Stock code 3265

Winstek Semiconductor Co., Ltd.

2024 Annual Shareholders' Meeting

Agenda Handbooks

Time: 9:00 a.m. on May 21, 2024 (Tuesday)

Place: No. 176-5, Luliaokeng, 6th Ling, Qionglin Township, Hsinchu County 307

Table of Contents

One. Meeting procedure 2
Two. Meeting Agenda 3
I. Reporting matters 4
II. Recognition matters 6
III. Motions 8

Three. Attachment
Attachment I. 2023 Business Report 9
Attachment II. Audit Committee's Review Report 12
Attachment III. Independent Auditor's Report and 2023 Financial Statements 13

Four. Appendix
Appendix I. Articles of Incorporation 39
Appendix II. Rules of Procedures for Shareholders Meetings 45
Appendix III. Description of shareholders' proposals 48
Appendix IV. Shareholdings of directors 49

One. The 2024 Annual Shareholders' Meeting Procedure of Winstek Semiconductor Co., Ltd.

I. Call the meeting to order

II. Chairman's opening statement

III. Reporting matters

IV. Recognition matters

V. Motions

VI. Adjournment

Two. The 2024 Annunal Shareholders' Meeting Agenda of Winstek Semiconductor Co., Ltd.

Convening method: Physical shareholders meeting

Time: at 9:00 on May 21, 2024 (Tuesday)

Place: No. 176-5, Luliaokeng, 6th Ling, Qionglin Township, Hsinchu County 307

I. Call the meeting to order

II. Chairman's opening statement

III. Reporting matters

(I) 2023 business report

(II) Audit Committee's Review Report on the 2023 Financial Reports

(III) 2023 Remuneration to employees and directors report

(IV) 2023 distribution of cash dividends from earnings report

IV. Recognition matters

(I) 2023 business report and financial statements

(II) 2023 earnings distribution

V. Motions

VI. Adjournment

I. Reporting matters

Reporting matter I

2023 business report

Explanation: Please refer to Attachment I on pages 9~11 of the Handbook for the 2023 business reports

Reporting matter II

2023 financial statements and reports reviewed by the Audit Committee

Explanation: Please refer to Attachment II on page 12, and Attachment III on pages 14-19 and pages 28-31 of the Handbook for the Audit Committee's Review Report and Independent Auditor's Report.

Reporting matter III

Report on the distribution of remuneration to employee and directors in 2023

Explanation: (I) Distribute remunerations to employees and directors in accordance with Article 28 of the company's articles of incorporation.

(II) It is proposed to appropriate NT$63,163,857 and NT$0 as remuneration to employees and directors for the year of 2023, respectively, which accounted for 6.0% and 0% of the earnings in 2023. All the remunerations should be paid in cash, which meets the provisions of the articles of incorporation and is consistent with the booked amounts.

(III) Employee remuneration is paid to employees of the company, the controlled company, and subsidiaries that meet certain conditions.The remuneration amount will be distributed after approval by the chairman with the seniority, rank, work performance, overall contribution, special merits, etc. taking into account.

Reporting matter IV

Report on the distribution of cash dividends from earnings in 2023

Explanation: (I) Regarding this proposal, the board of directors is authorized to pass a special resolution to distribute all or part of the dividends and bonuses in the form of cash in accordance with the provisions of Article 29 of the company's articles of incorporation; also, report it to the shareholders' meeting.

(II) Appropriated shareholder's dividends for an amount of NT$654,055,963 in cash, that is, NT$4.8 per share. Current cash dividend is calculated and rounded up to dollar

(round it up to NT$1) according to the distribution ratio. The total amount of odd shares that is less than NT$1 is distributed in order from large to small and account number from top to bottom until it matches the total cash dividend amount distributed.In addition, the handling charge and remittance fee shall be borne by the shareholders, which shall be deducted from the dividends payable.

(III) This proposal has been approved with the resolution of the board of directors; also, the chairman is authorized to schedule the ex-dividend base date and matters related to the issuance of dividends. If the dividend distribution is affected by the changes in the total number of issued shares, the chairman if authorized to have it handled discretionarily.

II. Recognition matters

Recognition matter I

2023 business report and financial statements(Proposed by the board of directors)

Explanation:(I) The 2023 business report and financial statements have been approved by the board of directors, and the financial statements have been audited completely by Chih-Cheng Hsieh and Tsai-Yen Chiang of PwC Taiwan. The aforementioned financial statements along with the business report have been submitted to the Audit Committee for review with a review report issued for record.

(II) The business report (Attachment I on pages 9-11), Independent Auditor's Report (Attachment III on pages 14-19 and 28-31), and financial statements (Attachment III on pages 20-27 and 32-38) are hereby presented for recognition.

Resolution:

Recognition matter II

2023 earnings distribution(Proposed by the board of directors)

Explanation: (I) The company's 2023 net income was NT$839,842,738. It is proposed to distribute cash dividends to shareholders for an amount of NT$654,055,963, that is, NT$4.8 per share.

(II) 2023 earnings distribution statement was approved by the board of directors and reviewed by the Audit Committee successfully.

(III) The company's 2023 earnings distribution statement is proposed as follows:

Winstek Semiconductor Co., Ltd.

Earnings distribution statement
2023

	Unit: New Taiwan Dollar
Undistributed earnings - beginning	**2,514,183,442**
Add: Net income	839,842,738
Add: Include the amounts of items other than net income in the current year's undistributed earnings – the actuarial gains and losses for the year of 2023	1,481,720
Less: Appropriation of legal reserve	(84,132,446)
Distributable earnings	3,271,375,454
Distributions:	
Less: Shareholder dividends – cash (report the proposal that is resolved by the board of directors in the shareholders' meeting)	
(The calculation is NT$4.8 per share based on the current outstanding shares, 136,261,659 shares)	**(654,055,963)**
Dividends and Bonuses - Stocks	0
Undistributed earnings - ending	**2,617,319,491**

Chairman: Manage: Accounting Officer:

(IV) Proposed for recognition

Resolution:

III. Motions

IV. Adjournment

Attachment I

Winstek Semiconductor Co., Ltd.

2023 business report

The central banks of various countries had raised interest rates to suppress inflation in 2023 due to the political and economic turmoil worldwide, causing the overall consumer demand to go down continuously. The prices and volumes of many products had dropped due to the inventory adjustments and weak market demand for electronic products. The weak demand by consumers has eventually affected the demand of enterprises.According to Gartner data, the global semiconductor market had declined by 10.9% from the scale of US$534 billion in 2023.

As the global economic growth rate slows down, market demand is weaking, and industry inventory consumption is slow in 2023, and even with the boost of AI, Taiwan's semiconductor industry is unable to offset the weak demand in other fields.According to the data of the Taiwan Semiconductor Industry Association, the output value of domestic semiconductor was around NT$4.22 trillion in 2023, representing an annual decrease rate of 12.7%. The output value of Taiwan's IC packaging and testing industry was around NT$570 billion in 2023, representing an annual decrease rate of 16.7%.

The company's overall operating results with the efforts of all colleagues, shareholders, and customers are as follows:

一、The consolidated operating income was NT$3.67 billion in 2023, an annual decrease of 7.1% from the consolidated operating income of NT$3.95 billion in the previous year.The net income in 2023 was NT$840 million, an annual decrease of NT$80 million from the net income of NT$920 million in the previous year.The earnings per share was NT$6.16 in 2023, an annual decrease of NT$0.57 from the NT$6.73 in the previous year.

二、Budget execution: The company did not disclose financial forecasts in 2023

Financial structure, solvency, and profitability analysis

The company's financial status and profitability are in good condition. The financial structure, solvency, and profitability are as follows:

Item		Standalone Financial Statements		Consolidated Financial Statements	
		2023	2022	2023	2022
Financial structure	Ratio of liabilities to assets (%)	8.4%	8.0%	21.4%	21.5%
	Ratio of long-term funds to fixed assets (%)	385.8%	331.3%	222.9%	212.3%
Solvency	Current ratio (%)	473.1%	426.7%	414.3%	531.5%
	Quick ratio (%)	470.5%	423.8%	405.1%	515.0%
Profitability	Return on assets (%)	13.0%	16.0%	11.3%	13.4%
	Return on shareholder's equity (%)	14.2%	17.1%	14.2%	17.1%

	Net profit ratio (%)	52.3%	49.9%	22.9%	23.2%
	Earnings per share (NTD)	6.16	6.73	6.16	6.73

Research and development status

In the prospect of global and Taiwanese semiconductor industry, while the market recovery and growth of the semiconductor terminal electronics application is uncertain, the future growth momentum of the semiconductor market will rely on the stimulation of emerging applications such as emerging information services, energy and environmental protection, and technology integration, especially AI, new energy, and smart networking will become the main growth stimulus.Emerging technologies present business opportunities for various smart applications, especially in the era of intelligence, which has led to the emergence of structural demands in the semiconductor industry. Apparently, the content and value of semiconductor in terminal products will be increased in the future, added with the vigorous development of applications in emerging technology fields, the overall semiconductor industry will be stimulated to move towards a higher value system integration continuously, highlighting the importance of heterogeneous chip packaging in system integration innovation. We will continue to develop flip-chip packaging, wafer-level packaging, and advanced packaging and modules further.We will continue to maintain close cooperation with customers and actively invest in relevant technologies and production capacity in order to meet customers' future needs even when we are facing drastic changes in the external environment.

