



Stock Code: 3265

Winstek Semiconductor Co., Ltd.

2022 General Shareholders' Meeting

Meeting Handbook

Time and Date: 9:00 a.m. on June 8, 2022 (Wednesday)

**Location: No.176-5, 6 Ling, Hualung Chun, Lu Liao Ken, Chiung Lin,
Hsin-Chiu Hsien, Taiwan (the Company)**

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I. Procedure for the 2022 General Shareholders' Meeting of Winstek Semiconductor Co., Ltd.

- 1. Call the Meeting to Order**
- 2. Chair's Remarks**
- 3. Reports**
- 4. Proposals**
- 5. Discussion**
- 6. Questions and Motions**
- 7. Adjournment**

II. Agenda of the 2022 General Shareholders' Meeting of Winstek Semiconductor Co., Ltd.

Time and Date: 9:00 a.m. on June 8, 2022 (Wednesday)

Location: No. 176-5, Luliaokeng, Neighborhood 6, Hualong Village, Xionglin Township, Hsinchu County (the Company)

1. Call the Meeting to Order

2. Chair's Remarks

3. Reports

(1) 2021 Business Report.

(2) Audit Committee's 2021 Review Report.

(3) Report on the distribution of employee remuneration and directors' remuneration in 2021.

(4) Report on the payout of cash dividends from earnings in 2021.

4. Proposals

(1) 2021 Business Report and financial statements.

(2) Distribution of 2021 earnings.

5. Discussion

(1) Partial amendments to the "Articles of Incorporation".

(2) Partial amendments to the "Procedures for Asset Acquisition and Disposal".

6. Questions and Motions

7. Adjournment

1. Reports

Report 1

2021 Business Report.

Description: Please refer to Attachment 1 from pages 8 to 10 of this handbook for the Company's 2021 Business Report.

Report 2

Audit Committee's 2021 Review Report.

Description: Please refer to Attachment 2 on page 11, pages 13-17, and Attachment 3 from pages 24-27 of this handbook for the Audit Committee's 2021 Review Report and the CPAs' Audit Report.

Report 3

Distribution of employee remuneration and directors' remuneration in 2021.

Description: (1) The employee remuneration and the directors' remuneration are distributed as per Article 28 of the Company's Articles of Incorporation.

(2) It is proposed to distribute NT\$25,737,620 for employee remuneration and NT\$0 for directors' remuneration for 2021, which account for 5.3% and 0% of the 2021 profit, respectively, both paid in cash, in alignment with the regulations and the amounts recognized.

(3) The recipients of the employee remuneration include the Company's employees and those at the controlling company or subsidiaries who met certain criteria. The amount distributed will be determined based on the comprehensive review of the length of service, job grades, performance, overall contribution or special achievements, and other matters and paid out after approval by the Chairman.

Report 4

Report on the distribution of cash dividends from 2021 earnings.

Description: (1) As per Article 28 of the Company's Articles of Incorporation, the Board of Directors is authorized to distribute all or part of the dividends and bonuses in cash through a supermajority resolution and report it to the shareholders' meeting.

(2) It is proposed to distribute a cash dividend of NT\$313,401,816 to shareholders, with NT\$2.30 per share. The cash dividend is rounded down to NT\$ as per the distribution percentage, and each amount below NT\$1 will be adjusted in the descending order of the amounts and the shareholder account numbers, to be aligned with the total amount of cash dividends to be distributed. In addition, the processing fee and remittance fee shall be borne by the shareholders themselves and deducted from the dividends payable.

(3) This proposal has been approved by the Board of Directors, and the Chairman is authorized to set the ex-dividend record date and matters related to the payout. If the changes in the total number of outstanding shares subsequently, affect the dividend rate, the Chairman is authorized to handle it at his own discretion.

2. Proposals

Proposal 1

2021 Business Report and financial statements. (Proposed by the Board)

Description: (1) The 2021 Business Report and financial statements were approved by the Board of Directors, and the financial statements were audited by Hsieh, Chih-Cheng and Chiang, Tsai- Yen, CPAs at PwC Taiwan. The above financial statements and Business Report have been submitted to the Audit Committee for review, by whom an audit report has been issued.

(2) The Business Report (Attachment 1 from pages 8-10), the CPAs' audit report (Attachment 2 from pages 13-17 and pages 24-27) and the financial statements (Attachment 3 from pages 18-23 and 28-32) are submitted for ratification.

Decision:

Proposal 2

Distribution of 2021 earnings. (Proposed by the Board)

Description: (1) In accordance with the Company's Articles of Incorporation, the earnings are distributed on a semi-annual basis. In the first half of 2021, the Board of Directors resolved a decision not to distribute it, and the earnings would be carried forward to the second half of the year.

(2) The 2021 statement of earnings distribution has been approved by the Board of Directors and submitted to the Audit Committee for review.

(3) The 2021 statement of earnings distribution is as follows:

| Winstek Semiconductor Co., Ltd. | |
|---|------------------------------------|
| Statement Of Earnings Distribution | |
| 2021 | |
| | Unit : NTD |
| Undistributed earnings at the beginning of the period | 2,119,496,565 |
| Add: Net income after tax for the year | 393,930,802 |
| Less: The amount of items other than the net income after tax for the year included in the undistributed earnings of the year - the change in actuarial gain or loss for 2021 | (1,298,574) |
| Less: Provision for legal reserve | (39,263,223) |
| Less: Provision for special reserve | (78,596,774) |
| Distributable earnings | <u>2,394,268,796</u> |
| Distribution: | |
| Less: Dividends and bonuses for the first half of the fiscal year – cash | 0 |
| Less: Dividends and bonuses for the second half of the fiscal year – cash (NT\$2.30 per share based on the 136,261,659 shares entitled for the distribution) | (313,401,816) |
| Less: Dividends and bonuses - shares | 0 |
| Undistributed earnings at the end of the period | <u><u>2,080,866,980</u></u> |

Chairman:

General manager:

Accounting manager:

(4) It is hereby submitted for ratification.

Decision:

3. Discussion

Proposal 1

Partial amendments to the “Articles of Incorporation” (Proposed by the Board)

Description: (1) It is proposed to amend some provisions of the “Articles of Incorporation” in response to the Company's operational needs. Please refer to this handbook (Attachment 4 from pages 33-37) for the table of amendments.

(2) It is hereby submitted for discussion.

Decision:

Proposal 2

Partial amendments to the “Procedures for Asset Acquisition and Disposal”. (Proposed by the Board)

Description: (1) It is proposed to amend some provisions of the “Procedures for Asset Acquisition and Disposal” in accordance with the amendments to the laws and regulations. Please refer to this handbook (Attachment 5 from pages 38-50) for the table of amendments.

(2) It is hereby submitted for discussion.

Decision:

4. Questions and Motions

5. Adjournment

Attachment 1

Winstek Semiconductor Co., Ltd. 2021 Business Report

In terms of the business environment in 2021, factors, including geopolitics, China-US trade war, global pandemic, shortage of raw materials, and panic ordering, resulted in an imbalance in supply and demand in the semiconductor supply chain, shortage of materials, and price increases. In 2021, the role of our country's semiconductor industry in the international community became more critical. The pandemic, the China-US technology war, and the shortage of automotive or consumer electronics chips have accentuated the importance of Taiwan's semiconductor industry in the global supply chain. In 2021, the output value of our country's IC industry was NT\$4,082 billion, an increase of 26.7% compared with 2020.

In the face of geopolitical developments and the imbalance between supply and demand in the global semiconductor industry, governments around the world are actively facilitating the development of regional semiconductor supply chains. Under wafer fab plants' active expansion of production capacity, the tightened supply may be alleviated to some extent. In addition, AI combined with emerging technologies and applications, such as the Internet of Things (IoT), automotive electronics, and compound semiconductors, will drive the demand for more types and quantities of semiconductor components to continue to grow as the main driving force for the growth of the semiconductor industry in the post-pandemic era. According to a report by the Institute for Information Industry, the global semiconductor market will reach US\$606.5 billion in 2022, with a growth rate of 10.1%.

However, as the COVID-19 pandemic is far from over, the technology business opportunities derived therefrom will continue to exist; the demand for emerging technologies, such as 5G, WiFi6, IoT, electrification of/advanced driver-assistance systems, and AI, has facilitated continuous growth. In addition, the semiconductor components are in short supply. Therefore, our country's semiconductor output value will continue to grow. As per a research report by the Industrial Technology Research Institute, the output value of Taiwan's packaging and testing industry in 2022 will reach NT\$695 billion, an increase of 8.9% compared with 2021.

With the collective efforts of all our employees and shareholders' and customers' support, the Company's overall business performance for the past year is reported as follows:

- I. The consolidated operating income in 2021 was NT\$3.09 billion, an increase of 18.1% from NT\$2.61 billion in 2020. The net income after tax in 2021 was NT\$390 million, an increase of NT\$180 million from NT\$210 million in 2020. The earnings per share in 2021 was NT\$2.89, an increase of NT\$1.35 from NT\$1.54 in 2020.
- II. Budget execution: The Company did not disclose financial forecasts for 2021.

Financial structure, debt service ability, and profitability analysis

The Company's financial position and profitability are great and its financial structure, debt service ability, and profitability are as follows:

| Item | | Parent Company only Financial Statements | | Consolidated Financial Statements | |
|----------------------|--|---|--------|--------------------------------------|--------|
| | | 2021 | 2020 | 2021 | 2020 |
| Financial structure | Ratio of liabilities to assets (%) | 6.2% | 4.6% | 23.1% | 16.9% |
| | Ratio of long-term capital to fixed property (%) | 413.1% | 690.1% | 211.4% | 284.4% |
| Debt service ability | Current ratio (%) | 271.3% | 554.2% | 494.2% | 596.2% |
| | Quick ratio (%) | 267.4% | 547.6% | 472.9% | 581.5% |
| Profitability | Return on assets (%) | 7.8% | 4.1% | 6.6% | 3.6% |
| | Return on equity (%) | 8.2% | 4.4% | 8.2% | 4.4% |
| | Net profit rate (%) | 33.9% | 27.9% | 12.8% | 8.0% |
| | Earnings per share (NTD) | 2.89 | 1.54 | 2.89 | 1.54 |

Research and Development Status

The emerging technologies are developing rapidly, which will drive the demand for advanced packaging and testing processes. In addition to the increased penetration rate of the 5G technology, high-performance computing has become a critical part of the development of the new technologies, including supercomputers, servers, cloud computing, edge computing, and other high-performance computing products. The Company continues to maintain close collaboration with clients and actively invests in relevant technologies and production capacity to meet clients' future needs.

2022 business strategy and policy

In the face of rapid changes in the industry and uncertain impacts in the external environment, we will continue to focus on the investment in the R&D of high-end semiconductor packaging and testing technologies and maintain close cooperation with clients' needs with high-end technologies. We will integrate resources to reduce production costs and improve production efficiency, provide clients with complete testing and packaging services, and actively develop new clients to ensure continuous growth of the Company's revenue and profit.

As per the operating situation in this industry and the forecast for the semiconductor industry and the packaging and testing industry by various professional forecasting agencies, the demand for semiconductor products in the emerging technology fields will remain high, and as the tightened supply of advanced process semiconductors will continue, we remain cautiously optimistic about the Company's sales volume and revenue in 2022.

Impact of the external environment, regulatory environment, and general business environment

In the IC packaging and testing industry, the recurring global pandemic has facilitated the demand for remote work and teaching, thus raising the need for products from the cloud to consumer electronic products. In addition, the 5G technology, leading to mobile phone replacement, has created a strong high-end system-level packaging demand. Affected by the China-US technology war, our country's

semiconductor supply chain may still be able to continue to benefit from the De-Americanization business opportunities due to China's restructured supply chain. It is expected to continue to drive the growth of demand for our country's wafer-level packaging and testing services.

We would like to thank our shareholders for your continuous support and encouragement of the Company and hope that you will continue to encourage us and offer us your precious advice. We wish you

good health and all the best!

