

Realtek Semiconductor Corp. 2026 Annual Shareholders' Meeting Minutes

Time: 9:00 a.m., May 27, 2026 (Wednesday)

Place: No.1, Industry East 2nd Road, HsinChu Science Park Life Hub, Bach Conference Room

The Number of Shares of Attendance: Attending shareholders and proxy represented 452,790,573 shares (including 372,036,329 shares which attended through electronic voting) accounting for 87.83% of 515,512,641 shares, the Company's total outstanding shares.

Directors Present:

Chiu, Sun-Chien, Chairman; Huang, Yung-Fang, Director; Yen, Kuang-Yu, Director; Ni, Shu-Ching, Director; Hsieh, Yin-Ching, Independent Director (Chairman of the Audit Committee).

Chairman: Chiu, Sun-Chien, Chairman

Recorder: Tsai, Shu-Hui

The aggregate shareholding of the shareholders present constituted a quorum.

The Chairman called the meeting to order.

I. Chairman's Remarks: Omitted.

II. Report Items:

Report 1: Business report of 2025

Explanation: Please refer to Attachment 1 for the business report.

Report 2: Audit Committee's review report

Explanation: Please refer to Attachment 2 for the Audit Committee's review report.

Report 3: To report 2025 employees' compensation and directors' remuneration

Explanation:

1. According to Article 18 of the Articles of Incorporation of the Company, if gained profits within a fiscal year, the Company shall allocate at a maximum of 3% of the profits as directors' remuneration, and allocate no less than 1% of the profits as employees' compensation. No less than 0.5% of the annual profits shall be allocated as compensation for basic level employees from employees' compensation.
2. The Board of Directors resolved the distribution of 2025 employees' compensation and directors' remuneration as follows :

Unit: NT dollars

Item	Amount	Profit Ratio
Employees' compensation (including basic level employees' compensation)	4,339,190,999	21.92%
Basic level employees' compensation	700,000,000	3.54%
Directors' remuneration	100,000,000	0.51%

Note: Employees' compensation and directors' remuneration amount are consistent with the 2025 annual estimated expenses.

3. The above employees' compensation and directors' remuneration are all paid in cash.

Report 4: To report 2025 cash dividends distribution from retained earnings

Explanation:

1. The Board of Directors resolved that the 2025 cash dividends distribution from retained earnings is NT\$ 12,887,816,025. According to the shares held by each shareholder in the shareholders' register on cash dividend record date, the cash dividends to common shareholders is NT\$25 per share.
2. Due to the changes of outstanding shares caused by the Company's subsequent events such as shares buyback, transfer or cancellation of treasury stocks, issuance and reclaim or cancellation of new restricted employee shares or others, the cash distribution per share might be affected. The Chairman is authorized by the Board of Directors to adjust the distribution.
3. The cash distribution to each shareholder is rounded down to one dollar (under one dollar is rounded down). The rounded down amounts are recognized as the Company's other income.
4. The Chairman is authorized by the Board of Directors to determine the cash dividend record date and payment date.

Report 5: To report 2025 related party transactions

Explanation:

1. The actual transaction amount between the Company and its subsidiaries and the related party, GMI Technology Inc., in 2025 is NT\$ 17,494,586 thousand, accounting for 14.25% of the Company's consolidated net operating revenue, and the collection term is 30-60 days after monthly billings.
2. There is no significant difference in the transaction prices and collection terms for sales of goods available to non-related parties. In 2025, the transaction prices were in line with general business practices and did not exceed the annual transaction amount limit approved by the board of directors, which was 25% of the Company's consolidated net operating revenue.

III. Ratification Items

Proposal 1

Subject: 2025 business report and financial statements. Approval is respectfully requested.

(Proposed by the Board of Directors)

Explanation: The 2025 annual financial statements have been audited by PricewaterhouseCoopers' and the business report was approved by the Board of Directors. For the business report, independent auditors' report and financial statements, please refer to Attachment 1, Attachment 4 and Attachment 5.

Resolution: It was resolved that the above proposal be approved as proposed. The result is as follows:

Shares represented at the time of voting: 450,946,556

Voting Results		% of the total represented share present
Votes in favor: (including electronic voting	412,022,711 votes 333,113,484 votes)	91.36%
Votes against: (including electronic voting	15,321 votes 15,321 votes)	0.00%
Votes invalid:	0 votes	0.00%
Votes abstained: (including electronic voting	38,908,524 votes 38,907,524 votes)	8.62%

Proposal 2

Subject: Distribution of 2025 retained earnings. Approval is respectfully requested.

(Proposed by the Board of Directors)

Explanation: The distribution of 2025 retained earnings was approved by the Board of Directors.
Please refer to Attachment 3.

Resolution: It was resolved that the above proposal be approved as proposed. The result is as follows:

Shares represented at the time of voting: 450,946,556

Voting Results		% of the total represented share present
Votes in favor: (including electronic voting	415,018,170 votes 336,108,943 votes)	92.03%
Votes against: (including electronic voting	17,310 votes 17,310 votes)	0.00%
Votes invalid:	0 votes	0.00%
Votes abstained: (including electronic voting	35,911,076 votes 35,910,076 votes)	7.96%

IV. Discussion Item

Proposal 1

Subject: Proposal to release the non-compete restriction on directors. Approval is respectfully requested. (Proposed by the Board of Directors)

Explanation:

1. Pursuant to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
2. Since a director and an independent director are engaged in business activities that are the same as or similar to the business scope of the Company, which constitutes a competitive situation, the following items are proposed for approval at the shareholders' meeting in accordance with the law to release the non-compete restriction.

Title	Name	Concurrent Position of another Company
Director	Yeh, Po-Len	Representative of juristic person director, TwHealth Nexus Inc.
Independent Director	Yang, Pan-Chyr	1. Chairman, TwHealth Nexus Inc. 2. Representative of juristic-person director, Taishin Venture Capital Co., Ltd. 3. Independent Director, aetherAI Co., Ltd. 4. Representative of juristic-person director, Everbright Biofund 5. Director, Taiwan AI Labs 6. Vice President, Institute for Biotechnology and Medicine Industry

Resolution: It was resolved that the above proposal be approved as proposed. The result is as follows:

Shares represented at the time of voting: 450,946,556

Voting Results		% of the total represented share present
Votes in favor: (including electronic voting	401,900,331 votes 322,991,104 votes)	89.12%
Votes against: (including electronic voting	913,666 votes 913,666 votes)	0.20%
Votes invalid:	0 votes	0.00%
Votes abstained: (including electronic voting	48,132,559 votes 48,131,559 votes)	10.67%

V. Extraordinary Motions: None.

VI. Adjournment

Note: No questions were raised by shareholders on any of the proposals at this shareholders' meeting.