Business strategies and policies for the year

As the inventory adjustment is coming to an end, the recovery of consumer market, and the growing demand for applications such as AI and high-performance computing in 2024, the industry will gradually return to a positive growth trend. According to the estimation of ITRI, the output value of Taiwan's IC industry in 2024 will reach NT$4.9 trillion, an increase of 14.1% compared with 2023; also, the output value of Taiwan's IC packaging and testing will reach NT$636.8 billion in 2024, an increase of 9.2% compared with 2023.While facing rapid changes in the industry and being affected by many external environmental uncertainties, we will remain focusing on the high-end semiconductor packaging and testing and will invest resources in research and development continuously to maintain the continued close integration of high-end technology with customer's product needs.At the same time, we are committed to integrating group resources, reducing production costs, and improving production efficiency, providing existing customers with a complete packaging and testing one-stop service model, and completing the breadth and depth of our services for the benefits of customers.The company's sales volume and revenue in 2024 are expected to be cautiously optimistic.

The impact of the external environment, regulatory environment, and overall operating environment

The rise of generative AI has brought new opportunities to the packaging and testing industry.The high-speed computing requirements required by ChatGPT have led to a challenging supply of advanced packaging production capacity. Therefore, it drives major outsourced packaging and testing OEMs to develop heterogeneous integrated high-performance packaging technology; also, allows expands the advanced process manufacturers to have the advanced packaging technology deployed accordingly.

Different logic chips can be more closely integrated through the application of h 2.5D/3DIC stacking integration.

The global semiconductor industry is facing the dilemma of a prolonged inventory adjustment period, weak terminal demand, the escalation of the U.S.-China technology war, and various countries' trying to establish independent supply chains. In particular, the U.S.-China technology war has reached a new high, and the United States is attacking China's semiconductor industry with alliance unified. The trend has taken shape, and China has also begun to take countermeasures; therefore, negative effects will inevitably spill over to the global semiconductor supply chain.

We while facing the ever-changing external environment will strive to grasp economic and industrial changes, respond to our production and marketing strategies the best we can, uphold our core values, continue to improve operating efficiency, and fully cooperate with new product development to develop packaging and testing technologies and products that meet market demand. Winstek Semiconductor Co., Ltd. intends to play an important strategic supply partner role for customers continuously.

We would like to thank all our shareholders for their continued support and encouragement to the company. We also hope for guidance and encouragement from all shareholders continuously.I wish all shareholders, ladies and gentlemen,

Good health and all the best

Chairman: Manager: Accounting officer:

Attachment II

Winstek Semiconductor Co., Ltd.

Audit Committee's Review Report

For the 2023 business, financial statements, and earnings distribution proposal of the company, the financial statements have been reviewed and completed by CPA Zhizheng Hsieh and Caiyan Jiang of PwC Taiwan.We, the members of the Audit Committee, have the aforementioned business report, financial statements, and earnings distribution proposal reviewed to our satisfactory. Therefore, the Audit Committee's Review Report has been prepared in accordance with the provisions of Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please have it reviewed and approved.

Sincerely yours,
The 2024 General Shareholders' Meeting of the company

Convener of the Audit Committee: Min-Kai Lin

February 26, 2024

Attachment III

Winstek Semiconductor Co., Ltd.

Declaration on the Consolidated Financial Statements of Affiliated Enterprises

The companies to be included in the company's 2023 (from January 1, 2023 to December 31, 2023) related party consolidated financial statements in accordance with the "Regulations Governing the Preparation of Consolidated Business Reports, Consolidated Financial Reports, and Relation Reports" and the companies to be included in the parent-subsidiary consolidated financial statements in accordance with IFRS 10 are the same; also, the information that should be disclosed in the related party consolidated financial statements has already been disclosed in the aforementioned parent-subsidiary consolidated financial statements; therefore, the related party consolidated financial statements will not be prepared separately.

Sincerely yours,

Company name: Winstek Semiconductor Co., Ltd.
Responsible person: Shin-Yang Huang

February 26, 2024

Independent Auditor's Report

(113) PWCR 23002979

To: Winstek Semiconductor Co., Ltd.

Independent Auditor's opinion

We have audited the accompanying consolidated balance sheet of Winstek Semiconductor Co., Ltd. as of December 31, 2023 and 2022 and the consolidated statements of income, retained earnings, cash flows and notes (including the summary of material accounting policies) to the consolidated financial statements for the years then ended.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Winstek Semiconductor Co., Ltd. as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Firms" and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Announcement approved and announced by the Financial Supervisory Commission.

Basis of an audit opinion

We conducted our audit on the consolidated financial statements in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and generally accepted auditing standards. The responsibilities of the independent auditors under these standards will be further explained in the audit performed on the consolidated financial statements. The personnel of the CPA Firm subject to the independence requirement have acted independently from the business operations of Winstek Semiconductor Co., Ltd. in accordance with the Code of Ethics and have performed other responsibilities of the Code of Ethics. We believe that our audit provides a reasonable basis for our opinion.

Key Audit Matters

The key audit matters refer to the most important matters in auditing the 2023 consolidated financial statements of Winstek Semiconductor Co., Ltd. in accordance with the professional judgment of the independent auditors. These matters have been handled during the process of reviewing the consolidated financial statements as a whole with audit opinions formed. The CPA does not express an independent opinion on these matters.

The key audit matters on the 2023 consolidated financial reports of Winstek Semiconductor Co., Ltd. to be communicated are as follow

Property, plant and equipment capitalization review

Description of key audit matters:

Increase of capital expenditures derived from the operation of Winstek Semiconductor Co., Ltd. and its subsidiaries. Please refer to Note IV (XIII) of the consolidated financial statements for the accounting policies of property, plant and equipment in details. Please refer to Note VI (V) of the consolidated financial statement for property, plant and equipment in details. The capital expenditures for property, plant and equipment are excessive this year; therefore, the independent auditor has the property, plant and equipment capitalization review included as key review matters.

Corresponding auditing procedures:

The main auditing procedures implemented by the CPAs for the aforementioned key audit matters are as follows:
Evaluate and test the effectiveness of the internal control system for the transactions of property, plant and equipment. Randomly check the relevant purchase orders, invoices, etc. so to confirm the proper approval of the transactions and the correctness of the amount booked. Randomly check the relevant inspection and acceptance documents so to confirm that the assets met the standards for use, and check the adequateness of the

capitalization time point (the time when depreciation is appropriated).

Other Matters - Standalone Financial Reports

Winstek Semiconductor Co., Ltd. has prepared the 2023 and 2022 standalone financial statements with an unqualified opinion obtained from the CPA and an independent auditor's report filed for future reference.

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

The responsibility of the management is to have the consolidated financial statements presented fairly, in all material respects, in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Firms" and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Announcement approved and announced by the Financial Supervisory Commission. Also, maintain the necessary internal controls related to the consolidated financial statements to ensure that the consolidated financial statements are free of any material misstatement arising from frauds or errors.

The responsibility of the management in preparing the consolidated financial statements also includes evaluating the continuing operation of Winstek Semiconductor Co., Ltd., the disclosure of the relevant matters, and the adoption of the continuing operation accounting base, unless the management intends to liquidate Winstek Semiconductor Co., Ltd. or cease the business operation, or there is lack of any option except for liquidation or suspension.

The governance unit (Audit Committee) of Winstek Semiconductor Co., Ltd. is responsible for supervising the financial reporting process.

CPA's responsibility for auditing the consolidated financial statements

The CPAs' auditing the consolidated financial statements is for the purpose of obtaining reasonable assurance about whether the consolidated financial statements are free of material misstatement arising from frauds or errors and with an audit report

issued. Reasonable assurance means high assurance. However, the audit conducted in accordance with generally accepted auditing standards does not guarantee having any material misstatement in the consolidated financial statements detected. Material misstatement could arise from frauds or errors. If the misstated amount or aggregated amount is reasonably expected to affect the economic decisions made by the readers of the consolidated financial statements, it is considered material.