Chairman:

Handled by:

Accounting Manager:

Attachment 2

Winstek Semiconductor Co., Ltd.

Audit Committee's Audit Report

The Board of Directors prepared the Company's 2021 Business Report, financial statements, and statement of the earnings distribution, among which the consolidated and standalone financial statements were audited by Hsieh, Chih-Cheng and Chiang, Tsai- Yen, CPAs at PwC Taiwan, by whom an audit report was issued. We have reviewed the Business Report, statement of the earnings distribution, and consolidated and standalone financial statements and discovered no inconsistency; thus, we have issued a report in accordance with Article 14-4 of the Securities and Exchange Act and Article 29 of the Company Act. Please proceed to review it.

It is hereby presented to

The Company's 2022 General Shareholders' Meeting

Convener of the Audit Committee: Lin, Min-Kai

March 7, 2022

Attachment 3

Winstek Semiconductor Co., Ltd.

Declaration of Consolidated Financial Statement of Affiliates

In year of 2021(from January 1, 2021 to December 31, 2021), the related entities that are required to be included in the preparation of the consolidated financial statements of the Company, under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those defined in International Financial Reporting Standards (IFRS) No. 10 "Consolidated Financial Statements." In addition, the information which shall be disclosed in the combined financial statements of affiliated companies is included in the consolidated financial statements of the parent company. Consequently, there will be no separate preparation of combined financial statements of affiliated companies.

As hereby declared

Company Name: Winstek Semiconductor Co., Ltd.

Person in Charge: Huang Hsing-Yang

March 7, 2022

To the Winstek Semiconductor Co., Ltd.:

Opinion

The consolidated balance sheet on December 31, 2021 and December 31, 2020 consolidated composite income sheet, consolidated statement of changes in equity, combined statement of cash flows from January 1, 2021 to December 31, 2020, and the notes to the consolidated financial statements (including the summary of material accounting policies) of Winstek Semiconductor Co., Ltd. and Subsidiaries (hereinafter referred to as "Winstek Group"), have been audited by CPA.

In our opinion, all the material items prepared in these consolidated financial statements are in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations and interpretation announcements recognized by the Financial Supervisory Commission (FSC). Therefore, they are able to properly express the consolidated financial status of Winstek Group as of December 31, 2021 and December 31, 2020 and consolidated financial performance and consolidated cash flows from January 1, 2020 to December 31, 2021.

Basis of Opinion

We have performed the auditing work in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and auditing standards generally accepted in the ROC. Below, our CPAs will further explain the responsibilities auditors shall execute during the audit of consolidated financial statements under the above principles. The personnel of our accounting firm who are subject to independent regulations have acted in accordance with the ROC CPA Code of Professional Ethics to remain highly neutral from Winstek Group, while fulfilling other duties set forth in the said Code. We are convinced that we have acquired enough and appropriate audit evidence to serve as the basis of the auditor's opinion.

Key Audit Matters

The key audit matters refer to those most material items when auditing the combined financial statements of the year 2021 of Winstek Group, based on the professional judgment of the CPA. The said matters have been expressed when we audited the consolidated financial statements and when we established the auditor's opinion. We will not express any personal opinion on any of the matters.

The key audit matters of the consolidated financial statements of the year 2021 of Winstek Group are as follows:

Audits of Real Estate, Plant, and Equipment Capitalization

Matter description

Winstek Semiconductor Co., Ltd. and Subsidiaries increase capital expenditures along with their operations. Please refer to Note 4 (XIII) of the consolidated balance sheet for accounting policies related to items of real estate, plants, and equipment and Note 6(V) for description of items related to real estate, plants, and equipment. The amount of capital expenditure of real estate, plants, and equipment in this year is significant, and therefore, the CPA listed audits of real estate, plant, and equipment capitalization as key matters.

Corresponding auditing procedures

The auditor conducted main audit procedures towards the said key audit matters including: Evaluate and examine the effectiveness of the internal control of the time for the addition and recognition for depreciation of property, plant, and equipment with a random selection of the purchase orders and invoices to ascertain the appropriate approval of the transactions and the accuracy of bookkeeping. Acceptance documents have also been examined, on a selective basis, to determine the asset is in working condition and the timing for entry into asset index and starting to recognize for depreciation.

Other matters- Individual financial report

Winstek Semiconductor Co., Ltd. has prepared the individual financial report of the year 2021 and 2020, and the CPA has issued the unqualified audit report with other matters for future reference.

The responsibility of the management and governance units for the consolidated financial statements

The responsibility of the management was to establish financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and IFRS, IAS, interpretations and interpretation announcements recognized by the FSC, to properly indicate the company's financial status and also to maintain necessary internal control with regard to establishment of consolidated financial statements to ensure such financial statements did not contain any false contents as a result of fraudulence or mistakes.

When preparing the consolidated financial statements, the management is also responsible for the assessment of Winstek Group's ability on going concern, the disclosure of relevant matters, the adoption of the accounting base for going concern, unless the management intends to proceed with the liquidation to Winstek Group or to discontinue its operations, or has no other practical alternative solutions except for liquidation or closure.

The governing body of Winstek Group (including the Audit Committee) had the responsibility to supervise the financial reporting process.

The responsibility of CPAs when auditing Consolidated Financial Statements

Our objective when auditing the consolidated financial statements was to ascertain whether they contained any false contents as a result of fraudulence or mistakes and whether they were reasonably reliable and issue the auditor's report. Reasonably reliable means highly reliable. However, auditing work carried out in accordance with commonly accepted ROC audit guidelines cannot guarantee detection of significant false contents in parent company only financial statements. Misstatements could be caused by fraud or error. If the individual amounts or sums that false contents involved could be reasonably expected to affect the financial decision making of users of consolidated financial statements such false contents would be considered significant.

We conducted the auditing work according to audit standards generally accepted in the ROC and also exercised our profession judgment and remained professionally skeptical. We have also executed the following tasks:

1. Identifying and evaluating likely risks from significant false contents in the consolidated financial statements as a result of fraudulence of errors, designing and executing proper counter measures against the risks identified, and also establishing sufficient and appropriate audit evidence to serve as the basis of the auditor's report. As fraudulence can involve conspiracy, forgery, intentional omissions, false statements or transgressions of internal control, the risk of failing to detect significant false contents resulting from fraudulence is higher than the risk of failing to identify those coming from errors.
2. Obtaining necessary understanding of internal controls relevant to the audit, in order to design appropriate audit procedures in the circumstances, but the purpose is not to express an opinion on the effectiveness of internal controls of Winstek Group.
3. Evaluating the appropriateness of the accounting policy adopted by the management and the reasonableness of the accounting assessment and related disclosures made accordingly.
4. Based on the audit evidence obtained, conclusions are drawn on the appropriateness of the management's continuing adoption of the going concern accounting foundation and whether there was any significant doubt (in the events or circumstances) about the capacity of Winstek Group to remain in operation or whether any significant uncertainty existed. If we thought such doubt or significant uncertainty existed, we had to point it out in the auditor's report to remind users of the consolidated financial statements to look out for related disclosures in the consolidated financial statements to revise out audit opinion if such disclosures were considered inappropriate. Our conclusion was established according to the audit evidence obtained before the deadline for the auditor's report. However, future events or circumstances may result in Winstek Group no longer being able for going concern.
5. Evaluating the overall expression, structure and contents of the consolidated financial statements (including related notes) and whether the consolidated financial statements could appropriately express related transactions and events.
6. Obtaining sufficient and appropriate audit evidence with regard to the finance of the individual entities in the group to establish our opinion about the consolidated financial statements. We were responsible for guiding, supervising, and executing the audit work for the group and also establishing the auditor's opinion.

We communicated with governance units about the planned audit range and time and important audit discoveries (including significant internal control defects found during the audit process).

We provided governance units with a statement assuring the personnel of our accounting firm who are subject to independent regulations had acted according to the ROC CPA Code of Professional Ethics to remain neutral and also communicate with them about the all relations and other matters (including related preventive measures) that could affect the independence of CPAs.

Based on the result of our discussion with the governance body, we decided the key audit matters when auditing the 2021 consolidated financial statement of Winstek Group. We have clearly described the said matters in the auditor's report except certain matters whose public disclosure is prohibited by law or certain matters we decided not to mention under some extremely rare circumstances because disclosure of such matters can be reasonably expected to lead negative effects that would be greater than public good they might benefit.

PwC Taiwan

Hsieh Chih-Cheng

Certified public accountant

Chiang Tsai-Yen

Former Executive Yuan Financial Supervisory
Commission (FSC)

SC Approved Certificate No. 0990042599

Financial Supervisory Commission (FSC)

FSC Approved Certificate No. 1060025097

March 7, 2022

Winstek Semiconductor Co., Ltd. and Subsidiaries

Consolidated Balance Sheet

December 31, 2021 and 2020

Unit: NT\$ thousand

| Assets | Notes | December 31, 2021 | | December 31, 2020 | | |
|---------------------------|--|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current assets | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 1,603,413 | 25 | \$ 1,065,623 | 19 |
| 1136 | Financial assets measured at amortized cost - current | 6(2) | 800,040 | 13 | 1,980,960 | 35 |
| 1140 | Contract assets - current | 6(15) | 22,510 | - | 20,529 | - |
| 1170 | Net accounts receivable | 6(3) | 761,947 | 12 | 627,438 | 11 |
| 1180 | Accounts receivable from related parties (net) | 6(3) and 7 | 991 | - | 1,662 | - |
| 1200 | Other receivables | | 1,913 | - | 4,538 | - |
| 1210 | Other receivables—related parties | 7 | 2,097 | - | - | - |
| 1220 | Income tax assets in the current period | | 32,791 | - | 12,523 | - |
| 130X | Inventory | 6(4) | 104,848 | 2 | 68,448 | 1 |
| 1410 | Prepayments | | 40,593 | 1 | 28,242 | 1 |
| 1479 | Other current assets | | 7,287 | - | 3,933 | - |
| 11XX | Total current assets | | <u>3,378,430</u> | <u>53</u> | <u>3,813,896</u> | <u>67</u> |
| Non-current assets | | | | | | |
| 1535 | Financial assets measured at amortized cost - non-current | 6(2) and 8 | 21,700 | 1 | 21,700 | - |
| 1600 | Property, plant, and equipment | 6(5) | 2,667,119 | 42 | 1,768,742 | 31 |
| 1755 | Right-of-use asset | 6(6) | 7,883 | - | 8,296 | - |
| 1780 | Intangible assets | 6(8) | 121,992 | 2 | 52,115 | 1 |
| 1840 | Deferred income tax assets | 6(22) | 21,554 | - | 24,360 | 1 |
| 1920 | Refundable deposits | | 119,573 | 2 | 3,851 | - |
| 15XX | Total non-current assets | | <u>2,959,821</u> | <u>47</u> | <u>1,879,064</u> | <u>33</u> |
| 1XXX | Total assets | | <u>\$ 6,338,251</u> | <u>100</u> | <u>\$ 5,692,960</u> | <u>100</u> |

(To be continued on next page)