Dear Shareholders, Ladies and Gentlemen:

1. 2025 Operating Results

Despite fluctuations in tariffs and macroeconomic conditions impacting the end market during the first half of the year, robust demand for AI accelerators and high-performance computing (HPC) fueled a supply shortage and price increase in memory products, driving strong growth momentum in the semiconductor industry in 2025. According to the latest estimates from the World Semiconductor Trade Statistics (WSTS), global semiconductor industry revenue was projected to reach US\$772 billion in 2025, representing a 22.5% increase over 2024. This growth was primarily driven by two segments: logic products, which are expected to grow by 37% year-over-year, and memory products, which are projected to increase by 28%. Against this backdrop, Realtek's core markets—including personal computers, networking, consumer electronics, and automotive—demonstrated operational resilience, supported by stable market demand, ongoing optimization of product portfolios, and the trend toward specification upgrades. Thanks to the dedication of all employees and close collaboration with customers and the supply chain, Realtek Group continued to achieve revenue growth and maintain stable profitability in 2025. The Group's consolidated annual revenue reached NT\$122.71 billion, an increase of 8.21% from the previous year. Operating gross profit was NT\$61.37 billion, representing a year-over-year increase of 7.4%. Net profit after tax amounted to NT\$14.75 billion, down 3.5% compared to the prior year, and earnings per share were NT\$28.77.

Innovation is the driving force behind Realtek's continued growth. We are committed to enhancing product performance and creating differentiated advantages to build robust market competitiveness. In terms of intellectual property achievements, we have strengthened our R&D capabilities. According to the Taiwan Intellectual Property Office's 2025 ranking of top domestic patent applicants, Realtek submitted 286 invention patent applications, placing us at rank 6 and highlighting our strong R&D output. Furthermore, Realtek has been included in Clarivate's "Top 100 Global Innovators" for the fifth consecutive year, with both domestic and international recognition affirming our solid patent portfolio and deep innovation capabilities. In addition, Realtek's products stood out in multiple industry evaluations in 2025, receiving numerous honors and accolades. At the 2025 Computex Taipei, our ultra-low-power multimodal AI system-on-chip (RTL8735C) won the Best Choice Golden Award. Our multifunction wireless high-speed transmission chip (RTL8922D) and enterprise edge AI switch chip (RTL9335) both received Best Choice Category Awards. The smart wearable Bluetooth audio SoC (RTL8773DO) was honored with the 2025 EE Awards Asia Gold Selection Award for "Best RF/Wireless IC of the Year." The ultra-low-power multimodal AI SoC (RTL8735C) also earned the Hsinchu Science

Park Outstanding Company Innovative Product Award for 2025. Additionally, in terms of supply chain partnerships, Realtek received the Bosch Global Supplier Award in the category ‘Materials and Components’. This prestigious honor recognizes Realtek’s technological strength, product competitiveness, quality, and customer service. Our automotive-related products are positioned to further contribute to the company’s future growth momentum.

To realize our vision for sustainable corporate development, Realtek is committed to strengthening corporate governance. In 2025, we established the “Sustainable Development Committee” under the Board of Directors to oversee the implementation and effectiveness of key sustainability strategies. Cross-functional project teams are responsible for executing various sustainability initiatives and regularly report their progress to the Board, ensuring that project outcomes meet expectations. Additionally, we have linked sustainability performance metrics to management compensation structures to reinforce governance and accountability.

In terms of environmental sustainability, Realtek actively advances product design to develop chip solutions that are more efficient, smarter, and lower in power consumption. We integrate green operational practices, establish carbon reduction pathways aligned with leading international initiatives, and collaborate with supply chain partners to create a green value chain. Our goal is to become a pivotal driver in the development of the AI world while fulfilling our environmental responsibilities. We regard our employees as our most valuable asset. Realtek continuously improves diverse recruitment channels and talent development systems while striving to build a safe, supportive, and rewarding workplace with competitive compensation and benefits. To enhance employee cohesion and share business success, we officially launched an Employee Stock Purchase Plan (ESPP) in June 2025. Regarding employee satisfaction, we regularly conduct engagement surveys and implement targeted improvement plans based on the feedback received.

2. 2026 Business Plan

Realtek remains committed to technology and product innovation at its core. While maintaining its leadership in established markets, we are proactively expanding into new application areas with the goal of achieving simultaneous growth in both revenue and profitability. Looking ahead to 2026, Realtek is poised to capitalize on momentum from mainstream specification upgrades and the emergence of new opportunities driven by generative AI at the edge. We will continue to invest resources in networking communications, consumer electronics, personal computers and peripherals, automotive, and other emerging application fields. By developing highly competitive solutions, Realtek not only facilitates technological upgrades in mainstream markets but also further extends its presence in niche application segments.

In the wireless networking sector, Realtek’s Wi-Fi Certified 7™ solutions have demonstrated steady growth in both the PC and router markets. With ongoing specification upgrades, Wi-Fi 7 penetration is expected to increase significantly in 2026. Beyond traditional applications, rising demand for greater bandwidth and faster speeds is driving the adoption of

Wi-Fi 7 technology in game consoles and broadband telecommunications equipment. Realtek is also proactively advancing next-generation Wi-Fi 8 solutions and plans to participate in the Wi-Fi Alliance's interoperability Plugfest in 2026.

Building on years of experience in the IoT market, Realtek's solutions have evolved from intelligent control to voice and real-time video applications. Future strategies will focus on integrating advanced human and spatial sensing technologies, including Wi-Fi Radar, Wi-Fi Sensing, and channel sounding, alongside cloud-based generative AI, enabling customers to seamlessly connect to the AI ecosystem. In addition, Realtek is developing an on-premise large language model (LLM) platform to empower smart home products, delivering intuitive and convenient solutions for end users. In the Bluetooth chip domain, supported by leading technology companies such as Apple, Google, and Amazon, demand is rising for smart home devices that integrate IEEE802.15.4 multi-mode capabilities and support Matter over Thread, aligning with global standards. Realtek assists brand clients in adopting these specifications to access global markets. As a key driver in Bluetooth audio solutions, Realtek offers low-latency gaming headset solutions for an enhanced user experience. Moving forward, the company will introduce new Bluetooth single-chip solutions supporting wireless bidirectional communication and near-field object localization, expanding into new application segments. Furthermore, leveraging its Bluetooth audio platform and proprietary low-power IoT chips, Realtek has successfully launched smart glasses and digital voice recorder solutions, extending Bluetooth technology from personal entertainment and smart home applications to intelligent cloud-based use cases.