The CPAs when conducting the audit in accordance with generally accepted auditing standards shall exercise professional judgment and maintain professional suspicion. The CPAs also perform the following tasks:

1. Identify and evaluate the risk of material misstatement of the consolidated financial statements arising from frauds or errors; design and implement proper responsive measures for the assessed risks; also, obtain sufficient and adequate audit evidences for forming an audit opinion. Frauds may involve conspiracy, forgery, deliberate omission, false declaration, or violation of internal control; therefore, the risk of not detecting a material misrepresentation resulting from fraud is higher than one resulting from error.
2. Obtain necessary understanding on the internal control related to the audit in order to design appropriate audit procedures under the circumstance, but the purpose is not to express an opinion on the effectiveness of the internal control of Winstek Semiconductor Co., Ltd.
3. Evaluate the appropriateness of the accounting policies adopted by the management; also, the reasonableness of the accounting estimates and related disclosures made.
4. Base on the audit evidence obtained to make conclusions on the suitability of the continuing operation accounting base adopted by the management and whether or not the events or circumstances causing material doubts to the continuing operation ability of Winstek Semiconductor Co., Ltd. are with material uncertainties. If the CPAs believe that such events or circumstances are with material uncertainties, it is

necessary to remind the readers of the consolidated financial statements in the audit report to pay attention to the relevant disclosure or to revise the audit opinion when such disclosures are inappropriate. The conclusion of the CPAs is based on the audit evidence obtained as of the audit report date. However, future events or circumstances may result in the inability of Winstek Semiconductor Co., Ltd. to continue business operation.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements (including the relevant notes) and whether or not the relevant transactions and events in the consolidated financial statements are presented fairly.

6. Obtain sufficient and appropriate audit evidences on the consolidated financial information of the business entities within the Group in order to express an opinion on the consolidated financial statements. The CPA is responsible for guiding, supervising, and implementing the auditing process; also, is responsible for forming an audit opinion on the Group.

The matters communicated by the CPAs to the governing unit include the scope and timing of the planned audit, and the material findings (including the major nonconformities of internal controls identified in the auditing process).

The CPAs have provided to the governing unit the declaration of independence of the CPA Firm personnel subject to the Code of Ethics; also, has communicated with the governing unit regarding the relationship and other matters (including the relevant protection measures) that may affect the independence of the CPAs.

The CPA has based on the communications with the governing unit to determine the key audit matters to be performed on the 2023 consolidated financial statements of Winstek Semiconductor Co., Ltd. The CPA shall state the key audit matters in the audit report except for the specific matters prohibited from being disclosed, or, in rare cases, the CPA decides not to have specific matters communicated in the audit report since the

negative effect of such disclosure can be reasonably expected to be greater than the increase of public gains.

PricewaterhouseCoopers, Taiwan
Chih-Cheng Hsieh
Tsai-Yen Chiang

February 26, 2024

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and 2022

Unit: NT$ thousand

	Assets	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets					
1100	Cash and cash equivalents	VI (I)	$ 1,298,093	17	$ 1,719,592	23
1136	Financial assets measured at amortized cost – current	VI (II)	2,133,520	28	1,233,850	17
1140	Contract Assets – Current	VI (XV)	34,216	1	35,202	1
1170	Accounts receivable – net	VI (III)	916,181	12	915,405	12
1180	Accounts receivable – related party – net	VI (III) and VII	721	-	2,088	-
1200	Other Receivables		10,030	-	11,952	-
130X	Inventories	VI (IV)	78,661	1	97,808	1
1410	Prepayments		21,987	-	27,336	-
1470	Other current assets		6,816	-	9,043	-
11XX	**Total current assets**		4,500,225	59	4,052,276	54
	Noncurrent assets					
1535	Financial assets measured at amortized cost – noncurrent	VI (II) and VIII	21,700	-	21,700	-
1600	Property, Plant and Equipment	VI (V)	2,925,682	38	3,144,227	42
1755	Right-of-use assets	VI (VI)	7,527	-	8,085	-
1780	Intangible assets	VI (VIII)	129,416	2	157,910	2
1840	Deferred income tax assets	VI (XXII)	29,661	1	24,679	1
1900	Other noncurrent assets	VI (XXIV)	9,316	-	44,998	1
15XX	**Total noncurrent assets**		3,123,302	41	3,401,599	46
1XXX	**Total assets**		$ 7,623,527	100	$ 7,453,875	100

(Continuing to next page)

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and 2022

Unit: NT$ thousand

	Liabilities and Equity	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities					
2130	Contract liabilities - current	VI (XV)	$ -	-	$ 4,861	-
2170	Accounts payable		94,878	1	72,120	1
2200	Other payables	VI (IX)	477,679	6	448,485	6
2220	Other payable – related party	VII	454	-	239	-
2230	Income tax liability - current		212,892	3	165,023	2
2250	Liability reserves – current		964	-	11,066	-
2280	Lease liability - current		1,989	-	1,844	-
2320	Long-term liabilities due within one year or one operating cycle	VI (X)	287,558	4	53,180	1
2399	Other current liabilities – others		9,740	-	5,668	-
21XX	**Total current liabilities**		1,086,154	14	762,486	10
	Noncurrent liabilities					
2540	Long-term loans	VI (X)	505,262	7	792,820	11
2570	Deferred income tax liability	VI (XXII)	17,474	-	14,577	-
2580	Lease liability - noncurrent		5,348	-	6,001	-
2640	Net defined benefit liability - noncurrent	VI (XI)	14,822	-	17,628	-
2670	Other noncurrent liability – others		339	-	6,447	-
25XX	**Total noncurrent liabilities**		543,245	7	837,473	11
2XXX	**Total liabilities**		1,629,399	21	1,599,959	21
	Equity					
	Capital stock	VI (XII)				
3110	Common capital stock		1,362,617	18	1,362,617	18
	Additional paid-in capital	VI (XIII)				
3200	Additional paid-in capital		366,243	5	366,243	5
	Retained earnings	VI (XIV)				
3310	Legal reserve		845,288	11	752,782	10
3320	Special reserve		-	-	282,069	4
3350	Unappropriated earnings		3,355,509	44	3,005,929	41
	Other equities					
3400	Other equities		64,471	1	84,276	1
3XXX	**Total equity**		5,994,128	79	5,853,916	79
	Material commitments and contingencies	IX				
	Material post events	XI				
3X2X	**Total liabilities and equity**		$ 7,623,527	100	$ 7,453,875	100

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Income Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand
(Except earnings per share in NT$)

	Item	Notes	2023 Amount	2023 %	2022 Amount	2022 %
4000	Operating income	VI (XV) and VII	$ 3,667,818	100	$ 3,947,152	100
5000	Operating cost	VI (IV)	(2,564,284)	(70)	(2,641,788)	(67)
5950	Gross profit – net		1,103,534	30	1,305,364	33
	Operating expenses	VI (XX) (XXI)				
6100	Marketing expenses		(27,316)	(1)	(25,544)	(1)
6200	Management expenses		(199,961)	(5)	(211,420)	(5)
6300	R&D expenses		(17,393)	(1)	(11,534)	-
6450	Expected credit impairment losses		(9,691)	-	-	-
6000	Total operating expenses		(254,361)	(7)	(248,498)	(6)
6900	Operating profits		849,173	23	1,056,866	27
	Non-operating income and expenses					
7100	Interest income	VI (XVI)	126,250	4	32,025	1
7010	Other income	VI (XVII)	5,960	-	4,182	-
7020	Other gains and losses	VI (XVIII) and VII	42,840	1	30,239	1
7050	Financial costs	VI (XIX)	(14,578)	-	(11,380)	(1)
7000	Total non-operating income and expenses		160,472	5	55,066	1
7900	**Net income before tax**		1,009,645	28	1,111,932	28
7950	Income tax expenses	VI (XXII)	(169,802)	(5)	(194,465)	(5)
8200	**Net income**		$ 839,843	23	$ 917,467	23
	Other comprehensive profits and losses					
	Items not reclassified to profit or loss					
8311	Remeasurement amount of defined benefit plans	VI (XI)	$ 1,482	-	$ 7,594	-
8310	Total amount of the items not reclassified to profit or loss		1,482	-	7,594	-
	Items that may be subsequently reclassified to profit or loss					
8361	Exchange difference from conversion of financial statements of foreign operation		(19,805)	(1)	366,346	10
8360	Total amount of the items that may be subsequently reclassified to profit or loss		(19,805)	(1)	366,346	10
8300	**Other comprehensive profit or loss (net)**		($ 18,323)	(1)	$ 373,940	10
8500	**Total comprehensive profit or loss – current**		$ 821,520	22	$ 1,291,407	33
	Net income attributed to:					
8610	Parent company's shareholders		$ 839,843	23	$ 917,467	23
	Total comprehensive profit or loss attributed to:					