Winstek Semiconductor Co., Ltd. and Subsidiaries

Consolidated Balance Sheet
December 31, 2021 and 2020

Unit: NT\$ thousand

| Liability and shareholder's equity | Notes | December 31, 2021 | | December 31, 2020 | | |
|---|--|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current liability | | | | | | |
| 2130 | Contract liabilities - current | 6(15) | \$ - | - | \$ 396 | - |
| 2170 | Accounts payable | | 99,450 | 2 | 82,789 | 1 |
| 2180 | Account payable-related parties | 7 | 646 | - | 257 | - |
| 2200 | Other payables | 6(9) | 497,744 | 8 | 393,311 | 7 |
| 2220 | Other payables - related parties | 7 | 93 | - | - | - |
| 2230 | Current income tax liabilities | | 68,585 | 1 | - | - |
| 2250 | Liability reserve - current | | 9,144 | - | 10,816 | - |
| 2280 | Lease obligations— current | 6(25) | 2,561 | - | 1,947 | - |
| 2320 | Long-term liabilities due within one year or one operating cycle | 6(10) | - | - | 145,000 | 3 |
| 2399 | Other current liabilities - others | | 5,358 | - | 5,159 | - |
| 21XX | Total current liabilities | | <u>683,581</u> | <u>11</u> | <u>639,675</u> | <u>11</u> |
| Non-current liability | | | | | | |
| 2540 | Long-term loans | 6(10) | 746,000 | 12 | 285,500 | 5 |
| 2570 | Deferred income tax liabilities | 6(22) | 338 | - | 1,616 | - |
| 2580 | Lease obligations— non-current | 6(25) | 5,517 | - | 6,397 | - |
| 2640 | Net defined benefit liability - non-current | 6(11) | 26,638 | - | 26,816 | 1 |
| 2670 | Other non-current liabilities – others | | 266 | - | 3,563 | - |
| 25XX | Total non-current liabilities | | <u>778,759</u> | <u>12</u> | <u>323,892</u> | <u>6</u> |
| 2XXX | Total liabilities | | <u>1,462,340</u> | <u>23</u> | <u>963,567</u> | <u>17</u> |
| Equity | | | | | | |
| Capital | | | | | | |
| 3110 | Capital from ordinary share | 6(12) | 1,362,617 | 21 | 1,362,617 | 24 |
| Capital reserve | | | | | | |
| 3200 | Capital surplus | 6(13) | 366,243 | 6 | 366,243 | 7 |
| Retained earnings | | | | | | |
| 3310 | Legal reserve | 6(14) | 713,519 | 11 | 693,278 | 12 |
| 3320 | Special reserve | | 203,472 | 3 | 45,854 | 1 |
| 3350 | Undistributed earnings | | 2,512,130 | 40 | 2,464,874 | 43 |
| Other equity | | | | | | |
| 3400 | Other equity | | (282,070) | (4) | (203,473) | (4) |
| 3XXX | Total equity | | <u>4,875,911</u> | <u>77</u> | <u>4,729,393</u> | <u>83</u> |
| Material commitments and contingencies | | | | | | |
| Significant subsequent events | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 6,338,251</u> | <u>100</u> | <u>\$ 5,692,960</u> | <u>100</u> |

The notes to the combined financial statements attached is part of the combined financial report for your reference.
Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

Winstek Semiconductor Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31 of 2021 and 2020

Unit: NT\$ thousand

(except for unit of earnings per share which is NTD)

| Items | Note | 2021 | | 2020 | |
|---|--------------|-------------------|-----------|-------------------|-----------|
| | | Amount | % | Amount | % |
| 4000 Revenue | 6 (15) and 7 | \$ 3,086,392 | 100 | \$ 2,613,534 | 100 |
| 5000 Cost of operations | 6 (4) | (2,374,827) | (77) | (2,180,206) | (83) |
| 5950 Net gross profit | | <u>711,565</u> | <u>23</u> | <u>433,328</u> | <u>17</u> |
| Operating expense | 6 (20) (21) | | | | |
| 6100 Sale expense | | (23,265) | (1) | (25,018) | (1) |
| 6200 Management expense | | (194,172) | (6) | (167,145) | (6) |
| 6300 R&D expense | | (13,737) | (1) | (14,134) | (1) |
| 6000 Total operating expense | | (231,174) | (8) | (206,297) | (8) |
| 6900 Operating income | | <u>480,391</u> | <u>15</u> | <u>227,031</u> | <u>9</u> |
| Non-operating income and expense | | | | | |
| 7100 Interest income | 6 (16) | 7,369 | - | 23,708 | 1 |
| 7010 Other incomes | 6 (17) | 2,091 | - | 463 | - |
| 7020 Other profits and loss | 6 (18) & 7 | (13,963) | - | (15,786) | (1) |
| 7050 Financial cost | 6 (19) | (4,748) | - | (7,670) | - |
| 7000 Total non-operating income and expense | | (9,251) | - | 715 | - |
| 7900 Earnings before Taxation | | <u>471,140</u> | <u>15</u> | <u>227,746</u> | <u>9</u> |
| 7950 Income tax expense | 6 (22) | (77,209) | (2) | (18,348) | (1) |
| 8200 Net income in the current period | | <u>\$ 393,931</u> | <u>13</u> | <u>\$ 209,398</u> | <u>8</u> |
| Other comprehensive incomes | | | | | |
| 8311 Re-estimation of defined benefit plan | 6 (11) | (\$ 1,298) | - | (\$ 6,990) | - |
| 8310 Total amount of items not reclassified as profit or loss | | (1,298) | - | (6,990) | - |
| Items likely be reclassified under profit or loss | | | | | |
| 8361 Exchange difference from the conversion of financial statements of foreign operations. | | (78,597) | (3) | (157,619) | (6) |
| 8360 Total amount in items likely to be reclassified under profit or loss | | (78,597) | (3) | (157,619) | (6) |
| 8500 Total comprehensive incomes in the current period | | <u>\$ 314,036</u> | <u>10</u> | <u>\$ 44,789</u> | <u>2</u> |
| Net income attributable to: | | | | | |
| 8610 Shareholders of parent company | | <u>\$ 393,931</u> | <u>13</u> | <u>\$ 209,398</u> | <u>8</u> |
| Total comprehensive income attributable to: | | | | | |
| 8710 Shareholders of parent company | | <u>\$ 314,036</u> | <u>10</u> | <u>\$ 44,789</u> | <u>2</u> |
| Earnings per share 6 (23) | | | | | |
| 9750 Earnings per share | | <u>\$ 2.89</u> | | <u>\$ 1.54</u> | |
| 9850 Diluted earnings per share | | <u>\$ 2.87</u> | | <u>\$ 1.52</u> | |

The notes to the combined financial statements attached is part of the combined financial report for your reference.
Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

Winstek Semiconductor Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31 of 2021 and 2020

Unit: NT\$ thousand

| | Equity attributable to owners of parent company | | | | | | The balance of translation of the financial statements of foreign operating institutions | Total equity |
|--|---|---------------------|-------------------|-----------------------|-------------------------|---------------------|--|---------------------|
| | Notes | Share | Capital surplus | Legal capital reserve | Special capital reserve | Retained earnings | | |
| <u>2020</u> | | | | | | | | |
| Balance as at January 1, 2020 | | \$ 1,362,617 | \$ 366,243 | \$ 637,091 | \$ - | \$ 2,568,899 | (\$ 45,854) | \$ 4,888,996 |
| Net income in current period | | - | - | - | - | 209,398 | - | 209,398 |
| Net income in current period | | - | - | - | - | (6,990) | (157,619) | (164,609) |
| Total comprehensive gain or loss in current period | | - | - | - | - | 202,408 | (157,619) | 44,789 |
| Annual appropriation of net income and allocation of the year 2019 | 6(14) | | | | | | | |
| Appropriated as Legal reserve | | - | - | 56,187 | - | (56,187) | - | - |
| Appropriated as special surplus reserve | | - | - | - | 45,854 | (45,854) | - | - |
| Cash dividend | | - | - | - | - | (204,392) | - | (204,392) |
| Balance as of December 31, 2020 | | <u>\$ 1,362,617</u> | <u>\$ 366,243</u> | <u>\$ 693,278</u> | <u>\$ 45,854</u> | <u>\$ 2,464,874</u> | <u>(\$ 203,473)</u> | <u>\$ 4,729,393</u> |
| <u>2021</u> | | | | | | | | |
| Balance as of January 1, 2021 | | <u>\$ 1,362,617</u> | <u>\$ 366,243</u> | <u>\$ 693,278</u> | <u>\$ 45,854</u> | <u>\$ 2,464,874</u> | <u>(\$ 203,473)</u> | <u>\$ 4,729,393</u> |
| Net profit | | - | - | - | - | 393,931 | - | 393,931 |
| Other comprehensive income | | - | - | - | - | (1,298) | (78,597) | (79,895) |
| Total amount of comprehensive income | | - | - | - | - | 392,633 | (78,597) | 314,036 |
| 2020 surplus distribution and allocation | 6(14) | | | | | | | |
| Appropriated as Legal reserve | | - | - | 20,241 | - | (20,241) | - | - |
| Appropriated as special surplus reserve | | - | - | - | 157,618 | (157,618) | - | - |
| Cash dividend | | - | - | - | - | (167,518) | - | (167,518) |
| Balance as of December 31, 2021 | | <u>\$ 1,362,617</u> | <u>\$ 366,243</u> | <u>\$ 713,519</u> | <u>\$ 203,472</u> | <u>\$ 2,512,130</u> | <u>(\$ 282,070)</u> | <u>\$ 4,875,911</u> |

The notes to the combined financial statements attached is part of the combined financial report for your reference.

Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

Winstek Semiconductor Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
January 1 to December 31 of 2021 and 2020

Unit: NT\$ thousand

| Note | January 1 To December 31, 2021 | January 1 To December 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| <u>Cash flow from operating activities</u> | | |
| Current net profit before tax | \$ 471,140 | \$ 227,746 |
| Adjusted items | | |
| Income and expense items | | |
| Depreciation expenses | 6(5),(6)(20) 604,942 | 660,041 |
| Amortization expenses | 6(8), and 6(20) 24,825 | 10,941 |
| Interest expense | 6(6), and 6(19) 4,748 | 7,670 |
| Interest income | 6(16) (7,369) | (23,708) |
| Government subsidy income | 6(10), and 6(17) (1,628) | - |
| Disposition of plant, property, and equipment | 6(18) (4,209) | (7,468) |
| Changes in assets and liabilities relating to operating activities | | |
| Net change in assets relating to operating activities | | |
| Contract assets | (2,317) | (781) |
| Accounts receivable | (150,406) | 496,496 |
| Accounts receivable - related parties | 661 | (1,545) |
| Other receivables | 557 | 1,710 |
| Other receivables - related parties | (2,152) | - |
| Inventory | (38,778) | 6,748 |
| Prepayments | (12,350) | 4,897 |
| Other current assets | 3,388 | 2,404 |
| Net change in liabilities relating to operating activities | | |
| Contract assets | (389) | 411 |
| Accounts payable | 19,152 | 15,047 |
| Account payable-related parties | 1,318 | 2,037 |
| Other payables | 81,341 | (74,931) |
| Other payables - related parties | 958 | 2,289 |
| Provisions | (1,387) | 8,444 |
| Other current liabilities | 202 | (155) |
| Net defined benefit liabilities | (1,478) | (1,389) |
| Other noncurrent liabilities | (3,336) | - |
| Cash flow from operating activities | 987,433 | 1,336,904 |
| Interest income received | 8,141 | 26,822 |
| Interest paid | (4,751) | (7,740) |
| Income tax paid | (27,248) | (158,555) |
| Net cash flow from operating activities | 963,575 | 1,197,431 |

(To be continued on next page)

Winstek Semiconductor Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flow
January 1 to December 31 of 2020 and 2021

Unit: NT\$ thousand

| | Notes | January 1 To December 31, 2021 | January 1 To December 31, 2020 |
|---|-------|--------------------------------------|--------------------------------------|
| <u>Cash flow from investment activities</u> | | | |
| Financial assets acquired at amortized cost | | (\$ 1,530,475) | (\$ 4,372,379) |
| Disposal of financial assets at amortized cost | | 2,671,394 | 4,769,155 |
| Acquisition of property, plant, and equipment | 6(24) | (1,613,386) | (441,079) |
| Intangible assets acquired | 6 (8) | (95,009) | (31,488) |
| Disposal of property, plant, and equipment | | 8,608 | 9,300 |
| Increases in refundable deposits | | (1,013) | (77) |
| Decreases in refundable deposits | | 361 | 14 |
| Net cash flow from investing activities (out) | | <u>(559,520)</u> | <u>(66,554)</u> |
| <u>Cash from financing activities</u> | | | |
| Short-term loans borrowed | 6(25) | 743,000 | 3,000 |
| Repayment of short term loans | 6(25) | (427,500) | (262,500) |
| Release principal repayment | 6(25) | (2,186) | (25,968) |
| Increases in guarantee deposits | 6(25) | 128 | 111 |
| Decreases in guarantee deposits | 6(25) | (89) | (89) |
| Cash dividends paid | 6(14) | (167,518) | (204,392) |
| Net cash flow from financing activities (out) | | <u>145,835</u> | <u>(489,838)</u> |
| Impacts on exchange rates | | (12,100) | (6,835) |
| Amount of cash and cash equivalents(decrease) increase | | 537,790 | 634,204 |
| Cash and cash equivalents at beginning of year | 6(1) | <u>1,065,623</u> | <u>431,419</u> |
| Cash and cash equivalents at end of year | 6(1) | <u>\$ 1,603,413</u> | <u>\$ 1,065,623</u> |

The notes to the combined financial statements attached is part of the combined financial report for your reference.

Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

To the Winstek Semiconductor Co., Ltd.:

Opinion

The Parent Company Only Balance Sheets as on December 31, 2021 and December 31, 2020; Parent Company Only Statements Of Comprehensive Income, Parent Company Only Statement of Changes in Equity, Parent Company Only Statement of Cash Flows from January 1, 2020 to December 31 2020 and December 31 2021; and the Notes to the Parent Company Only Financial Statements (including the Summary of Significant Accounting Policies) of Winstek Semiconductor Co., Ltd., have been audited by the certified public accountant (hereafter referred to as "CPA").

In the opinion of the CPA, all the material items prepared in the above-mentioned Parent Company Only Financial Statements are in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", which properly present the financial position of Winstek Semiconductor Co., Ltd. as of December 31 2020 and December 31 2021 and Parent Company Only financial performance and Parent Company Only cash flows from January 1, 2020 to December 31 2020 and in 2021.

Basis for Opinion

We have performed the auditing work in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and auditing standards generally accepted in the ROC. Our CPAs will further explain the responsibilities auditors shall execute during the audit of Parent Company Only Financial Statements under the above principles. The personnel of our accounting firm who are subject to independent regulations have acted according to the ROC CPA Code of Professional Ethics to remain neutral from Winstek Semiconductor Co., Ltd. while fulfilling other duties set forth in the said Code. We are convinced that we have acquired enough and appropriate audit evidence to serve as the basis of the auditor's opinion.

Key Audit Matters

Key audit key matters refer to those most material key matters for the audit on the Parent Company Only Financial Statements of the year 2021 of Winstek Semiconductor Co., Ltd., based on the professional judgment of the accountant. Such matters have been taken into account in audit of the overall Parent Company Only Financial Statements and have been considered to the formation of audit opinions, therefore the CPA is not giving any personal opinions on such key matters.

The key audit matters of the Parent Company Only Financial Statements of the year 2021 of Winstek Semiconductor Co., Ltd. are as followings:

Audits of Real Estate, Plant, and Equipment Capitalization

Matters descriptions

Winstek Semiconductor Co., Ltd. and Subsidiaries increase capital expenditures along with their operations. Please refer to Note 4 (XII) of the consolidated balance sheet for accounting polices related to items of real estate, plants, and equipment and Note 6(V) for description of items related to real estate, plants, and equipment. The amount of capital expenditure of real estate, plants, and equipment in this year is significant, and therefore, the CPA listed audits of real estate, plant, and equipment capitalization as key matters.

Corresponding auditing procedures

The auditor conducted main audit procedures towards the said key audit matters including: Evaluate and examine the effectiveness of the internal control of the time for the addition and recognition for depreciation of property, plant, and equipment with a random selection of the purchase orders and invoices to ascertain the appropriate approval of the transactions and the accuracy of bookkeeping. Acceptance documents have also been examined, on a selective basis, to determine the asset is in working condition and the timing for entry into asset index and starting to recognize for depreciation.

The responsibility of the management and governance units for the Parent Company Only Financial Statements

The responsibility of the management was to establish financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" to properly indicate the company's financial status and to maintain necessary internal control with regard to establishment of The Parent Company Only Financial Statements to ensure such financial statements did not contain any false contents as a result of fraudulence or mistakes.

When preparing the Parent Company Only Financial Statements, the management is also responsible for the assessment of Winstek Semiconductor Co., Ltd.'s ability on going concern, the disclosure of relevant matters, the adoption of the accounting base for going concern, unless the management intends to proceed with the liquidation to Winstek Group or to discontinue its operations or has no other practical alternative solutions except for liquidation or closure.

The governing body of Winstek Semiconductor Co., Ltd. (including the Audit Committee) had the responsibility to supervise the financial reporting process.

The responsibility of CPAs when auditing Parent Company Only Financial Statements

Our objective when auditing the parent company only financial statements was to ascertain whether they contained any false contents as a result of fraudulence or mistakes and whether they were reasonably reliable and issue the auditor's report. Reasonably reliable means highly reliable. However, auditing work carried out in accordance with commonly accepted ROC audit guidelines cannot guarantee detection of significant false contents in parent company only financial statements. Misstatements could be caused by fraud or error. If the individual amounts or sums those false contents involved could be reasonably expected to affect the financial decision making of users of Parent Company Only Financial Statements such false contents would be considered significant.

We conducted the auditing work according to audit standards generally accepted in the ROC and also exercised our profession judgment and remained professionally skeptical. We have also executed the following tasks:

1. Identifying and evaluating likely risks from significant false contents in the Parent Company Only Financial Statements because of fraudulence of errors, designing and executing proper counter measures against the risks identified, and establishing sufficient and appropriate audit evidence to serve as the basis of the auditor's report. As fraudulence can involve conspiracy, forgery, intentional omissions, false statements or transgressions of internal control, the risk of failing to detect significant false contents resulting from fraudulence is higher than the risk of failing to identify those coming from errors.
2. Obtaining necessary understanding of internal controls relevant to the audit, in order to design appropriate audit procedures in the circumstances, but the purpose is not to express an opinion on the effectiveness of internal controls of Winstek Semiconductor Co., Ltd.
3. Evaluating the appropriateness of the accounting policy adopted by the management and the reasonableness of the accounting assessment and related disclosures made accordingly.
4. Based on the audit evidence obtained, conclusions are drawn on the appropriateness of the management's continuing adoption of the going concern accounting foundation and whether there was any significant doubt (in the events or circumstances) about the capacity of Winstek Semiconductor Co., Ltd. to remain in operation or whether any significant uncertainty existed. If we thought such doubt or significant uncertainty existed, we had to point it out in the auditor's report to remind users of the Parent Company Only Financial Statements to look out for related disclosures in the Parent Company Only Financial Statements to revise out audit opinion if such disclosures were considered inappropriate. Our conclusion was established according to the audit evidence obtained before the deadline for the auditor's report. However, future events or circumstances may result in Winstek Semiconductor Co., Ltd. no longer being able for going concern.
5. Evaluating the overall expression, structure, and contents of the Parent Company Only Financial Statements (including related notes) and whether the Parent Company Only Financial Statements could appropriately express related transactions and events.
6. Obtaining sufficient and appropriate audit evidence regarding the finance in Winstek Semiconductor Co., Ltd. to establish our opinion about the Parent Company Only Financial Statements. We were responsible for guiding, supervising, and executing the audit work for the

Company and also establishing the auditor's opinion.

We communicated with governance units about the planned audit range and time and important audit discoveries (including significant internal control defects found during the audit process).

We provided governance units with a statement assuring the personnel of our accounting firm who are subject to independent regulations had acted according to the ROC CPA Code of Professional Ethics to remain neutral and also communicate with them about the all relations and other matters (including related preventive measures) that could affect the independence of CPAs.

Based on the result of our discussion with the governance body, we decided the key audit matters when auditing the 2021 Parent Company Only Financial Statements of Winstek Semiconductor Co., Ltd. We have clearly described the said matters in the auditor's report except certain matters whose public disclosure is prohibited by law or certain matters we decided not to mention under some extremely rare circumstances because disclosure of such matters can be reasonably expected to lead negative effects that would be greater than public good they might benefit.

PwC Taiwan

Hsieh Chih-Cheng

Certified public accountant

Chiang Tsai-Yen

Former Executive Yuan Financial Supervisory Commission
(FSC)

SC Approved Certificate No. 0990042599

Financial Supervisory Commission (FSC)

FSC Approved Certificate No. 1060025097

March 7, 2022

Winstek Semiconductor Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2020 and 2021

Unit: NT\$ thousand

| Assets | Notes | December 31, 2021 | | December 31, 2020 | | |
|--------------------------|--|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current asset | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 433,040 | 8 | \$ 468,568 | 10 |
| 1136 | Financial assets measured at amortized cost - current | 6(2) and 8 | 25,000 | 1 | 385,440 | 8 |
| 1140 | Contract assets - current | 6(14) | 11,056 | - | 8,381 | - |
| 1170 | Net accounts receivable | 6(3) | 172,018 | 3 | \$ 90,184 | 2 |
| 1180 | Accounts receivable from related parties (net) | 6(3) and 7 | 93,434 | 2 | 57,536 | 1 |
| 1200 | Other receivables | | 14 | - | 639 | - |
| 1210 | Other accounts receivable - related parties | 7 | 13,264 | - | 43,815 | 1 |
| 1220 | Income tax assets in the current period | | 32,791 | 1 | 12,523 | - |
| 1410 | Prepayments | | 11,551 | - | 15,614 | - |
| 1479 | Other current assets | | 5,924 | - | 2,849 | - |
| 11XX | Total current assets | | <u>798,092</u> | <u>15</u> | <u>1,085,549</u> | <u>22</u> |
| Non-current asset | | | | | | |
| 1535 | Financial assets measured at amortized cost - non-current | 6(2) and 8 | 12,000 | - | 12,000 | - |
| 1550 | Investment under equity method | 6(4) | 2,958,225 | 57 | 3,113,377 | 63 |
| 1600 | Property, plant, and equipment | 6(5) | 1,183,958 | 23 | 687,374 | 14 |
| 1755 | Right-of-use assets | 6(6) | 3,127 | - | 2,622 | - |
| 1780 | Intangible assets | 6(8) | 111,722 | 2 | 39,747 | 1 |
| 1840 | Deferred income tax assets | 6(20) | 17,024 | 1 | 14,884 | - |
| 1990 | Other non-current assets | | 114,113 | 2 | 1,709 | - |
| 15XX | Total non-current assets | | <u>4,400,169</u> | <u>85</u> | <u>3,871,713</u> | <u>78</u> |
| 1XXX | Total assets | | <u>\$ 5,198,261</u> | <u>100</u> | <u>\$ 4,957,262</u> | <u>100</u> |

(To be continued on next page)

Winstek Semiconductor Co., Ltd.
Parent Company Only Balance Sheet
December 31, 2020 and 2021

Unit: NT\$ thousand

| Liability and shareholder's equity | Notes | December 31, 2021 | | December 31, 2020 | |
|---|---|---------------------|------------|---------------------|------------|
| | | Amount | % | Amount | % |
| Current liability | | | | | |
| 2170 | Accounts payable | \$ 2,846 | - | \$ 1,532 | - |
| 2180 | Accounts payable-related parties | 7 803 | - | - | - |
| 2200 | Other payables | 6(9) 216,294 | 4 | 189,882 | 4 |
| 2220 | Other payables - related parties | 7 1,505 | - | 608 | - |
| 2230 | Current income tax liabilities | 6(20) 68,585 | 2 | - | - |
| 2250 | Liability reserve - current | 6(10) - | - | 160 | - |
| 2280 | Lease obligations-current | 1,781 | - | 1,159 | - |
| 2399 | Other current liabilities - others | 2,324 | - | 2,521 | - |
| 21XX | Total current liabilities | <u>294,138</u> | <u>6</u> | <u>195,862</u> | <u>4</u> |
| Non-current liability | | | | | |
| 2540 | Long-term loans | - | - | - | - |
| 2570 | Deferred income tax liabilities | 6(20) 107 | - | 289 | - |
| 2580 | Lease obligations-non-current | 1,367 | - | 1,481 | - |
| 2640 | Net defined benefit liability - non-current | 6(10) 26,638 | - | 26,816 | 1 |
| 2670 | Other non-current liabilities – others | 100 | - | 3,421 | - |
| 25XX | Total non-current liabilities | <u>28,212</u> | <u>-</u> | <u>32,007</u> | <u>1</u> |
| 2XXX | Total liabilities | <u>322,350</u> | <u>6</u> | <u>227,869</u> | <u>5</u> |
| Equity | | | | | |
| Capital | | | | | |
| 3110 | Capital from ordinary share | 6(11) 1,362,617 | 26 | 1,362,617 | 27 |
| Capital reserve | | | | | |
| 3200 | Capital surplus | 6(12) 366,243 | 7 | 366,243 | 7 |
| Retained earnings | | | | | |
| 3310 | Legal reserve | 6(13) 713,519 | 14 | 693,278 | 14 |
| 3320 | Special reserve | 203,472 | 4 | 45,854 | 1 |
| 3350 | Undistributed earnings | 2,512,130 | 48 | 2,464,874 | 50 |
| Other equity | | | | | |
| 3400 | Other equity | (282,070) | (5) | (203,473) | (4) |
| 3XXX | Total equity | <u>4,875,911</u> | <u>94</u> | <u>4,729,393</u> | <u>95</u> |
| Material commitments and contingencies | | | | | |
| Significant subsequent events | | | | | |
| 3X2X | Total liabilities and equity | <u>\$ 5,198,261</u> | <u>100</u> | <u>\$ 4,957,262</u> | <u>100</u> |

The notes to the combined financial statements attached is part of the combined financial report for your reference.

Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

Winstek Semiconductor Co., Ltd.
Parent Company Only Statement of Comprehensive Income
January 1, to December 31, 2021 and 2020

Unit: NT\$ thousand
(Except for earnings per share)

| Items | Notes | 2021 | | 2020 | |
|--|-------------|-------------------|--------------|-------------------|--------------|
| | | Amount | % | Amount | % |
| 4000 Revenue | 6(14) and 7 | \$ 1,162,807 | 100 | \$ 749,533 | 100 |
| 5000 Operating cost | | (668,506) | (57) | (609,928) | (81) |
| 5950 Net gross profit | | <u>494,301</u> | <u>43</u> | <u>139,605</u> | <u>19</u> |
| Operating expenses | 6(18)(19) | | | | |
| 6100 Selling expenses | | (6,183) | - | (11,413) | (2) |
| 6200 General and administrative expenses | | (102,781) | (9) | (92,851) | (12) |
| 6300 Research and development expenses | | (6,239) | (1) | (6,851) | (1) |
| 6000 Total operational expenses | | <u>(115,203)</u> | <u>(10)</u> | <u>(111,115)</u> | <u>(15)</u> |
| 6900 Operating profit | | <u>379,098</u> | <u>33</u> | <u>28,490</u> | <u>4</u> |
| Non-operating income and expenses | | | | | |
| 7100 Interest income | 6(15) | 859 | - | 5,540 | 1 |
| 7010 Other income | 6(15) | 463 | - | 463 | - |
| 7020 Other gains and losses | 6(16) | (6,841) | - | (15,111) | (2) |
| 7050 Financing cost | 6(17) | (42) | - | (2,848) | (1) |
| 7070 Shares of profit (loss) of subsidiaries, associates, and joint ventures accounted for using the equity method | 6(4) | <u>85,535</u> | <u>7</u> | <u>180,100</u> | <u>24</u> |
| 7000 Total non-operating income and expenses | | <u>79,974</u> | <u>7</u> | <u>168,144</u> | <u>22</u> |
| 7900 Profit before tax | | <u>459,072</u> | <u>40</u> | <u>196,634</u> | <u>26</u> |
| 7950 Income tax expense | 6(20) | (65,141) | (6) | (12,764) | (2) |
| 8200 Net profit of this period | | <u>\$ 393,931</u> | <u>34</u> | <u>\$ 209,398</u> | <u>28</u> |
| Other comprehensive gain or loss | | | | | |
| Items that will not be reclassified to profit or loss: | | | | | |
| 8311 Remeasurements of defined benefit plans | 6(10) | (\$ 1,298) | - | (\$ 6,990) | (1) |
| 8310 Total amount of items that will not be reclassified subsequently to profit or income | | (1,298) | - | (6,990) | (1) |
| Items that may be reclassified to profit or loss | | | | | |
| 8361 Foreign currency translation difference of financial statements of overseas business units | 6(4) | (78,597) | (7) | (157,619) | (21) |
| 8360 Total amount of items that may be reclassified subsequently to profit of loss | | (78,597) | (7) | (157,619) | (21) |
| 8500 Total comprehensive income | | <u>\$ 314,036</u> | <u>27</u> | <u>\$ 44,789</u> | <u>6</u> |
| Earnings per share | 6(21) | | | | |
| 9750 Basic earnings per share | | <u>\$ 2.89</u> | | <u>\$ 1.54</u> | |
| 9850 Diluted earnings per share | | <u>\$ 2.87</u> | | <u>\$ 1.52</u> | |

The notes to the combined financial statements attached is part of the combined financial report for your reference.

Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

Winstek Semiconductor Co., Ltd.
Parent Company Only Statement of Changes in Equity
January 1, to December 31, 2021 and 2020

Unit: NT\$ thousand

| | Notes | Retained earnings | | | | Retained earnings | The balance of translation of the financial statements of foreign operating institutions | Total equity |
|--|-------|---------------------|-------------------|-----------------------|-------------------------|---------------------|--|---------------------|
| | | Share | Capital surplus | Legal capital reserve | Special capital reserve | | | |
| <u>2020</u> | | | | | | | | |
| Balance as at January 1, 2020 | | \$ 1,362,617 | \$ 366,243 | \$ 637,091 | \$ - | \$ 2,568,899 | (\$ 45,854) | \$ 4,888,996 |
| Net income in current period | | - | - | - | - | 209,398 | - | 209,398 |
| Net income in current period | | - | - | - | - | (6,990) | (157,619) | (164,609) |
| Total comprehensive gain or loss in current period | | - | - | - | - | 202,408 | (157,619) | 44,789 |
| Annual appropriation of net income and allocation of the year 2019 | 6(13) | | | | | | | |
| Appropriated as Legal reserve | | - | - | 56,187 | - | (56,187) | - | - |
| Appropriated as special surplus reserve | | - | - | - | 45,854 | (45,854) | - | - |
| Cash dividend | | - | - | - | - | (204,392) | - | (204,392) |
| Balance as of December 31, 2020 | | <u>\$ 1,362,617</u> | <u>\$ 366,243</u> | <u>\$ 693,278</u> | <u>\$ 45,854</u> | <u>\$ 2,464,874</u> | <u>(\$ 203,473)</u> | <u>\$ 4,729,393</u> |
| <u>2021</u> | | | | | | | | |
| Balance as of January 1, 2021 | | <u>\$ 1,362,617</u> | <u>\$ 366,243</u> | <u>\$ 693,278</u> | <u>\$ 45,854</u> | <u>\$ 2,464,874</u> | <u>(\$ 203,473)</u> | <u>\$ 4,729,393</u> |
| Net profit | | - | - | - | - | 393,931 | - | 393,931 |
| Other comprehensive income | | - | - | - | - | (1,298) | (78,597) | (79,895) |
| Total amount of comprehensive income | | - | - | - | - | 392,633 | (78,597) | 314,036 |
| 2020 surplus distribution and allocation | 6(13) | | | | | | | |
| Appropriated as Legal reserve | | - | - | 20,241 | - | (20,241) | - | - |
| Appropriated as special surplus reserve | | - | - | - | 157,618 | (157,618) | - | - |
| Cash dividend | | - | - | - | - | (167,518) | - | (167,518) |
| Balance as of December 31, 2021 | | <u>\$ 1,362,617</u> | <u>\$ 366,243</u> | <u>\$ 713,519</u> | <u>\$ 203,472</u> | <u>\$ 2,512,130</u> | <u>(\$ 282,070)</u> | <u>\$ 4,875,911</u> |

The notes to the combined financial statements attached is part of the combined financial report for your reference.

Chairman of the Board: Huang Hsing-Yang Manager: Weng Chih-Li Accounting Officer: Liu Kui-Chu

Winstek Semiconductor Co., Ltd
Parent Company Only Statement of Cash Flow
January 1, to December 31, 2021 and 2020

Unit: NT\$ thousand

| | Notes | January 1 To December 31, 2021 | January 1 To December 31, 2020 |
|---|-------------|-----------------------------------|-----------------------------------|
| <u>Cash flow from operating activities</u> | | | |
| Current net profit before tax | | \$ 459,072 | \$ 196,634 |
| Adjusted items | | | |
| Income expense items | | | |
| Depreciation expenses | 6(5)(6)(18) | 185,968 | 192,450 |
| Amortization expenses | 6(8)(18) | 19,944 | 5,871 |
| Interest expense | 6(18) | 42 | 2,848 |
| Interest income | 6(15) | (859) | (5,540) |
| Disposition of plant, property, and equipment | 6(16) | (4,253) | (3,008) |
| The share of gains and losses of subsidiaries recognized by the equity method | 6(4) | (85,535) | (180,100) |
| Changes in assets and liabilities relating to operating activities | | | |
| Net change in assets relating to operating activities | | | |
| Contract assets | | (2,675) | (1,666) |
| Accounts receivable | | (81,834) | 189,015 |
| Accounts receivable - related parties | | (35,898) | (25,102) |
| Other receivables | | 2,681 | (2,637) |
| Other accounts receivable--related parties | | 12,669 | (4,685) |
| Prepayments | | 1,391 | 7,552 |
| Other current assets | | (3,075) | (833) |
| Net change in liabilities related to operating activities | | | |
| Accounts payable | | 1,314 | 407 |
| Accounts receivable - related parties | | 803 | - |
| Other payables | | 21,431 | (44,225) |
| Other payables - related parties | | 897 | 83 |
| Provisions | | (160) | (1,118) |
| Other current liabilities | | (198) | (593) |
| Net defined benefit liability | | (1,476) | (1,391) |
| Other non-current liabilities | | (3,335) | - |
| Cash flow from operating activities | | 486,914 | 323,962 |
| Interest income received | | 1,475 | 7,433 |
| Dividends received | 6(4) | 162,090 | 148,673 |
| Interest paid | | (42) | (2,885) |
| Income tax paid | | (1,264) | (127,877) |
| Net cash inflow from operating activities | | 649,173 | 349,306 |
| <u>Cash flow from investment activities</u> | | | |
| Financial assets acquired at amortized cost | | (197,060) | (1,224,790) |
| Disposal of financial assets at amortized cost | | 557,500 | 1,719,170 |
| Acquisition of property, plant, and equipment | 6(22) | (792,055) | (94,841) |
| Acquire intangible assets | 6(8) | (91,919) | (27,168) |
| Amount from disposal of property, plant and equipment | | 8,598 | 4,840 |
| Increased margin deposit | | (901) | - |
| Decrease of refundable deposits | | - | 14 |
| Net cash (outflow) inflow from investing activities | | (515,837) | 377,225 |
| <u>Cash from financing activities</u> | | | |
| Return of long-term borrowing | | - | (240,000) |
| Amount returned for long-term borrowing | 6(23) | (1,360) | (24,848) |
| Increase in guarantee deposits | 6(23) | 38 | 24 |
| Decrease in guarantee deposits | 6(23) | (24) | (23) |
| Cash dividends paid | 6(13) | (167,518) | (204,392) |
| Net cash outflow from financing activities | | (168,864) | (469,239) |
| Impacts of exchange rate on cash and cash equivalents | | - | 410 |
| Increase in cash and cash equivalents (decrease) in the current period | | (35,528) | 257,702 |
| Cash and cash equivalents at beginning of year | 6(1) | 468,568 | 210,866 |
| Cash and cash equivalents at end of year | 6(1) | \$ 433,040 | \$ 468,568 |

Chairman of the Board: Huang Hsing-Yang

Manager: Weng Chih-Li

Accounting Officer: Liu Kui-Chu

Attachment 4

Winstek Semiconductor Technology Co., Ltd.
Table of Amendments to the “Articles of Incorporation”

| Before Amendment | After Amendment | Description |
|--|---|--|
| <p>Article 11: There are general and extraordinary shareholders’ meetings. A general shareholders’ meeting shall be convened within six months after the end of each fiscal year. An extraordinary shareholders’ meeting may be convened when necessary. Unless otherwise provided by the Company Act, the shareholders' meetings referred to in the preceding paragraph shall be convened by the Board of Directors.</p> | <p>Article 11: There are general and extraordinary shareholders’ meetings. A general shareholders’ meeting shall be convened within six months after the end of each fiscal year. An extraordinary shareholders’ meeting may be convened when necessary. Unless otherwise provided by the Company Act, the shareholders' meetings referred to in the preceding paragraph shall be convened by the Board of Directors. <u>The Company may convene a shareholders' meeting by video conference or in other methods as announced by the competent authority.</u></p> | <p>It is to stipulate that shareholders’ meetings can be held by video conference.</p> |
| <p>Article 28: If the Company makes a profit in a year, it shall allocate 0.1% to 15% as employee remuneration. When employee remuneration is paid out in stock or cash, the recipients shall include employees of controlling companies or subsidiaries who met certain criteria. However, when the Company still suffers a cumulative deficit, it shall reserve the amount in advance to compensate it. If the Company makes a profit in a year, it may allocate no more than 3% as the directors’ remuneration</p> | <p>Article 28: If the Company makes a profit in a year, it shall allocate 0.1% to 15% as employee remuneration <u>and may allocate no more than 3% as the directors’ remuneration depending on the business performance. However, when the Company still suffers a cumulative deficit, it shall reserve the amount in advance to compensate it.</u> The remuneration to employees shall be <u>distributed</u> in stock or cash, <u>and the remuneration to directors shall be distributed in cash only, which shall only be implemented after approved by</u></p> | <p>Some texts are deleted and amended.</p> |

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| <p>depending on the business performance. However, when the Company still suffers a cumulative deficit, it shall reserve the amount in advance to compensate it.</p> | <p><u>more than half of the directors present at a Board meeting attended by more than two-thirds of all directors and reported to the shareholders' meeting.</u> The recipients of <u>employee remuneration</u> shall include employees of controlling companies or subsidiaries who met certain criteria.</p> | |
| <p>Article 29: The Company may distribute earnings or compensate a deficit after the end of each semi-annual fiscal year in accordance with the Company Act. The distribution of the earnings in the preceding paragraph, if in the form of new shares, shall be handled in accordance with Article 240 of the Company Act; if in the form of cash, shall be subject to a resolution by the Board of Directors. If the company has a proposal for the statement of earnings distribution or statement of deficit compensation in the first half of a fiscal year, it shall submit the proposal to the Board of Directors, together with the business report and financial statements, before the end of the second half of the fiscal year for review.</p> | <p>Deleted</p> | |
| <p>Article 30: Where the Company makes a profit after tax in a fiscal year, the profit shall be first used for offsetting the cumulative deficit, setting aside 10% of</p> | <p>Article 29: Where the Company makes a profit after tax in a fiscal year, the profit shall be first used for offsetting the cumulative deficit, setting aside 10% of the</p> | <p>The article number is adjusted and the text amended.</p> |

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| <p>the remaining profit as a legal reserve unless it has reached the total amount of the Company's paid-in capital, setting aside an amount for or reversing a special reserve as per needs, and then any remaining profit, together with any undistributed earnings at the beginning of the period, after a portion is retained depending on the business situation, shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal, which shall then be submitted to the shareholders' meeting for a resolution before distribution of shareholders' bonuses.</p> <p>The Company authorizes the Board of Directors to pay out dividends and bonuses payable or cash from all or part of capital surplus or legal reserve with approval of more than half of the directors present at a Board meeting attended by more than two-thirds of all directors and report to the shareholders' meeting.</p> | <p>remaining profit as a legal reserve unless it has reached the total amount of the Company's paid-in capital, setting aside an amount for or reversing a special reserve as per needs, and then any remaining profit, together with any undistributed earnings at the beginning of the period, after a portion is retained depending on the business situation, shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal.</p> <p><u>In the case of issuance of new shares, it shall be distributed after a resolution is adopted by the shareholders' meeting.</u></p> <p>The Company authorizes the Board of Directors to pay out dividends and bonuses payable or cash from all or part of capital surplus, legal reserve, or retained earnings with the approval of more than half of the directors present at a Board meeting attended by more than two-thirds of all directors and report to the shareholders' meeting.</p> | |
| <p>Article 30: The Company's dividend distribution policy shall be based on the Company's earnings for the year, future investment environment, capital needs, capital budget plan, and operational plan, as well as the financial structure and earnings dilution. The amount to be distributed shall not be less than 10% of the</p> | <p>Article 30: The Company's dividend distribution policy shall be based on the Company's earnings for the year, future investment environment, capital needs, capital budget plan, and operational plan, as well as the financial structure and earnings dilution. The amount to be distributed shall not be less than 10% of the</p> | <p>The article number is adjusted.</p> |

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| <p>annual earnings after tax, but if the earnings per share is less than NT\$50 cents or the dividend distribution will lead to a default, such earnings can be retained without being distributed. The Company's earnings may be distributed in the form of stock dividends or cash dividends, of which cash dividends shall not be less than 10% of the total dividends to be distributed.</p> | <p>annual earnings after tax, but if the earnings per share is less than NT\$50 cents or the dividend distribution will lead to a default, such earnings can be retained without being distributed. The Company's earnings may be distributed in the form of stock dividends or cash dividends, of which cash dividends shall not be less than 10% of the total dividends to be distributed.</p> | |
| <p>Article 32: The Company's organizational rules and operational regulations shall be formulated separately.</p> | <p>Article 30: The Company's organizational rules and operational regulations shall be formulated separately.</p> | <p>The article number is adjusted.</p> |
| <p>Article 33: Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act.</p> | <p>Article 32: Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act.</p> | <p>The article number is adjusted.</p> |
| <p>Article 34: The Articles of Incorporation was formulated on April 21, 2000. The 1st amendment was made on May 8, 2000. The 2nd amendment was made on August 5, 2001. The 3rd amendment was made on September 6, 2001. The 4th amendment was made on May 28, 2002. The 5th amendment was made on June 30, 2003. The 6th amendment was made on April 15, 2004. The 7th amendment was made on June 23, 2005. The 8th amendment was made on June 14, 2006.</p> | <p>Article 33: The Articles of Incorporation was formulated on April 21, 2000. The 1st amendment was made on May 8, 2000. The 2nd amendment was made on August 5, 2001. The 3rd amendment was made on September 6, 2001. The 4th amendment was made on May 28, 2002. The 5th amendment was made on June 30, 2003. The 6th amendment was made on April 15, 2004. The 7th amendment was made on June 23, 2005. The 8th amendment was made on June 14, 2006.</p> | <p>The article number is adjusted and the amendment date added.</p> |

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| <p>The 9th amendment was made on June 13, 2007.</p> <p>The 10th amendment was made on October 5, 2007.</p> <p>The 11th amendment was made on June 26, 2009.</p> <p>The 12th amendment was made on June 5, 2012.</p> <p>The 13th amendment was made on September 22, 2015.</p> <p>The 14th amendment was made on June 14, 2017.</p> <p>The 15th amendment was made on June 10, 2019.</p> <p>The 16th amendment was made on June 9, 2020.</p> | <p>The 9th amendment was made on June 13, 2007.</p> <p>The 10th amendment was made on October 5, 2007.</p> <p>The 11th amendment was made on June 26, 2009.</p> <p>The 12th amendment was made on June 5, 2012.</p> <p>The 13th amendment was made on September 22, 2015.</p> <p>The 14th amendment was made on June 14, 2017.</p> <p>The 15th amendment was made on June 10, 2019.</p> <p>The 16th amendment was made on June 9, 2020.</p> <p><u>The 17th amendment was made on June 8, 2022.</u></p> | |
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Attachment 5

Winstek Semiconductor Co., Ltd.

Table of Amendments to the “Procedures for Asset Acquisition and Disposal”

| Before Amendment | After Amendment | Description |
|---|---|---|
| <p>Article 6 Announcement and declaration procedure</p> <p>I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the FSC in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(i) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10 % or more of the Company's total assets, or NT\$300 million or more. However, this shall not apply to the trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(ii) Merger, demerger, acquisition, or transfer of shares.</p> <p>(iii) Losses on derivatives trading reach the upper limit on aggregate losses or losses on individual contracts set out in the operating procedures adopted by the Company.</p> | <p>Article 6 Announcement and declaration procedure</p> <p>I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the website designated by the FSC in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(i) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10 % or more of the Company's total assets, or NT\$300 million or more. However, this shall not apply to the trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(ii) Merger, demerger, acquisition, or transfer of shares.</p> <p>(iii) Losses on derivatives trading reach the upper limit on aggregate losses or losses on individual contracts set out in the operating procedures adopted by the Company.</p> | <p>Amendment is made as per the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p> |

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| <p>(iv) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and the transaction counterparty is not a related party, and the transaction amount reaches any of the amounts below:</p> <ol style="list-style-type: none"> 1. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <p>(v) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>(vi) Where land is acquired under an arrangement of engaging others to build on the Company's own land,</p> | <p>(iv) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and the transaction counterparty is not a related party, and the transaction amount reaches any of the amounts below:</p> <ol style="list-style-type: none"> 1. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. 2. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more. <p>(v) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>(vi) Where land is acquired under an arrangement of engaging others to build on the Company's own land, engaging others to build on</p> | |
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| <p>engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>(vii) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. A. Trading of domestic government bonds. 2. Where done by professional investors, securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of | <p>rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>(vii) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds <u>or foreign government bonds with a credit rating not lower than our country's sovereign rating.</u> 2. Where done by professional investors- securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities | |
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| <p>securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of assets with the same transaction counterparty within the preceding year. 3. The cumulative transaction amounts of respective acquisitions and disposals of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amounts of respective acquisitions and disposals of the same security within the preceding year. <p>The term “within the</p> | <p>investment trust funds or futures trust funds, <u>or subscription for or resale of exchange traded notes</u>, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of assets with the same transaction counterparty within the preceding year. 3. The cumulative transaction amounts of respective acquisitions and disposals of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative | |
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| <p>preceding year” refers to the year preceding the date of the current transaction. The portions that have been announced as per these Procedures need not be counted toward the transaction amount.</p> <p>The rest is omitted.</p> | <p>transaction amounts of respective acquisitions and disposals of the same security within the preceding year.</p> <p>The term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been announced as per these Procedures need not be counted toward the transaction amount.</p> <p>The rest is omitted.</p> | |
| <p>Article 7 Asset evaluation and appraisal procedures</p> <p>1. Evaluation procedures Omitted</p> <p>2. Appraisal</p> <p>(i) Real property, equipment, or right-of-use assets thereof</p> <p>Where the transaction amount reaches 20% or more of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence from a professional appraiser and shall further comply with the following provisions for the acquisition of real property, equipment, or right-of-use assets thereof that meets the announcement and declaration standards specified in these Procedures:</p> <p>1. Where due to special circumstances, it is necessary to</p> | <p>Article 7 Asset evaluation and appraisal procedures</p> <p>1. Evaluation procedures Omitted</p> <p>2. Appraisal</p> <p>(i) Real property, equipment, or right-of-use assets thereof</p> <p>Where the transaction amount reaches 20% or more of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence from a professional appraiser and shall further comply with the following provisions for the acquisition of real property, equipment, or right-of-use assets thereof that meets the announcement and declaration standards specified in these Procedures:</p> <p>1. Where due to special circumstances, it is necessary to</p> | <p>Amendment is made as per the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p> |

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| <p>give a limited price or specific price as a reference for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also apply to any subsequent change to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any of the following circumstances applies with respect to the professional appraiser's appraisal results, a CPA shall be engaged to perform an appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date;</p> | <p>give a limited price or specific price as a reference for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also apply to any subsequent change to the terms and conditions of the transaction.</p> <p>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>3. Where any of the following circumstances applies with respect to the professional appraiser's appraisal results, a CPA shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.</p> | |
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| <p>provided, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>(ii) Long-term and short-term investment in securities The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, audited or reviewed by a CPA, for reference in appraising the transaction price, and if the amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use a report by an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities with an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(iii) Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or membership cards and the transaction amount reaches 20% or more of its paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the</p> | <p>(ii) Long-term and short-term investment in securities The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, audited or reviewed by a CPA, for reference in appraising the transaction price, and if the amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities with an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(iii) Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or membership certificates and the transaction amount reaches 20% or more of its paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of the occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>The rest is omitted.</p> | |
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| <p>date of the occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p> <p>The rest is omitted.</p> | | |
| <p>Article 9 Procedures for the Company’s acquisition or disposal of assets from or to related parties</p> <p>I. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised as per the regulations, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall obtain an appraisal report from a professional appraiser or a CPA's opinion. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 7, paragraph 4. When whether a transaction counterparty is a related party is judged, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>II. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of the Company’s paid-in capital, 10% or more of the Company’s total assets,</p> | <p>Article 9 Procedures for the Company’s acquisition or disposal of assets from or to related parties</p> <p>I. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised as per the regulations, if the transaction amount reaches 10% or more of the Company's total assets, the Company shall obtain an appraisal report from a professional appraiser or a CPA's opinion. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 7, paragraph 4. When whether a transaction counterparty is a related party is judged, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>II. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of the Company’s paid-in capital, 10% or more of the Company’s total assets,</p> | <p>Amendment is made as per the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p> |

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| <p>or NT\$300 million or more, except in trading of domestic government bonds or bonds, bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, it may not proceed to enter into a transaction contract or make a payment until the following information has been approved by the Audit Committee and passed by the Board of Directors.</p> <ul style="list-style-type: none"> (i) The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets. (ii) The reason for choosing the related party as a transaction counterparty. (iii) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding the evaluation of the reasonableness of the preliminary transaction terms under paragraphs 3 to 5. (iv) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship with the Company and the related party. (v) Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. (vi) An appraisal report from a | <p>or NT\$300 million or more, except in trading of domestic government bonds or bonds, bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, it may not proceed to enter into a transaction contract or make a payment until the following information has been approved by the Audit Committee and passed by the Board of Directors.</p> <ul style="list-style-type: none"> (i) The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets. (ii) The reason for choosing the related party as a transaction counterparty. (iii) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding the evaluation of the reasonableness of the preliminary transaction terms under paragraphs 3 to 5. (iv) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship with the Company and the related party. (v) Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. (vi) An appraisal report from a | |
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| <p>professional appraiser or a CPA's opinion was obtained as per the preceding paragraph.</p> <p>(vii) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The transaction amount in the preceding paragraph shall be calculated as per the provisions under Article 7, paragraphs 2 and 4, and the term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been approved by the Audit Committee and passed by the Board of Directors as per the regulations need not be counted toward the transaction amount.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries of which it directly or indirectly holds 100% of their outstanding shares or total capital, the Company's Board of Directors may delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decision subsequently submitted to and ratified by the soonest Board meeting afterwards as per Article 8.</p> <p>(i) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>(ii) Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>When a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent</p> | <p>professional appraiser or a CPA's opinion was obtained as per the preceding paragraph.</p> <p>(vii) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries of which it directly or indirectly holds 100% of their outstanding shares or total capital, the Company's Board of Directors may delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decision subsequently submitted to and ratified by the soonest Board meeting afterwards as per Article 8.</p> <p>(i) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>(ii) Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>When a matter is submitted for discussion by the Board of Directors pursuant to paragraph 1, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board meeting.</p> <p><u>Where the Company or its subsidiary that is not a domestic publicly listed company engages in a transaction under paragraph 1, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the</u></p> | |
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| <p>director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board meeting.</p> <p>The rest is omitted.</p> | <p><u>information listed in paragraph 1 to the shareholders' meeting for approval before proceeding to enter into a transaction contract or make a payment. However, the transactions between the Company and its parent or subsidiaries or between its subsidiaries are not subject to this provision.</u></p> <p>The transaction amount in paragraph 1 and the preceding paragraph shall be calculated as per the provisions under Article 7, paragraphs 2 and 4, and the term “within the preceding year” refers to the year preceding the date of the current transaction. The portions that have been reported to the <u>shareholders' meeting</u>, approved by the Audit Committee, and passed by the Board of Directors as per the regulations need not be counted toward the transaction amount.</p> <p>The rest is omitted.</p> | |
| <p>Article 14 Other important matters</p> <p>I. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports, and CPA's, attorney's, and securities underwriter's opinions at the Company, in which they shall be retained for five years except where another act provides otherwise.</p> <p>II. Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPAs' opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(i) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the</p> | <p>Article 14 Other important matters</p> <p>I. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports, and CPA's, attorney's, and securities underwriter's opinions at the Company, in which they shall be retained for five years except where another act provides otherwise.</p> <p>II. Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPAs' opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(i) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the</p> | <p>Amendment is made as per the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p> |

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| <p>Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(ii) May not be a related party or de facto related party of any party to the transaction.</p> <p>(iii) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the above paragraph shall comply with the following matters:</p> <p>(i) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(ii) When auditing a case, they shall appropriately plan and execute adequate operating procedures, in order to produce a conclusion and use the conclusion as the basis for issuing a report or opinion. The relevant working</p> | <p>Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(ii) May not be a related party or de facto related party of any party to the transaction.</p> <p>(iii) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the above paragraph shall comply with the shall comply with <u>the self-discipline regulations of the associations to which they belong</u> and the following matters:</p> <p>(i) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(ii) When <u>executing</u> a case, they shall appropriately plan and execute adequate operating procedures, in order to produce a conclusion and use</p> | |
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| <p>procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers.</p> <p>(iii) They shall conduct an item-by-item evaluation of the completeness, accuracy, and reasonableness of the sources of data, parameters, and information used, as the basis for the issuance of an appraisal report or opinion.</p> <p>(iv) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared such a report or opinion, and that they have evaluated and verified that the information used is reasonable and accurate and that they have complied with applicable laws and regulations.</p> <p>The rest is omitted.</p> | <p>the conclusion as the basis for issuing a report or opinion. The relevant working procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers.</p> <p>(iii) They shall conduct an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data, parameters, and information used, as the basis for issuance of an appraisal report or opinion.</p> <p>(iv) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared such a report or opinion, and that they have evaluated and verified that the information used is <u>appropriate</u> and reasonable and that they have complied with applicable laws and regulations.</p> <p>The rest is omitted.</p> | |
| <p>Article 17 These Procedures were established on June 30, 2003. The 1st amendment was made on June 5, 2012. The 2nd amendment was made on June 6, 2013. The 3rd amendment was made on June 6, 2014. The 4th amendment was made on June 10, 2019.</p> | <p>Article 17 These Procedures were established on June 30, 2003. The 1st amendment was made on June 5, 2012. The 2nd amendment was made on June 6, 2013. The 3rd amendment was made on June 6, 2014. The 4th amendment was made on June 10, 2019. <u>The 5th amendment was made on June 8, 2022.</u></p> | <p>The amendment date is added.</p> |

Appendix 1

Articles of Incorporation of Winstek Semiconductor Co., Ltd.

Chapter 1 General Provisions

- Article 1: The Company is incorporated in accordance with the Company Act and named 台星科股份有限公司 (English name is Winstek Semiconductor Co., Ltd.).
- Article 2: The scope of the Company's business is as follows:
1. CB01010 Mechanical Equipment Manufacturing.
 2. CC01050 Data Storage Media Units Manufacturing.
 3. CC01070 Telecommunication Equipment and Apparatus Manufacturing.
 4. CC01080 Electronics Components Manufacturing.
 5. E701010 Telecommunications Construction.
 6. F401030 Manufacture Export.
 7. G801010 Warehousing.
 8. I301010 Software Design Services.
 9. I501010 Product Designing.
 10. IZ99990 Other Industrial and Commercial Services (Development and Testing of Integrated Circuits (ICs) and IC Testers).
 11. F119010 Wholesale of Electronic Materials.
 12. Retail Sale of Electronic Materials.
 13. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company may provide guarantees to external entities and invest in other businesses, and the total amount of such investments may exceed 40% of the Company's paid-in capital.
- Article 4: The Company is headquartered in Hsinchu County and may set up branches in other appropriate places when necessary.
The establishment or dissolution of such branches shall be decided by the Board of Directors.
- Article 5: The Company's announcement method shall be handled in accordance with Article 28 of the Company Act.

Chapter 2 Shares

- Article 6: The Company's total authorized capital is NT\$4 billion, which is divided into 400 million shares with a par value of NT\$10 per share, which may be issued by the Board of Directors as authorized in tranches. Of the above capital, NT\$125 million is divided into 12.5 million shares, which is reserved for subscription by employees exercising their stock warrants.
- Article 7: The Company's shares are generally registered and numbered and are issued after being signed or sealed by the directors representing the Company. They shall specify the

provisions under Article 162 of the Company Act and shall be issued after being certified by the competent authority or an issuing and registration agency it approves. After the public offering of shares, the Company may, at the request of the centralized securities depository enterprise, consolidate and exchange them for large-value securities. The Company may be exempted from printing stock certificates after the public offering of shares. The shares issued under the preceding paragraph shall be registered or kept with the centralized securities depository enterprise.

Article 8: The Company's stock affairs shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent securities authority.

Article 9: The transfer of shares shall be suspended within 60 days before a general shareholders' meeting, within 30 days before an extraordinary shareholders' meeting, or within 5 days before the record date of payout of dividends, bonuses, or other benefits.

Article 10: The Company's shares purchased by the Company shall be transferred to employees at the controlling company or subsidiaries who meet certain criteria set by the Board of Directors. The recipients of the Company's employee stock warrants include employees at the controlling company or subsidiaries who met certain criteria set by the Board of Directors. The employees who are able to subscribe for the Company's new shares, if applicable, include employees at the controlling company or subsidiaries who met certain criteria set by the Board of Directors. The recipients of the Company's restricted stock awards include employees at the controlling company or subsidiaries who met certain criteria set by the Board of Directors.

Chapter 3 Shareholders' Meetings

Article 11: There are general and extraordinary shareholders' meetings. A general shareholders' meeting shall be convened within six months after the end of each fiscal year. An extraordinary shareholders' meeting may be convened when necessary. Unless otherwise provided by the Company Act, the shareholders' meetings referred to in the preceding paragraph shall be convened by the Board of Directors.

Article 12: A notice containing the date, place, and reason for the meeting, to convene a general shareholders' meeting shall be given to each shareholder no later than 30 days prior to the scheduled meeting date; in case of an extraordinary shareholders' meeting, a meeting notice shall be given to each shareholder no later than 15 days prior to the scheduled meeting date, both in writing or by electronic means as per law. For shareholders holding less than 1,000 registered shares, the notice of the shareholders' meeting may be made through a public announcement in accordance with other relevant laws and regulations.

Article 13: A shareholder shall be entitled to one vote for each share held, except the shares that are deemed non-voting shares under Article 179 of the Company Act.

Article 14: A shareholders' meeting shall be chaired by the Chairman. When the Chairman is absent,

the Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to make such a designation, the directors shall select from among themselves one person to serve as the chair. If a shareholders' meeting is convened by a party with the power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 15: Unless otherwise provided by the Company Act, resolutions by a shareholders' meeting shall be adopted by more than half of the voting rights represented by shareholders at such a meeting attended by shareholders representing more than half of the total outstanding shares.

The voting rights for proposals at shareholders' meetings may be exercised in writing or by electronic means in accordance with relevant laws and regulations.