In the Ethernet sector, Realtek is dedicated to maintaining its market leadership and expanding next-generation products. Driven by the increasing demand for high bandwidth stemming from AI, 5G, and IoT applications, we are actively investing in optical communication technologies to ensure long-term competitiveness in high-speed data transmission environments. This demonstrates our commitment to technological innovation and future infrastructure planning. In the short term, the adoption of 2.5GbE, 5GbE, and even 10GbE Ethernet chips in the motherboard market continues to rise due to ongoing specification upgrades. Realtek's 10GbE series products, launched in 2025, have successfully penetrated server-grade edge AI platforms, opening new application markets. The next phase will see the introduction of 25GbE Ethernet solutions to maintain our technological edge and expand market influence. As AI, big data, and cloud services rapidly evolve, the market's need for high bandwidth and low latency continues to grow, making 100G, 800G, and even 1.6T optical networks increasingly critical. To address this, Realtek has mapped out a comprehensive Optical PHY chip development plan, with 100G Optical PHY products launched in 2025 and PAM4 DSP chips under development to support cutting-edge 400G and 800G modules. Leveraging our strengths in high-speed SerDes and low-power design, we are strategically positioning ourselves in data center and telecommunications backbone networks, high-performance computing (HPC), and AI server markets. In the switch and PON space, governments and telecom operators worldwide are accelerating the deployment of 10GPON and Wi-Fi 7 router infrastructure, driving demand for Multi-G Ethernet switches. Realtek's comprehensive product portfolio has secured our position in the supply chains of major global telecom operators and leading networking brands. At the

same time, we continue to accumulate key clients in the mid- to high-end managed switch market, with mass production expected in 2026 for applications covering urban infrastructure and enterprise campuses. Our high-end campus network aggregation-level 24/48*10GbE switch solutions, launched in 2025, have already been adopted by major telecom companies and brand customers and are projected to drive significant growth in 2026. As global fiber-optic network upgrades advance, Realtek's XG-PON products, combined with our Wi-Fi technology, are steadily increasing market share worldwide, and we are progressively rolling out 25 Gbps fiber access solutions.

In the personal computer sector, according to IDC data, PC shipments in 2025 are expected to grow approximately 4% year-over-year, driven by the upgrade cycle from Windows 10 to Windows 11 and the increasing penetration of AI PCs. Realtek's PC-related products have outperformed the market. In addition to ongoing improvements in power efficiency for its audio products, Realtek has integrated proprietary multi-model AI algorithms. By leveraging neural network technologies and combining expertise in imaging and wireless networking, Realtek has developed more comprehensive decision-making models. Together with ongoing advancements in automatic speech recognition and speech synthesis, these innovations will significantly enhance the PC user experience, positioning Realtek's solutions as indispensable AI assistants for consumers. Looking ahead to 2026, Realtek will further strengthen customer engagement, providing comprehensive support from microphone and speaker design recommendations to VoIP, voice wake-up, and recognition testing and calibration tools—all aimed at delivering optimal user experiences. Through diversified solutions, Realtek will boost generative AI (GAI) applications on PCs, ensuring leadership in both technology specification and market share. For imaging signal processing chips, Realtek has fully launched its third-generation Edge AI PC webcam SoC, featuring the latest imaging technologies. This solution not only enhances computational performance but also significantly reduces power consumption, delivering a differentiated and competitive human-machine interaction experience for AI PCs. The product has already attracted major brand clients, with clear development progress and mass production scheduled to begin in 2026, providing new revenue growth momentum and further strengthening Realtek's technological leadership and market share in the mid- to high-end PC segment. This will consolidate Realtek's global leadership in PC imaging and edge AI applications. As high-speed interface standards advance, Realtek is building upon its successful USB4 40Gbps hub experience by actively developing the next-generation USB4 v2 80Gbps hub controller chip. This proactive approach positions Realtek to capture opportunities in the ultra-high-speed transmission market, widening the technology gap with competitors and securing future product competitiveness. Additionally, in response to new business opportunities arising from AI PCs, Realtek's new product lines—such as fingerprint recognition and embedded controller (EC) chips—are progressively being adopted by major PC manufacturers, demonstrating the effectiveness of Realtek's diversified development strategy.

Realtek continues to advance in the multimedia application sector by integrating cutting-edge artificial intelligence (AI) technology into its TV system-on-chip (SoC) solutions. These SoCs combine industry-leading image enhancement and audio optimization to deliver an

outstanding audiovisual experience. The latest intelligent display SoC integrates multi-core CPU and high-performance GPU architectures, supporting ultra-high-definition 4K/5K displays and 120Hz refresh rates. This enables smooth video processing, precise voice control, and high-bandwidth streaming capabilities. Additionally, the built-in AI image enhancement engine automatically adjusts brightness, contrast, and color based on scene detection, providing visual quality comparable to premium TVs. The product features a multi-system compatible platform supporting major operating environments, including Android and Linux, offering brand clients exceptional development flexibility. For intelligent display SoC applications, this solution integrates Wi-Fi and Bluetooth control modules, allowing seamless connectivity with keyboards, mice, smartphones, and cloud services. This redefines the user experience for "hostless workspaces," enabling effortless remote work, streaming entertainment, or mobile device mirroring—all through a single intelligent display. Leveraging robust computing power, outstanding energy efficiency, and highly integrated AI multimedia technologies, Realtek empowers clients to accelerate next-generation smart display product development and secure early market leadership.

In the automotive sector, Realtek continues to outperform the broader market by leveraging a comprehensive portfolio of automotive Ethernet physical layer (PHY) solutions and highly integrated switch products. The upcoming fourth-generation switch chip, set for mass production, leads the industry by supporting the highest functional safety standard, ASIL-D. In addition, the company is actively developing a series of high-speed asymmetric PHY bridge transceivers (Automotive SerDes Alliance Motion Link, ASA-ML), aiming to establish these products as industry standards and ensure broad applicability for in-vehicle camera data bridging to meet diverse customer requirements. Realtek is also focusing on key applications for advanced autonomous driving by developing automotive gateway solutions. For the smart cockpit market, Realtek has introduced a range of single-chip products targeting multiple market segments, utilizing a modular architecture and supporting open ecosystems to enable rapid deployment across various brands and vehicle models. On the wireless connectivity front, Realtek's automotive Wi-Fi 7 solutions are fully compliant with automotive standards and meet the high bandwidth demands of in-car audio-visual entertainment systems. These solutions deliver superior performance in integration and reliability compared to peer offerings. By combining additional products such as automotive AI-enabled voice digital signal processor SoCs, power amplifier chips, and display-related chipsets, the automotive domain will continue to be a major driver of Realtek's future growth.