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Income Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand
(Except earnings per share in NT$)

8710	Parent company's shareholders		$ 821,520	22	$ 1,291,407	33
	Earnings per share	VI (XXIII)				
9750	Basic earnings per share		$ 6.16		$ 6.73	
9850	Diluted earnings per share		$ 6.12		$ 6.66	

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Statements of Shareholders' Equity
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	Equity attributable to shareholders of the parent company						
				Retained earnings				
		Common capital stock	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Finance of foreign operation Conversion of financial reports Differences	Total equity
January 1 – December 31, 2022								
Balance – 1/1/2022		$ 1,362,617	$ 366,243	$ 713,519	$ 203,472	$ 2,512,130	($ 282,070)	$ 4,875,911
Net income		-	-	-	-	917,467	-	917,467
Other comprehensive profit or loss – current	VI (XI)	-	-	-	-	7,594	366,346	373,940
Total comprehensive profit or loss – current		-	-	-	-	925,061	366,346	1,291,407
The 2021 earnings appropriation and distribution	VI (XIV)							
Appropriation of legal reserve		-	-	39,263	-	(39,263)	-	-
Appropriation of special reserve		-	-	-	78,597	(78,597)	-	-
Cash dividend		-	-	-	-	(313,402)	-	(313,402)
Balance – 12/31/2022		$ 1,362,617	$ 366,243	$ 752,782	$ 282,069	$ 3,005,929	$ 84,276	$ 5,853,916
January 1 – December 31, 2023								
Balance – 1/1/2023		$ 1,362,617	$ 366,243	$ 752,782	$ 282,069	$ 3,005,929	$ 84,276	$ 5,853,916
Net income		-	-	-	-	839,843	-	839,843
Other comprehensive profit or loss – current	VI (XI)	-	-	-	-	1,482	(19,805)	(18,323)
Total comprehensive profit		-	-	-	-	841,325	(19,805)	821,520

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Statements of Shareholders' Equity
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

		Equity attributable to shareholders of the parent company						
				Retained earnings				
	Notes	Common capital stock	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Finance of foreign operation Conversion of financial reports Differences	Total equity
or loss – current								
The 2022 earnings appropriation and distribution	VI (XIV)							
Appropriation of legal reserve		-	-	92,506	-	(92,506)	-	-
Reversal of special reserve		-	-	-	(282,069)	282,069	-	-
Cash dividend		-	-	-	-	(681,308)	-	(681,308)
Balance – 12/31/2023		$ 1,362,617	$ 366,243	$ 845,288	$ -	$ 3,355,509	$ 64,471	$ 5,994,128

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Cash Flow Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Cash flow from operating activities			
Net income before tax		$ 1,009,645	$ 1,111,932
Adjustments			
Profits or losses			
Expected credit impairment losses	XII (II)	9,691	-
Depreciation expense	VI (V) (VI) (XX)	597,819	599,950
Amortized expense	VI (VIII) (XX)	45,750	39,452
Interest expense	VI (VI) (XIX)	14,578	11,380
Interest income	VI (XVI)	(126,250)	(32,025)
Gains from the disposal of property, plant, and equipment	VI (XVIII)	(3,439)	(3,045)
Impairment losses of property, plant and equipment	VI (V) (XVIII)	-	15,516
Income from government grants	VI (X)	(3,656)	(3,738)
Changes in assets/liabilities from operating activities			
Net change in assets from operating activities			
Contract assets		744	(11,588)
Accounts receivables		(12,822)	(94,458)
Accounts receivable – related party		1,346	(1,027)
Other Receivables		(67)	(612)
Other Receivables – related party		-	2,249
Inventories		19,411	17,972
Prepayments		5,429	12,428
Other current assets		1,908	(1,611)
Other noncurrent assets		(12)	-
Net change in liabilities from operating activities			
Contract liabilities		(4,931)	4,717
Accounts payable		23,109	(36,789)
Accounts payable – related party		-	(2,448)
Other payables		9,616	58,114
Other payables – related party		215	(1,913)
Liability reserve		(10,248)	894
Other current liabilities		4,121	(20)
Net defined benefit liability		(1,324)	(1,416)
Cash inflow from operating activities		1,580,633	1,683,914
Interest received		128,346	17,365
Interest paid		(14,537)	(11,168)
Income tax paid		(157,876)	(86,453)
Net cash inflow from operating activities		1,536,566	1,603,658

(Continuing to next page)

Winstek Semiconductor Co., Ltd., and its Subsidiaries
Consolidated Cash Flow Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Cash flow from investing activities			
Acquisition of financial assets measured at amortized cost		($ 7,122,115)	($ 2,916,240)
Disposal of financial assets measured at amortized cost		6,229,660	2,569,081
Acquisition of property, plant and equipment	VI (XXIV)	(326,222)	(996,472)
Acquisition of intangible assets	VI (VIII)	(17,190)	(74,246)
Proceeds from the disposal of property, plant and equipment		3,439	4,367
Increase in guarantee deposits & margins paid		(897)	(1,014)
Decrease in guarantee deposits & margins paid		1,906	27
Net cash outflow from investing activities		(1,231,419)	(1,414,497)
Cash flow from financing activities			
Long-term loans	VI (XXV)	-	100,000
Repayment of long-term loans	VI (XXV)	(53,180)	-
Increase in guarantee deposits & margins received	VI (XXV)	82	6,191
Decrease in guarantee deposits & margins received	VI (XXV)	(49)	(85)
Lease principal repayment amount	VI (XXV)	(2,276)	(2,785)
Distribution of cash dividends	VI (XIV)	(681,308)	(313,402)
Net cash outflow from financing activities		(736,731)	(210,081)
Exchange rate effect		10,085	137,099
Increase (decrease) in cash and cash equivalents for the current period		(421,499)	116,179
Cash and cash equivalent amount - beginning	VI (I)	1,719,592	1,603,413
Cash and cash equivalent amount - ending	VI (I)	$ 1,298,093	$ 1,719,592

The accompanying notes to the consolidated financial statements are an integral part of this consolidated financial report, which shall be referred to jointly.

Independent Auditor's Report

(113) PWCR 23002872

To: Winstek Semiconductor Co., Ltd.

Independent Auditor's opinion

We have audited the accompanying standalone balance sheet of Winstek Semiconductor Co., Ltd. as of December 31, 2023 and 2022 and the standalone statements of income, retained earnings, cash flows and notes (including the summary of material accounting policies) to the standalone financial statements for the years then ended.

In our opinion, the standalone financial statements referred to above present fairly, in all material respects, the financial position of Winstek Semiconductor Co., Ltd. as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Firms" and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Announcement approved and announced by the Financial Supervisory Commission.

Basis of an audit opinion

We conducted our audit on the consolidated financial statements in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and generally accepted auditing standards. The responsibilities of the independent auditors under these standards will be further explained in the audit performed on the standalone financial statements. The personnel of the CPA Firm subject to the independence requirement have acted independently from the business operations of Winstek Semiconductor Co., Ltd. in accordance with the Code of Ethics and have performed other responsibilities of the Code of Ethics. We believe that our audit provides a reasonable basis for our opinion.

Key Audit Matters

The key audit matters refer to the most important matters in auditing the 2023 standalone financial statements of Winstek Semiconductor Co., Ltd. in accordance with the professional judgment of the independent auditors. These matters have been handled during the process of reviewing the standalone financial statements as a whole with audit opinions formed. The CPA does not express an independent opinion on these matters.

The key audit matters on the 2023 standalone financial reports of Winstek Semiconductor Co., Ltd. to be communicated are as follow

Property, plant and equipment capitalization review

Description of key audit matters:

Increase of capital expenditures derived from the operation of Winstek Semiconductor Co., Ltd. Please refer to Note IV (XIII) of the standalone financial statements for the accounting policies

of property, plant and equipment in details. Please refer to Note VI (V) of the standalone financial statement for property, plant and equipment in details. The capital expenditures for property, plant and equipment are excessive this year; therefore, the independent auditor has the property, plant and equipment capitalization review included as key review matters.

Corresponding auditing procedures:

The main auditing procedures implemented by the CPAs for the aforementioned key audit matters are as follows:
Evaluate and test the effectiveness of the internal control system for the transactions of property, plant and equipment. Randomly check the relevant purchase orders, invoices, etc. so to confirm the proper approval of the transactions and the correctness of the amount booked. Randomly check the relevant inspection and acceptance documents so to confirm that the assets met the standards for use, and check the adequateness of the capitalization time point (the time when depreciation is appropriated).

