	Return on equity (%)		6.86	4.88	40.6%
	As a percentage of paid-up capital (%)	Operating income	19.68	20.97	-6.2%
		Income before tax	46.38	39.17	18.4%
	Net profit margin (%)		18.01	14.26	26.3%
	Earnings per share (EPS) (in NT dollars)		3.98	2.81	41.6%

3. Research and development:

- (1) In 2024, CyberLink successfully developed multiple new products and version upgrades while continuously expanding its video effects content packs exclusively for subscription services. The newly launched multimedia editing products included the desktop versions of Director Suite and Promeo, as well as the mobile versions of PowerDirector, PhotoDirector, and Promeo. A key innovation was the debut of Promeo's template generator – “AI Magic Designer,” which allows users to generate a wide range of templates simply by entering text descriptions. Users can select and customize the generated templates to create desired images, posters, advertisements, social media posts, or short promotional videos with ease.
- (2) In response to the AI PC trend, CyberLink has optimized its Windows-based products, including PowerDirector, PhotoDirector, and Promeo. These products now support multiple PC platforms and leverage the computing power of AI chips embedded in PCs. This optimization not only enhances user experience but also eliminates the need for users to pay for cloud-based computing power. Supported platforms include Intel, AMD, and ARM-based PCs.
- (3) CyberLink has launched a new product, Vivid Glam, entering the beauty application market. This mobile app offers AI-powered beauty and makeup features, along with advanced body retouching tools. Users can adjust leg width, waist size, and shoulder width to achieve their desired look effortlessly.
- (4) The online image and audio editing platform MyEdit continued to expand its features, such as audio enhancement, which supports studio-quality sound and is especially suitable for podcasts. Additionally, AI Magic Designer, an AI-powered template generator, is now available online, allowing users to edit AI-generated templates directly on the web and create posters, invitations, or social media posts.

- (5) CyberLink continued to enhance the FaceMe facial recognition algorithm, introducing major upgrades to the intelligent security software, FaceMe Security, and the facial recognition platform, FaceMe Platform. These advancements enable enterprise clients to efficiently deploy facial recognition solutions.

Chairman: Jau Huang

GM: Mei Guu          Vincent Lin

Chief Financial Officer : Ruby Hsiao

## **Attachment II**

### **Audit Committee's Review Report**

The 2024 financial statements (including parent company only financial statements and consolidated financial statements) presented by the Board of Directors have been audited by CPA Huang, Chin-Lien and CPA Lai, Chung-Hsi of PwC Taiwan. We, the Audit Committee, have reviewed the above financial statements along with the business report and earnings distribution proposal, and consider them having presented a fair view of the Company's financial position and business performance, for which we issue this review report in accordance with the relevant provisions of the Securities and Exchange Act and the Companies Act .

For  
CyberLink Corp.

Audit Committee convener  
Yean-Jen Shue

March 26, 2025

# Attachment III

## Independent Auditor's Report translated from Chinese

To the Board of Directors and Stockholders of CyberLink Corp.

### **Opinion**

We have audited the accompanying parent company only balance sheets of CyberLink Corp. (the "Company") as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

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

### **Basis for Opinion**

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

### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

## **Accuracy of revenue recognition timing for online product downloads via partnering e-commerce platforms**

### Key audit matters

Please refer to Note 4(27) for the description of accounting policy on operating revenue and Note 6(20) for details of operating revenue.

The Company generates revenue through various sales types, including online product downloads via partnering e-commerce platforms, sales through channels, and bundled products sold with computer hardware. Among them, revenue generated from online products downloads via partnering e-commerce platforms accounts for 76.20% of the Company's total revenue. After consumers downloaded products online to their devices such as computers and mobile phones, the Company obtains sales reports regularly from the e-commerce platforms and recognizes sales revenue according to the rights and obligations stated in the agreements. As the frequency of sales reports provided by different e-commerce platform differs, and the process of recognizing revenue usually involves manual operations, there may be differences in the timing of revenue recognition near the end of the financial reporting period, which could have a significant impact on the presentation of the parent company only financial statements. Therefore, we consider that the accuracy of revenue recognition timing for online product downloads via partnering e-commerce platforms is one of the key audit matters for this current fiscal year.

### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understood and tested the effectiveness of management's internal control procedures for the revenue recognition of sales through e-commerce platforms, including obtaining and reconciling sales reports provided by e-commerce platforms with licensing agreements to ensure that revenue recognitions properly recorded.
2. Performed the cut-off test on sales revenue from product downloads on e-commerce platforms incurred in a certain period before and after the end of the financial report period, including verifying sales reports provided by e-commerce platforms and authorization agreements and confirming that such sales revenue has been recorded in proper period.

## **The fair value measurement of privately placed stocks and funds (including significant stocks and private placement funds held by subsidiaries accounted for using the equity method) in certain significant unlisted markets**

### Description

Please refer to Note 4(6) for the accounting policies on unlisted stocks and private fund investments without an active market, Note 5(2) for the accounting estimates and the uncertainty in assumptions related to the measurement of fair value, and Note 12(3) for details on the fair value of

financial assets.

The Company and its subsidiaries recognize unlisted stocks and private fund investments without an active market as financial assets at fair value through profit or loss, and any changes in their fair value are recognized in profit or loss.

The aforementioned fair value estimates are subject to management's judgment and involve many assumptions and estimates that are subject to significant uncertainty. Thus, we consider the measurement of fair value of certain significant unlisted stocks and privately placed funds without an active market to be one of the key audit matters for this fiscal year's audit.

#### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of, and evaluated, the policies and valuation procedures adopted by the Company and its subsidiaries for the fair value measurement of privately placed stocks and funds.
2. Evaluated whether management adopted an adequate measurement method which was commonly adopted in the same industry and environment.
3. Obtained the valuation report from the expert appraiser, and performed the following procedures:
  - (1) Examined inputs and calculation formulas used in valuation methods, reviewed information and documents in respect of the relevance and the reliability of data source and agreed such data to their supporting documents.
  - (2) Evaluated the sensitivity analysis on assumptions and inputs executed by management to ensure that management has adequately managed the impact of the estimates and assumptions uncertainty on the measurement of fair value.