3. Strategy for Future Development and Impact by Competitive, Regulatory, and Macro Conditions

Looking ahead, Realtek will strategically capitalize on key business opportunities arising from advancements in edge AI devices and various connectivity technology upgrades. We will continue to enhance our core technology and product portfolio while integrating AI-powered intelligent tools into product design, R&D processes, and daily operations to significantly boost innovation and organizational efficiency. In alignment with our commitment to environmental

sustainability, we are dedicated to optimizing our product mix, increasing the share of high-value-added and clean technology products, and driving sustainable company development through robust R&D capabilities. To address external competitive pressures, Realtek will focus on expanding our technology leadership, building high barriers to entry, and leveraging flexible customer technical support capabilities and cost optimization strategies to maintain our market-leading position. Concurrently, we actively implement green design principles and strengthen cybersecurity management to ensure our products meet the stringent standards of leading international clients. Regarding the overall business environment, we are mindful of geopolitical factors, demand fluctuations caused by inflation, and key material supply uncertainties stemming from the growth of high-performance computing (HPC). Realtek will continue to reinforce supply chain resilience by diversifying wafer foundry and packaging/testing operations to spread risk, while closely monitoring inventory levels and market trends across our operations and downstream customers. With agile operational strategies, we are well positioned to navigate macroeconomic uncertainties. Finally, we sincerely thank our shareholders for their ongoing support and trust. We remain committed to creating new growth opportunities and enhancing shareholder value.

We wish you all health and success in the future.

Chairman: Chiu, Sun-Chien

President: Yen, Kuang-Yu

Controller: Chang, Jr-Neng

Attachment 2: Audit Committee's review report

Audit Committee's review report

The Board of Directors hereby submits the Company's 2025 business report, financial statements, and distribution of retained earnings. The financial statements have been audited by PricewaterhouseCoopers, who have concluded that they fairly present the Company's financial position, operating performance, and cash flows. Upon review by the Audit Committee, no objections were raised. Therefore, in accordance with the Securities and Exchange Act and the Company Act, we report as above.

To:

2026 Annual Shareholders' Meeting

Realtek Semiconductor Corp.

Chairman of the Audit Committee: Hsieh, Yin-Ching

February 26, 2026

Attachment 3: Distribution of retained earnings

Realtek Semiconductor Corporation
Distribution of retained earnings
2025

Unit: NT
dollars

Item	Amount
2025 Net Income after taxes	14,753,249,396
Plus: Other equity Carries Forward Retained Earnings	5,787,813
2025 Earnings Available for Distribution	14,759,037,209
Plus: Previous Year's Unappropriated Earnings	18,973,628,176
Cumulative Earnings Available for Distribution for 2025	33,732,665,385
Items for Distribution:	
Dividends to Shareholders (distributed in cash)	(12,887,816,025)
Unappropriated Retained Earnings	20,844,849,360

According to No. 871941343 official letter issued by Ministry of Finance on April 30, 1998, distribution of retained earnings shall be used in specific identification method. The first priority of distribution of retained earnings is 2025 profit, then the following sequence adopted in last-in first-out method are the previous year's part before 2025 if insufficiency based on the principles of the Company's profit distribution.

Chairman: Chiu, Sun-Chien

President: Yen, Kuang-Yu

Controller: Chang, Jr-Neng

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25000250

To the Board of Directors and Shareholders of Realtek Semiconductor Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Realtek Semiconductor Corporation and subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, 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 that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 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 of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2025 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 2025 consolidated financial statements are stated as follows:

Evaluation of inventories

Refer to Note 4(13) of the consolidated financial statements for inventory evaluation policies, Note 5(2)

for uncertainty of accounting estimates and assumptions of inventory evaluation and Note 6(6) for the details of inventories.

The Group is primarily engaged in researching, developing, manufacturing, selling of various integrated circuits and related application software. Inventories are stated at the lower of cost and net realizable value. Due to the balances of inventories are significant to the financial statements and the rapid technological changes in the industry, there is a higher risk of decline in market value and obsolescence of inventories. Thus, we considered the evaluation of inventories as one of the key audit matters.

How our audit addressed the matter

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

1. Obtained an understanding of accounting policies on the provision of allowance for inventory valuation losses and assessed the reasonableness.
2. Validated the accuracy of inventory aging report, as well as sampled and confirmed the consistency of quantities and amounts with detailed inventory listing, verified dates of movements with supporting documents and ensured the proper categorization of inventory aging report.
3. Evaluated and confirmed the reasonableness of net realizable value for inventories through validating respective supporting documents.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Realtek Semiconductor Corporation as at and for the years ended December 31, 2025 and 2024.

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 that came into effect 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.

Auditor’s 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 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 consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and 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 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 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 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.

Li, Tien-Yi

Cheng, Ya-Huei

For and on behalf PricewaterhouseCoopers, Taiwan

February 26, 2026

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.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars)

		(Expressed in thousands of New Taiwan dollars)		December 31, 2025		December 31, 2024		
Assets		Notes	AMOUNT		%	AMOUNT		%
Current assets								
1100	Cash and cash equivalents	6(1)	\$	13,065,867	10	\$	14,812,459	13
1110	Financial assets at fair value through profit or loss - current	6(2)		6,813,280	5		7,520,809	7
1136	Financial assets at amortised cost - current	6(4)		41,496,448	32		32,766,211	29
1170	Accounts receivable, net	6(5)		12,689,707	10		12,305,290	11
1180	Accounts receivable, net - related parties	6(5) and 7		2,321,477	2		2,641,074	2
1200	Other receivables			617,201	-		604,664	-
130X	Inventories, net	6(6)		19,560,914	15		13,506,049	12
1410	Prepayments			792,185	1		501,451	-
11XX	Total current assets			97,357,079	75		84,658,007	74
Non-current assets								
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)		3,303,641	3		3,340,653	3
1535	Financial assets at amortised cost - non-current	6(4) and 8		10,768,213	8		9,067,774	8
1550	Investments accounted for under equity method	6(7)		103,472	-		120,646	-
1600	Property, plant and equipment	6(8)		10,604,975	8		9,610,167	9
1755	Right-of-use assets	6(9)		1,502,411	1		1,681,636	2
1760	Investment property	6(10)		27,174	-		31,121	-
1780	Intangible assets	6(11)		3,474,723	3		2,659,135	2
1840	Deferred income tax assets	6(28)		505,874	-		437,137	-
1900	Other non-current assets	9		2,255,801	2		2,290,454	2
15XX	Total non-current assets			32,546,284	25		29,238,723	26
1XXX	Total assets		\$	129,903,363	100	\$	113,896,730	100

(Continued)