The responsibility of the management and governance unit for the standalone financial statements

The responsibility of the management is to have the standalone financial statements presented fairly, in all material respects, in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Firms" and the International Financial Reporting Standards, International Accounting Standards, Interpretations and Announcement approved and announced by the Financial Supervisory Commission. Also, maintain the necessary internal controls related to the standalone financial statements to ensure that the standalone financial statements are free of any material misstatement arising from frauds or errors.

The responsibility of the management in preparing the standalone financial statements also includes evaluating the continuing operation of Winstek Semiconductor Co., Ltd., the disclosure of the relevant matters, and the adoption of the continuing operation accounting base, unless the management intends to liquidate Winstek Semiconductor Co., Ltd. or cease the business operation, or there is lack of any option except for liquidation or suspension.

The governance unit (Audit Committee) of Winstek Semiconductor Co., Ltd. is responsible for supervising the financial reporting process.

CPA's responsibility for auditing the standalone financial statements

The CPAs' auditing the standalone financial statements is for the purpose of obtaining reasonable assurance about whether the standalone financial statements are free of material misstatement arising from frauds or errors and with an audit report issued. Reasonable assurance means high assurance. However, the audit conducted in accordance with generally accepted auditing standards does not guarantee having any material misstatement in the standalone financial statements detected. Material misstatement could arise from frauds or errors. If the misstated amount or aggregated amount is reasonably expected to affect the economic decisions made by the readers of the standalone financial statements, it is considered material.

The CPAs when conducting the audit in accordance with generally accepted auditing standards shall exercise professional judgment and maintain professional suspicion. The CPAs also perform the

following tasks:

1. Identify and evaluate the risk of material misstatement of the standalone financial statements arising from frauds or errors; design and implement proper responsive measures for the assessed risks; also, obtain sufficient and adequate audit evidences for forming an audit opinion. Frauds may involve conspiracy, forgery, deliberate omission, false declaration, or violation of internal control; therefore, the risk of not detecting a material misrepresentation resulting from fraud is higher than one resulting from error.
2. Obtain necessary understanding on the internal control related to the audit in order to design appropriate audit procedures under the circumstance, but the purpose is not to express an opinion on the effectiveness of the internal control of Winstek Semiconductor Co., Ltd.
3. Evaluate the appropriateness of the accounting policies adopted by the management; also, the reasonableness of the accounting estimates and related disclosures made.
4. Base on the audit evidence obtained to make conclusions on the suitability of the continuing operation accounting base adopted by the management and whether or not the events or circumstances causing material doubts to the continuing operation ability of Winstek Semiconductor Co., Ltd. are with material uncertainties. If the CPAs believe that such events or circumstances are with material uncertainties, it is necessary to remind the readers of the standalone financial statements in the audit report to pay attention to the relevant disclosure or to revise the audit opinion when such disclosures are inappropriate. The conclusion of the CPAs is based on the audit evidence obtained as of the audit report date. However, future events or circumstances may result in the inability of Winstek Semiconductor Co., Ltd. to continue business operation.
5. Evaluate the overall presentation, structure, and content of the standalone financial statements (including the relevant notes) and whether or not the relevant transactions and events in the standalone financial statements are presented fairly.
6. Obtain sufficient and appropriate audit evidences on the standalone financial information of Winstek Semiconductor Co., Ltd. in order to express an opinion on the standalone financial statements. The CPA is responsible for guiding, supervising, and implementing the auditing process; also, is responsible for forming an audit opinion on the standalone financial statements of Winstek Semiconductor Co., Ltd.

The matters communicated by the CPAs to the governing unit include the scope and timing of the planned audit, and the material findings (including the major nonconformities of internal controls identified in the auditing process).

The CPAs have provided to the governing unit the declaration of independence of the CPA Firm personnel subject to the Code of Ethics; also, has communicated with the governing unit regarding the relationship and other matters (including the relevant protection measures) that may affect the independence of the CPAs.

The CPA has based on the communications with the governing unit to determine the key audit matters to be performed on the 2023 standalone financial statements of Winstek Semiconductor Co., Ltd. The CPA shall state the key audit matters in the audit report except for the specific matters

prohibited from being disclosed, or, in rare cases, the CPA decides not to have specific matters communicated in the audit report since the negative effect of such disclosure can be reasonably expected to be greater than the increase of public gains.

PricewaterhouseCoopers, Taiwan

Chih-Cheng Hsieh

Tsai-Yen Chiang

February 26, 2024

Winstek Semiconductor Co., Ltd.
Standalone Balance Sheet
December 31, 2023 and 2022

Unit: NT$ thousand

	Assets	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets					
1100	Cash and cash equivalents	VI (I)	$ 719,013	11	$ 862,230	14
1136	Financial assets measured at amortized cost – current	VI (II)	871,985	13	153,550	2
1140	Contract Assets – Current	VI (XV)	10,099	-	27,559	-
1170	Accounts receivable – net	VI (III)	295,407	5	450,050	7
1180	Accounts receivable – related party – net	VI (III) and VII	53,982	1	100,436	2
1200	Other Receivables		4,557	-	2,309	-
1210	Other Receivables – related party	VII	83,406	1	54,955	1
1410	Prepayments		11,221	-	11,225	-
1470	Other current assets		5,650	-	7,240	-
11XX	**Total current assets**		2,055,320	31	1,669,554	26
	Noncurrent assets					
1535	Financial assets measured at amortized cost – noncurrent	VI (II) and VIII	12,000	-	12,000	-
1550	Investments under the equity method	VI (IV)	2,754,257	42	2,674,359	42
1600	Property, Plant and Equipment	VI (V)	1,582,097	24	1,800,876	29
1755	Right-of-use assets	VI (VI)	1,906	-	2,018	-
1780	Intangible assets	VI (VIII)	112,892	2	144,857	2
1840	Deferred income tax assets	VI (XXI)	24,740	1	17,500	-
1900	Other noncurrent assets		2,353	-	42,784	1
15XX	**Total noncurrent assets**		4,490,245	69	4,694,394	74
1XXX	**Total assets**		$ 6,545,565	100	$ 6,363,948	100

(Continuing to next page)

Winstek Semiconductor Co., Ltd.
Standalone Balance Sheet
December 31, 2023 and 2022

Unit: NT$ thousand

	Liabilities and Equity	Notes	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities					
2170	Accounts payable		$ 2,354	-	$ 2,776	-
2180	Accounts payable – related party	VII	1,049	-	-	-
2200	Other payables	VI (IX)	211,798	3	218,165	3
2220	Other payable – related party	VII	1,911	-	1,725	-
2230	Income tax liability - current		212,892	3	165,023	3
2280	Lease liability - current		1,175	-	1,149	-
2399	Other current liabilities – others		3,233	-	2,451	-
21XX	**Total current liabilities**		434,412	6	391,289	6
	Noncurrent liabilities					
2540	Long-term loans	VI (X)	100,000	2	100,000	2
2570	Deferred income tax liability	VI (XXI)	1,359	-	141	-
2580	Lease liability - noncurrent		725	-	862	-
2640	Net defined benefit liability - noncurrent	VI (XI)	14,822	-	17,628	-
2670	Other noncurrent liability – others		119	-	112	-
25XX	**Total noncurrent liabilities**		117,025	2	118,743	2
2XXX	**Total liabilities**		551,437	8	510,032	8
	Equity					
	Capital stock	VI (XII)				
3110	Common capital stock		1,362,617	21	1,362,617	21
	Additional paid-in capital	VI (XIII)				
3200	Additional paid-in capital		366,243	6	366,243	6
	Retained earnings	VI (XIV)				
3310	Legal reserve		845,288	13	752,782	12
3320	Special reserve		-	-	282,069	5
3350	Unappropriated earnings		3,355,509	51	3,005,929	47
	Other equities					
3XXX	Other equities		64,471	1	84,276	1
3XXX	**Total equity**		5,994,128	92	5,853,916	92
	Material commitments and contingencies	IX				
	Material post events	XI				
3X2X	**Total liabilities and equity**		$ 6,545,565	100	$ 6,363,948	100

The accompanying notes to the standalone financial statements are an integral part of this standalone financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd.
Standalone Income Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand
(Except earnings per share in NT$)