#### **Responsibilities of Management and Those Charged with Governance for the parent company only financial statements**

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the parent company only financial statements**

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error; design, and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only



financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

PwC Taiwan

Huang, Chin-Lien

Certified Public Accountant

Lai, Chung-Hsi

February 27, 2025

**Notes to Readers**

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China.

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail. The English version of the parent company only financial statements which used for translation are not audited by the CPA

CyberLink Corp.  
Parent Company Only Balance Sheets  
December 31, 2024 and 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

			December 31, 2024		December 31, 2023			
ASSETS			Amount		Amount			
Notes			%		%			
Current assets								
1100	Cash and cash equivalents	6(1)	\$	322,374	5	\$	273,680	5
1110	Current financial assets at fair value through profit or loss	6(2)		90,030	2		130,624	2
1136	Current financial assets at amortized cost	6(3)		1,344,390	23		1,105,560	20
1170	Accounts receivable, net	6(5)		16,170	-		41,358	1
1180	Accounts receivable, net– related parties	6(5) and 7		22,479	-		21,447	1
1200	Other receivables			3,697	-		4,636	-
1210	Other receivables - related parties	7		6,360	-		5,834	-
1220	Current income tax assets			150	-		6,111	-
130X	Inventories			3,000	-		3,727	-
1470	Other current assets			26,865	1		21,470	-
11XX	Total current assets			1,835,515	31		1,614,447	29
Non-current assets								
1510	Non-current financial assets at fair value through profit or loss	6(2)		44,413	1		58,800	1
1517	Non-current financial assets at fair value through other comprehensive income	6(4)		248	-		248	-
1550	Investments accounted for using the equity method	6(6)		2,454,156	42		2,290,395	41
1600	Property, plant and equipment, net	6(7)		306,014	5		306,487	6
1755	Right-of-use assets	6(8) and 7		15,031	-		14,824	-
1760	Investment property, net	6(10)		1,203,641	20		1,215,277	22
1840	Deferred income tax assets	6(28)		49,379	1		39,080	1
1900	Other non-current assets			15,247	-		23,566	-
15XX	Total non-current assets			4,088,129	69		3,948,677	71
1XXX	Total assets		\$	5,923,644	100	\$	5,563,124	100

(Continue on next page)

CyberLink Corp.  
Parent Company Only Balance Sheets  
December 31, 2024 and 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

Liabilities and Equity			December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2130	Current contract liabilities	6(20)	\$ 434,940	8	\$ 362,682	7
2170	Accounts payable	6(11)	14,337	-	26,226	-
2200	Other payables	6(12)	305,992	5	272,241	5
2230	Income tax payable		16,693	-	2,533	-
2280	Current lease liabilities	6(8)(30) and 7	6,646	-	5,823	-
2300	Other current liabilities		5,397	-	7,771	-
21XX	Total current liabilities		784,005	13	677,276	12
Non-current liabilities						
2550	Non-current provisions	6(13)	332,419	6	351,268	7
2570	Deferred income tax liabilities	6(28)	8,451	-	8,451	-
2580	Non-current lease liabilities	6(8)(30) and 7	8,732	-	9,497	-
2600	Other non-current liabilities	6(14)(30)	65,693	1	65,321	1
25XX	Total non-current liabilities		415,295	7	434,537	8
2XXX	Total Liabilities		1,199,300	20	1,111,813	20
Equity						
	Capital Stock	6(16)				
3110	Common stock		789,593	13	789,418	14
	Capital surplus	6(17)				
3200	Capital surplus		2,295,299	39	2,247,436	40
	Retained earnings	6(18)				
3310	Legal reserve		1,092,794	19	1,092,794	20
3320	Special reserve		186,303	3	170,301	3
3350	Unappropriated earnings		415,991	7	337,665	6
	Other equity interest	6(19)				
3400	Other equity interest		( 55,636)	( 1)	( 186,303)	( 3)
3XXX	Total equity		4,724,344	80	4,451,311	80
	Significant Contingent Liabilities and Unrecognized Contract Commitments	6(8)(9) and 7				
	Significant Events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 5,923,644	100	\$ 5,563,124	100

The accompanying notes are an integral part of these parent company only financial statements.

CyberLink Corp.  
Parent Company Only Statements of Comprehensive Income  
For the Years Ended December 31, 2024 and 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars  
, except for Earnings per share

	Item	Notes	2024		2023	
			Amount	%	Amount	%
4000	Net revenue	6(20) and 7	\$ 1,746,563	100	\$ 1,556,729	100
5000	Operating costs	6(21) (26)	( 230,134)	( 13)	( 219,018)	( 14)
5900	Gross profit		1,516,429	87	1,337,711	86
5910	Unrealized profits on sales		( 3,514)	-	( 1,461)	-
5920	Realized sales profits		3,506	-	5,626	-
5950	Gross profit (loss) from operations		1,516,421	87	1,341,876	86
	Operating expenses	6(14) (26) (27) and 7				
6100	Sales and marketing expenses		( 534,159)	( 31)	( 458,118)	( 29)
6200	General and administrative expenses		( 110,920)	( 6)	( 103,677)	( 7)
6300	Research and development expenses		( 669,691)	( 38)	( 583,407)	( 37)
6450	Expected credit loss	12(2)	( 46,240)	( 3)	( 31,153)	( 2)
6000	Total operating expenses		( 1,361,010)	( 78)	( 1,176,355)	( 75)
6900	Operating income		155,411	9	165,521	11
	Non-operating income and expenses					
7100	Interest income	6(3)(22)	71,939	4	62,010	4
7010	Other income	6(9)(10) (23) and 7	84,475	5	79,755	5
7020	Other gains or losses	6(2)(24)	54,641	3	( 8,074)	( 1)
7050	Financial costs	6(8)(25) and 7	( 259)	-	( 203)	-
7070	Share of loss of associates and joint ventures accounted for under equity method	6(6)	37	-	10,220	1
7000	Total non-operating income and expenses		210,833	12	143,708	9
7900	<b>Income before income tax</b>		366,244	21	309,229	20
7950	Income tax expenses	6(28)	( 51,649)	( 3)	( 87,193)	( 6)
8200	<b>Net income</b>		<u>\$ 314,595</u>	<u>18</u>	<u>\$ 222,036</u>	<u>14</u>
	<b>Other comprehensive (loss) income</b>					
	<b>Components of other comprehensive (loss) income that will not be reclassified to profit or loss</b>					
8311	Gain (loss) on remeasurement of defined benefit plans	6(14)	\$ 501	-	( \$ 1,724)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(28)	( 100)	-	345	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		401	-	( 1,379)	-
	<b>Components of other comprehensive income that will be reclassified to profit or loss subsequently</b>					
8361	Exchange differences arising on translation of foreign operations	6(19)	30,923	2	( 14,076)	( 1)
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(19)	99,744	6	( 1,926)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss subsequently		130,667	8	( 16,002)	( 1)
8300	<b>Other comprehensive income (net)</b>		<u>\$ 131,068</u>	<u>8</u>	<u>( \$ 17,381)</u>	<u>( 1)</u>
8500	<b>Total comprehensive income for the period</b>		<u>\$ 445,663</u>	<u>26</u>	<u>\$ 204,655</u>	<u>13</u>
	Earnings per share (EPS) (NT\$)	6(29)				
9750	Basic earnings per share		\$ 3.98		\$ 2.81	
9850	Diluted earnings per share		\$ 3.92		\$ 2.77	

The accompanying notes are an integral part of these parent company only financial statements.

CyberLink Corp.  
Parent Company Only Statements of Changes in Equity  
For the Years Ended December 31, 2024 and 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

		Retained earnings				Other equity interest			
						Exchange differences arising on translation of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income		
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings		Total	
<u>Year 2023</u>									
Balance at January 1, 2023		\$ 789,418	\$ 2,468,920	\$ 1,092,794	\$ 242,407	\$ 226,504	(\$ 158,006 )	(\$ 12,295 )	\$ 4,649,742
Net income for 2023		-	-	-	-	222,036	-	-	222,036
Other comprehensive income for 2023	6(19)	-	-	-	-	( 1,379 )	( 16,002 )	-	( 17,381 )
Total comprehensive income for 2023		-	-	-	-	220,657	( 16,002 )	-	204,655
Distribution of 2022 earnings:	6(18)								
Reversal of special reserve		-	-	-	( 72,106 )	72,106	-	-	-
Cash dividends		-	-	-	-	( 181,566 )	-	-	( 181,566 )
Share-based payment transactions	6(17)	-	20,385	-	-	-	-	-	20,385
Change in net equity of associates accounted for using the equity method	6(17)	-	( 241,869 )	-	-	( 36 )	-	-	( 241,905 )
Balance at December 31, 2023		\$ 789,418	\$ 2,247,436	\$ 1,092,794	\$ 170,301	\$ 337,665	(\$ 174,008 )	(\$ 12,295 )	\$ 4,451,311
<u>Year 2024</u>									
Balance at January 1, 2024		\$ 789,418	\$ 2,247,436	\$ 1,092,794	\$ 170,301	\$ 337,665	(\$ 174,008 )	(\$ 12,295 )	\$ 4,451,311
Net income for 2024		-	-	-	-	314,595	-	-	314,595
Other comprehensive income for 2024	6(19)	-	-	-	-	401	130,667	-	131,068
Total comprehensive income for 2024		-	-	-	-	314,996	130,667	-	445,663
Distribution of 2023 earnings:	6(18)								
Provision of special reserve		-	-	-	16,002	( 16,002 )	-	-	-
Cash dividends		-	-	-	-	( 221,037 )	-	-	( 221,037 )
Share-based payment transactions	6(17)	-	13,884	-	-	-	-	-	13,884
Exercise of employee stock options	6(17)	175	1,283	-	-	-	-	-	1,458
Change in net equity of associates accounted for using the equity method	6(17)	-	32,696	-	-	369	-	-	33,065
Balance at December 31, 2024		\$ 789,593	\$ 2,295,299	\$ 1,092,794	\$ 186,303	\$ 415,991	(\$ 43,341 )	(\$ 12,295 )	\$ 4,724,344

The accompanying notes are an integral part of these parent company only financial statements.

CyberLink Corp.  
Parent Company Only Statements of Cash Flows  
For the Years Ended December 31, 2024 and 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

		Year ended December 31	
	Notes	2024	2023
<u>Cash flows from operating activities</u>			
Net income before income tax		\$ 366,244	\$ 309,229
Adjustments			
Adjustments to reconcile profit (loss)			
Realized loss (gain) from sales		8	( 4,165 )
Loss (profit) of financial assets at fair value through profit or loss	6(2)(24)	13,054	( 3,962 )
Depreciation expense	6(7)(8)(10)	29,837	27,668
Amortization expense	6(26)	-	2,250
Interest income	6(22)	( 71,939 )	( 62,010 )
Interest expenses	6(8)(25)	259	203
Gain on lease modification	6(8)(24)	-	( 55 )
Employees' stock option cost	6(15)		
	(27)	13,884	20,385
Share of loss (gain) from subsidiaries accounted for using the equity method	6(6)	( 37 )	( 10,220 )
Expected credit loss	6(26)	46,240	31,153
Overdue other payables transferred to revenue	6(23)	( 106 )	( 2,313 )
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		41,700	( 109,999 )
Refund of capital reduction of financial assets at fair value through profit or loss	6(2)	227	249
Accounts receivable		( 21,052 )	( 4,042 )
Accounts receivable-related parties		( 1,032 )	501
Current contract assets		-	13,154
Other receivables		180	( 96 )
Other receivables-related parties		( 526 )	542
Inventories		727	2,361
Other current assets		( 5,395 )	( 15,529 )
Other non-current assets		6,458	( 16,568 )
Changes in operating liabilities			
Current contract liabilities		72,258	104,656
Accounts payable		( 11,889 )	( 10,013 )
Other payables		33,857	33,752
Other current liabilities		( 2,374 )	238
Provisions		( 18,849 )	( 38,448 )
Other non-current liabilities		268	( 241 )
Cash inflow generated from operations		492,002	268,680
Interest received		72,698	61,069
Interest paid		( 259 )	( 203 )
Dividends received		-	94,288
Dividends paid		( 221,037 )	( 181,566 )
Income tax paid		( 41,927 )	( 99,898 )
Income tax returned		-	14,480
Net cash inflow from operating activities		301,477	156,850