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			Notes	December 31, 2025		December 31, 2024		
				AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(12)	\$	10,090,000	8	\$	4,500,000	4
2130	Contract liabilities - current	6(21)		691,119	1		413,754	-
2150	Notes payable			5,000	-		-	-
2170	Accounts payable			11,396,095	9		9,255,237	8
2180	Accounts payable - related parties	7		337,064	-		328,371	-
2200	Other payables	6(13)		36,512,622	28		31,243,185	28
2220	Other payables - related parties	7		61,021	-		80,507	-
2230	Current income tax liabilities			3,495,384	3		2,134,229	2
2280	Lease liabilities - current			99,268	-		113,601	-
2300	Other current liabilities	6(21)		12,068,337	9		9,892,091	9
21XX	Total current liabilities			74,755,910	58		57,960,975	51
Non-current liabilities								
2550	Provisions - non-current	6(16)		1,334,672	1		1,266,560	1
2570	Deferred income tax liabilities	6(28)		335,248	-		265,722	-
2580	Lease liabilities - non-current			1,191,144	1		1,361,638	1
2600	Other non-current liabilities			74,303	-		84,347	-
25XX	Total non-current liabilities			2,935,367	2		2,978,267	2
2XXX	Total liabilities			77,691,277	60		60,939,242	53
Equity								
	Share capital	6(17)						
3110	Common shares			5,155,126	4		5,128,636	5
	Capital surplus	6(18)						
3200	Capital surplus			1,623,486	1		287,282	-
	Retained earnings	6(19)						
3310	Legal reserve			8,882,764	7		8,882,764	8
3350	Undistributed earnings			33,732,665	26		32,051,651	28
	Other equity interest	6(20)						
3400	Other equity interest			2,808,327	2		6,597,430	6
31XX	Equity attributable to holders of the parent company			52,202,368	40		52,947,763	47
36XX	Non-controlling interest			9,718	-		9,725	-
3XXX	Total equity			52,212,086	40		52,957,488	47
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	Total liabilities and equity		\$	129,903,363	100	\$	113,896,730	100

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

			Year ended December 31			
			2025		2024	
Items	Notes		AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(21) and 7	\$ 122,706,372	100	\$ 113,393,698	100
5000	Operating costs	6(6) and 7	(61,332,694)	(50)	(56,231,862)	(50)
5950	Gross profit		61,373,678	50	57,161,836	50
	Operating expenses	6(26)(27) and 7				
6100	Selling expenses		(5,983,952)	(5)	(4,793,105)	(4)
6200	General and administrative expenses		(5,875,678)	(5)	(5,328,736)	(5)
6300	Research and development expenses		(35,124,986)	(28)	(33,543,624)	(29)
6450	Expected credit (losses) gains	12(2)	(29,221)	-	5,175	-
6000	Total operating expenses		(47,013,837)	(38)	(43,660,290)	(38)
6900	Operating income		14,359,841	12	13,501,546	12
	Non-operating income and expenses					
7100	Interest income	6(22)	2,666,145	2	2,792,033	2
7010	Other income	6(23)	190,435	-	305,375	-
7020	Other gains and losses	6(24)	161,013	-	71,467	-
7050	Finance costs	6(25)	(118,423)	-	(288,398)	-
7060	Share of profit (loss) of associates and joint ventures accounted for under equity method	6(7)	1,517	-	(40,813)	-
7000	Total non-operating income and expenses		2,900,687	2	2,839,664	2
7900	Profit before income tax, net		17,260,528	14	16,341,210	14
7950	Income tax expense	6(28)	(2,507,212)	(2)	(1,049,685)	(1)
8200	Net income for the year		\$ 14,753,316	12	\$ 15,291,525	13
	Other comprehensive income (losses), net	6(20)				
	Components of other comprehensive income (losses) that will not be reclassified to profit or loss					
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	6(3)	\$ 74,730	-	\$ 229,072	-
	Components of other comprehensive income (losses) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(2,515,370)	(2)	3,146,510	3
8300	Other comprehensive (losses) income, net		(\$ 2,440,640)	(2)	\$ 3,375,582	3
8500	Total comprehensive income for the year		\$ 12,312,676	10	\$ 18,667,107	16
	Net income attributable to:					
8610	Equity holders of the parent company		\$ 14,753,249	12	\$ 15,291,442	13
8620	Non-controlling interest		67	-	83	-
	Net income for the year		\$ 14,753,316	12	\$ 15,291,525	13
	Comprehensive income attributable to:					
8710	Equity holders of the parent company		\$ 12,312,609	10	\$ 18,667,024	16
8720	Non-controlling interest		67	-	83	-
	Total comprehensive income for the year		\$ 12,312,676	10	\$ 18,667,107	16
	Earnings per share (in dollars)					
9750	Basic earnings per share	6(29)	\$ 28.77		\$ 29.82	
9850	Diluted earnings per share	6(29)	\$ 28.06		\$ 29.32	

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent company										
	Notes	Retained Earnings				Other equity interest				
		Common shares	Capital surplus	Legal reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealised income (losses) from financial assets measured at fair value through other comprehensive income	Unearned employee compensation	Total	Non-controlling interest
										Total equity
2024										
Balance at January 1, 2024		\$ 5,128,636	\$ 542,048	\$ 8,882,764	\$ 24,845,272	\$ 1,578,157	\$ 1,251,583	\$ -	\$ 42,228,460	\$ 9,702
Net income for the year		-	-	-	15,291,442	-	-	-	15,291,442	83
Other comprehensive income for the year	6(20)	-	-	-	-	3,146,510	229,072	-	3,375,582	-
Total comprehensive income for the year		-	-	-	15,291,442	3,146,510	229,072	-	18,667,024	83
Distribution of 2023 earnings										
Cash dividends	6(19)	-	-	-	(7,692,955)	-	-	-	(7,692,955)	-
Cash from capital surplus	6(18)(19)	-	(256,432)	-	-	-	-	-	(256,432)	-
Change in equity of associates accounted for under equity method	6(18)	-	1,315	-	-	-	-	-	1,315	-
Disposal of financial assets at fair value through other comprehensive income or losses	6(20)	-	-	-	(392,108)	-	392,108	-	-	-
Cash dividends returned	6(18)	-	351	-	-	-	-	-	351	-
Changes in non-controlling interest		-	-	-	-	-	-	-	-	(60)
Balance at December 31, 2024		<u>\$ 5,128,636</u>	<u>\$ 287,282</u>	<u>\$ 8,882,764</u>	<u>\$ 32,051,651</u>	<u>\$ 4,724,667</u>	<u>\$ 1,872,763</u>	<u>\$ -</u>	<u>\$ 52,947,763</u>	<u>\$ 9,725</u>
2025										
Balance at January 1, 2025		\$ 5,128,636	\$ 287,282	\$ 8,882,764	\$ 32,051,651	\$ 4,724,667	\$ 1,872,763	\$ -	\$ 52,947,763	\$ 9,725
Net income for the year		-	-	-	14,753,249	-	-	-	14,753,249	67
Other comprehensive (losses) income for the year	6(20)	-	-	-	-	(2,515,370)	74,730	-	(2,440,640)	-
Total comprehensive income (losses) for the year		-	-	-	14,753,249	(2,515,370)	74,730	-	12,312,609	67
Distribution of 2024 earnings										
Cash dividends	6(19)	-	-	-	(13,078,023)	-	-	-	(13,078,023)	-
Restricted stocks to employees	6(17)(18)	26,490	1,335,096	-	-	-	-	(1,361,586)	-	-
Compensation cost of share-based payments	6(15)(20)	-	-	-	-	-	-	18,911	18,911	-
Disposal of financial assets at fair value through other comprehensive income or losses	6(20)	-	-	-	5,788	-	(5,788)	-	-	-
Cash dividends returned	6(18)	-	400	-	-	-	-	-	400	-
Other changes in capital surplus	6(18)	-	708	-	-	-	-	-	708	-
Changes in non-controlling interest		-	-	-	-	-	-	-	-	(74)
Balance at December 31, 2025		<u>\$ 5,155,126</u>	<u>\$ 1,623,486</u>	<u>\$ 8,882,764</u>	<u>\$ 33,732,665</u>	<u>\$ 2,209,297</u>	<u>\$ 1,941,705</u>	<u>(\$ 1,342,675)</u>	<u>\$ 52,202,368</u>	<u>\$ 9,718</u>

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 17,260,528	\$ 16,341,210
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(26)	1,535,928	1,460,905
Amortization	6(11)(26)	2,183,375	1,883,109
Expected credit losses (gains)	12(2)	29,221 (	5,175)
Interest expense	6(25)	118,423	288,398
Interest income	6(22)	(2,666,145) (	2,792,033)
Dividend income	6(23)	(21,117) (	18,575)
Compensation cost of share-based payments	6(15)	18,911	-
Gains on financial assets at fair value through profit or loss	6(2)(24)	(146,367) (	79,049)
Share of (profit) loss of associates and joint ventures accounted for under equity method	6(7)	(1,517)	40,813
Losses on disposal of property, plant and equipment	6(24)	815	78
Impairment losses on financial assets	6(24)	-	53,000
Gains arising from lease modifications	6(24)	(4,385) (	146)
Losses on disposal of investments	6(24)	20,277	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss - current		553,186 (	1,998,912)
Accounts receivable, net		(411,305) (	1,636,134)
Accounts receivable, net - related parties		317,264 (	548,068)
Other receivables		(39,663)	10,339
Inventories		(6,054,865) (	1,749,115)
Prepayments		(290,734)	65,310
Changes in operating liabilities			
Contract liabilities - current		277,365	77,106
Notes payable		5,000	-
Accounts payable		2,140,858	2,351,228
Accounts payable - related parties		8,693 (	40,733)
Other payables		4,703,786	6,649,569
Other payables - related parties		(19,486)	20,214
Other current liabilities		2,176,246	1,982,664
Provisions - non-current		(125,752) (	209,601)
Accrued pension obligations		(9,864) (	2,404)

(Continued)

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2025	2024
Cash inflow generated from operations		\$ 21,558,676	\$ 22,143,998
Interest received		2,693,271	2,793,654
Dividends received		21,117	18,575
Interest paid		(117,457)	(292,547)
Income tax paid		(1,140,264)	(729,593)
Net cash flows from operating activities		<u>23,015,343</u>	<u>23,934,087</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		-	(4,652,794)
Proceeds from disposal of financial assets at fair value through profit or loss		124,730	158,781
Proceeds from capital reduction of financial assets at fair value through other comprehensive income or losses		18,091	18,093
Proceeds from disposal of financial assets at fair value through other comprehensive income or losses		7,615	120,509
Acquisition of financial assets at amortised cost		(66,476,831)	(39,991,204)
Proceeds from disposal of financial assets at amortised cost		54,560,155	38,762,429
Acquisition of investments accounted for using equity method		-	(28,350)
Proceeds from capital reduction of investments accounted for using equity method		18,692	-
Acquisition of property, plant and equipment	6(30)	(2,089,496)	(2,346,904)
Acquisition of intangible assets	6(30)	(2,575,197)	(1,647,943)
Decrease (increase) in refundable deposits		94,933	(99,791)
Increase in other non-current assets		(62,977)	-
Net cash flows used in investing activities		<u>(16,380,285)</u>	<u>(9,707,174)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(31)	76,660,913	88,214,680
Decrease in short-term borrowings	6(31)	(71,070,913)	(87,964,680)
Decrease in long-term borrowings	6(31)	-	(2,239,560)
Repayment of principal portion of lease liabilities	6(31)	(128,744)	(126,960)
Decrease in guarantee deposits	6(31)	(179)	(285)
Cash from capital surplus and cash dividends		(13,078,023)	(7,949,387)
Cash dividends returned		400	351
Other financing activities		708	-
Net cash flows used in financing activities		<u>(7,615,838)</u>	<u>(10,065,841)</u>
Effect of exchange rate		<u>(765,812)</u>	<u>383,096</u>
Net (decrease) increase in cash and cash equivalents		(1,746,592)	4,544,168
Cash and cash equivalents at beginning of year		<u>14,812,459</u>	<u>10,268,291</u>
Cash and cash equivalents at end of year		<u>\$ 13,065,867</u>	<u>\$ 14,812,459</u>

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25000260

To the Board of Directors and Shareholders of Realtek Semiconductor Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Realtek Semiconductor Corporation (the "Company") as at December 31, 2025 and 2024, 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 material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 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 of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2025 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2025 parent company only financial statements are stated as follows:

Evaluation of inventories

Description

Refer to Note 4(12) of the parent company only financial statements for inventory valuation policies, Note 5(2) for uncertainty of accounting estimates and assumptions of inventory valuation and Note 6(4) for the details of inventories.

The Company is primarily engaged in researching, developing, manufacturing, selling of various integrated circuits and related application software. Inventories are stated at the lower of cost and net realizable value. Due to the balances of inventories are significant to the financial statements and the rapid technological changes in the industry, there is a higher risk of decline in market value and obsolescence of inventories. Thus, we considered the valuation of inventories as one of the key audit matters.

How our audit addressed the matter

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

1. Obtained an understanding of accounting policies on the provision for inventory valuation losses and assessed the reasonableness.
2. Validated the accuracy of inventory aging report, as well as sampled and confirmed the consistency of quantities and amounts with detailed inventory listing, verified dates of movements with supporting documents and ensured the proper categorization of inventory aging report.
3. Evaluated and confirmed the reasonableness of net realizable value for inventories through validating respective supporting documents.

