

CyberLink Corp.
2025 ANNUAL SHAREHOLDERS' MEETING
MINUTES
(Translation)

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)

Attendants: All shareholders and their proxy holders, representing 52,872,481 shares (among them 14,290,166 shares voted via electronic transmission), or 66.84% of the total 79,098,800 outstanding shares after deducting non-voting shares.

Board Members Present: Jau Huang 、 Alice H. Chang 、 Yi-Cheng Huang 、 Ying-Lun Hai 、
Yean-Jen Shue 、 Yu-Shen Lan

Members in Attendance : CPA Chung-Hsi Lai 、 Layer Ted Liu

Chairman : Jau Huang

Minute Recorder : Lynn Chou

I. Call the Meeting to Order :

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address (omitted)

III. Reports Items

Motion 1:

Subject: To report the business of 2024. (see Attachment I)

Motion 2:

Subject: Audit Committee's review report. (see Attachment II)

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.

IV. 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 I Attachments III and Attachment IV. The motion is open for acknowledgment.

Summary of shareholder inquiries: No inquiries were raised by shareholders.

Voting Result:

52,861,481 shares were represented at the time of voting

| Voting Result: | % of the total representation at the time of voting |
|---|---|
| Votes in favor 44,904,691 (including voted via electronic transmission) | 84.94% |
| Votes against: 8,434 (including voted via electronic transmission) | 0.01% |
| Votes abstained 7,948,356 (including voted via electronic transmission) | 15.03% |
| Votes invalid: 0 | 0.00% |

Resolution : that the above proposal was hereby approved as proposed.

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.

Summary of shareholder inquiries: No inquiries were raised by shareholders.

Voting Result:

52,861,481 shares were represented at the time of voting

| Voting Result: | | % of the total representation at the time of voting |
|---|------------|---|
| Votes in favor (including voted via electronic transmission) | 45,077,586 | 85.27% |
| Votes against: (including voted via electronic transmission) | 8,541 | 0.01% |
| Votes abstained (including voted via electronic transmission) | 7,775,354 | 14.70% |
| Votes invalid: | 0 | 0.00% |

Resolution : that the above proposal was hereby approved as proposed.

V. 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 | <p>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).</p> <p>A company may have the profit distributable as employees' compensation in the preceding</p> | <p>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).</p> <p>A company may have the profit distributable as</p> | <p>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.</p> |

| Content | Amended clause | Existing clause | Basis and reasons for amendment |
|---------|--|---|---------------------------------|
| | <p>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.</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>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.</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> | |

| Content | Amended clause | Existing clause | Basis and reasons for amendment |
|------------|---|---|---------------------------------|
| 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 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</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 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</p> | Revised Version |

| Content | Amended clause | Existing clause | Basis and reasons for amendment |
|---------|---|--|---------------------------------|
| | 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> | 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. | |

Summary of shareholder inquiries: No inquiries were raised by shareholders.

Voting Result:

52,861,481 shares were represented at the time of voting

| Voting Result: | | % of the total representation at the time of voting |
|---|------------|---|
| Votes in favor (including voted via electronic transmission) | 45,091,667 | 85.30% |
| Votes against: (including voted via electronic transmission) | 8,458 | 0.01% |
| Votes abstained (including voted via electronic transmission) | 7,761,356 | 14.68% |
| Votes invalid: | 0 | 0.00% |

Resolution : that the above proposal was hereby approved as proposed.

VI. Extraordinary Motion

Summary of shareholder inquiries: No inquiries were raised by shareholders.

VII. Adjournment Meeting ended at 09:27 am

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 | Income before income tax | | 366,244 | 21 | 309,229 | 20 |
| 7950 | Income tax expenses | 6(28) | (51,649) | (3) | (87,193) | (6) |
| 8200 | Net income | | <u>\$ 314,595</u> | <u>18</u> | <u>\$ 222,036</u> | <u>14</u> |
| | 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(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) | - |
| | Components of other comprehensive income that will be reclassified to profit or loss subsequently | | | | | |
| 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 | Other comprehensive income (net) | | <u>\$ 131,068</u> | <u>8</u> | <u>(\$ 17,381)</u> | <u>(1)</u> |
| 8500 | Total comprehensive income for the period | | <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 | | <u>\$ 3.98</u> | | <u>\$ 2.81</u> | |
| 9850 | Diluted earnings per share | | <u>\$ 3.92</u> | | <u>\$ 2.77</u> | |

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 | |
| Year 2023 | | | | | | | | | |
| 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 |
| Year 2024 | | | | | | | | | |
| 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 | 6(2) | | | | | | |
| | through profit or loss | | | 90,030 | 1 | | 130,624 | 2 |
| 1136 | Current financial assets at amortized | 6(3) | | | | | | |
| | cost | | | 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 | 6(2) | | | | | | |
| | value through profit or loss | | | 250,807 | 4 | | 275,926 | 5 |
| 1517 | Non-current financial assets at fair | 6(4) | | | | | | |
| | value through other comprehensive | | | | | | | |
| | income | | | 248 | - | | 248 | - |
| 1550 | Investments accounted for using the | 6(6) | | | | | | |
| | equity method | | | 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 |

(Continue on next page)

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 | % |
| | Current liabilities | | | | | |
| 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 | Total current liabilities | | <u>960,900</u> | <u>16</u> | <u>841,540</u> | <u>15</u> |
| | Non-current liabilities | | | | | |
| 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 | Total non-current liabilities | | <u>415,295</u> | <u>7</u> | <u>434,537</u> | <u>7</u> |
| 2XXX | Total Liabilities | | <u>1,376,195</u> | <u>23</u> | <u>1,276,077</u> | <u>22</u> |
| | Equity | | | | | |
| | Equity attributable to shareholders of the parent | | | | | |
| | 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 | Equity attributable to shareholders of the parent | | <u>4,724,344</u> | <u>77</u> | <u>4,451,311</u> | <u>78</u> |
| 3XXX | Total equity | | <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 | Total liabilities and equity | | <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 | | | | | | | | |
|---|-------------------|---------------------|---------------------|-------------------|-------------------------|---|--|---------------------|
| Notes | Retained earnings | | | | | Other equity interest | | Total equity |
| | Common stock | Capital surplus | Legal reserve | Special reserve | Unappropriated earnings | Exchange differences arising on translation of foreign operations | Unrealized financial assets profit or loss measured at fair value through other comprehensive income | |
| | | | | | | | | |
| | \$ 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) |
| | <u>\$ 789,418</u> | <u>\$ 2,247,436</u> | <u>\$ 1,092,794</u> | <u>\$ 170,301</u> | <u>\$ 337,665</u> | <u>(\$ 174,008)</u> | <u>(\$ 12,295)</u> | <u>\$ 4,451,311</u> |
| | <u>\$ 789,418</u> | <u>\$ 2,247,436</u> | <u>\$ 1,092,794</u> | <u>\$ 170,301</u> | <u>\$ 337,665</u> | <u>(\$ 174,008)</u> | <u>(\$ 12,295)</u> | <u>\$ 4,451,311</u> |
| | - | - | - | - | 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 |
| | <u>\$ 789,593</u> | <u>\$ 2,295,299</u> | <u>\$ 1,092,794</u> | <u>\$ 186,303</u> | <u>\$ 415,991</u> | <u>(\$ 43,341)</u> | <u>(\$ 12,295)</u> | <u>\$ 4,724,344</u> |

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 |

(Continue on next page)

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.