(Continue on next page)

CyberLink Corp.  
Parent Company Only Statements of Cash Flows  
For the Years Ended December 31, 2024 and 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

		Year ended December 31	
	Notes	2024	2023
<u>Cash flows from investing activities</u>			
Proceeds from disposal of financial assets at amortized cost		\$ 2,548,320	\$ 1,197,690
Acquisition of financial assets at amortized cost		( 2,787,150 )	( 2,303,250 )
Acquisition of property, plant and equipment	6(7)	( 11,184 )	( 15,596 )
Decrease (increase) in refundable deposits		1,861	( 507 )
Net cash outflow from investing activities		( 248,153 )	( 1,121,663 )
<u>Cash flows from financing activities</u>			
Increase in deposits received	6(30)	605	648
Repayment of the principal portion of lease liabilities	6(8)(30)	( 6,693 )	( 5,908 )
Exercise of employee stock options		1,458	-
Net cash outflow from financing activities		( 4,630 )	( 5,260 )
Net increase (decrease) in cash and cash equivalents		48,694	( 970,073 )
Cash and cash equivalents at beginning of year		273,680	1,243,753
Cash and cash equivalents at end of year		\$ 322,374	\$ 273,680

The accompanying notes are an integral part of these parent company only financial statements.

## Independent Auditor's Report translated from Chinese

To the Board of Directors and Stockholders of CyberLink Corp.

### Opinion

We have audited the accompanying consolidated balance sheets of CyberLink Corp. and subsidiaries (the "Group") as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### Basis for Opinion

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

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

#### **Accuracy of revenue recognition timing for online product downloads via partnering e-commerce platforms**

##### Description



Please refer to Note 4(28) for the description of accounting policy on operating revenue and Note 6(22) for details of operating revenue.

The Group generates revenue through various sales types, including online product downloads via partnering e-commerce platforms, sales through channels, and bundled products sold with computer hardware. Among them, revenue generated from online products downloads via partnering e-commerce platforms accounts for 64.31% of the Group's total revenue. After consumers downloaded products online to their devices such as computers and mobile phones, the Group obtains sales report regularly from the e-commerce platforms and recognizes sales revenue according to the rights and obligations stated in the agreements. As the frequency of sales reports provided by different e-commerce platforms differs, and the process of recognizing revenue usually involves manual operations, there may be differences in the timing of revenue recognition near the end of the financial reporting period, which could have a significant impact on the presentation of the consolidated financial statements. Therefore, we consider that the accuracy of revenue recognition timing for online product downloads via partnering e-commerce platforms is one of the key audit matters for this current fiscal year.

#### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understood and tested the effectiveness of management's internal control procedures for the revenue recognition of sales through e-commerce platforms, including obtaining and reconciling sales reports provided by e-commerce platforms with licensing agreements to ensure that revenue recognitions properly recorded.
2. Performed the cut-off test on sales revenue from product downloads on e-commerce platforms incurred in a certain period before and after the end of the financial report period, including verifying sales reports provided by e-commerce platforms and authorization agreements and confirming that such sales revenue has been recorded in proper period.

### **The fair value measurement of privately placed stocks and funds in certain significant unlisted markets**

#### Description

Please refer to Note 4(7) for the accounting policies on unlisted stocks and private fund investments without an active market, Note 5(2) for the accounting estimates and the uncertainty in assumptions related to the measurement of fair value, and Note 12(3) for details on the fair value of financial assets.

The Group recognizes unlisted stocks and private fund investments without an active market as

financial assets at fair value through profit or loss, and any changes in their fair value are recognized in profit or loss.

The aforementioned fair value estimates are subject to management's judgment and involve many assumptions and estimates that are subject to significant uncertainty. Thus, we consider the measurement of fair value of certain significant unlisted stocks and privately placed funds without an active market to be one of the key audit matters for this fiscal year's audit.

#### How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of, and evaluated, the policies and valuation procedures adopted by the Group for the fair value measurement of privately placed stocks and funds.
2. Evaluated whether management adopted an adequate measurement method which was commonly adopted in the same industry and environment.
3. Obtained the valuation report from the expert appraiser, and performed the following procedures:
  - (1) Examined inputs and calculation formulas used in valuation methods, reviewed information and documents in respect of the relevance and the reliability of data source and agreed such data to their supporting documents.
  - (2) Evaluated the sensitivity analysis on assumptions and inputs executed by management to ensure that management has adequately managed the impact of the estimates and assumptions uncertainty on the measurement of fair value.

#### **Other matter - Parent Company Only Financial Reports**

We have audited and expressed an unqualified opinion on the parent company only financial statements of CyberLink Corp. as at and for the years ended December 31, 2024 and 2023.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to

liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design, and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements,

including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

PwC Taiwan

Huang, Chin-Lien

Certified Public Accountant

Lai, Chung-Hsi

February 27, 2025

**Notes to Readers**

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

The English version of the consolidated financial statements which used for translation are not audited by the CPA.

**CYBERLINK CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 and 2023**

Unit: Amounts expressed in thousands of New Taiwan Dollars

ASSETS			December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 587,718	10	\$ 441,661	8
1110	Current financial assets at fair value through profit or loss	6(2)	90,030	1	130,624	2
1136	Current financial assets at amortized cost	6(3)	1,696,883	28	1,474,080	26
1170	Accounts receivable, net	6(5)	68,894	1	108,826	2
1200	Other receivables		3,957	-	4,906	-
1210	Other receivables - related parties	7	2,140	-	2,162	-
1220	Current income tax assets		2,272	-	7,503	-
130X	Inventories		3,000	-	3,727	-
1470	Other current assets		30,767	1	26,408	-
11XX	Total current assets		2,485,661	41	2,199,897	38
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2)	250,807	4	275,926	5
1517	Non-current financial assets at fair value through other comprehensive income	6(4)	248	-	248	-
1550	Investments accounted for using the equity method	6(6)	1,634,165	27	1,501,661	26
1600	Property, plant and equipment, net	6(7)	427,205	7	432,977	8
1755	Right-of-use assets	6(8) and 7	15,031	-	14,824	-
1760	Investment property, net	6(10)	1,203,641	20	1,215,277	21
1840	Deferred income tax assets	6(30)	68,242	1	62,738	1
1900	Other non-current assets		15,539	-	23,840	1
15XX	Total non-current assets		3,614,878	59	3,527,491	62
1XXX	Total assets		\$ 6,100,539	100	\$ 5,727,388	100