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 management determines is necessary to enable the preparation of 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 Standards of 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 Standards on Auditing of the Republic of China, we exercise professional judgement and 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 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 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.

Li, Tien-Yi

Cheng, Ya-Huei

For and on behalf of PricewaterhouseCoopers, Taiwan

February 26, 2026

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. Accordingly, the accompanying parent company only 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.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 8,361,031	7	\$ 7,083,963	7
1110	Financial assets at fair value through profit or loss - current		526,220	-	677,158	1
1136	Financial assets at amortised cost - current	6(2)	5,658,794	5	1,639,050	2
1170	Accounts receivable, net	6(3)	9,676,194	8	7,013,282	7
1180	Accounts receivable, net - related parties	6(3) and 7	1,684,545	1	1,453,622	1
1200	Other receivables		109,137	-	80,594	-
1210	Other receivables - related parties	7	61,886	-	244,160	-
130X	Inventories, net	6(4)	15,264,019	13	9,218,023	9
1410	Prepayments		584,405	1	332,823	-
11XX	Total current assets		41,926,231	35	27,742,675	27
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current		67,771	-	73,865	-
1535	Financial assets at amortised cost - non-current	6(2) and 8	168,161	-	140,453	-
1550	Investments accounted for under equity method	6(5)	58,860,934	50	59,274,486	57
1600	Property, plant and equipment	6(6)	10,178,316	9	9,245,962	9
1755	Right-of-use assets	6(7)	1,341,981	1	1,546,507	2
1780	Intangible assets	6(8)	3,296,541	3	2,618,949	3
1840	Deferred income tax assets	6(24)	432,717	-	360,563	-
1900	Other non-current assets	9	2,229,563	2	2,267,910	2
15XX	Total non-current assets		76,575,984	65	75,528,695	73
1XXX	Total assets		\$ 118,502,215	100	\$ 103,271,370	100

(Continued)

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(9)	\$ 10,090,000	9	\$ 4,500,000	4
2130	Contract liabilities - current	6(17)	559,684	1	183,330	-
2150	Notes payable		5,000	-	-	-
2170	Accounts payable		8,894,260	8	5,627,798	6
2180	Accounts payable - related parties	7	231,288	-	212,428	-
2200	Other payables	6(10)	34,370,362	29	29,134,620	28
2220	Other payables - related parties	7	249,398	-	77,329	-
2230	Current income tax liabilities		1,619,174	1	1,622,093	2
2280	Lease liabilities - current		31,585	-	42,060	-
2300	Other current liabilities	6(17)	8,730,213	7	7,278,485	7
21XX	Total current liabilities		64,780,964	55	48,678,143	47
Non-current liabilities						
2570	Deferred income tax liabilities	6(24)	335,248	-	265,722	1
2580	Lease liabilities - non-current		1,104,827	1	1,296,801	1
2600	Other non-current liabilities	6(11)	78,808	-	82,941	-
25XX	Total non-current liabilities		1,518,883	1	1,645,464	2
2XXX	Total liabilities		66,299,847	56	50,323,607	49
Equity						
	Share capital	6(13)				
3110	Common shares		5,155,126	4	5,128,636	5
	Capital surplus	6(14)				
3200	Capital surplus		1,623,486	1	287,282	-
	Retained earnings	6(15)				
3310	Legal reserve		8,882,764	8	8,882,764	9
3350	Undistributed earnings		33,732,665	28	32,051,651	31
	Other equity interest	6(16)				
3400	Other equity interest		2,808,327	3	6,597,430	6
3XXX	Total equity		52,202,368	44	52,947,763	51
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	Total liabilities and equity		\$ 118,502,215	100	\$ 103,271,370	100

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

		Year ended December 31					
		2025		2024			
Items	Notes	AMOUNT	%	AMOUNT	%		
4000 Operating revenue	6(17) and 7	\$ 85,368,355	100	\$ 75,482,296	100		
5000 Operating costs	6(4) and 7	(44,222,359)	(52)	(39,649,469)	(53)		
5900 Gross profit		41,145,996	48	35,832,827	47		
5910 Unrealized profit from sales		(30)	-	(173)	-		
5920 Realized profit from sales		48	-	280	-		
5950 Net operating margin		41,146,014	48	35,832,934	47		
Operating expenses	6(22)(23) and 7						
6100 Selling expenses		(4,416,086)	(5)	(3,708,204)	(5)		
6200 General and administrative expenses		(4,100,089)	(5)	(3,841,679)	(5)		
6300 Research and development expenses		(28,841,156)	(34)	(28,103,442)	(37)		
6450 Expected credit (losses) gains	12(2)	(29,221)	-	5,175	-		
6000 Total operating expenses		(37,386,552)	(44)	(35,648,150)	(47)		
6900 Operating income		3,759,462	4	184,784	-		
Non-operating income and expenses							
7100 Interest income	6(18) and 7	400,812	1	338,243	1		
7010 Other income	6(19) and 7	129,372	-	243,727	-		
7020 Other gains and losses	6(20)	6,776	-	(87,902)	-		
7050 Finance costs	6(21)	(110,610)	-	(279,055)	-		
7070 Share of profit of associates and joint ventures accounted for under equity method	6(5)	11,171,092	13	15,397,428	20		
7000 Total non-operating income and expenses		11,597,442	14	15,612,441	21		
7900 Profit before income tax, net		15,356,904	18	15,797,225	21		
7950 Income tax expense	6(24)	(603,655)	(1)	(505,783)	(1)		
8200 Net income for the year		\$ 14,753,249	17	\$ 15,291,442	20		
Other comprehensive income (losses), net	6(16)						
Components of other comprehensive income (losses) that will not be reclassified to profit or loss							
8316 Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income		(\$ 6,094)	-	(\$ 107,036)	-		
8330 Share of other comprehensive income of associates and joint ventures accounted for under equity method		80,824	-	336,108	1		
8310 Total other comprehensive income that will not be reclassified to profit or loss		74,730	-	229,072	1		
Components of other comprehensive income (losses) that will be reclassified to profit or loss							
8380 Share of other comprehensive (losses) income of associates and joint ventures accounted for under equity method		(2,515,370)	(3)	3,146,510	4		
8300 Other comprehensive (losses) income, net		(\$ 2,440,640)	(3)	\$ 3,375,582	5		
8500 Total comprehensive income for the year		\$ 12,312,609	14	\$ 18,667,024	25		
Earnings per share (in dollars)							
9750 Basic earnings per share	6(25)	\$ 28.77		\$ 29.82			
9850 Diluted earnings per share	6(25)	\$ 28.06		\$ 29.32			