	Item	Notes	2023 Amount	2023 %	2022 Amount	2022 %
4000	Operating income	VI (XV) and VII	$ 1,606,098	100	$ 1,840,072	100
5000	Operating cost	VII	(893,753)	(56)	(849,763)	(46)
5950	Gross profit – net		712,345	44	990,309	54
	Operating expenses	VI (XIX) (XX)				
6100	Marketing expenses		(8,728)	(1)	(9,522)	(1)
6200	Management expenses		(108,629)	(7)	(116,728)	(6)
6300	R&D expenses		(6,736)	-	(7,377)	-
6450	Expected credit impairment losses	XII (II)	(4,062)	-	-	-
6000	Total operating expenses		(128,155)	(8)	(133,627)	(7)
6900	Operating profits		584,190	36	856,682	47
	Non-operating income and expenses					
7100	Interest income	VI (XVI)	53,034	3	7,181	-
7010	Other income	VI (XVI)	2,087	-	444	-
7020	Other gains and losses	VI (XVII)	8,061	1	(23,161)	(1)
7050	Financial costs	VI (XVIII)	(1,810)	-	(6,439)	-
7070	Share of profits and losses from the subsidiaries, affiliated enterprises, and joint ventures under the equity method	VI (IV)	303,796	19	226,770	12
7000	Total non-operating income and expenses		365,168	23	204,795	11
7900	**Net income before tax**		949,358	59	1,061,477	58
7950	Income tax expenses	VI (XXI)	(109,515)	(7)	(144,010)	(8)
8200	**Net income**		$ 839,843	52	$ 917,467	50
	Other comprehensive profits and losses					
	Items not reclassified to profit or loss					
8311	Remeasurement amount of defined benefit plans	VI (XI)	$ 1,482	-	$ 7,594	-
8310	Total amount of the items not reclassified to profit or loss		1,482	-	7,594	-
	Items that may be subsequently reclassified to profit or loss					
8361	Exchange difference from conversion of financial statements of foreign operation	VI (IV)	(19,805)	(1)	366,346	20
8360	Total amount of the items that		(19,805)	(1)	366,346	20

The accompanying notes to the standalone financial statements are an integral part of this standalone financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd.
Standalone Income Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand
(Except earnings per share in NT$)

	may be subsequently reclassified to profit or loss					
8500	**Total comprehensive profit or loss – current**		$ 821,520	51	$ 1,291,407	70
	Earnings per share	VI (XXII)				
9750	Basic earnings per share		$ 6.16		$ 6.73	
9850	Diluted earnings per share		$ 6.12		$ 6.66	

The accompanying notes to the standalone financial statements are an integral part of this standalone financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd.
Standalone Statements of Shareholders' Equity
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	Common capital stock	Additional paid-in capital	Retained earnings			Finance of foreign operation Conversion of financial reports Differences	Total equity
				Legal reserve	Special reserve	Unappropriated earnings		
2022								
Balance – 1/1/2022		$ 1,362,617	$ 366,243	$ 713,519	$ 203,472	$ 2,512,130	($ 282,070)	$ 4,875,911
Net income		-	-	-	-	917,467	-	917,467
Other comprehensive profit or loss – current		-	-	-	-	7,594	366,346	373,940
Total comprehensive profit or loss – current		-	-	-	-	925,061	366,346	1,291,407
The 2021 earnings appropriation and distribution	VI (XIV)							
Appropriation of legal reserve		-	-	39,263	-	(39,263)	-	-
Appropriation of special reserve		-	-	-	78,597	(78,597)	-	-
Cash dividend		-	-	-	-	(313,402)	-	(313,402)
Balance – 12/31/2022		$ 1,362,617	$ 366,243	$ 752,782	$ 282,069	$ 3,005,929	$ 84,276	$ 5,853,916
2023								
Balance – 1/1/2023		$ 1,362,617	$ 366,243	$ 752,782	$ 282,069	$ 3,005,929	$ 84,276	$ 5,853,916
Net income		-	-	-	-	839,843	-	839,843
Other comprehensive profit or loss – current		-	-	-	-	1,482	(19,805)	(18,323)
Total comprehensive profit or loss – current		-	-	-	-	841,325	(19,805)	821,520
The 2022 earnings appropriation and	VI (XIV)							

The accompanying notes to the standalone financial statements are an integral part of this standalone financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd.
Standalone Statements of Shareholders' Equity
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	Common capital stock	Additional paid-in capital	Retained earnings			Finance of foreign operation Conversion of financial reports Differences	Total equity
				Legal reserve	Special reserve	Unappropriated earnings		
distribution								
Appropriation of legal reserve		-	-	92,506	-	(92,506)	-	-
Reversal of special reserve		-	-	-	(282,069)	282,069	-	-
Cash dividend		-	-	-	-	(681,308)	-	(681,308)
Balance – 12/31/2023		$ 1,362,617	$ 366,243	$ 845,288	$ -	$ 3,355,509	$ 64,471	$ 5,994,128

The accompanying notes to the standalone financial statements are an integral part of this standalone financial report, which shall be referred to jointly.

Winstek Semiconductor Co., Ltd.
Standalone Cash Flow Statement
January 1 – December 31, 2023 and 2022

Unit: NT$ thousand

	Notes	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Cash flow from operating activities			
Net income before tax		$ 949,358	$ 1,061,477
Adjustments			
Profits or losses			
Expected credit impairment losses		4,062	-
Depreciation expense	VI (V) (VI) (XIX)	298,367	269,906
Amortized expense	VI (XIII) (XIX)	40,713	34,823
Interest expense	VI (XVIII)	1,810	6,439
Interest income	VI (XVI)	(53,034)	(7,181)
Gains from the disposal of property, plant, and equipment	VI (XVII)	(1,514)	(2,053)
Share of profits and losses from the subsidiaries under the equity method	VI (IV)	(303,796)	(226,770)
Changes in assets/liabilities from operating activities			
Net change in assets from operating activities			
Contract assets		17,460	(16,503)
Receivables		150,581	(278,032)
Accounts receivable – related party		46,454	(7,002)
Other Receivables		(86)	(3)
Other Receivables – related party		32,708	6,283
Prepayments		4	326
Other current assets		1,590	(1,316)
Net change in liabilities from operating activities			
Accounts payable		(422)	(70)
Accounts payable – related party		1,049	(803)
Other payables		1,933	43,726
Other payables – related party		186	220
Other current liabilities		781	125
Net defined benefit liability		(1,324)	(1,416)
Cash inflow from operating activities		1,186,880	882,176
Interest received		50,872	4,889
Dividend received	VI (IV)	204,093	76,982
Interest paid		(1,802)	(6,439)
Income tax paid		(128,826)	(63,196)
Net cash inflow from operating activities		1,311,217	894,412
Cash flow from investing activities			
Acquisition of financial assets measured at amortized cost		(3,138,855)	(452,375)
Disposal of financial assets measured at amortized cost		2,420,420	323,825
Acquisition of investment under the equity method	VI (IV)	-	(200,000)
Refunds from the capital reduction of the investment under the equity method	VI (IV)	-	1,000,000
Acquisition of property, plant and equipment	VI (XXIII)	(46,889)	(856,120)
Proceeds from the disposal of property, plant and equipment		1,514	3,376
Acquisition of intangible assets	VI (VIII)	(8,748)	(67,958)
Increase in guarantee deposits & margins paid		(664)	(666)
Decrease in guarantee deposits & margins paid		1,586	-
Net cash outflow from investing activities		(771,636)	(249,918)
Cash flow from financing activities			
Long-term loans	VI (XXIV)	-	100,000
Lease principal repayment amount	VI (XXIV)	(1,497)	(1,914)
Increase in guarantee deposits & margins received	VI (XXIV)	20	38
Decrease in guarantee deposits & margins received	VI (XXIV)	(13)	(26)
Distribution of cash dividends	VI (XIV)	(681,308)	(313,402)
Net cash outflow from financing activities		(682,798)	(215,304)
Increase (decrease) in cash and cash equivalents for the current period		(143,217)	429,190
Cash and cash equivalent amount - beginning	VI (I)	862,230	433,040
Cash and cash equivalent amount - ending	VI (I)	$ 719,013	$ 862,230

The accompanying notes to the standalone financial statements are an integral part of this standalone financial report, which shall be referred to jointly.

Appendix I

Articles of Incorporation of Winstek Semiconductor Co., Ltd.

Chapter I General Provisions

Article 1 The company is organized in accordance with the provisions of the Company Act then named it "Winstek Semiconductor Co., Ltd.."

Articles 2: The business operation of the company is as follows:

I. CB01010 Machinery and equipment manufacturing industry.
II. CC01050 Data storage and processing equipment manufacturing industry.
III. CC01070 Wireless communication machinery and equipment manufacturing industry.
IV. CC01080 Electronic components manufacturing industry.
V. E701010 Communication engineering industry.
VI. F401030 Manufacturing export industry.
VII. G801010 Warehousing industry.
VIII. I301010 Information software service industry.
IX. I501010 Product design industry.
X. IZ99990 Other industrial and commercial services (research and development and testing of integrated circuits, ICs, and their testing units)
XI. F119010 Electronic materials wholesale industry.
XII. F219010 Electronic materials retail industry.
XIII. Except for ZZ99999 chartered business, may operate businesses that are not prohibited or restricted by laws.