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**CYBERLINK CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2024 and 2023**

Unit: Amounts expressed in thousands of New Taiwan Dollars

	Liabilities and Equity	Notes	December 31, 2024		December 31, 2023	
			Amount	%	金額	%
	<b>Current liabilities</b>					
2130	Current contract liabilities	6(22)	\$ 435,006	7	\$ 362,766	6
2170	Accounts payable	6(11)	30,116	1	43,438	1
2200	Other payables	6(12)	434,171	7	381,136	7
2230	Income tax payable		18,511	-	4,455	-
2280	Current lease liabilities	6(8)(32) and 7	6,646	-	5,823	-
2300	Other current liabilities	6(13)	36,450	1	43,922	1
21XX	<b>Total current liabilities</b>		<u>960,900</u>	<u>16</u>	<u>841,540</u>	<u>15</u>
	<b>Non-current liabilities</b>					
2550	Non-current provisions	6(14)	332,419	6	351,268	6
2570	Deferred income tax liabilities	6(30)	8,451	-	8,451	-
2580	Non-current lease liabilities	6(8)(32) and 7	8,732	-	9,497	-
2600	Other non-current liabilities	6(15)(32)	65,693	1	65,321	1
25XX	<b>Total non-current liabilities</b>		<u>415,295</u>	<u>7</u>	<u>434,537</u>	<u>7</u>
2XXX	<b>Total Liabilities</b>		<u>1,376,195</u>	<u>23</u>	<u>1,276,077</u>	<u>22</u>
	<b>Equity</b>					
	<b>Equity attributable to shareholders of the parent</b>					
	Capital Stock	6(18)				
3110	Common stock		789,593	13	789,418	14
	Capital surplus	6(19)				
3200	Capital surplus		2,295,299	37	2,247,436	39
	Retained earnings	6(20)				
3310	Legal reserve		1,092,794	18	1,092,794	19
3320	Special reserve		186,303	3	170,301	3
3350	Unappropriated earnings		415,991	7	337,665	6
	Other equity interest	6(21)				
3400	Other equity interest		( 55,636)	( 1)	( 186,303)	( 3)
31XX	<b>Equity attributable to shareholders of the parent</b>		<u>4,724,344</u>	<u>77</u>	<u>4,451,311</u>	<u>78</u>
3XXX	<b>Total equity</b>		<u>4,724,344</u>	<u>77</u>	<u>4,451,311</u>	<u>78</u>
	Significant Contingent Liabilities and Unrecognized Contract Commitments	6(8)(9) and 7				
	Significant Events after the balance sheet date	11				
3X2X	<b>Total liabilities and equity</b>		<u>\$ 6,100,539</u>	<u>100</u>	<u>\$ 5,727,388</u>	<u>100</u>

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

**CYBERLINK CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

			Year ended December 31			
			2024		2023	
Item	Notes		Amount	%	Amount	%
4000	Net revenue	6(22)	\$ 2,068,359	100	\$ 1,865,022	100
5000	Operating costs	6(23)				
		(28)	( 292,589)	( 14)	( 269,416)	( 14)
5900	Gross profit		1,775,770	86	1,595,606	86
	Operating expenses	6(16)				
		(28)				
		(29) and 7				
6100	Sales and marketing expenses		( 757,662)	( 37)	( 712,440)	( 38)
6200	General and administrative expenses		( 126,609)	( 6)	( 118,491)	( 7)
6300	Research and development expenses		( 669,691)	( 33)	( 583,407)	( 31)
6450	Expected credit loss	12(2)	( 46,240)	( 2)	( 31,153)	( 2)
6000	Total operating expenses		( 1,600,202)	( 78)	( 1,445,491)	( 78)
6900	Operating income		175,568	8	150,115	8
	Non-operating income and expenses					
7100	Interest income	6(3)(24)	90,154	4	82,159	4
7010	Other income	6(9)(10)				
		(25) and 7	82,516	4	90,228	5
7020	Other gains or losses	6(2)(26)	28,445	2	( 16,421)	( 1)
7050	Financial costs	6(8)(27)				
		and 7	( 259)	-	( 203)	-
7000	Total non-operating income and expenses		200,856	10	155,763	8
7900	Income before income tax		376,424	18	305,878	16
7950	Income tax expenses	6(30)	( 61,829)	( 3)	( 83,842)	( 4)
8200	Net income		\$ 314,595	15	\$ 222,036	12
	Other comprehensive (loss) income					
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurement of defined benefit plans	6(16)	\$ 501	-	( \$ 1,724)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)	( 100)	-	345	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		401	-	( 1,379)	-
	Components of other comprehensive income that will be reclassified to profit or loss subsequently					
8361	Exchange differences arising on translation of foreign operations	6(21)	30,923	2	( 14,076)	( 1)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(6)(21)	99,744	5	( 1,926)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss subsequently		130,667	7	( 16,002)	( 1)
8300	Other comprehensive income (net)		\$ 131,068	7	( \$ 17,381)	( 1)
8500	Total comprehensive income		\$ 445,663	22	\$ 204,655	11
	Net income, attributable to:					
8610	Shareholders of the parent		\$ 314,595	15	\$ 222,036	12
	Total comprehensive income, attributable to:					
8710	Shareholders of the parent		\$ 445,663	22	\$ 204,655	11
	Earnings per share (EPS) (NT\$)	6(31)				
9750	Basic earnings per share		\$ 3.98		\$ 2.81	
9850	Diluted earnings per share		\$ 3.92		\$ 2.77	

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



CYBERLINK CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2024 AND 2023

		Equity attributable to shareholders of the parent							
		Retained earnings				Other equity interest			
						Unappropriated earnings	Exchange differences arising on translation of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income	Total equity
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve				
<u>Year 2023</u>									
		\$ 789,418	\$ 2,468,920	\$ 1,092,794	\$ 242,407	\$ 226,504	(\$ 158,006 )	(\$ 12,295 )	\$ 4,649,742
		-	-	-	-	222,036	-	-	222,036
	6(21)	-	-	-	-	( 1,379 )	( 16,002 )	-	( 17,381 )
		-	-	-	-	220,657	( 16,002 )	-	204,655
	6(20)								
		-	-	-	( 72,106 )	72,106	-	-	-
		-	-	-	-	( 181,566 )	-	-	( 181,566 )
	6(17)(19)	-	20,385	-	-	-	-	-	20,385
	6(6) (19)	-	( 241,869 )	-	-	( 36 )	-	-	( 241,905 )
		\$ 789,418	\$ 2,247,436	\$ 1,092,794	\$ 170,301	\$ 337,665	(\$ 174,008 )	(\$ 12,295 )	\$ 4,451,311
<u>Year 2024</u>									
		\$ 789,418	\$ 2,247,436	\$ 1,092,794	\$ 170,301	\$ 337,665	(\$ 174,008 )	(\$ 12,295 )	\$ 4,451,311
		-	-	-	-	314,595	-	-	314,595
	6(21)	-	-	-	-	401	130,667	-	131,068
		-	-	-	-	314,996	130,667	-	445,663
	6(20)								
		-	-	-	16,002	( 16,002 )	-	-	-
		-	-	-	-	( 221,037 )	-	-	( 221,037 )
	6(17)(19)	-	13,884	-	-	-	-	-	13,884
	6(18)(19)	175	1,283	-	-	-	-	-	1,458
	6(6) (19)	-	32,696	-	-	369	-	-	33,065
		\$ 789,593	\$ 2,295,299	\$ 1,092,794	\$ 186,303	\$ 415,991	(\$ 43,341 )	(\$ 12,295 )	\$ 4,724,344

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

CYBERLINK CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

		Year ended December 31	
	Notes	2024	2023
<u>Cash flows from operating activities</u>			
Net income before income tax		\$ 376,424	\$ 305,878
Adjustments			
Adjustments to reconcile profit (loss)			
Loss on financial assets at fair value through profit or loss	6(2)(26)	37,703	11,224
Depreciation expense	6(7)(8)(10)	30,998	28,936
Amortization expense	6(28)	-	2,250
Expected credit loss	6(28)	46,240	31,153
Interest income	6(24)	( 90,154 )	( 82,159 )
Dividend income	6(25)	( 5,522 )	-
Interest expenses	6(8)(27)	259	203
Gain on lease modification	6(26)	-	( 55 )
Overdue other payables transferred to revenue	6(25)	( 218 )	( 19,319 )
Cost of employee stock options	6(17)(29)	14,189	20,801
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		41,889	( 117,091 )
Refund of capital reduction of financial assets at fair value through profit or loss	6(2)	227	249
Accounts receivable		( 6,422 )	( 22,273 )
Current contract assets		-	13,154
Other receivables		182	( 99 )
Other receivables - related parties		( 3 )	364
Inventories		727	2,361
Other current assets		( 4,427 )	( 12,926 )
Other non-current assets		6,458	( 16,570 )
Changes in operating liabilities			
Current contract liabilities		72,242	104,655
Accounts payable		( 13,675 )	( 10,990 )
Other payables		46,698	58,539
Other current liabilities		( 6,267 )	3,342
Provisions		( 18,848 )	( 38,448 )
Other non-current liabilities		268	( 241 )
Cash inflow generated from operations		528,968	262,938
Interest received		90,941	81,188
Interest paid		( 259 )	( 203 )
Dividends received		5,522	-
Dividends paid		( 221,037 )	( 181,566 )
Income tax paid		( 47,644 )	( 100,448 )
Income tax returned		-	14,605
Net cash inflow from operating activities		356,491	76,514

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CYBERLINK CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Unit: Amounts expressed in thousands of New Taiwan Dollars

		Year ended December 31	
	Notes	2024	2023
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at amortized cost		( \$ 3,500,333 )	( \$ 2,794,610 )
Proceeds from disposal of financial assets at amortized cost		3,302,490	1,443,370
Acquisition of property, plant and equipment	6(7)	( 11,287 )	( 15,658 )
Decrease (increase) in refundable deposits		<u>1,861</u>	( <u>470</u> )
Net cash outflow from investing activities		( <u>207,269</u> )	( <u>1,367,368</u> )
<u>Cash flows from financing activities</u>			
Increase in deposits received	6(32)	605	648
Repayment of the principal portion of lease liabilities	6(8)(32)	( 6,693 )	( 5,908 )
Exercise of employee stock options		<u>1,458</u>	<u>-</u>
Net cash outflow from financing activities		( <u>4,630</u> )	( <u>5,260</u> )
Effects of changes in exchange rates		<u>1,465</u>	( <u>6,114</u> )
Net increase (decrease) in cash and cash equivalents		146,057	( 1,302,228 )
Cash and cash equivalents at beginning of year		<u>441,661</u>	<u>1,743,889</u>
Cash and cash equivalents at end of year		\$ 587,718	\$ 441,661

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

## **4. Appendices**

# **Appendix I**

## **CyberLink Corp.**

### **Rules of Procedure of Shareholders' Meeting**

#### **Article 1**

To establish a strong governance system and sound supervisory capabilities for this Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies..

#### **Article 2**

The rules of procedure for shareholders' meetings of this Company, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

#### **Article 3**

Unless otherwise provided by law or regulation, this Company's shareholders meetings shall be convened by the board of directors.

The Company convening a shareholders' meeting via video conference shall be stated in the Articles of Incorporation and resolved by the Board of Directors, and the videoconference shall be attended by at least two-thirds of the Board of Directors. A resolution shall be passed with the consent of a majority of the directors..

Changes to how this Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The Company shall prepare an electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Company and the professional shareholder services agent designated thereby.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

#### Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### Article 5(Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of this Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Company convenes a virtual-only shareholders meeting.

#### Article 6(Preparation of documents such as the attendance book)

This Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it at the meeting.

In the case of virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company on two days before the meeting.

In the case of virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

#### Article 6-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, this Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights .
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
  - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume .
  - (2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
  - (3) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
  - (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.



3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholder meeting online shall be specified. Except for the circumstances specified in Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, the company shall, at a minimum, provide shareholders with connectivity equipment and necessary assistance. The company should also specify the period during which shareholders may apply to the company and provide other relevant information and precautions.

#### Article 7(The chair and non-voting participants of a shareholders meeting )

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity

#### Article 8(Documentation of a shareholders meeting by audio or video)

The Company , beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote-counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders' meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

#### Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

#### Article 10

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by

agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

#### Article 11(Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance pass number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and each speech may not exceed five (5) minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the appointed representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct the relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 of this article do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

#### Article 12(Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship may prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

## Article 13

Shareholders shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of The Company Act.

When this Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they

will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

#### Article 14

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of litigation.

#### Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in an electronic format.

The Company may disseminate meeting minutes by announcing details over MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Company.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

#### Article 16(Public disclosure)

On the day of the shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under the applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

#### Article 17(Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from doing so.

When a shareholder violates the rules of procedure and defies the chair's corrections, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

#### Article 18(Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days, in accordance with Article 182 of The Company Act.

#### Article 19 (Disclosure of information at virtual meeting)

In the event of virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

#### Article 20(Location of chair and secretary of virtual-only shareholders' meeting)

When this Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

#### Article 21(Handling of disconnection)

In the event of virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of virtual shareholders meeting, declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph of this article, the number of shares represented by, and voting rights and election rights exercised by the shareholders who

have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph of this article, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph of this article, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph of this article is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph of this article, this Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph of this article.

#### Article 22(Handling of digital divide)

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholder meeting online. Except for the situations specified in Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, connection equipment and necessary assistance shall be at least provided to shareholders, and the period during which shareholders may apply to the Company and other relevant matters shall be specified.

#### Article 23

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.



# Appendix II

## CyberLink Corp. Articles of Incorporation (Before Amendment)

### Chapter 1 General Provisions

Article 1: The Company is duly incorporated under the Company Act, and its name shall be 訊連科技股份有限公司. (English name: CyberLink Corp.)

Article 2: The businesses operated by the Company are as follows:

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. I401010General Advertising Services.
7. I501010Product Designing.
8. ZZ99999Other business not prohibited or restricted by law, except any business requiring special approval.

Article 3: The Company is headquartered in New Taipei City, and may establish branches within or outside the territory of the Republic of China, if necessary, subject to the resolution of the Board of Directors.

Article 4: The Company may make endorsements or guarantees for the reasons of business dealing.

Article 5: The Company may invest outwardly and is free of the restriction set forth in Article 13 of the Company Act, which reads: "The Company's total investment shall not exceed 40% of the Company's paid-in capital."

### Chapter 2 Shares

Article 6: The total capital stock of the Company shall be in the amount of NT\$1,610,000,000, divided into 161,000,000 shares, at per value of NT\$10, and may be issued in installments. The board of directors is authorized to issue unissued shares if needed.

In addition, the aforementioned capital stock shall be set aside NT\$ 10,000,000, divided into 1,000,000 shares, at per value of NT\$10, as reserved for subscription by employees of the company, which may be issued in installments, subject to the resolution of the board of directors. In the circumstance that a company shall buy back its shares under the laws, the board of directors is authorized to act in accordance with the regulations.

Article 7: The Company stocks are registered with names. Issuance has to be signed or sealed the Company representative. Stock issued by the Company don't have to be printed.

Article 8: The Company shall comply with “The Company Act” and “Regulations Governing the Administration of Shareholder Services of Public Companies” for stock transferring, inheriting, gifting, pledges, lost reporting, destroying, and other shareholder services.

Article 9: No transfers of shares shall be handled within 60 days prior to the shareholders meeting, 30 days prior to the special shareholders meeting, or 5 days prior to the record date for the distribution of dividends, bonuses or other interests..

### **Chapter 3 Shareholders’ Meeting**

Article 10: The shareholders’ meeting hereof is in two categories, i.e. the regular meeting of shareholders and the special meeting of shareholders. The regular meeting of shareholders shall be convened within six months after close of each fiscal year. The special meeting of shareholders shall be convened when necessary.

The Company’s shareholders’ meetings can be held by means of visual communication network or other methods promulgated by the Ministry of Economic Affairs.

Article 11: For a shareholders’ meeting convened by the board of directors, the chairman of the meeting shall be the chairman of directors. If the chairman of directors is absent, the chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the meetings. If a shareholders’ meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

Article 12: If a shareholder is unable to attend the shareholders’ meeting for any cause, the shareholder may appoint a proxy to attend the meeting on behalf of the shareholder by executing a power of attorney printed by the Company, stating the scope of power authorized to the proxy. Other than measures specified in Article 177 of the Company Act, a shareholder may appoint a proxy in accordance with the provisions set forth in the “Regulations Governing the Use of Proxies for Attendance at Shareholders’ Meetings of Public Companies.”

Article 13: A shareholders shall have one voting power in respect of each share in his/her/its possession, except for the circumstances of no voting power set forth in Paragraph 2 of Article 179 of the Company Act.

Article 14: Resolutions at a shareholders’ meeting shall, unless otherwise provided for in other applicable legislation, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 15: Resolutions adopted at a shareholders’ meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting. The distribution of the aforementioned minutes of shareholders’ meeting may be effected by means of a public notice.

### **Chapter 4 Directors and the Audit Committees**

Article 16: The Company has five to seven directors, who shall be elected by the shareholders’ meetings among the persons of disposing capacity. The term of office of a director shall not exceed three years, and he/she may be eligible for re-election. A single juristic person

shareholder's authorized representative may also be elected as a director of the Company. If there is a plural number of such authorized representatives, each of them may be so elected, and may, owing to the change of his/her functional duties, be replaced by a person to be authorized by the company so as to fulfill the unexpired term of office of the predecessor. After the Company publicly issued stocks, the percentage of shareholdings of all the directors shall be in accordance with the provisions prescribed by the competent authority in charge of securities affairs.