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

Chapter 4 Directors, Board of Directors, and Audit Committee

Article 16: The Company's Board of Directors is formed by nine to eleven directors, who are elected from a list of director candidates at a shareholders' meeting for a term of three years and may be re-elected.

Of the above number of directors, the number of independent directors shall be at least three. The Company adopts a candidate nomination system for the election of directors, and shareholders shall elect directors from a list of candidates. The directors and independent directors shall be elected at the same time, but the number of elected candidates shall be counted separately. The professional qualifications, shareholding, restrictions on positions held concurrently, nomination and appointment methods, and other matters to be complied with for independent directors shall be governed by the relevant regulations of the competent securities authority. The total shareholding of all directors shall be governed by the regulations of the competent securities authority.

Article 17: The Company shall establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act, and the Audit Committee shall be composed of all independent directors. The Audit Committee's responsibilities, charter, the exercise of powers, and other matters to be complied with shall be handled in accordance with the competent securities authority's and the Company's relevant regulations.

The Company shall establish other functional committees as required by law and regulations.

Article 18: The Board of Directors shall be formed by the directors, and the Chairman shall be elected by more than half of the attending directors from among themselves at a Board meeting attended by more than two-thirds of all directors. The Chairman represents the Company externally.

- Article 19: The powers and responsibilities of the Board of Directors are as follows:
1. Formulation of a business plan.
 2. Review and approval of important regulations and contracts.
 3. Establishment and dissolution of a branch.
 4. Preparation of a budget and financial statements.
 5. Appointment and dismissal of important employees.
 6. Decision on the Company's major loans.
 7. Decision on the Company's major business and investments.
 8. Decisions on employee stock subscription measures.
 9. Other matters stipulated in the Company Act, relevant regulations enacted by the competent authority, and the Articles of Incorporation.
- Article 20: Except as otherwise provided by the Companies Act, a Board meeting is chaired by the Chairman; if the Chairman is on leave or can not exercise his power for any reasons, the Chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chair. The reason for convening a Board meeting shall be stated in a meeting notice, which shall then be sent to all directors at least seven days in advance in writing or by fax or email. In the event of an emergency, a Board meeting may be convened at any time, and the meeting notice may also be sent in writing or by fax or email.
- Article 21: Unless otherwise provided by the Company Act, resolutions by the Board of Directors shall be implemented with the approval of more than half of the directors present at a Board meeting attended by more than half of all directors.
- Article 22: If a director is unable to attend for any reason, they may entrust another director to attend as a proxy; however each director may act as a proxy for only one director.
- Article 23: The Chairman's remuneration shall be determined by the Board of Directors as authorized according to the degree of his participation in the Company's operations, the value of his contribution, and the general standard in the industry.
- Article 24: The Company may purchase liability insurance for all directors during their terms in accordance with the law for the scope of their duties, to reduce and diversify the risk of damage to all directors, the Company, and shareholders, and report to the soonest Board meeting.

Chapter 5 Managers

- Article 25: The Company may engage a couple of managers, who shall follow the policies adopted by the Board of Directors and relevant laws and regulations and manage all the Company's business. Their appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

- Article 26: The Company's fiscal year starts from January 1 to December 31 each year.
- Article 27: The Board of Directors shall prepare and submit the following documents to the shareholders' meeting for ratification.
1. Business report.
 2. Financial statements.
 3. Statement of earnings distribution and deficit compensation.
- Article 28: If the Company makes a profit in the year, it shall allocate 0.1% to 15% as employee remuneration. When employee remuneration is paid out in stock or cash, the recipients shall include employees of controlling companies or subsidiaries who met certain criteria. However, when the Company still suffers a cumulative deficit, it shall reserve the amount in advance to compensate it.
- If the Company makes a profit in a year, it may allocate no more than 3% as the directors' remuneration depending on the business performance. However, when the Company still suffers a cumulative deficit, it shall reserve the amount in advance to compensate it.
- Article 29: The Company may distribute earnings or compensate a deficit after the end of each semi-annual fiscal year in accordance with the Company Act.
- The distribution of the earnings in the preceding paragraph, if in the form of new shares, shall be handled in accordance with Article 240 of the Company Act; if in the form of cash, shall be subject to a resolution by the Board of Directors.
- If the company has a proposal for the statement of earnings distribution or statement of deficit compensation in the first half of a fiscal year, it shall submit the proposal to the Board of Directors, together with the business report and financial statements, before the end of the second half of the fiscal year for review.
- Article 30: If there are earnings after tax as per the Company's annual financial statements, it shall first compensate the deficit of previous years and then set aside 10% of the balance as a legal reserve. unless it has reached the total amount of the Company's paid-in capital, setting aside an amount for or reversing a special reserve as per needs, and then any remaining profit, together with any undistributed earnings at the beginning of the period, after a portion is retained depending on the business situation, shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal, which shall then be submitted to the shareholders' meeting for a resolution before distribution of shareholders' bonuses. The Company authorizes the Board of Directors to pay out dividends and bonuses payable or cash from all or part of capital surplus or legal reserve with approval of more than half of the directors present at a Board meeting attended by more than two-thirds of all directors and report to the shareholders' meeting.
- Article 31: The Company's dividend distribution policy shall be based on the Company's earnings for the year, future investment environment, capital needs, capital budget plan, and operational plan, as well as the financial structure and earnings dilution. The amount to be distributed shall not be less than 10% of the annual earnings after tax, but if the earnings

per share is less than NT\$50 cents or the dividend distribution will lead to a default, such earnings can be retained without being distributed. The Company's earnings may be distributed in the form of stock dividends or cash dividends, of which cash dividends shall not be less than 10% of the total dividends to be distributed.

Chapter 7 Supplementary Provisions

- Article 32: The Company's Articles of Incorporation and operating rules shall be formulated separately as resolved by the Board of Directors.
- Article 33: Any matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act.
- Article 34: The Articles of Incorporation were formulated on April 21, 2000.
The 1st amendment was made on May 8, 2000.
The 2nd amendment was made on August 5, 2001.
The 3rd amendment was made on September 6, 2001.
The 4th amendment was made on May 28, 2002.
The 5th amendment was made on June 30, 2003.
The 6th amendment was made on April 15, 2004.
The 7th amendment was made on June 23, 2005.
The 8th amendment was made on June 14, 2006.
The 9th amendment was made on June 13, 2007.
The 10th amendment was made on October 5, 2007.
The 11th amendment was made on June 26, 2009.
The 12th amendment was made on June 5, 2012.
The 13th amendment was made on September 22, 2015.
The 14th amendment was made on June 14, 2017.
The 15th amendment was made on June 10, 2019.
The 16th amendment was made on June 9, 2020.

Winstek Semiconductor Co., Ltd.

Chairman: Huang, Hsing-Yang

Appendix 2

Winstek Semiconductor Co., Ltd. Rules of Procedure for Shareholders' Meetings

- I. Unless otherwise stipulated by laws or regulations, the Company's shareholders' meeting shall be governed by these Rules.
- II. Attending shareholders shall hand in their sign-in cards in lieu of signing in. The number of shares in attendance shall be counted according to the shares indicated in the sign-in cards handed in, plus the number of shares whose voting rights are exercised in writing or by electronic means.
- III. Attendance and voting at shareholders' meetings shall be counted based on the number of shares.
- IV. The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- V. If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is no such position as managing director, the Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to make such a designation, the managing directors or directors shall select from among themselves one person to serve as the chair.
If a shareholders' meeting is by a party with the power to convene such meetings other than the Board of Directors, such a party shall chair the meeting. When there are two or more such parties, they shall mutually select a chair from among themselves.
- VI. The Company may designate its attorney, CPA, or other relevant persons to attend the shareholders' meeting in a non-voting capacity.
Those handling the business of a shareholders' meeting shall wear an ID badge or an armband.
- VII. The Company shall make an audio and video recording of the entire proceedings of a shareholders' meeting and preserve the recordings for at least one year.
- VIII. The chair shall call the meeting to order upon the meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If there are not enough shareholders, while representing at least one-third of outstanding shares, after two postponements, tentative resolutions may be passed in accordance with Article 175, paragraph 1 of the Company Act.
When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of outstanding shares, the chair may resubmit the tentative resolution for a vote by the meeting pursuant to Article 174 of the Company Act.
- IX. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting.
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions).
After the meeting is adjourned, shareholders may not nominate another chair or seek another venue for the continuation of the meeting. If the chair declares the meeting adjourned in violation of the

rules of procedure, a new chair may be elected by agreement of a majority of the votes represented by the attending shareholders to continue the meeting.

- X. A shareholder wishing to speak at a shareholders meeting shall first fill out a slip, specifying therein the major points of their speech, shareholder account number (or attendance card number) and account name, and the chair shall determine their order of giving a speech.

A shareholder who submits a speech slip without giving a speech shall be considered as not having given a speech. If the contents of the speech are different from those specified on the slip, the contents of their speech shall prevail.

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

- XI. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.

If a shareholder's speech violates the rules in the preceding paragraph or exceeds the scope of the proposal, the chair may have the shareholder stop the speech.

- XII. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

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

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

- XIV. When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

- XV. Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided that all scrutineers be shareholders of the Company.

The results of the voting shall be announced on-site at the meeting and recorded.

- XVI. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed, or the Company may be exempted from sending a notice and making an announcement within five days after a resolution has been adopted by the shareholders' meeting.

- XVII. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When a proposal is put for a vote, if the chair puts the matter before all attending shareholders and none voices an objection, the matter is deemed approved, and the effect is the same as voting.

- XVIII. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

- XIX. The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors (or security personnel) help maintain order at the meeting place, they shall wear an ID badge or an armband, reading "Proctor".

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

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing

the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

- XX. Matters not specified in these Rules shall be handled in accordance with the Company Act and other laws and regulations.
- XXI. These Rules and any amendments thereto shall come into force after being approved by the shareholders' meeting.

Appendix 3

The shareholders' proposals for this general shareholders' meeting:

- I. Pursuant to Article 172-1 of the Company Act, each shareholder who holds more than 1% of the total outstanding shares may submit **only one** written **proposal to the Company for the general shareholders' meeting**, and the proposal submitted is limited to 300 characters.
- II. The period of the Company's acceptance of written shareholders' proposals for this year's general shareholders' meeting is from April 1, 2022 to April 11, 2022, which has been announced on the MOPS as per law.
- III. The Company did not receive any shareholder's proposal during the acceptance period.

Appendix 4

Shareholdings of All Directors:

Winstek Semiconductor Co., Ltd.

Shareholdings of All Directors Unit: Shares

| Occupational title | Name | Number of shares held | Percentage |
|------------------------------|---|-----------------------|------------|
| Chairman | Ge-Shing Co., Ltd. Representative: Huang, Hsing-Yang | 70,726,438 | 51.90% |
| Director | Ge-Sing Co., Ltd. Representative: Yeh, Tsan-Lien | | |
| Director | Ge-Sing Co., Ltd. Representative: Wu, Min-Hung | | |
| Director | Ge-Sing Co., Ltd. Representative: Kuo, Hsu-Tung | | |
| Director | Ge-Sing Co., Ltd. Representative: Hsieh, Chao-Hung | | |
| Director | Weng, Chih-Li | 571,507 | 0.42% |
| Independent Director | Lin, Min-Kai | — | — |
| Independent Director | Wei, Jen-Yu | — | — |
| Independent Director | Wen-chou Vincent Wang | — | — |
| Shares held by all directors | | 71,297,945 | 52.32% |

Note:

- The information in the table is the number of shares held by individuals and all directors in the shareholder register as of the book closure date for the 2022 general shareholders' meeting (April 10, 2022).
- The number of shares that shall be held by the Company's incumbent directors as required by law is as follows:
 - Total shares issued as of April 10, 2022: 136,261,659 ordinary shares
 - The total number of shares that shall be held by all directors as required by law is 8,175,699, and as of April 10, 2022, the number of shares held by all directors is 71,297,945.
 - The Company has established an Audit Committee, so the number of shares that shall be held by supervisors as required by law does not apply.
 - The shareholdings of the Company's all directors have met the standard as stipulated in the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.