Article 3: The company may provide external guarantees and reinvest in other enterprises for a total amount not exceeding 40% of the company's paid-in capital.

Article 4: The company has the head office setup in Hsinchu City, and may set up branches or offices, when necessary, according to the resolution of the board of directors.

Article 5: The company will have announcements made in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 6: The total authorized capital stock of the company is NT$4 billion with 400 million shares issued at NT$10 par and with the board of directors authorized to make multiple issuances.Among them, NT$125,000,000 is divided into 12,500,000 shares, which are reserved for employee stock option certificates.

Article 7: The company's stock shares are ordered, coded, and signed or stamped by the directors, and are issued after being certified by the competent authority or its authorized issuance agency with the matters as specified in Article 162 of the Company Act stated.The company after offering the stocks publicly may consolidate and exchange large-denomination securities at the request of the securities depository & clearing institution.The company is exempted

from printing certificates for the shares issued.The securities depository & clearing institution should be contacted for the registration or custody of the aforementioned stock shares issued.

Article 8: The stock affair matters should be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the security competent authorities.

Article 9: The share transfer registration is suspended within 60 days prior to the convening date of a regular shareholders meeting, or within 30 days prior to the convening date of a special shareholders meeting, or within 5 days prior to the target date fixed by the company for distribution of dividends, bonus, or other benefits.

Article 10: The shares acquired by the company will also be transferred to the employees of the controlled or affiliated company who meet certain conditions set by the board of directors.
The employee stock option certificates of the company are also issued to the employees of the controlled or affiliated company who meet certain conditions set by the board of directors.
The new shares issued by the company can also be subscribed by the employees of the controlled or affiliated company who meet certain conditions set by the board of directors.
The new shares with restriction issued by the company can also be distributed to the employee of controlled or affiliated companies who meet certain conditions set by the board of directors.

Chapter III Shareholders Meeting

Article 11: The shareholders meeting includes both regular shareholders meeting.The general shareholders meeting shall be held within 6 months at the end of the fiscal year.Special shareholders meeting should be held when necessary.
Unless otherwise provided by the Company Act, the aforementioned shareholders meeting in the preceding paragraph shall be convened by the board of directors.
The company's shareholders meeting may be held via video conference or by other means announced by the competent authorities.

Article 12: The date, location, and reason for convening the meeting shall be notified to all shareholders in writing or electronically in accordance with legal provisions 30 days before the regular meeting of shareholders and 15 days before the extraordinary meeting convened.The meeting convening notice to be given by an issuer to shareholders who own less than 1,000 ordered stock shares may be given in the form of a public announcement in accordance with the relevant regulations.

Article 13: The company's shareholders are entitled to one voting power in respect of each share in their possession, unless otherwise provided in Article 179 of the Company Act.

Article 14: The Chairman is to chair the shareholders meeting. When the Chairman is on leave, the Chairman shall appoint one director to act in place of the Chairman. Where the Chairman

does not make such a designation, the directors shall select from among themselves one person to serve as the Chairman. If the meeting is convened by a convening authority other than the board of directors, the convening authority is thereby to serve as the Chairman. If there are two or more convening authorities in place, one person shall be elected among them to serve.

Article 15: Resolutions reached in the company's shareholders meeting shall, unless otherwise provided by the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
Voting on resolutions of shareholders meetings may be exercised in writing or electronically in accordance with relevant laws and regulations.
The resolutions of the shareholders meeting shall be recorded in minutes, which should be affixed with the signature or seal of the Chairman, and then distributed to all shareholders within 20 days after the meeting.The minutes of shareholders meeting can be distributed by issuing a public announcement accordingly.

Chapter IV Directors, Board of Directors, and Audit Committee

Article 16: The company has a board of directors composed of nine to eleven directors, who are elected from the list of director candidates at the shareholders meeting. They serve a three-year term and are eligible for re-election.
The company has at least three independent directors appointed among the directors stated in the preceding paragraph.The candidate nomination system is adopted for the shareholders to elect the directors from among the nominees listed in the roster of director candidates. The independent directors and non-independent directors are elected at the same time with the elected seats counted separately.The professional qualifications, shareholding, restrictions on concurrent positions held, method of nomination and election, exercise of power, and other requirements with regard to the independent directors shall be processed in accordance with the requirements of the security competent authorities.The total shareholding ratio of all directors shall be in accordance with the regulations of the security competent authority.

Article 17: The company has the Audit Committee formed with the entire number of independent directors in accordance with Article 14-4 of the Securities and Exchange Act.The responsibilities, organizational rules, exercise of powers, and other matters that must be complied with by the Audit Committee shall be handled in accordance with the relevant regulations of the security competent authority and the company.
The company shall set up other functional committees in accordance with legal provisions and as needed.

Article 18: The board of directors is organized by the directors. The chairman who is to represent the company to the public is elected from among the board directors with the consent of more than half of the directors present in the meeting that is attended by more than two-thirds of the directors.

Article 19: The powers of the board of directors are as follows:

I. Decision on business plan.

II. Review and approve important regulations and contracts.

III. The establishment and dissolution of branches.

IV. Prepare budget and final accounts.

V. Appointment and removal of important personnel.

VI. Decision on material loans of the company.

VII. Decisions on the company's material business and investments.

VIII. Decision on employees' stock subscription methods.

IX. Other matters stipulated in the Company Act, relevant regulations stipulated by the competent authority, and the Articles of Incorporation.

Article 20: Unless otherwise provided by the Company Act, the Chairman shall chair the board meeting in session. However, when the Chairman requests leave or is unable to exercise his/her powers for any reason, the Chairman shall designate a director to chair the meeting. If the Chairman does not designate a director to chair the board meeting, the directors shall recommend one person to chair.The board meetings should be convened with the reasons stated and each director notified seven days in advance. Each director can be notified of the convening of the board meeting in writing, by email, or fax.A board meeting can be convened at any time in the event of an emergency. Also, the aforementioned meeting notice can be prepared in writing, by fax, or in an electronic form.

Article 21: Resolutions reached by the company's board of directors shall, unless otherwise provided by the Company Act, be adopted by a majority vote of the board directors present in the meeting that is attended by more than one-half of the total number of directors.

Article 22: If a director is unable to attend the board meeting for some reasons, he/she may entrust another director to attend the meeting as his/her proxy. The aforementioned attending the board meetings by proxy is limited to one person only.

Article 23: The board of directors is authorized to determine the remuneration of the Chairman and directors basing on their engagement in and contribution to the business operation of the company and by referring to the standard of the industry.

Article 24: The company may acquire liability insurance for all directors of the company according to the actual needs of exercising business duties in order to reduce and disperse the risk of damage to all directors, the company, and shareholders during the term of office; also, it should be reported to the board of directors in the most recent board meeting.

Chapter V Management

Article 25: The company may have a number of managers appointed to manage all the company's business in accordance with the guidelines resolved by the board of directors and relevant laws and regulations. The appointment, dismissal and remuneration of the managerial officers shall be handled in accordance with the provisions of Article 29 of the Company

Act.

Chapter VI Accounting

Article 26: The company's fiscal year for final account is for a period from January 1 to December 31.

Article 27: The board of directors shall have the following reports prepared at the end of each fiscal year, and then presented in the shareholders meeting for resolutions:
I. The business report;
II. Financial statements;
III. The earning distribution or loss off-setting proposals;

Article 28: Appropriate remuneration to employees for an amount equivalent to 0.1%~15% of the earnings, if any; also, appropriate remuneration to directors for an amount not more than 3% of the earnings, if any, depending on the business performance.However, an amount equivalent to the losses, if any, should be reserved in advance to make up for it.The distribution of remuneration to employees should be arranged in the form of stocks or cash; also, the remuneration to directors can only be arranged in cash, which must be resolved by the board of directors with the consent of the majority director present in the meeting that is attended by more than two-thirds of the directors.Employee remuneration is also paid to employees of controlled companies or subsidiaries who meet certain conditions.

Article 29: The annual earnings, if any, should be applied to make up for the losses of previous years and to appropriate 10% legal reserve.However, this does not apply when the legal reserve equals to the amount of paid-in capital.After the special reserve is appropriated or reversed as necessary, along with the unappropriated beginning earnings, the board of directors may have a part of the amount reserved depending on the business needs and prepare an earnings distribution proposal by issuing new shares, which shall be submitted to shareholders for resolutions before distribution.The company authorizes the board of directors to distribute all or part of the dividends and bonuses, additional paid-in capital, or legal reserves in cash with the consent of the majority directors present in the meeting that is attended by more than two-thirds of the directors; also, it must be reported to the shareholders meeting.