Article 17: A Company may appoint independent directors, not less than three in number and not less than one-fifth of the total number of directors, in accordance with the regulations. If the election of the directors of the Company, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes in sequence shall be deemed a director elect. The independent and non-independent directors shall be elected at the same time, but in separately calculated numbers.

Article 18: The candidates nomination system is adopted by the Company for election of the directors of the Company. Any shareholder holding 1% or more of the total number of outstanding shares issued by the Company may submit to the Company in writing a roster of director candidates. After examining the qualification of the director is satisfied, the board of directors shall submit it to shareholder's meeting. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates. For the matters regarding the public announcement and accepting the nomination of director candidates shall be subject to the Company Act, Securities and Exchange Act, and relevant laws and regulations in light thereof.

Article 19: The board of directors shall be formed by directors; the board of directors shall elect a chairman of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors; the chairman of directors can represent the Company externally.

Article 20: In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the provisions of Article 208 of the Company Act shall apply to an acting.

Article 21: In calling a meeting of the board of directors of the Company, a notice shall be given to each director in accordance with the regulations; in the case of emergency, the Company may convene a meeting of the board of directors at any time. The notice of calling a meeting of the board of directors of the Company may be effected by writing or means of electronic transmission.

Unless otherwise regulated by The Company Act, a board of directors resolution is passed with more than half of the board present in a meeting, and supported by more than half of attending directors. If a director is unable to attend the meeting, another director can be appointed to attend on behalf by issuing a proxy form detailing the scope of delegated authority. One director can only represent the presence of one other director.

Article 22: The Company shall establish an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The exercise of powers of supervisors under the Company Act and Securities and Exchange Act, and other regulations, shall now be carried out by

the audit committee and its members. The audit committee shall be composed of the entire number of independent directors.

Article 23: The board of directors is authorized to determine the remuneration for all directors based on the extent of their performance at a level consistent with general practices in the industry.

Article 24: When the number of vacancies in the board of directors of a company equals to one third of the total number of directors or all independent directors have been dismissed, the board of directors shall call, within 60 days, a special meeting of shareholders to elect succeeding directors to fill the vacancies; they shall only serve the tenure term of office remaining by the predecessor.

## **Chapter 5 Managers**

Article 25: The Company may have one president and several managerial personnel; appointment, discharge, and the remuneration of the managerial personnel shall be decided in accordance with section 29 of the Company Act.

## **Chapter 6 Accounting**

Article 26: At the close of Company's each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to audit committees for their auditing not later than the 30th day prior to the meeting date of a general meeting of shareholders:

1. Business report.
2. Financial statements.
3. the surplus earning distribution or loss off-setting proposals.

Article 27: If the Company records a profit (the income before tax that undistributed employee's compensation and director's remuneration) in a year, the Company shall allocate no less than 3% of the profits earned during the current year for the purpose of employee's compensation and no more than 1.5% of the same for the director's remuneration; provided, however, that the Company shall first reserve a sufficient amount to compensate its accumulated deficits (including adjusted for the amount of undistributed surplus earnings).

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.

Article 28: 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, unless the legal reserve is already equal to the

Company's capital contribution, and recognize or reverse special reserve return earnings in accordance with laws and regulations. The remaining amount together with undistributed earnings at the beginning of this period (including adjusted for the amount of undistributed surplus earnings), shall be distributed as the shareholder dividend if it is proposed by the board of directors and resolved in the shareholder meeting before implementation.

The Company's dividend policy would in line with the current and future development plan, and consider the investment environment, capital needs and domestic and international competition, and take into account the interests of shareholders and other factors. 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.

## **Chapter 7 Bylaws**

Article 29: Any matters inadequately provided for herein shall be subject to The Company Act.

Article 30: The Articles of Incorporation duly enacted on August 2, 1990; and the 1st amendment was made on June 17, 1992; the 2nd amendment was made on May 22, 1993; the 3rd amendment was made on February 2, 1996; the 4th amendment was made on April 5, 1996; the 5th amendment was made on November 28, 1996; the 6th amendment was made on June 5, 1998; the 7th amendment was made on April 8, 1999; the 8th amendment was made on May 18, 2000; the 9th amendment was made on May 4, 2001; the 10th amendment was made on May 27, 2002. The 11th amendment was made on May 15, 2003. The 12th amendment was made on May 18, 2004. The 13th amendment was made on May 18, 2005. The 14th amendment was made on May 18, 2005. The 15th amendment was made on June 14, 2006. The 16th amendment was made on June 21, 2007. The 17th amendment was made on June 13, 2008. The 18th amendment was made on June 17, 2010. The 19th amendment was made on June 22, 2011. The 20th amendment was made on June 22, 2012. The 21st amendment was made on June 23, 2016. The 22nd amendment was made on June 19, 2018. The 23rd amendment was made on June 23, 2020. The 24th amendment was made on June 21, 2022.

## Appendix III

### CyberLink Corp. Shareholdings of Directors

Directors' individual and aggregate shareholding as of April 21, 2025 (the book-close date):

- Total shares issued as of April 21, 2025 (the book-close date): 79,098,800 shares.
- Minimum aggregate shareholding of all directors required by law: 6,327,904 shares

Position	Name	Date elected	Term of service	Shareholding while elected	Current Shareholding (book closure date)
Chairman	Jau Huang	2023.6.20	3 years	2,797,910	2,797,910
Director	Alice H. Chang (Representative of ClinJeff Corp.)	2023.6.20	3 years	12,176,497	12,176,497
Director	Ying-Lun Hai (Representative of ClinJeff Corp.)	2023.6.20	3 years	12,176,497	12,176,497
Director	Yi-Cheng Huang (Representative of Rocky Mountain Investment Ltd.)	2023.6.20	3 years	106,000	106,000
Independent director	Yean-Jen Shue	2023.6.20	3 years	5,000	5,000
Independent director	Chien LEO Ming-TZ	2023.6.20	3 years	0	0
Independent director	Yu- Shen Lan	2023.6.20	3 years	65,197	65,197
Total shareholding across all directors: 15,080,407 (after excluding shares held by independent directors)			Shareholding ratio: 19.06%		