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Retained earnings				Other equity interest			
							Unrealised income (losses) from financial assets measured at fair value through other comprehensive income	Unearned compensation	Total equity
	Notes	Common shares	Capital surplus	Legal reserve	Undistributed earnings	Financial statements translation differences of foreign operations			
2024									
Balance at January 1, 2024		\$ 5,128,636	\$ 542,048	\$ 8,882,764	\$ 24,845,272	\$ 1,578,157	\$ 1,251,583	\$ -	\$ 42,228,460
Net income for the year		-	-	-	15,291,442	-	-	-	15,291,442
Other comprehensive income for the year	6(16)	-	-	-	-	3,146,510	229,072	-	3,375,582
Total comprehensive income for the year		-	-	-	15,291,442	3,146,510	229,072	-	18,667,024
Distribution of 2023 earnings									
Cash dividends	6(15)	-	-	-	(7,692,955)	-	-	-	(7,692,955)
Cash from capital surplus	6(14)(15)	-	(256,432)	-	-	-	-	-	(256,432)
Changes in equity of associates accounted for under equity method	6(14)	-	1,315	-	-	-	-	-	1,315
Disposal of financial assets at fair value through other comprehensive income or losses	6(16)	-	-	-	(392,108)	-	392,108	-	-
Cash dividends returned	6(14)	-	351	-	-	-	-	-	351
Balance at December 31, 2024		\$ 5,128,636	\$ 287,282	\$ 8,882,764	\$ 32,051,651	\$ 4,724,667	\$ 1,872,763	\$ -	\$ 52,947,763
2025									
Balance at January 1, 2025		\$ 5,128,636	\$ 287,282	\$ 8,882,764	\$ 32,051,651	\$ 4,724,667	\$ 1,872,763	\$ -	\$ 52,947,763
Net income for the year		-	-	-	14,753,249	-	-	-	14,753,249
Other comprehensive (losses) income for the year	6(16)	-	-	-	-	(2,515,370)	74,730	-	(2,440,640)
Total comprehensive income (losses) for the year		-	-	-	14,753,249	(2,515,370)	74,730	-	12,312,609
Distribution of 2024 earnings									
Cash dividends	6(15)	-	-	-	(13,078,023)	-	-	-	(13,078,023)
Restricted stocks to employees	6(13)(14)	26,490	1,335,096	-	-	-	-	(1,361,586)	-
Compensation cost of share-based payments	6(12)(16)	-	-	-	-	-	-	18,911	18,911
Disposal of financial assets at fair value through other comprehensive income or losses	6(16)	-	-	-	5,788	-	(5,788)	-	-
Cash dividends returned	6(14)	-	400	-	-	-	-	-	400
Other changes in capital surplus	6(14)	-	708	-	-	-	-	-	708
Balance at December 31, 2025		\$ 5,155,126	\$ 1,623,486	\$ 8,882,764	\$ 33,732,665	\$ 2,209,297	\$ 1,941,705	(\$ 1,342,675)	\$ 52,202,368

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 15,356,904	\$ 15,797,225
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(22)	1,364,143	1,282,590
Amortization	6(8)(22)	2,165,388	1,863,142
Expected credit losses (gains)	12(2)	29,221	(5,175)
Interest expense	6(21)	110,610	279,055
Interest income	6(18)	(400,812)	(338,243)
Dividend income	6(19)	(320)	(320)
Compensation cost of share-based payments	6(12)	18,911	-
Losses on financial assets at fair value through profit or loss	6(20)	24,237	40,871
Share of profit of associates and joint ventures accounted for under equity method	6(5)	(11,171,092)	(15,397,428)
Impairment losses on financial assets	6(20)	-	53,000
Gains arising from lease modifications	6(20)	(4,385)	-
Losses on disposal of investments		20,277	-
Unrealized profit from sales		(18)	(107)
Unrealized loss from disposals of intangible assets		35,999	-
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		(2,689,800)	609,474
Accounts receivable, net - related parties		(233,256)	(91,614)
Other receivables		(16,003)	3,077
Other receivables, - related parties		(431)	(3,014)
Inventories		(6,045,996)	(1,398,144)
Prepayments		(251,582)	36,223
Changes in operating liabilities			
Contract liabilities - current		376,354	51,477
Notes payable		5,000	-
Accounts payable		3,266,462	669,791
Accounts payable - related parties		18,860	(99,422)
Other payables		4,507,503	7,356,370
Other payables - related parties		172,069	(201,935)
Other current liabilities		1,451,728	1,648,336
Accrued pension obligations		(3,954)	(3,602)

(Continued)

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
Cash inflow generated from operations		\$ 8,106,017	\$ 12,151,627
Interest received		388,272	255,792
Dividends received		9,114,437	6,526,861
Interest paid		(109,644)	(283,204)
Income taxes paid		(606,605)	(645,341)
Net cash flows from operating activities		<u>16,892,477</u>	<u>18,005,735</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		-	(638,506)
Proceeds from disposal of financial assets at fair value through profit or loss		106,424	-
Acquisition of financial assets at amortised cost		(11,665,592)	(1,689,905)
Proceeds from disposal of financial assets at amortised cost		7,618,140	-
Increase in other receivables, - related parties		(9,167,328)	(5,661,498)
Decrease in other receivables, - related parties		9,350,033	8,644,877
Acquisition of property, plant and equipment	6(26)	(1,945,068)	(2,269,618)
Acquisition of intangible assets	6(26)	(2,424,598)	(1,638,738)
Decrease (increase) in refundable deposits		98,347	(97,743)
Increase in other non-current assets		(60,000)	-
Net cash flows used in investing activities		<u>(8,089,642)</u>	<u>(3,351,131)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(27)	76,660,913	88,214,680
Decrease in short-term borrowings	6(27)	(71,070,913)	(87,964,680)
Decrease in long-term borrowings	6(27)	-	(2,239,560)
Repayment of principal portion of lease liabilities	6(27)	(38,673)	(38,622)
(Decrease) increase in guarantee deposits	6(27)	(179)	178
Cash from capital surplus and cash dividends		(13,078,023)	(7,949,387)
Cash dividends returned		400	351
Other financing activities		708	-
Net cash flows used in financing activities		<u>(7,525,767)</u>	<u>(9,977,040)</u>
Net increase in cash and cash equivalents		1,277,068	4,677,564
Cash and cash equivalents at beginning of year		<u>7,083,963</u>	<u>2,406,399</u>
Cash and cash equivalents at end of year		<u>\$ 8,361,031</u>	<u>\$ 7,083,963</u>