Article 30: According to the company's dividend distribution policy, dividends should be distributed based on the company's current year's earnings and future investment environment, capital needs, capital budget planning and operating plans, etc., as well as taking into account the financial structure and earnings dilution. The amount distributed shall not be less than 10% of the net income, but if the earnings per share is less than NT$0.5/share or the dividend distribution will lead to a breach of contract, it may be retained and not distributed.The company's earnings distribution may be made in the form of stock dividends or cash dividends, of which, cash dividends shall not be less than 10% of the total dividends paid.

Chapter 7 Supplementary Provisions

Article 31: The company's organizational charter and enforcement rules shall be formulated separately.

Article 32: Matters not addressed in the Articles of Incorporation shall be handled in accordance with the provisions of the Company Act.

Article 33: The Article of Incorporation was formulated on April 21, 2000.
The 1st amendment was on May 8, 2000.
The 2nd amendment was made on August 5, 2001.
The 3rd amendment was on September 6, 2001.
The 4th amendment was made on May 28, 2002.
The 5th amendment was on June 30, 2003.
The 6th amendment was made on April 15, 2004.
The 7th amendment was 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 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 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 on June 9, 2020.
The 17th amendment was made on June 8, 2022.

Winstek Semiconductor Co., Ltd.

Chairman: Shin-Yang Huang

Appendix II

Winstek Semiconductor Co., Ltd.

Rules of Procedures for Shareholders Meetings

I. The company's shareholders meeting shall be conducted in accordance with the "Rules of Procedures for Shareholders Meetings," unless otherwise provided by law.

II. The shareholder present may hand in an attendance card in lieu of signing on the attendance book.The number of shares representing shareholders present in the meeting is calculated based on the attendance card book plus the number of shares for which voting rights have been exercised in writing and electronically.

III. The presence of shareholders in a shareholders meeting and their voting thereof shall be calculated in accordance with the number of shares.

IV. The place for convening shareholders meetings shall be held inside the premises of the company, or any other place convenient for presence of shareholders, and suitable for holding of the said meeting. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon.

V. If a shareholders meeting is called by the board of directors, the board chairman shall preside at the said shareholders meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority for reasons, the vice chairman shall act in lieu of him/her. When there is no vice chairman designated, or the vice chairman is also on leave of absence, or cannot exercise his/her powers and authority, the chairman shall designate a managing director to act in lieu of him/her; if there is no managing director, the chairman shall designate a director to act in lieu of him/her. If the chairman does not designate a director, the managing directors or directors shall elect one from among themselves to act in lieu of the chairman.

If a shareholders meeting is called by a person other than the board of directors, who has the right to call the meeting, the said person shall preside at that meeting.If there are more than two conveners, one person should be nominated from each other to serve.

VI. The company may designate its lawyer, certified public accountant, or other relevant persons to attend the shareholders meeting.

Those handling the business of a shareholders meeting shall wear an identification card or a badge.

VII. The company shall record with an audio or video tape the whole proceedings of the shareholders meeting, and said video tape or audio tape shall be kept for at least one year.

VIII. When it is time to convene a shareholders meeting, the chairman shall immediately call the meeting to order, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairman may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour.If the meeting has been postponed for two times, but the shareholders present still do not represent a majority of the total amount of issued shares, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act by shareholders representing one-third of the total amount of issued shares.

Before the close of the said meeting, if the shareholders present represent a majority of the total amount of issued shares, the chairman may present the tentative resolution so adopted to the meeting for resolution in accordance with the provisions of Article 174 of the Company Act.

IX. If a shareholders meeting is called by the board of directors, the proceedings of the meeting shall be formulated by the board of directors, and the meeting shall be proceeded in accordance with the said proceedings. The proceedings shall not be changed without a resolution made by the shareholders meeting.

If a shareholders meeting shall be called by any person other than the board of directors, the preceding provisions shall apply mutatis mutandis to the said meeting.

The chairman shall not adjourn a meeting without resolution adopted by shareholders if the motions (including extraordinary motions) covered in the proceedings so arranged in the above two paragraphs shall not have been resolved.

After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place. However, if the chairman violates the rules of procedure and announces the adjournment of the meeting, a person may be elected to serve as chairman and the meeting may continue with the consent of more than half of the voting rights of shareholders present.

X. A shareholder wishing to speak in a shareholders meeting shall first fill out a slip, specifying therein the major points of his/her speech, his/her serial number as a shareholder (or number of attendance), and his/her name; then the chairman shall determine his/her order of giving a speech.

A shareholder who submits his slip for a speech but does not actually speak shall be considered as not having given a speech.If the contents of his/her speech differ from those specified on the slip, the contents of his/her speech shall prevail.

When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman; also, the chairman may prevent others from interrupting.

XI. A shareholder shall not speak more than two times for one motion, unless he has obtained the prior consent from the chairman, and each speech shall not exceed 5 minutes.

If a shareholder violates the aforementioned provisions or his/her speech exceeds the scope of the motion, the chairman may prevent him/her from doing so.

XII. A corporate shareholder being entrusted to attend in a shareholders meeting may designate only one representative to represent it in the meeting.

If a corporate shareholder which designates two or more representatives to represent it at the shareholders meeting, only one of the representatives so designated may speak on any one motion.

XIII. After a shareholder has given a speech, the chairman may personally or designate relevant person to respond.

XIV. When the chairman considers that the discussion for a motion has reached the extent for making a resolution, the chairman may announce discontinuance of the discussion and submit the motion for resolution.

XV. The persons for supervising the casting of votes and the counting thereof for resolutions shall

be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder.

The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes.

XVI. During the proceedings of a meeting, the chairman may consider the schedule and announce for a break. If force majeure events have occurred, the chairman may decide to suspend the meeting temporarily and announce the time for the meeting to be continued, depending on the circumstances, or the shareholders meeting may decide to continue the meeting without notice and announcement within five days.

XVII. Unless otherwise specifically provided for in the Company Act or the Articles of Incorporation of the company, resolutions shall be adopted by a majority vote at a meeting attended by the shareholders.When a motion is voted on, if there is no objection after being consulted by the chairman, it will be deemed to be passed, and its effect will be the same as voting.

XVIII. If there shall be an amendment or alternative to one motion, the chairman may combine the amendment or alternative into the original motion, and determine their orders for resolution.If any one of the aforementioned proposals has been resolved, the others shall be considered as rejected, upon which no further resolution 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 identification card or armband bearing the word “Proctor.”

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

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 addressed in the rules of procedure shall be handled in accordance with the provisions of the Company Act and other laws and regulations.

XXI. The “Rules of Procedures for Shareholders Meetings” shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effective in the same manner.

Appendix III

Description of shareholder proposals for the regular shareholders meeting:

1. According to the provision of Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may present a written proposal to the company for discussion at a regular shareholders meeting, provided that only one matter shall be allowed in each single proposal, containing not more than three hundred (300) words.
2. The company's regular shareholders meeting this year will accept written proposals from shareholders in a period from March 15, 2024 to March 25, 2024, which has been announced on the Market Observation Post System lawfully.
3. The company did not receive any proposals from the shareholders during the acceptance period.

Appendix IV

Shareholdings of directors:

Winstek Semiconductor Co., Ltd.

Shareholdings of directors Unit: Share

Title	Name	Shareholding	Shareholding ratio
Chairman	SIGWIN Co., Ltd. Representative: Shin-Yang Huang	70,726,438	51.90%
Director	SIGWIN Co., Ltd. Representative: Tsan-Lien Yeh		
Director	SIGWIN Co., Ltd. Representative: Min-Hung Wu		
Director	SIGWIN Co., Ltd. Representative: Hsu-Tung Kuo		
Director	SIGWIN Co., Ltd. Representative: Chao-Hung Hsieh		
Director	Chih-Li Weng	571,507	0.42%
Independent Director	Min-Kai Lin	—	—
Independent Director	Den Wang	317	0%
Independent Director	Wen-chou Vincent Wang	—	—
Number of shares held by all directors		71,298,262	52.32%

Note:

1. The information in the table is the number of shares held by individual and all directors in the shareholder register as of the share transfer registration suspension date (March 23, 2024) for the 2024 regular shareholders meeting.
2. The statutory shareholding ratio of the company's incumbent directors is as follows:
   (1) Total shares issued on March 23, 2024: 136,261,659 common stock shares
   (2) The statutory number of shares to be held by all directors is 8,175,699 shares, and the number of shares held by all directors was 71,298,262 shares as of March 23, 2024.
   (3) The company has an Audit Committee formed, so the shareholding of the supervisors is not mandatory.
   (4) The shareholding status of all directors of the company has met the percentage requirements according to the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies."