



**WIN Semiconductors Corp.**

**2021 Annual General**

**Shareholders' Meeting Handbook**

**Notice to readers**

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

Time: 9:00 a.m., Thursday, June 10, 2021

Place: 2F, No. 68, Wuner 1<sup>st</sup> St., Guishan District, Taoyuan City, Taiwan, R.O.C.  
(Fullon Hotel Linkou)

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## **I. MEETING PROCEDURE**

### **WIN Semiconductors Corp. Procedure for the 2021 Annual General Shareholders' Meeting**

I. Call the Meeting to Order

II. Chairperson Remarks

III. Report Items

IV. Proposed Items

V. Discussion Items

VI. Special Motions

VII. Adjournment

## **II. MEETING AGENDA**

### **WIN Semiconductors Corp.**

#### **Agenda of the 2021 Annual General Shareholders' Meeting**

Time: 9:00 a.m., Thursday, June 10, 2021

Place: 2F, No. 68, Wuner 1<sup>st</sup> St., Guishan District, Taoyuan City, Taiwan, R.O.C.  
(Fullon Hotel Linkou)

#### **I. Call the Meeting to Order**

#### **II. Chairperson Remarks**

#### **III. Report Items**

1. 2020 Business Report
2. 2020 Audit Committee's review report
3. 2020 Employees' profit sharing bonus and Directors' compensation
4. Status of distribution for cash dividend of 2020 earnings
5. Status of endorsement and/or guarantee of the Company
6. Status of the issuance of the first unsecured overseas zero coupon convertible bonds of the Company

#### **IV. Proposed Items**

1. Adoption of the 2020 Business Report, Financial Statements and Profit Allocation Proposal

#### **V. Discussion Items**

1. Amendment to the Company's "Articles of Incorporation"
2. Amendment to the Company's "Rules and Procedures of Shareholders' Meeting"
3. Amendment to the Company's "Rules for Election of Directors"
4. Proposal for release of Directors from non-competition restrictions

#### **VI. Special Motions**

#### **VII. Adjournment**

## **REPORT ITEMS**

### **Report 1: 2020 Business Report**

See Attachment I (pages 9-11).

### **Report 2: 2020 Audit Committee's review report**

See Attachment II (page 12).

### **Report 3: 2020 Employees' profit sharing bonus and Directors' compensation**

1. The Company's profit for 2020 was NT\$ 8,763,080,230 (this was the pre-tax profit before deducting the employees' profit sharing bonus and compensation for Directors). The proposed employees' profit sharing bonus and Directors' compensation was NT\$543,300,000 and NT\$157,700,000 respectively, and both will be distributed in cash.
2. These amounts were examined by the Compensation Committee on March 16, 2021 and approved by the Board of Directors meeting on March 18, 2021.

### **Report 4: Status of distribution for cash dividend of 2020 earnings**

1. In accordance with Article 22-1 of the Articles of Incorporation, distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.
2. The proposed dividend to shareholders is a cash dividend of NT\$10 per common share, amounting to NT\$4,240,413,840. Distribution of cash dividend will be rounded down to an integer, and the Chairman will be authorized to distribute the total rounded down amounts to specific persons for adjustment.
3. The proposal was resolved by the Board of Directors and the Chairman of the Board of Directors was authorized to determine the ex-dividend date and payment date. If the total amount of common shares changes and the distribution ratio for the cash dividend needs to be adjusted, the Chairman of the Board of Directors was authorized to make such adjustments.

Report 5: Status of endorsement and/or guarantee of the Company

1. Endorsement and/or guarantees were conducted in accordance with the Company's "Procedures for Endorsement & Guarantee."
2. The Company provided endorsements and guarantees for bank loans of its subsidiaries. The balance of endorsements and guarantees amounted to NT\$5,696,000 thousand as of December 31, 2020, and did not exceed the limit, below please see the details:

Unit: thousand NT\$

Name of endorsees/guarantees	Remaining balance of endorsement/guarantee (Note 1)	Limit of endorsements/guarantees for any single entity (Note 2)
Chainwin Biotech and Agrotech (Cayman Islands) Co., Ltd.	470,312	17,038,793
Jiangsu Chainwin Kang Yuan Agricultural Development Co., Ltd.	1,045,138	17,038,793
Jiangsu Win Yield Agriculture Development Co., Ltd.	1,567,705	17,038,793
Jiangsu Win Shine Agriculture Development Co., Ltd.	522,569	17,038,793
Jiangsu Chainwin Agriculture and Animal Technology Co., Ltd.	1,045,138	17,038,793
Jiangsu Win Chance Agriculture Development Co., Ltd.	1,045,138	17,038,793
<b>Total</b>	<b>5,696,000</b>	<b>17,038,793</b> (Aggregate limit of endorsement / guarantee)
<p>Note 1: The aggregate credit line for above endorsees/ guarantees is no more than US\$200 million, the Company provides different limit of endorsements/guarantees for each endorsee/ guarantee based on their credit line and the remaining balance of endorsement/guarantee is calculated by the ratio of each endorsee/ guarantee's credit line to the aggregate credit line. The exchange rate of USD/NTD=28.48 is being used for the calculation.</p> <p>Note 2: The aggregate amount of endorsements and/or guarantees of the Company shall not exceed 50% of net worth of the financial statements audited or reviewed by the CPA. The limits to any single enterprise shall not exceed 50% of the Company's net worth of the financial statements audited or reviewed by the CPA.</p>		

Report 6: Status of the issuance of the first unsecured overseas zero coupon convertible bonds of the Company

1. In order to pay the procurement of raw materials and capital expenditure in foreign currencies the Company issued the first unsecured overseas zero coupon convertible bonds. Details as follows:

Tranche/Type	The first unsecured overseas zero coupon convertible bonds
Date of Approval	2020/12/25
Date of Issuance	2021/01/14
Maturity Date	2026/01/14
Issue Size	US\$500,000,000
Denomination	US\$200,000 per bond
Issue Price	100% of par value
Issue and Trading Market	Singapore Exchange Securities Trading Limited
Conversion Price	NT\$ 497 (The fixed exchange rate of NT\$27.9840 = US\$1.00 applicable on conversion of the bonds)
Conversion Period	2021/04/15 ~ 2026/01/04
Coupon Interest	0% per annum
Principal Payment	Unless previously redeemed, repurchased and canceled or converted by the Bondholders, the Bonds will be redeemed at their principal amount with a yield calculated at the rate of -1.0% per annum on the Maturity Date.
Trustee	The Bank of New York Mellon
Paying Agent and Conversion Agent	The Bank of New York Mellon
Financing Plans and Execution Status	Among the US\$500 million of the total fund raised from the issuance of the Bonds, US\$300.316 million will be used for the procurement of raw materials in foreign currency and US\$199.684 million will be used for capital expenditure in foreign currency. The company has successively spent the funds raised. For the current execution status, please refer to "Market Observation Post System (MOPS) /Profile/ Fund-raising Plans"
Shares Converted (as of March 31, 2021)	None (0 share)

## **PROPOSED ITEMS**

### **Proposal 1:**

### **Proposed by the Board**

Adoption of the 2020 Business Report, Financial Statements and Profit Allocation Proposal

### **Explanation:**

1. The Company's Financial Statements, including the balance sheets, statements of comprehensive income, statement of changes in equity, and statements of cash flows, have been audited by independent auditors, Chia-Chien Tang and Ming-Hung Huang of KPMG. In addition, the Financial Statements, Business Report and Profit Allocation Proposal have been approved by the Board of Directors and examined by the Audit Committee of the Company.
2. The 2020 Business Report, independent auditors' audit report, Financial Statements and Profit Allocation Proposal are attached hereto as Attachments I (pages 9-11), III, IV and V (pages 13-28).



## **DISCUSSION ITEMS**

### **Proposal 1:**

**Proposed by the Board**

Amendment to the Company's "Articles of Incorporation"

#### **Explanation:**

- (1) WIN's "Articles of Incorporation" should be amended to reflect the Company's operation. The proposed amendment to the "Articles of Incorporation" is attached hereto as Attachment VI (pages 29).
- (2) WIN's "Articles of Incorporation" (before the revision) is attached hereto as Appendix I (pages 41-46).

### **Proposal 2:**

**Proposed by the Board**

Amendment to the Company's "Rules and Procedures of Shareholders' Meeting"

#### **Explanation:**

- (1) WIN's "Rules and Procedures of Shareholders' Meeting" should be amended to reflect the relevant corporate governance rules released in the letter of No. 1090338980 from the Financial Supervisory Commission on May 29, 2020. The proposed amendment to the "Rules and Procedures of Shareholders' Meeting" is attached hereto as Attachment VII (pages 30-36).
- (2) WIN's "Rules and Procedures of Shareholders' Meeting" (before the revision) is attached hereto as Appendix II (pages 47-51).

### **Proposal 3:**

**Proposed by the Board**

Amendment to the Company's "Rules for Election of Directors"

#### **Explanation:**

- (1) WIN's "Rules for Election of Directors" should be amended to reflect the relevant corporate governance rules released in the letter of No. 1090338980 from the Financial Supervisory Commission on May 29, 2020. The proposed amendment to the "Rules and Procedures of Shareholders' Meeting" is attached hereto as Attachment VIII (pages 37-40).
- (2) WIN's "Rules for Election of Directors" (before the revision) is attached hereto as Appendix III (pages 52-54).

### **Proposal 4:**

**Proposed by the Board**

Proposal for release of Directors from non-competition restrictions

#### **Explanation:**

1. According to Article 209 of the Company Law, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

2. Directors of the Company who participate in the operations of another company, that engages in the same or similar business scope as the Company hereby requests the shareholders' approval to release these directors and their proxies from the non-competition restrictions.
3. The positions that Directors concurrently engage in:

Name of Directors	The essential position the director engages in
Chin-Tsai Chen (Dennis Chen, 陳進財)	1. Independent Director, Inventec Besta Co., Ltd. 2. Director Representative, Phalanx Biotech Group, Inc.
Li-Cheng Yeh (葉力誠)	1. Director, Inventec Corporation 2. Director, Inventec Besta Co., Ltd. 3. Director, Chainwin Biotech and Agrotech (Cayman Islands) Co., Ltd.
Chin-Shih Lin (林錦獅)	1. Director, Prolific Technology Inc.
Shen-Yi Lee (李伸一)	1. Chairman, One Eternity Foundation Company Limited

## **SPECIAL MOTIONS**

## **ADJOURNMENT**

### **III. ATTACHMENT**

#### **ATTACHMENT I: 2020 BUSINESS REPORT**

2020 has drawn to an end amid the escalating COVID-19 pandemic and rising US-China trade tensions. In early 2020, the demand visibility remained at a low level and the industry generally expected the global smartphone shipments to decline over 10% due to the pandemic. However, our annual revenue, gross margin and EPS all reached to the highest level in company's history once again in such a difficult environment which is really outstanding.

With the advent of the 5G era, we have been ahead of peers in developing 5G smartphone Sub-6 GHz PA related manufacturing processes many years ago. 5G Cellular PA contributed to 10% of our overall Cellular PA revenue in 2019, and the contribution has further increased to over 20% in 2020 despite the impact of the pandemic. In terms of 5G base station and satellite applications, our revenue in the field of GaN-on-SiC has increased by more than 50% for two consecutive years. Besides, the application of 3D sensing to flagship smartphones has officially entered its fourth year. Our revenue in 3D sensing has delivered solid growth in 2020 given new end applications. In recent years, with increasing penetration of 5G smartphone and wider coverage of 5G infrastructure, we expect IoT related applications will have certain growth. For the development of new technologies, we continue to invest in future applications and materials such as GaN and InP. In addition to microwave communication, we are also developing products for optical communication and optical sensing, such as more applications for Sub-6 GHz and mmWave on smartphones, Data Center, as well as LiDAR application in advanced driver-assistance systems. Overall, early deployment of advanced technologies can ensure our position when those applications become mature. This has always been the key for us to maintain leadership in the industry.

In terms of corporate sustainability, 2020 was a fruitful year for us. In the 2020 Corporate Governance Evaluation announced in the first half of 2020, we were once again ranked in the top 5% among TPEX-listed companies, for the sixth consecutive year. In the fourth quarter, we were selected to join the DJSI World Index for the first time, along with other semiconductor industry leaders TSMC, ASE, and UMC. Meanwhile, we were also the winner of "Taiwan Corporate Sustainability Awards" and "2020 SGS CSR Award." It is encouraging for us to gain recognition for our efforts in corporate governance and sustainability while also delivering decent operational performance.

2020 operating results and 2021 outlook are reported as follow:

#### **A. Operating Performance in 2020**

##### **1. Operating Performance**

The Company's 2020 consolidated revenues totaled NT\$25,546,205 thousand, representing an increase of 19.5% compared to the year 2019. 2020 net profit attributable to owners of parent was NT\$6,528,740 thousand, representing an increase of 45.9% compared to the prior year, and EPS for 2020 was NT\$15.45.

## 2. Analysis of Receipts, Expenditures, and Profitability

Unit: NT\$ thousands; %

Items			2020 (Consolidated)	2019 (Consolidated)
Interest Income & Interest Expense	Interest Income		29,425	67,365
	Interest Expense		92,964	50,699
Profitability	Return on Total Assets (%)		13.51	11.45
	Return on Equity (%)		20.49	16.26
	Ratio to Issued Capital (%)	Operating Income	183.52	131.08
		Pre-tax Income	188.71	127.19
	Profit Ratio (%)		25.32	20.59
	Earnings per Share (NT\$ dollars)		15.45	10.59

## 3. Budget Implementation

The Company is not required to make public its 2020 financial forecast information; however, the Board of Directors approved the budget plan and the overall operating plan is in good condition.

## 4. Research and Development Status

We continue to provide customers with the most advanced processes, and help customers seize opportunities to increase their market share using leading technologies and performance. This has always been our best strategy for continued growth, and the key is the R&D resources we continue to invest. We began investing in the application of GaN technology in microwave communications a decade ago. Mass production began three years ago, and now the importance of GaN in 5G communications infrastructure grows with each passing day. Thanks to this foresight, we have a significant lead over our competitors. We also began developing 3D sensor and optoelectronic device technologies several years ago, and developed GaAs and InP applications on optical transceivers, which has secured a place in mobile phones and is starting to be used by data center applications. As we continue to invest a considerable amount of resources working together with our customers, we are also actively cultivating local talent through industry-academia collaboration projects and exchanges with academia. In 2020, we granted a 2-year program to build a partnership with NTU Graduate Institute of Photonics and Optoelectronics (GIPO) as well as Innovative Photonics Advanced Research Center (i-PARC), in hopes of applying the R&D results to 5G basestation, high-speed MOSFET Driver datasheet, long-distance sensors and transmission for LiDAR, biomedical imaging, and so forth to meet growing needs of integrated high-frequency broadband optical communication module in the next decade. Besides, WIN and NTU will effectively implement research outcome into practice and get recognition in global compound semiconductor industry.

## B. Business Plan in 2020

We increased our monthly production capacity by 5,000 wafers at the end of 2020, and expect to fully satisfy customers' plans this year. To meet customer

demand on production capacity even further down the road, our application to the Ministry of Science and Technology in 2020 to enter Kaohsiung Science Park of Southern Taiwan Science Park was approved in August. Hence, our expansion plan in 2021 will focus on the development of fab infrastructure, including the construction of a new fab in Kaohsiung Science Park and construction of clean room in Fab C, to prepare in advance for new capacity expansion in the next few years.

### **C. Development Strategy**

We have monitored the industry's growth momentum and market changes for years. Besides commercial operation of 5G communications at Sub-6 GHz frequency bands in various countries, our previous prediction of 4G frequency band refarming for 5G is beginning to appear, and dual connectivity of 4G and 5G signals in the same frequency band will become more common in various countries over the next few years. Likewise, Wi-Fi 6 has been used in terminal applications for some time now, and our previous prediction of Wi-Fi 6E with additional 6-7 GHz frequency band will soon be launched. Furthermore, the application of LTE Cat.1 of 4G networks in IoT offers better network coverage, Internet speed, and latency compared with NB-IoT and 2G modules, and such applications will drive future demand growth on PA. As the demand from 5G base stations and satellite communication enters a growth phase, we have already developed processes and solutions for related components, already have tier one customers and began mass production of GaAs and GaN for base stations of all types. In the 3D sensing and optical device market, we continue to use our advantages to maintain market leadership, and are actively developing new materials and new technologies, so that we are fully prepared for the rise of data center and automotive LiDAR applications.

### **D. The Impact of the External Competitive Environment, Regulatory Environment, and Macroeconomic Environment**

We believe that there will always be challenges and competition, and that we need to stay ahead of the competition to maintain our leadership in the industry. The economic and political situation is volatile, industry supply and demand fluctuates, and even though we were able to withstand the impact of COVID-19 and geopolitics last year, the crisis is not over yet, so we must remain cautious and conscientious for whatever lies ahead. We believe that regulatory compliance, corporate governance, sustainable development, and continuing to care for communities are unchanging principles of modern business administration.

*Chin-Tsai Chen*  
*Chairman*

*Kyle Chen*  
*CEO*

*Linna Su*  
*Accounting Officer*

## **ATTACHMENT II: 2020 AUDIT COMMITTEE'S REVIEW REPORT**

### **AUDIT COMMITTEE'S REVIEW REPORT**

The Board of Directors has prepared the Company's 2020 Business Report, Financial Statements (parent-company-only & consolidated), and proposal for allocation of earnings. The CPA firm of KPMG was retained to audit WIN's Financial Statements and has issued an audit report relating to the Financial Statements.

The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of WIN Semiconductors Corp. According to relevant Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

**WIN Semiconductors Corp.**

**Chairman of the Audit Committee: Chin-Shih Lin**

March 18, 2021

## **ATTACHMENT III: INDEPENDENT AUDITORS' REPORT AND 2020 CONSOLIDATED FINANCIAL STATEMENTS**

### **Independent Auditors' Report**

To the Board of Directors of WIN Semiconductors Corp.:

#### **Opinion**

We have audited the consolidated financial statements of WIN Semiconductors Corp. and its subsidiaries ( "the Group" ), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ( "IFRSs" ), International Accounting Standards ( "IASs" ), Interpretations developed by the International Financial Reporting Interpretations Committee ( "IFRIC" ) or the former Standing Interpretations Committee ( "SIC" ) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

In 2020, we conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. In 2019, we conducted our audit in accordance with the Regulations Governing Auditing, the Ruling No. 1090360805 issued by the FSC and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ( "the Code" ), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters we communicated in the auditors' report were as follows:

##### **Evaluation of inventory**

Please refer to Note 4(h) "Inventories" for accounting policies, Note 5 for accounting assumptions, judgments and estimation uncertainty of inventories, and Note 6(e) for the amount of loss on valuation of inventories of the consolidated financial statements.

Due to the high industry demand and rapid fluctuation of the price of precious metals, the Group stored a significant volume of the said material, which resulted in slow turnover of inventories. Therefore, the Group cannot obtain sufficient information on inventories that were sold or used on the reporting date. Since the technology changes rapidly, the inventory may be out of date or may not conform to market demand, resulting in a risk wherein the carrying amount of inventories may exceed its net realizable value. Consequently, the evaluation of inventory is identified as a key matter in our audit.

How the matter was addressed in our audit

Our principal audit procedures included: Testing the accuracy of the estimations of inventories at the lower of cost and net realizable value. Referring to the recent selling price and considering the amount of written-off inventories in the subsequent events to evaluate the appropriateness of the amount of loss on valuation of inventories or obsolescence. Analyzing the historical accuracy of judgments, including inspecting the amount of loss on valuation of inventories or obsolescence recognized in prior year and with reference to actual disposal to assess rationality of the judgments of the current period. Moreover, comparing with the provision for inventories valuation and obsolescence made in the current year to evaluate the appropriateness of the assumptions.

### **Other Matter**

WIN Semiconductors Corp. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2020 and 2019, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC as well as SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chia-Chien Tang and Ming-Hung Huang.

KPMG

Taipei, Taiwan (The Republic of China)

March 18, 2021

#### **Note to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
**WIN Semiconductors Corp. and Subsidiaries**  
**Consolidated Balance Sheets**  
**December 31, 2020 and 2019**  
(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2020		December 31, 2019				December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>							<b>Current liabilities:</b>				
1100	Cash and cash equivalents (Note 6(a))	\$ 8,356,270	15	5,926,473	14	2130	Current contract liabilities (Note 6(x))	\$ 534,426	1	260,426	1
1110	Current financial assets at fair value through profit or loss (Note 6(b))	756,038	1	506,849	1	2170	Notes and accounts payable	1,794,668	3	1,826,214	4
1170	Notes and accounts receivable, net (Notes 6(c) and 6(x))	2,037,502	4	2,406,673	6	2200	Other payables (Note 6(y))	4,131,595	8	3,657,585	9
1310	Inventories (Note 6(e))	5,498,603	10	4,389,156	10	2280	Current lease liabilities (Notes 6(q) and 6(ad))	84,993	-	68,740	-
1400	Current biological assets (Note 6(f))	283,273	1	21,923	-	2399	Other current liabilities (Note 6(ad))	157,203	-	162,735	-
1470	Other current assets (Notes 6(d) and 6(n))	549,745	1	399,076	1		<b>Total current liabilities</b>	6,702,885	12	5,975,700	14
	<b>Total current assets</b>	17,481,431	32	13,650,150	32		<b>Non-current liabilities:</b>				
	<b>Non-current assets:</b>					2540	Long-term borrowings (Notes 6(p), 6(ad) and 8)	11,418,620	21	5,788,125	14
1510	Non-current financial assets at fair value through profit or loss (Note 6(b))	814,065	1	565,804	1	2580	Non-current lease liabilities (Notes 6(q) and 6(ad))	614,891	1	300,587	1
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(b))	6,719,581	12	4,556,205	11	2600	Other non-current liabilities (Notes 6(s), 6(ad) and 7)	235,615	1	222,158	-
							<b>Total non-current liabilities</b>	12,269,126	23	6,310,870	15
1550	Investments accounted for using equity method (Note 6(g))	841,825	2	532,591	1		<b>Total liabilities</b>	18,972,011	35	12,286,570	29
1600	Property, plant and equipment (Notes 6(j), 7 and 8)	23,422,217	43	17,866,310	43		<b>Equity (Notes 6(b), 6(h), 6(i), 6(u) and 6(v)):</b>				
1755	Right-of-use assets (Note 6(k))	787,133	1	442,348	1	3110	Ordinary shares	4,240,564	8	4,240,564	10
1760	Investment property (Notes 6(l) and 8)	1,380,781	3	1,401,155	3	3200	Capital surplus	9,323,098	17	9,244,308	22
1780	Intangible assets (Notes 6(m) and 7)	578,431	1	577,454	2	3300	Retained earnings	17,001,021	31	13,399,189	32
1830	Non-current biological assets (Note 6(f))	281,943	1	10,066	-	3400	Other equity	3,512,903	6	2,773,407	7
1840	Deferred tax assets (Note 6(t))	219,844	-	235,826	1		<b>Total equity attributable to owners of parent</b>	34,077,586	62	29,657,468	71
1915	Prepayments for business facilities (Note 7)	1,833,676	3	2,137,914	5	36XX	Non-controlling interests	1,652,866	3	182,064	-
1990	Other non-current assets (Notes 6(n), 7 and 8)	341,536	1	150,279	-		<b>Total equity</b>	35,730,452	65	29,839,532	71
	<b>Total non-current assets</b>	37,221,032	68	28,475,952	68						
	<b>Total assets</b>	\$ 54,702,463	100	42,126,102	100		<b>Total liabilities and equity</b>	\$ 54,702,463	100	42,126,102	100

**WIN Semiconductors Corp. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the years ended December 31, 2020 and 2019**  
**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)**

		<b>2020</b>		<b>2019</b>	
		<u><b>Amount</b></u>	<u><b>%</b></u>	<u><b>Amount</b></u>	<u><b>%</b></u>
4000	<b>Operating revenue (Notes 6(g) and 6(x))</b>	\$ 25,546,205	100	21,377,724	100
5000	<b>Operating costs (Notes 6(e), 6(f), 6(g), 6(j), 6(k), 6(m), 6(q), 6(s), 6(v), 6(y), 7 and 12)</b>	<u>(14,977,704)</u>	<u>(59)</u>	<u>(13,216,850)</u>	<u>(62)</u>
	<b>Gross profit from operating</b>	<u>10,568,501</u>	<u>41</u>	<u>8,160,874</u>	<u>38</u>
	<b>Operating expenses (Notes 6(c), 6(j), 6(k), 6(l), 6(m), 6(q), 6(s), 6(v), 6(y), 7 and 12):</b>				
6100	Selling expenses	(343,627)	(1)	(339,221)	(2)
6200	Administrative expenses	(1,315,126)	(5)	(1,153,012)	(5)
6300	Research and development expenses	(1,127,552)	(5)	(1,107,918)	(5)
6450	Losses on expected credit impairment	<u>(23)</u>	<u>-</u>	<u>(2,171)</u>	<u>-</u>
	<b>Total operating expenses</b>	<u>(2,786,328)</u>	<u>(11)</u>	<u>(2,602,322)</u>	<u>(12)</u>
	<b>Net operating income</b>	<u>7,782,173</u>	<u>30</u>	<u>5,558,552</u>	<u>26</u>
	<b>Non-operating income and expenses (Notes 6(b), 6(g), 6(j), 6(m), 6(q), 6(r), 6(z) and 7):</b>				
7100	Interest income	29,425	-	67,365	-
7010	Other income	229,275	1	206,972	1
7020	Other gains and losses	(72,982)	-	(187,524)	(1)
7050	Finance costs	(92,964)	-	(50,699)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	<u>127,256</u>	<u>-</u>	<u>(201,238)</u>	<u>(1)</u>
	<b>Total non-operating income and expenses</b>	<u>220,010</u>	<u>1</u>	<u>(165,124)</u>	<u>(1)</u>
7900	<b>Profit before tax</b>	8,002,183	31	5,393,428	25
7950	<b>Tax expense (Note 6(t))</b>	<u>(1,533,572)</u>	<u>(6)</u>	<u>(992,667)</u>	<u>(4)</u>
	<b>Profit</b>	<u>6,468,611</u>	<u>25</u>	<u>4,400,761</u>	<u>21</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Components of other comprehensive income that will not be reclassified to profit or loss (Notes 6(s), 6(t) and 6(u))</b>				
8311	Remeasurements of defined benefit plans	(10,736)	-	2,492	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	742,137	3	2,114,856	10
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>2,147</u>	<u>-</u>	<u>(499)</u>	<u>-</u>
	<b>Total components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>	<u>733,548</u>	<u>3</u>	<u>2,116,849</u>	<u>10</u>
8360	<b>Components of other comprehensive income that will be reclassified to profit or loss (Notes 6(g) and 6(u))</b>				
8361	Exchange differences on translation of foreign financial statements	(48,290)	-	(151,023)	(1)
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method	45,865	-	4,263	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Total components of other comprehensive income (loss) that will be reclassified to profit or loss</b>	<u>(2,425)</u>	<u>-</u>	<u>(146,760)</u>	<u>(1)</u>
8300	<b>Other comprehensive income, net</b>	<u>731,123</u>	<u>3</u>	<u>1,970,089</u>	<u>9</u>
8500	<b>Total comprehensive income</b>	<u><b>\$ 7,199,734</b></u>	<u><b>28</b></u>	<u><b>6,370,850</b></u>	<u><b>30</b></u>
	<b>Profit (loss) attributable to:</b>				
8610	Profit attributable to owners of parent	\$ 6,528,740	25	4,474,399	21
8620	Profit (losses) attributable to non-controlling interests	<u>(60,129)</u>	<u>-</u>	<u>(73,638)</u>	<u>-</u>
		<u><b>\$ 6,468,611</b></u>	<u><b>25</b></u>	<u><b>4,400,761</b></u>	<u><b>21</b></u>
	<b>Comprehensive income (loss) attributable to:</b>				
8710	Comprehensive income, attributable to owners of parent	\$ 7,238,423	28	6,447,998	30
8720	Comprehensive income (loss), attributable to non-controlling interests	<u>(38,689)</u>	<u>-</u>	<u>(77,148)</u>	<u>-</u>
		<u><b>\$ 7,199,734</b></u>	<u><b>28</b></u>	<u><b>6,370,850</b></u>	<u><b>30</b></u>
	<b>Earnings per common share (expressed in New Taiwan dollars) (Note 6(w))</b>				
9750	Basic earnings per share	<u><b>\$ 15.45</b></u>		<u><b>10.59</b></u>	
9850	Diluted earnings per share	<u><b>\$ 15.33</b></u>		<u><b>10.53</b></u>	

**WIN Semiconductors Corp. and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the years ended December 31, 2020 and 2019**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent											
	Retained earnings					Other equity interests						
						Exchange	Unrealized gains (losses) on financial assets		Other	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests
							measured at fair value through other comprehensive income	unearned compensation for restricted shares of employees				
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total retained earnings	differences on translation of foreign financial statements						
<b>Balance at January 1, 2019</b>	\$ 4,238,144	9,199,357	1,755,814	9,422,510	11,178,324	(36,200)	958,390	(158,308)	763,882	25,379,707	224,678	25,604,385
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	312,446	(312,446)	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(2,118,972)	(2,118,972)	-	-	-	-	(2,118,972)	-	(2,118,972)
	-	-	312,446	(2,431,418)	(2,118,972)	-	-	-	-	(2,118,972)	-	(2,118,972)
Profit (losses) for the year ended December 31, 2019	-	-	-	4,474,399	4,474,399	-	-	-	-	4,474,399	(73,638)	4,400,761
Other comprehensive income for the year ended December 31, 2019	-	-	-	1,993	1,993	(143,250)	2,114,856	-	1,971,606	1,973,599	(3,510)	1,970,089
Total comprehensive income for the year ended December 31, 2019	-	-	-	4,476,392	4,476,392	(143,250)	2,114,856	-	1,971,606	6,447,998	(77,148)	6,370,850
Disposal of investments accounted for using equity method	-	(1,510)	-	-	-	-	-	-	-	(1,510)	-	(1,510)
Changes in ownership interest in subsidiaries	-	(5,161)	-	(119,915)	(119,915)	-	-	-	-	(125,076)	-	(125,076)
Adjustments to share of changes in equity associates	-	875	-	-	-	-	-	-	-	875	-	875
Issuance of restricted shares of employees	2,620	47,744	-	-	-	-	-	(50,364)	(50,364)	-	-	-
Compensation cost arising from restricted shares of employees	-	-	-	-	-	-	-	71,643	71,643	71,643	-	71,643
Purchase and retirement of restricted shares of stock for employees	(200)	200	-	-	-	-	-	-	-	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	31,205	31,205
Stock option compensation cost of subsidiary	-	2,803	-	-	-	-	-	-	-	2,803	3,329	6,132
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	(16,640)	(16,640)	-	16,640	-	16,640	-	-	-
<b>Balance at December 31, 2019</b>	4,240,564	9,244,308	2,068,260	11,330,929	13,399,189	(179,450)	3,089,886	(137,029)	2,773,407	29,657,468	182,064	29,839,532
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	447,440	(447,440)	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(2,968,394)	(2,968,394)	-	-	-	-	(2,968,394)	-	(2,968,394)
	-	-	447,440	(3,415,834)	(2,968,394)	-	-	-	-	(2,968,394)	-	(2,968,394)
Profit (losses) for the year ended December 31, 2020	-	-	-	6,528,740	6,528,740	-	-	-	-	6,528,740	(60,129)	6,468,611
Other comprehensive income for the year ended December 31, 2020	-	-	-	(8,589)	(8,589)	(22,755)	741,027	-	718,272	709,683	21,440	731,123
Total comprehensive income for the year ended December 31, 2020	-	-	-	6,520,151	6,520,151	(22,755)	741,027	-	718,272	7,238,423	(38,689)	7,199,734
Changes in ownership interests in subsidiaries	-	69,410	-	-	-	-	-	-	-	69,410	-	69,410
Changes in compensation cost arising from restricted shares of stock issued to employees due to demission	-	7,917	-	-	-	-	-	(7,917)	(7,917)	-	-	-
Compensation cost arising from restricted shares of employees	-	-	-	8	8	-	-	79,208	79,208	79,216	-	79,216
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,508,470	1,508,470
Stock option compensation cost of subsidiary	-	1,463	-	-	-	-	-	-	-	1,463	1,021	2,484
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	50,067	50,067	-	(50,067)	-	(50,067)	-	-	-
<b>Balance at December 31, 2020</b>	<b>\$ 4,240,564</b>	<b>9,323,098</b>	<b>2,515,700</b>	<b>14,485,321</b>	<b>17,001,021</b>	<b>(202,205)</b>	<b>3,780,846</b>	<b>(65,738)</b>	<b>3,512,903</b>	<b>34,077,586</b>	<b>1,652,866</b>	<b>35,730,452</b>

**WIN Semiconductors Corp. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the years ended December 31, 2020 and 2019**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2020</b>	<b>2019</b>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit before tax</b>	\$ 8,002,183	5,393,428
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	3,627,595	3,348,054
Amortization expense	108,881	66,993
Losses on expected credit impairment	23	2,171
Net gains on financial assets or liabilities at fair value through profit or loss	(156,103)	(246,768)
Interest expense	92,964	50,699
Interest income	(29,425)	(67,365)
Dividend income	(200,473)	(124,881)
Share-based payments	81,700	77,775
Shares of (profits) losses of associates and joint ventures accounted for using equity method	(126,030)	199,856
(Gains) losses on disposal of property, plant and equipment	(21,124)	375,910
Losses on disposal of investments	-	28,115
Changes in biological assets at fair value	21,326	(52)
Unrealized foreign exchange gains	(189,575)	(4,386)
Losses on lease modification	-	3,773
Impairment loss	159,382	-
Prepayments for business facilities transferred to expenses	860	-
<b>Total adjustments to reconcile profit (loss)</b>	<u>3,370,001</u>	<u>3,709,894</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Increase in financial assets at fair value through profit or loss	(260,952)	(240,810)
Decrease (increase) in notes and accounts receivable	369,104	(986,334)
Increase in inventories	(1,143,801)	(486,866)
(Increase) decrease in biological assets	(544,683)	88,734
Increase in other current assets	(150,175)	(73,847)
<b>Total changes in operating assets</b>	<u>(1,730,507)</u>	<u>(1,699,123)</u>
<b>Changes in operating liabilities:</b>		
Increase in contract liabilities	274,000	147,732
(Decrease) increase in notes and accounts payable	(31,546)	733,140
Increase in other payables	125,415	464,709
(Decrease) increase in other current liabilities	(3,118)	24,635
Increase in other non-current liabilities	1,186	2,987
<b>Total changes in operating liabilities</b>	<u>365,937</u>	<u>1,373,203</u>
<b>Total changes in operating assets and liabilities</b>	<u>(1,364,570)</u>	<u>(325,920)</u>
<b>Cash inflow generated from operations</b>	10,007,614	8,777,402
Dividends received	45,267	3,091
Income taxes paid	(1,297,860)	(696,134)
<b>Net cash flows from operating activities</b>	<u>8,755,021</u>	<u>8,084,359</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(1,507,183)	(76,775)
Proceeds from disposal of financial assets at fair value through other comprehensive income	75,188	17,274
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6,667	6,667
Proceeds from disposal of non-current financial assets at amortized cost	-	29,900
Acquisition of financial assets at fair value through profit or loss	(396,208)	(467,525)
Proceeds from disposal of financial assets at fair value through profit or loss	318,337	768,367
Proceeds from capital reduction of financial assets at fair value through profit or loss	-	35
Acquisition of investments accounted for using equity method	(170,913)	(248,320)
Acquisition of property, plant and equipment	(6,877,801)	(3,516,505)
Proceeds from disposal of property, plant and equipment	62,365	77,653
Acquisition of intangible assets	(286,719)	(40,360)
Net cash outflows from business combination	-	(138,256)
Acquisition of right-of-use assets	(17,866)	(41,018)
Increase in other non-current assets	(210,108)	(58,298)
Increase in prepayments for business facilities	(1,630,995)	(1,789,359)
Interest received	28,405	68,873
Dividends received	152,682	121,790
<b>Net cash flows used in investing activities</b>	<u>(10,454,149)</u>	<u>(5,285,857)</u>
<b>Cash flows from (used in) financing activities:</b>		
Proceeds from long-term debt	8,348,293	5,282,865
Repayments of long-term debt	(2,632,500)	(5,291,600)
Decrease in guarantee deposits received	(879)	(17,457)
Repayments of lease liabilities	(96,721)	(68,555)
Cash dividends paid	(2,968,394)	(2,118,972)
Interest paid	(47,327)	(30,292)
Changes in non-controlling interests	1,577,880	(38,532)
<b>Net cash flows from (used in) financing activities</b>	<u>4,180,352</u>	<u>(2,282,543)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>(51,427)</u>	<u>(51,659)</u>
<b>Net increase in cash and cash equivalents</b>	2,429,797	464,300
<b>Cash and cash equivalents at beginning of period</b>	5,926,473	5,462,173
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 8,356,270</u></u>	<u><u>5,926,473</u></u>

## **ATTACHMENT IV: INDEPENDENT AUDITORS' REPORT AND 2020 PARENT-COMPANY-ONLY FINANCIAL STATEMENTS**

### **Independent Auditors' Report**

To the Board of Directors of WIN Semiconductors Corp.:

#### **Opinion**

We have audited the financial statements of WIN Semiconductors Corp. ( "the Company" ), which comprise the balance sheets as of December 31, 2020 and 2019, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### **Basis for Opinion**

In 2020, we conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. In 2019, we conducted our audit in accordance with the Regulations Governing Auditing, the Ruling No. 1090360805 issued by the FSC and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ( "the Code" ), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters we communicated in the auditors' report was as follows:

##### **Evaluation of inventory**

Please refer to Note 4(g) "Inventories" for accounting policies, Note 5 for accounting assumptions, judgments and estimation uncertainty of inventories, and Note 6(e) for the amount of loss on valuation of inventories of the financial statements.

Due to the high industry demand and rapid fluctuation of the price of precious metals, the Company stored a significant volume of the said material, which resulted in slow turnover of inventories. Therefore, the Company cannot obtain sufficient information on inventories that were sold or used on the reporting date. Since the technology changes rapidly, the inventory may be out of date or may not conform to market demand, resulting in a risk wherein the carrying amount of inventories may exceed its net realizable value. Consequently, the evaluation of inventory is identified as the key matter in our audit.

How the matter was addressed in our audit

Our principal audit procedures included: testing the accuracy of the estimations of inventories at the lower of cost and net realizable value. Referring to the recent selling price and considering the amount of written-off inventories in the subsequent events to evaluate the appropriateness of the amount of loss on valuation of inventories or obsolescence. Analyzing the historical accuracy of judgments, including inspecting the amount of loss on valuation of inventories or obsolescence recognized in prior year and with reference to actual disposal to assess rationality of the judgments of the current period. Moreover, comparing with the provision for inventories valuation and obsolescence made in the current year to evaluate the appropriateness of the assumptions.

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



4. Conclude on the appropriateness of management' s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company' s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor' s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor' s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on these financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chia-Chien Tang and Ming-Hung Huang.

KPMG

Taipei, Taiwan (The Republic of China)  
March 18, 2021

**Note to Readers**

The accompanying parent-company-only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

## (English Translation of Financial Statements and Report Originally Issued in Chinese)

## WIN Semiconductors Corp.

## Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2020		December 31, 2019				December 31, 2020		December 31, 2019	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (Note 6(a))	\$ 4,402,617	9	3,763,950	9	2130	Current contract liabilities (Note 6(u))	\$ 518,940	1	246,459	1
1110	Current financial assets at fair value through profit or loss (Note 6(b))	10,239	-	154,921	-	2170	Accounts payable	1,767,092	4	1,821,018	4
1170	Accounts receivables, net (Notes 6(c) and 6(u))	2,033,714	4	2,401,924	6	2200	Other payables (Note 6(v))	3,957,873	8	3,559,935	9
1210	Other receivables due from related parties (Notes 6(d) and 7)	8,445	-	1,199	-	2220	Other payables to related parties (Note 7)	6,835	-	7,195	-
1310	Inventories (Note 6(e))	5,446,860	11	4,358,799	11	2280	Current lease liabilities (Notes 6(n) and 6(aa))	13,635	-	33,526	-
1470	Other current assets (Notes 6(d) and 6(k))	258,094	1	273,994	1	2399	Other current liabilities	147,599	-	151,067	-
<b>Total current assets</b>		<u>12,159,969</u>	<u>25</u>	<u>10,954,787</u>	<u>27</u>	<b>Total current liabilities</b>		<u>6,411,974</u>	<u>13</u>	<u>5,819,200</u>	<u>14</u>
<b>Non-current assets:</b>						<b>Non-Current liabilities:</b>					
1510	Non-current financial assets at fair value through profit or loss (Note 6(b))	814,065	2	565,804	1	2540	Long-term borrowings (Notes 6(m), 6(aa) and 8)	7,758,940	16	5,226,000	13
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(b))	5,205,161	11	3,585,443	9	2580	Non-current lease liabilities (Notes 6(n) and 6(aa))	4,657	-	15,072	-
1550	Investments accounted for using equity method (Note 6(f))	9,794,631	20	6,174,200	15	2600	Other non-current liabilities (Notes 6(p), 6(aa) and 7)	227,057	1	218,580	1
1600	Property, plant and equipment (Notes 6(g) and 8)	16,856,639	35	15,669,777	38	<b>Total non-current liabilities</b>		<u>7,990,654</u>	<u>17</u>	<u>5,459,652</u>	<u>14</u>
1755	Right-of-use assets (Note 6(h))	18,168	-	48,318	-	<b>Total liabilities</b>		<u>14,402,628</u>	<u>30</u>	<u>11,278,852</u>	<u>28</u>
1760	Investment property (Notes 6(i) and 8)	1,380,781	3	1,401,155	4	<b>Equity (Notes 6(b), 6(p), 6(q), 6(r) and 6(s)):</b>					
1780	Intangible assets (Note 6(j))	133,392	-	122,411	-	3110	Ordinary shares	4,240,564	9	4,240,564	10
1840	Deferred income tax assets (Note 6(q))	219,844	-	235,826	1	3200	Capital surplus	9,323,098	19	9,244,308	22
1915	Prepayments for business facilities	1,798,857	4	2,129,251	5	3300	Retained earnings	17,001,021	35	13,399,189	33
1990	Other non-current assets (Notes 6(k) and 8)	98,707	-	49,348	-	3400	Other equity interests	3,512,903	7	2,773,407	7
<b>Total non-current assets</b>		<u>36,320,245</u>	<u>75</u>	<u>29,981,533</u>	<u>73</u>	<b>Total equity</b>		34,077,586	70	29,657,468	72
<b>Total assets</b>		<u>\$ 48,480,214</u>	<u>100</u>	<u>40,936,320</u>	<u>100</u>	<b>Total liabilities and equity</b>		<u>\$ 48,480,214</u>	<u>100</u>	<u>40,936,320</u>	<u>100</u>

# WIN Semiconductors Corp.

## Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2020		2019	
		Amount	%	Amount	%
4000	Operating revenues (Notes 6(u) and 7)	\$ 24,940,505	100	20,852,558	100
5000	Operating costs (Notes 6(e), (g), (h), (j), (n), (p), (s), (v) and 12)	(14,522,007)	(58)	(12,777,640)	(61)
	Gross profit from operations	10,418,498	42	8,074,918	39
	Operating expenses (Notes 6(g), (h), (i), (j), (n), (p), (s), (v), 7 and 12):				
6100	Selling expenses	(281,071)	(1)	(276,128)	(1)
6200	Administrative expenses	(982,525)	(4)	(918,807)	(5)
6300	Research and development expenses	(1,010,778)	(4)	(1,026,429)	(5)
	Total operating expenses	(2,274,374)	(9)	(2,221,364)	(11)
	Net operating income	8,144,124	33	5,853,554	28
	Non-operating income and expenses (Notes 6(b), 6(g), 6(n), (o), (w) and 7):				
7100	Interest income	20,729	-	45,143	-
7010	Other income	229,055	1	180,111	1
7020	Other gains and losses	(159,961)	(1)	(169,992)	(1)
7050	Finance costs	(28,769)	-	(31,564)	-
7070	Share of losses of subsidiaries, associates and joint ventures accounted for using equity method	(143,098)	(1)	(410,550)	(2)
	Total non-operating income and expenses	(82,044)	(1)	(386,852)	(2)
7900	Profit before income tax	8,062,080	32	5,466,702	26
7950	Income tax expenses (Note 6(q))	(1,533,340)	(6)	(992,303)	(5)
	Profit	6,528,740	26	4,474,399	21
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss (Notes 6(p), 6(q) and 6(r))				
8311	Remeasurements of defined benefit plans	(10,736)	-	2,492	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	378,045	2	1,845,073	9
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	362,982	1	269,783	1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	2,147	-	(499)	-
	Total components of other comprehensive income (loss) that will not be reclassified to profit or loss	732,438	3	2,116,849	10
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss (Note 6(r))				
8361	Exchange differences on translation of foreign financial statements	(298,767)	(1)	(112,518)	(1)
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	276,012	1	(30,732)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will be reclassified to profit or loss	(22,755)	-	(143,250)	(1)
8300	Other comprehensive income	709,683	3	1,973,599	9
8500	Total comprehensive income	\$ 7,238,423	29	6,447,998	30
	Earnings per common share (expressed in dollars) (Note 6(t))				
9750	Basic earnings per share	\$ 15.45		10.59	
9850	Diluted earnings per share	\$ 15.33		10.53	

**WIN Semiconductors Corp.**

**Statements of Changes in Equity**

**For the years ended December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

	Ordinary shares	Capital surplus	Retained earnings			Exchange differences on translation of foreign financial statements	Other equity interests			Total equity
			Legal reserve	Unappropriated retained earnings	Total retained earnings		Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Other unearned compensation for restricted shares of employees	Total other equity interests	
<b>Balance on January 1, 2019</b>	\$ 4,238,144	9,199,357	1,755,814	9,422,510	11,178,324	(36,200)	958,390	(158,308)	763,882	25,379,707
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	312,446	(312,446)	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	(2,118,972)	(2,118,972)	-	-	-	-	(2,118,972)
	-	-	312,446	(2,431,418)	(2,118,972)	-	-	-	-	(2,118,972)
Profit for the year ended December 31, 2019	-	-	-	4,474,399	4,474,399	-	-	-	-	4,474,399
Other comprehensive income for the year ended December 31, 2019	-	-	-	1,993	1,993	(143,250)	2,114,856	-	1,971,606	1,973,599
Total comprehensive income for the year ended December 31, 2019	-	-	-	4,476,392	4,476,392	(143,250)	2,114,856	-	1,971,606	6,447,998
Adjustments to share of changes in equities of subsidiaries	-	2,168	-	(28,253)	(28,253)	-	28,252	-	28,252	2,167
Changes in ownership interests in subsidiaries	-	(5,161)	-	(119,914)	(119,914)	-	-	-	-	(125,075)
Issuance of restricted employee stock	2,620	47,744	-	-	-	-	-	(50,364)	(50,364)	-
Purchase and refinement of restricted shares of stock for employees	(200)	200	-	-	-	-	-	-	-	-
Compensation cost arising from restricted shares of employees	-	-	-	-	-	-	-	71,643	71,643	71,643
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	11,612	11,612	-	(11,612)	-	(11,612)	-
<b>Balance on December 31, 2019</b>	4,240,564	9,244,308	2,068,260	11,330,929	13,399,189	(179,450)	3,089,886	(137,029)	2,773,407	29,657,468
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	447,440	(447,440)	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	(2,968,394)	(2,968,394)	-	-	-	-	(2,968,394)
	-	-	447,440	(3,415,834)	(2,968,394)	-	-	-	-	(2,968,394)
Profit for the year ended December 31, 2020	-	-	-	6,528,740	6,528,740	-	-	-	-	6,528,740
Other comprehensive income for the year ended December 31, 2020	-	-	-	(8,589)	(8,589)	(22,755)	741,027	-	718,272	709,683
Total comprehensive income for the year ended December 31, 2020	-	-	-	6,520,151	6,520,151	(22,755)	741,027	-	718,272	7,238,423
Adjustments to share of changes in equities of subsidiaries	-	1,463	-	4,950	4,950	-	(4,950)	-	(4,950)	1,463
Changes in ownership interests in subsidiaries	-	69,410	-	-	-	-	-	-	-	69,410
Changes in compensation cost arising from restricted shares of stock issued to employees due to demission	-	7,917	-	-	-	-	-	(7,917)	(7,917)	-
Compensation cost arising from restricted shares of employees	-	-	-	8	8	-	-	79,208	79,208	79,216
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	45,117	45,117	-	(45,117)	-	(45,117)	-
<b>Balance on December 31, 2020</b>	<b>\$ 4,240,564</b>	<b>9,323,098</b>	<b>2,515,700</b>	<b>14,485,321</b>	<b>17,001,021</b>	<b>(202,205)</b>	<b>3,780,846</b>	<b>(65,738)</b>	<b>3,512,903</b>	<b>34,077,586</b>

**WIN Semiconductors Corp.**

**Statements of Cash Flows**

**For the years ended December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2020</u>	<u>2019</u>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit before tax</b>	\$ 8,062,080	5,466,702
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	3,541,341	3,284,900
Amortization expense	87,911	57,599
Net gains on financial assets or liabilities at fair value through profit or loss	(23,184)	(221,437)
Interest expense	28,769	31,564
Interest income	(20,729)	(45,143)
Dividend income	(155,206)	(95,870)
Compensation cost arising from share-based payments	79,216	71,643
Shares of losses of subsidiaries, associates and joint ventures accounted for using equity method	143,098	410,550
(Gains) losses on disposal of property, plant and equipment	(21,124)	372,900
Other income	(18,818)	(1,776)
Impairment loss	139,071	-
Prepayments for business facilities transferred to expenses	625	-
<b>Total adjustments to reconcile profit (loss)</b>	<u>3,780,970</u>	<u>3,864,930</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease (increase) in accounts receivable	368,210	(1,848,010)
Decrease in accounts receivable due from related parties	-	942,499
Increase in inventories	(1,122,415)	(487,360)
Decrease (increase) in other current assets	15,658	(30,728)
<b>Total changes in operating assets</b>	<u>(738,547)</u>	<u>(1,423,599)</u>
<b>Changes in operating liabilities:</b>		
Increase in contract liabilities	272,481	159,402
(Decrease) increase in accounts payable	(53,926)	741,766
Increase in other payables	61,485	449,122
(Decrease) increase in other payable to related parties	(360)	7,195
(Decrease) increase in other current liabilities	(3,468)	20,174
Increase in other non-current liabilities	1,186	2,987
<b>Total changes in operating liabilities</b>	<u>277,398</u>	<u>1,380,646</u>
<b>Total changes in operating assets and liabilities</b>	<u>(461,149)</u>	<u>(42,953)</u>
Cash inflow generated from operations	11,381,901	9,288,679
Income taxes paid	(1,297,658)	(695,697)
<b>Net cash flows from operating activities</b>	<u>10,084,243</u>	<u>8,592,982</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(1,295,285)	(76,775)
Proceeds from disposal of financial assets at fair value through other comprehensive income	46,945	12,526
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6,667	6,667
Proceeds from disposal of non-current financial assets at amortized cost	-	29,900
Acquisition of financial assets at fair value through profit or loss	(396,208)	(467,526)
Proceeds from disposal of financial assets at fair value through profit or loss	318,337	708,083
Proceeds from capital reduction of financial assets at fair value through profit or loss	-	35
Acquisition of investments accounted for using equity method	(3,491,500)	(2,201,490)
Acquisition of property, plant and equipment	(2,614,208)	(1,959,016)
Proceeds from disposal of property, plant and equipment	62,364	77,466
Acquisition of intangible assets	(119,038)	(33,468)
(Increase) decrease in other non-current assets	(49,359)	850
Increase in prepayments for business facilities	(1,597,403)	(1,784,177)
Interest received	20,761	46,511
Dividends received	152,682	95,870
Other income received	11,572	577
<b>Net cash flows used in investing activities</b>	<u>(8,943,673)</u>	<u>(5,543,967)</u>
<b>Cash flows from (used in) financing activities:</b>		
Proceeds from long-term debt	5,165,440	4,715,000
Repayments of long-term debt	(2,632,500)	(5,291,600)
Decrease in guarantee deposits received	(3,445)	-
Repayments of lease liabilities	(33,990)	(32,735)
Cash dividends paid	(2,968,394)	(2,118,972)
Interest paid	(29,014)	(31,690)
<b>Net cash flows used in financing activities</b>	<u>(501,903)</u>	<u>(2,759,997)</u>
<b>Net increase in cash and cash equivalents</b>	638,667	289,018
<b>Cash and cash equivalents at beginning of period</b>	<u>3,763,950</u>	<u>3,474,932</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 4,402,617</u></u>	<u><u>3,763,950</u></u>

## ATTACHMENT V: PROFIT ALLOCATION PROPOSAL

### WIN Semiconductors Corp. 2020 Profit Allocation Proposal

Unit: NT\$

<b>Unappropriated retained earnings, Dec. 31, 2019</b>	<b>7,915,095,284</b>
<b>Net profit of 2020</b>	<b>6,528,739,563</b>
Add: Disposal of investments in equity instruments designated at fair value through other comprehensive income	45,116,782
Add: Adjustments to share of changes in equities of subsidiaries	4,950,305
Add: Compensation cost of Restricted Stock Award	8,050
Less: Remeasurements of defined benefit plans	(8,588,800)
<b>The net profit of 2020 and the items other than net profit of 2020 but are included in unappropriated retained earnings of 2020</b>	<b>6,570,225,900</b>
<b>Less: 10% legal reserve</b>	<b>(657,022,590)</b>
<b>Retained earnings in 2020 available for distribution</b>	<b>5,913,203,310</b>
<b>Distributable item:</b>	
<b>Cash dividends to common share holders (NT\$10 per share)</b>	<b>(4,240,413,840)</b>
<b>Unappropriated retained earnings of 2020</b>	<b>1,672,789,470</b>
<b>Unappropriated retained earnings, Dec. 31, 2020</b>	<b>9,587,884,754</b>

If there is any net profit after closing of a fiscal year, the Corporation shall first pay business income tax, offset losses in previous years, set aside a legal capital reserve at 10% of the profits left over, provided that no allocation of legal reserve is required if the accumulated legal reserve is equivalent to the total capital amount of the Corporation; and then set aside or rotate special reserve according to the rule set out by the government authority in charge. If there is still remaining balance, the Corporation shall set aside at least 50% for shareholders' dividends, the Board of Directors should draw up a meeting regarding the issue of profit distribution and report to the shareholders' meeting for the resolution of the distribution of the dividend, in which cash dividend shall not be lower than 10% of entire dividend.

It is authorized the distributable dividends and bonuses or legal capital reserve and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

As the Corporation is a high-tech firm with intensive capital expenditure, conditions, timing, amount and kinds of the above-stated dividend policy may be adjusted, taking into account economic cycles, industry change and the Corporation's growth and cash demand.

*Chin-Tsai Chen*  
Chairman

*Kyle Chen*  
CEO

*Linna Su*  
Accounting Officer

## ATTACHMENT VI: REVISIONS TO ARTICLES OF INCORPORATION

### Before and After Revision

AFTER THE REVISION	BEFORE THE REVISION
<p>Section IV Directors of the Board</p> <p>Article 13 The Corporation shall have seven (7) to <u>thirteen (13)</u> Directors, who shall be elected in accordance with the nomination system by the shareholders' meeting, and to serve a term of office of three (3) years. All Directors shall be eligible for re-election. The Corporation shall have Independent Directors, seats of which shall not be less than <u>three (3)</u> or one-fifth of seats of Directors, whichever is higher. Matters relevant to acceptance of candidate nomination, announcement, etc. shall be proceeded pursuant to the Company Law, Securities Exchange Law and the related laws and regulations. The election of Independent Directors and Directors of the Corporation shall be conducted concurrently and the number of the Independent Directors and Directors to be elected shall be calculated separately.</p>	<p>Section IV Directors of the Board</p> <p>Article 13 The Corporation shall have seven (7) to <u>nine (9)</u> Directors, who shall be elected in accordance with the nomination system by the shareholders' meeting, and to serve a term of office of three (3) years. All Directors shall be eligible for re-election. The Corporation shall have Independent Directors, seats of which shall not be less than <u>two (2)</u> or one-fifth of seats of Directors, whichever is higher. Matters relevant to acceptance of candidate nomination, announcement, etc. shall be proceeded pursuant to the Company Law, Securities Exchange Law and the related laws and regulations. The election of Independent Directors and Directors of the Corporation shall be conducted concurrently and the number of the Independent Directors and Directors to be elected shall be calculated separately.</p>
<p>Article 25 The Article of Incorporation are agreed to and signed on December 12, 1999 by all the promoters of the Corporation, and the first Amendment was approved by the shareholders' meeting on May 12, 2000, the second Amendment on May 4, 2001, the third Amendment on June 24, 2002, the fourth Amendment on June 24, 2003, the fifth Amendment on October 26, 2004, the sixth Amendment on June 24, 2005, the seventh Amendment on June 2, 2006, the eighth Amendment on June 19, 2008, the ninth Amendment on June 26, 2009, the tenth Amendment on June 24, 2010, the eleventh Amendment on June 10, 2011, the twelfth Amendment on June 5, 2012, the thirteenth Amendment on June 3, 2015, the fourteenth Amendment on June 24, 2016, the fifteenth Amendment on June 14, 2019, <u>and the sixteenth Amendment on June 10, 2021.</u></p>	<p>Article 25 The Article of Incorporation are agreed to and signed on December 12, 1999 by all the promoters of the Corporation, and the first Amendment was approved by the shareholders' meeting on May 12, 2000, the second Amendment on May 4, 2001, the third Amendment on June 24, 2002, the fourth Amendment on June 24, 2003, the fifth Amendment on October 26, 2004, the sixth Amendment on June 24, 2005, the seventh Amendment on June 2, 2006, the eighth Amendment on June 19, 2008, the ninth Amendment on June 26, 2009, the tenth Amendment on June 24, 2010, the eleventh Amendment on June 10, 2011, the twelfth Amendment on June 5, 2012, the thirteenth Amendment of June 3, 2015, the fourteenth Amendment of June 24, 2016 and the fifteenth Amendment of June 14, 2019.</p>

## ATTACHMENT VII: REVISIONS TO RULES AND PROCEDURES OF SHAREHOLDERS' MEETING

### Before and After Revision

<b>AFTER THE REVISION</b>	<b>BEFORE THE REVISION</b>
<p>2. <u>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the Board of Directors.</u>  <u>The convening of the Company's shareholders' meeting shall be notified to all shareholders within a prescribed time limit according to the laws and regulations, and shareholders who hold less than one thousand registered shares may be notified by the announcements uploaded on the Market Observation Post System (MOPS).</u>  <u>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</u></p>	<p>2. <u>The shareholders or their appointed proxies are referred to as shareholders on these articles.</u></p>
<p>4. <u>A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy.</u>  <u>A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the company no later than 5 days prior to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.</u>  <u>After the service of the power of attorney of a proxy to the company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission , a proxy rescission notice</u></p>	<p>4. <u>The Company may appoint retained lawyers, certified public accountants or related persons to participate in the Meeting.</u></p>



AFTER THE REVISION	BEFORE THE REVISION
<p><u>shall be filed with the company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</u></p>	
<p>5. <u>The time during which shareholder attendance registrations will be accepted shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</u>  The Company shall provide a sign-in book allowing attending shareholders to sign in or require attending shareholders to submit attendance cards in lieu of signing in.  Shareholders shall be admitted to the Meeting on the basis of attendance passes, attendance cards, or other attendance documents; those persons soliciting proxy forms shall be required to present identification documents for checking identities.  <u>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</u>  When the government or a legal entity is a shareholder, more than one representative may attend the Meeting. However, a legal entity serving as proxy to attend the Meeting may appoint only one representative to attend.</p>	<p>5.</p> <p>The Company shall provide a sign-in book allowing attending shareholders to sign in or require attending shareholders to submit attendance cards in lieu of signing in.  Shareholders shall be admitted to the Meeting on the basis of attendance passes, attendance cards, or other attendance documents; those persons soliciting proxy forms shall be required to present identification documents for checking identities.</p> <p>When the government or a legal entity is a shareholder, more than one representative may attend the Meeting. However, a legal entity serving as proxy to attend the Meeting may appoint only one representative to attend.</p>
<p>6. Voting and attendance at the Meeting shall be based on number of shares. <u>The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and</u></p>	<p>6. Voting and attendance at the Meeting shall be based on number of shares. <u>If a shareholder requests counting of number of the attendees, the chairman may turn it down. After such request</u></p>

AFTER THE REVISION	BEFORE THE REVISION
<p><u>sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</u> Paragraph 2~4 (Omitted)</p>	<p><u>was made, a resolution is duly passed should the attendance constitute the quorum if a voting is made on an agenda item.</u> Paragraph 2~4 (Omitted)</p>
<p>7. The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the Vice Chairman <u>shall act in place of the chairman; if the Vice Chairman also is on leave or for any reason unable to exercise the powers of the vice chairman,</u> one of the Directors shall preside at the Meeting in accordance with Article 208 of the Company Law of the Republic of China.</p> <p>If the Meeting is convened by any person entitled to convene the Meeting other than the Board of Directors, such person shall be the chairman to preside at the Meeting. If there is more than one such person entitles to convene the Meeting, those persons shall nominate amongst themselves to be the Meeting's chairman.</p> <p><u>The Company may appoint retained lawyers, certified public accountants or related persons to participate in the Meeting.</u></p>	<p>7. The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the Vice Chairman <u>of the Board of Directors or one of the Directors shall preside at the Meeting in accordance with Article 208 of the Company Law of the Republic of China.</u></p> <p>If the Meeting is convened by any person entitled to convene the Meeting other than the Board of Directors, such person shall be the chairman to preside at the Meeting. If there is more than one such person entitles to convene the Meeting, those persons shall nominate amongst themselves to be the Meeting's chairman.</p> <p><u>The notifications and announcements shall state the reasons for the Meeting. The election or discharge of directors, the amendment of this Company's Articles of Incorporation, the dissolution, merger, or spin-off of the Company, or the matters specified in the Article 185, Paragraph 1 of the Company Law, or Article 26-1 or Article 43-6 of the Securities and Exchange Law shall be listed among the reasons for the Meeting, and may not be proposed as provisional motions.</u></p>
<p>8. The Company, <u>beginning from the time of shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures and the</u></p>	<p>8. The Company <u>shall locate the surveillance video taping at the entrance of the Meeting place, and the proceeding of the Meeting shall be audio recorded and videotaped and these tapes shall be preserved for at least one year. However, the said audio</u></p>

AFTER THE REVISION	BEFORE THE REVISION
<p><u>recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</u></p>	<p><u>and video tapes shall be preserved until the conclusion of the lawsuit if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Law.</u></p>
<p>10. The agenda of the Meeting shall be set by the Board of Directors if the meeting is convened by the Board of Directors. <u>Votes shall be cast on each separate proposal in the agenda, including extraordinary motions and amendments to the original proposals set out in the agenda.</u> Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.</p> <p>Paragraph 2~3 (Omitted).</p> <p>The chairman must provide sufficient time for the explanation and discussion of all items on the agenda and amendments and provisional motions submitted by shareholders; the chairman may announce an end of discussion and submit an item for a vote if the chairman deems that the agenda item is ready for voting <u>and allocate sufficient time for voting.</u></p>	<p>10. The agenda of the Meeting shall be set by the Board of Directors if the meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda</p> <p>Paragraph 2~3 (Omitted).</p> <p>12. <u>Unless otherwise listed in the agenda items, there shall be no discussion or voting.</u> The chairman must provide sufficient time for the explanation and discussion of all items on the agenda and amendments and provisional motions submitted by shareholders; the chairman may announce an end of discussion and submit an item for a vote if the chairman deems that the agenda item is ready for voting. <u>If the item(s) discussion of which was ended by the chairman is announced by the chairman to submit for voting(s), the votings may be conducted at the same time, but each agenda item shall be voted separately.</u></p>
<p>12. <u>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Law.</u></p> <p><u>When this Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence.</u></p> <p><u>When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting</u></p>	<p>13. Except otherwise specified in the Company Law or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the attending shareholders. <u>An agenda item shall be deemed approved and shall have the same effect as if it was voted by casting ballots if no objection is voiced by all the attending shareholders after solicitation by the chairman.</u></p> <p>14. <u>If there is amendment to or substitute for an agenda item, the chairman shall decide the sequence of voting for such</u></p>

AFTER THE REVISION	BEFORE THE REVISION
<p><u>notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</u></p> <p><u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</u></p> <p><u>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</u></p> <p><u>Except otherwise specified in the Company Law or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the attending shareholders. At the time of a vote, for</u></p>	<p><u>original agenda item, the amendment and the substitute. If any one of them has been approved, the others shall be deemed vetoed and no further voting will be necessary.</u></p>

AFTER THE REVISION	BEFORE THE REVISION
<p><u>each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p>	
<p>16. If the election of directors is conducted during the Meeting, such an election shall be performed in accordance with the Company's Rules for Election of Directors and Supervisors, and the results must be announced at the Meeting <u>including the names of those elected as directors and the numbers of votes.</u> Paragraph 2 (Omitted).</p>	<p>18. If the election of directors is conducted during the Meeting, such an election shall be performed in accordance with the Company's Rules for Election of Directors and Supervisors, and the results must be announced at the Meeting.</p> <p>Paragraph 2 (Omitted).</p>
<p>17. Paragraph 1~2 (Omitted). The minutes must faithfully record the Meeting's date (year, month, day), place, chairman's name, resolution method, summary of proceeding and <u>the voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors.</u> The minutes of the Meeting shall be preserved for as long as the Company exists.</p> <p>If any resolutions made by the Meeting are material information pursuant to the applicable laws and</p>	<p>19. Paragraph 1~2 (Omitted). The minutes must faithfully record the Meeting's date (year, month, day), place, chairman's name, resolution method, summary of proceeding and <u>results of resolutions.</u> The minutes of the Meeting shall be preserved for as long as the Company exists.</p> <p><u>"There is no objection from any shareholders after solicitation by the chairman and the resolution is passed shall be recorded in the minutes if no objection is voiced after solicitation by the chairman before an agenda item is put to a vote. If there are any objections, however, the resolution method, the number of approval votes cast and the percentage of the approval votes as to total votes shall be recorded in the minutes.</u></p> <p>If any resolutions made by the Meeting are material information pursuant to the applicable laws and regulations or the</p>

<b>AFTER THE REVISION</b>	<b>BEFORE THE REVISION</b>
regulations or the <u>Taipei Exchange (TPEX)</u> regulations, the Company shall transmit the content of such resolutions to the Market Observation Post System Website within the specified period of time.	<u>Taiwan Stock Exchange Corporation's (GreTai Securities Market's)</u> regulations, the Company shall transmit the content of such resolutions to the Market Observation Post System Website within the specified period of time.

## ATTACHMENT VIII: REVISIONS TO RULES FOR ELECTION OF DIRECTORS

### Before and After Revision

AFTER THE REVISION	BEFORE THE REVISION
<p><b>Article 1</b>  <u>In order to provide a fair, just, and open procedure for the election of directors, the Rules for election of directors was established in accordance with Article 21 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”.</u>  Unless otherwise provided in relevant laws and regulations or the Company’s Articles of Incorporation, the directors of this Company shall be elected in accordance with the rules specified herein.</p>	<p><b>Article 1</b>    Unless otherwise provided in relevant laws and regulations or the Company’s Articles of Incorporation, the directors of this Company shall be elected in accordance with the rules specified herein.</p>
<p><b>Article 2</b>  (Deleted)</p>	<p><b>Article 2</b>  <u>Election of directors of this Company shall be held at the shareholders' meeting. This Company shall prepare ballots and note the number of voting rights.</u></p>
<p><b>Article 2</b>  The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors ... omitted.  All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. <u>They</u> shall possess the following abilities:  1. Ability to make operational judgments.  2. Ability to perform accounting and financial analysis.  3. Ability to conduct management administration.  4. Ability to conduct crisis management.  5. Knowledge of the industry.  6. An international market perspective.  7. Leadership.  8. Ability to make policy decisions.  <u>More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other</u></p>	<p><b>Article 2-1</b>  The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors ... omitted.  All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. <u>To achieve the ideal goal of corporate governance, the board of directors</u> shall possess the following abilities:  1. Ability to make operational judgments.  2. Ability to perform accounting and financial analysis.  3. Ability to conduct management administration.  4. Ability to conduct crisis management.  5. Knowledge of the industry.  6. An international market perspective.  7. Leadership.  8. Ability to make policy decisions.</p>

AFTER THE REVISION	BEFORE THE REVISION
<p>director.</p> <p><b>Article 3</b> Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</p> <p><u>When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies. When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u></p>	<p><b>Article 2-2</b> Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act, <u>reviewing of directors' qualifications, education and working experience credentials, and the existence of any matters set forth in Article 30 of the Company Act.</u></p>
<p><b>Article 4</b> In the election of directors of this Company, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons.</p>	<p><b>Article 4</b> In the election of directors of this Company, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons. <u>The election of Independent Directors and Directors of the Corporation shall be conducted concurrently and the number of the Independent Directors and Directors to be elected shall be calculated separately.</u></p>



AFTER THE REVISION	BEFORE THE REVISION
<p><b><u>Article 5</u></b>  <u>The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.</u></p>	<p><b><u>Article 3</u></b>  <u>In the election of directors of this Company, the names of voters may be represented by shareholders' numbers.</u></p>
<p><b><u>Article 6</u></b>  <u>The number of directors will be as specified in the Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons received the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.</u></p>	<p><b><u>Article 5</u></b>  <u>In the election of directors of this Company, candidates who acquire more votes should win the seats. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.</u></p>
<p><b><u>Article 7</u></b>          At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from the shareholders present.</p>	<p><b><u>Article 6</u></b>          At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from the shareholders present.</p>
<p><b><u>Article 8</u></b>          The ballot box used for voting shall be prepared by the <u>Board of Directors</u> and checked in public by the person to check the ballots before voting.</p>	<p><b><u>Article 7</u></b>          The ballot box used for voting shall be prepared by the <u>Company</u> and checked in public by the person to check the ballots before voting.</p>
<p><b><u>Deleted</u></b></p>	<p><b><u>Article 8</u></b>  <u>If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number, and the number of votes cast for such candidate. If the candidate is not a shareholder of this Company, voters shall fill in the</u></p>

AFTER THE REVISION	BEFORE THE REVISION
	<p><u>"candidate" column the candidate's name, the candidate's ID number, and the number of votes cast for such candidate. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column.</u></p>
<p><b>Article 9</b>  Ballots shall be deemed void under the following conditions:  (1) Ballots not prepared by <u>a person with the right to convene</u>;  (2) <u>A blank ballot is placed in the ballot box</u>;  (3) <u>The writing is unclear and indecipherable or has been altered</u>;  (4) <u>Other words or marks are entered in addition to the number of voting rights allotted.</u></p>	<p><b>Article 9</b>  Ballots shall be deemed void under the following conditions:  (1) Ballots not prepared by <u>the Company</u>;  (2) <u>Blank ballots not completed by the voter</u>;  (3) <u>Illegible writing</u>;  (4) <u>If the candidate is a shareholder of the Company, the name or shareholder's number of the candidate filled in the ballot is inconsistent with the shareholders' register. If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is incorrect</u>;  (5) <u>The number of candidates filled in the ballot exceeding the number of the seats to be elected.</u>  (6) <u>Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate</u>;  (7) <u>Ballots not placed in the ballot box</u>;  (8) <u>Any of the candidate's name, shareholder's number (ID number) or the number of votes cast for such candidate being erased or changed</u>;  (9) <u>The name of the candidates filled in the ballots being the same as another candidate's name and the respective shareholder's numbers (ID numbers) not being indicated to distinguish them</u>;  (10) <u>The total votes cast by the voter exceeding the total voting rights of such voter.</u></p>

## **IV. APPENDIX**

### **APPENDIX I: ARTICLES OF INCORPORATION (BEFORE THE REVISION)**

#### **WIN Semiconductors Corp.**

#### **Articles of Incorporation**

Approved by the AGM on June 14, 2019

#### **Section I General Provisions**

##### **Article 1**

This Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 穩懋半導體股份有限公司 in Chinese.

The Corporation's name shall be WIN Semiconductors Corp. in English.

##### **Article 2**

The scope of business of the Corporation shall be as follows:

1. CC01080 - Manufacturing of electronic parts and components.
2. F119010 - Wholesale of electronic materials.
3. ZZ99999 - All business items that are not prohibited or restricted by law, except those that are subject to special approval.

##### **Article 3**

The Corporation shall have its principal office in Taoyuan City, Taiwan, and shall be free, whenever necessary and upon approval of the Board of Directors and government authorities in charge, to set up branch offices at various locations within or outside the territory of the Republic of China.

##### **Article 4**

The Corporation may provide endorsement and guarantee and act as a guarantor pursuant to the Corporation's Endorsement and Guarantee Procedure, whenever the Corporation deems it necessary to carry out its business.

#### **Section II Capital Stock**

##### **Article 5**

The total capital stock of the Corporation shall be in the amount of 10,000,000,000 New Taiwan Dollars, divided into 1,000,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments subject to the approval by the meeting of the Board of Directors. The Corporation may issue employee stock options from time to time. A total of 100,000,000 shares (representing 1,000,000,000 New Taiwan Dollars) among the above total capital stock shall be reserved for issuing employee

stock options.

#### **Article 6**

The Corporation may issue shares without printing share certificates, provided that the stock shall be recorded with the centralized securities custody institution.

#### **Article 7**

All transfers of stocks and name changes conducted by shareholders shall follow the Company Law and applicable regulations.

#### **Article 8**

All transfers of stocks, pledges of rights, losses, successions, gifts, losses of seal, amendments of seal, changes of address or similar stock transactions conducted by shareholders of the Corporation shall follow the “Guidelines for Stock Operations of Public Companies” unless specified otherwise by securities laws and regulations.

#### **Article 8 – 1**

When it is proposed that the Corporation cease public offering of its shares, the Corporation shall submit such proposal for approval by the Shareholders’ Meeting in accordance with the Company Law of the Republic of China, provided that such clause shall not be varied or amended during the period of registration with and/or listing on the Emerging Market of Gre Tai Securities Market, Taiwan Stock Exchange Corporation and/or the Gre Tai Securities Market.

### **Section III Shareholders Meeting**

#### **Article 9**

Shareholders’ Meetings of the Corporation are of two types, namely: (1) regular meetings, and (2) special meetings. Regular meetings shall be convened within six (6) months after the close of each fiscal year. Special meetings shall be convened whenever necessary. The above-stated shareholders’ meetings shall be convened by the Board of Directors unless otherwise provided for in the Company Law of the Republic of China.

#### **Article 10**

If a shareholder is unable to attend a meeting, he/she may appoint a representative to attend it by signing or sealing a proxy stating scope of authorization. The handling of proxies shall follow Procedures Governing Using Proxies in Shareholders Meetings of a Public Company issued by the government authority in charge.

#### **Article 11**

Unless otherwise provided for by laws, each share of stock in the Corporation shall be entitled to one vote.

#### **Article 12**

Except as provided in the Company Law of the Republic of China, shareholders' meeting may be held if attended by shareholders representing more than one half of the total issued and outstanding capital stock of the Corporation, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

### **Section IV Directors of the Board**

#### **Article 13**

The Corporation shall have seven (7) to nine (9) Directors, who shall be elected in accordance with the nomination system by the shareholders' meeting, and to serve a term of office of three (3) years. All Directors shall be eligible for re-election.

The Corporation shall have Independent Directors, seats of which shall not be less than two (2) or one-fifth of seats of Directors, whichever is higher. Matters relevant to acceptance of candidate nomination, announcement, etc. shall be proceeded pursuant to the Company Law, Securities Exchange Law and the related laws and regulations. The election of Independent Directors and Directors of the Corporation shall be conducted concurrently and the number of the Independent Directors and Directors to be elected shall be calculated separately.

#### **Article 14**

The Board of Directors is consisted of Directors. The Directors shall elect from among themselves a Chairman of the Board of Directors and a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The Board of Directors shall have the authority to undertake all matters on behalf of the Corporation pursuant to the laws and regulations, the Articles of Incorporation of the Corporation, and the resolutions adopted by the Shareholders' meeting and the meeting of the Board of Directors.

#### **Article 14 - 1**

The Board of Directors may establish various committees with different functions. The committees subordinated to the Board of Directors shall stipulate charters and rules regarding the exercise of rights and duties and which shall be put in force upon approval by the Board of Directors.

In compliance with laws or regulations, the Corporation shall establish an Audit

Committee, which shall consist of all Independent Directors. The Audit Committee shall be responsible for those responsibilities of supervisors specified in the Company Law of the Republic of China, Securities and Exchange Law and other relevant regulations.

#### **Article 15**

The Board of Directors shall hold a meeting at least once every quarter.

The reasons for convention of meetings of the Board of Directors shall be specified in the meeting notice and be given to each Director, provided that a meeting of the Board of Directors may be convened at any time in the event of emergency. The notice for convention of meetings of the Board of Directors shall be given to each Director in writing, in the form of electronic transmission or facsimile.

#### **Article 16**

The authorities of the Board of Directors shall follow the Company Law of the Republic of China and other applicable regulations.

#### **Article 17**

Meetings of the Board of Directors shall be presided by the Chairman of the Board of Directors. In his absence, acting for him shall be determined in accordance with Article 208 of the Company Law of the Republic of China. Other than the Board of Directors, anyone who has the right to convene a shareholders' meeting shall preside that shareholders' meeting. If there are two (2) or more persons who have the right to convene such meeting, a chairman shall be elected among themselves.

#### **Article 18**

Except as otherwise provided in the Company Law of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority of total Directors and resolutions shall be adopted with the concurrence of the majority of the Directors present at the meeting. A Director may, by written authorization stating the scope of authority, appoint another Director to attend the meeting, provided that one Director may not be acting for two or more Directors.

#### **Article 19**

The Corporation may defray compensation to all the Directors when they perform the duties relevant to the Corporation.

The Board of Directors is authorized to determine the compensation for all Directors based on the standards of the industry, taking into account the individual performance and the long term performance of the Corporation, and the business operation risk of the Corporation. The compensation for Independent Directors may be reasonably different from Directors.

## **Article 19 - 1**

The Corporation may purchase liability insurance for Directors.

## **Section V Management**

### **Article 20**

The Corporation may appoint a Chief Executive Officer, whose appointment, discharge and compensation shall follow Article 29 of the Company Law of the Republic of China and be appointed by a resolution attended by a majority of Directors and adopted with the concurrence of the majority of the Directors present at the meeting.

## **Section VI Accounting**

### **Article 21**

After closing of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the regular Shareholders' meeting for acceptance:

1. Business Report;
2. Financial Statements, and
3. Proposal Concerning Appropriation of Net Profits or Losses.

If the proposal concerning appropriation of net profits is paid in cash according to the second paragraph of Article 22-1, it shall be reported to the regular Shareholders' meeting.

### **Article 22 Employees' Profit Sharing Bonus and Compensation of Directors**

If there is any net profit after closing of a fiscal year, it shall be allocated according to the following principles:

1. Employee's profit sharing bonus: not less than 5% but no more than 10% and shall be determined and pursuant to Employee Bonus Procedure of the Corporation. In addition, employee's profit sharing bonus shall be distributed in the form of shares or cash. Stock-type employee's profit sharing bonus may be distributed to qualified employees of affiliates of the Corporation.
2. Compensation of Directors: no more than 3%.

However, if there are any accumulated losses of the Corporation, the Corporation shall pre-reserve the amount to offset the loss. The distribution of employees' compensation and compensation of Directors shall follow the special resolution by Board of Directors, and report it to the shareholders' meeting.

### **Article 22 - 1 Profits Distribution**

If there is any net profit after closing of a fiscal year, the Corporation shall first pay business income tax, offset losses in previous years, set aside a legal capital reserve at

10% of the profits left over, provided that no allocation of legal reserve is required if the accumulated legal reserve is equivalent to the total capital amount of the Corporation; and then set aside or rotate special reserve according to the rule set out by the government authority in charge. If there is still remaining balance, the Corporation shall set aside at least 50% for shareholders' dividends, the Board of Directors should draw up a meeting regarding the issue of profit distribution and report to the shareholders' meeting for the resolution of the distribution of the dividend, in which cash dividend shall not be lower than 10% of entire dividend.

It is authorized the distributable dividends and bonuses or legal capital reserve and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

As the Corporation is a high-tech firm with intensive capital expenditure, conditions, timing, amount and kinds of the above-stated dividend policy may be adjusted, taking into account economic cycles, industry change and the Corporation's growth and cash demand.

## **Section VII     Supplementary Provisions**

### **Article 23**

The amount of re-investment by the Corporation may exceed 40% of its paid-in capital.

### **Article 24**

In regard to all matters not provided for in the Articles of Incorporation, the Company Law and relevant laws and regulations of the Republic of China shall govern.

### **Article 25**

The Article of Incorporation are agreed to and signed on December 12, 1999 by all the promoters of the Corporation, and the first Amendment was approved by the shareholders' meeting on May 12, 2000, the second Amendment on May 4, 2001, the third Amendment on June 24, 2002, the fourth Amendment on June 24, 2003, the fifth Amendment on October 26, 2004, the sixth Amendment on June 24, 2005, the seventh Amendment on June 2, 2006, the eighth Amendment on June 19, 2008, the ninth Amendment on June 26, 2009, the tenth Amendment on June 24, 2010, the eleventh Amendment on June 10, 2011, the twelfth Amendment on June 5, 2012, the thirteenth Amendment of June 3, 2015, the fourteenth Amendment of June 24, 2016 and the fifteenth Amendment of June 14, 2019.



## **APPENDIX II: RULES AND PROCEDURES OF SHAREHOLDERS' MEETING (BEFORE THE REVISION)**

### **WIN Semiconductors Corp. Rules and Procedures of Shareholders' Meeting**

Approved by the AGM on June 24, 2016

1. Unless otherwise provided for in applicable laws and regulations or the Company's Articles of Incorporation, Shareholders' Meeting Rules and Procedures of the Company shall comply with the following articles.
2. The shareholders or their appointed proxies are referred to as shareholders on these articles.
3. Shareholders' meetings (the "Meeting") shall be held at the Company's premises or at another place that is convenient for shareholders to attend and suitable for a Meeting. The Meeting shall not start earlier than 9:00 AM or later than 3:00 PM.
4. The Company may appoint retained lawyers, certified public accountants or related persons to participate in the Meeting.
5. The Company shall provide a sign-in book allowing attending shareholders to sign in or require attending shareholders to submit attendance cards in lieu of signing in. Shareholders shall be admitted to the Meeting on the basis of attendance passes, attendance cards, or other attendance documents; those persons soliciting proxy forms shall be required to present identification documents for checking identities. When the government or a legal entity is a shareholder, more than one representative may attend the Meeting. However, a legal entity serving as proxy to attend the Meeting may appoint only one representative to attend.
6. Voting and attendance at the Meeting shall be based on number of shares. If a shareholder requests counting of number of the attendees, the chairman may turn it down. After such request was made, a resolution is duly passed should the attendance constitute the quorum if a voting is made on an agenda item. Shares of shareholders without voting rights shall not be included in the total number of issued and outstanding shares when voting on resolutions. If there is concern that a shareholder's interest may conflict with and adversely affect the Company's interests with regard to any matters discussed at the Meeting, such shareholder may not participate in voting, and may not represent another shareholder to exercise his or her voting rights. The number of shares of those persons not permitted to exercise their voting rights in the foregoing paragraph shall not be included in counting the total number of voting shares for attending shareholders.

Except in the case of a trust enterprise or securities proxy organization approved by the securities competent authority, the proxy voting rights of a person serving as a proxy for two or more shareholders may not exceed 3% of total issued and outstanding shares voting rights; if it does exceed 3%, the excess portion shall not be counted.

7. The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the Vice Chairman of the Board of Directors or one of the Directors shall preside at the Meeting in accordance with Article 208 of the Company Law of the Republic of China.

If the Meeting is convened by any person entitled to convene the Meeting other than the Board of Directors, such person shall be the chairman to preside at the Meeting. If there is more than one such person entitled to convene the Meeting, those persons shall nominate amongst themselves to be the Meeting's chairman.

The notifications and announcements shall state the reasons for the Meeting. The election or discharge of directors, the amendment of this Company's Articles of Incorporation, the dissolution, merger, or spin-off of the Company, or the matters specified in the Article 185, Paragraph 1 of the Company Law, or Article 26-1 or Article 43-6 of the Securities and Exchange Law shall be listed among the reasons for the Meeting, and may not be proposed as provisional motions.

8. The Company shall locate the surveillance video taping at the entrance of the Meeting place, and the proceeding of the Meeting shall be audio recorded and videotaped and these tapes shall be preserved for at least one year. However, the said audio and video tapes shall be preserved until the conclusion of the lawsuit if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Law.
9. The chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and the Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements, the number of shares represented by the attending shareholders has not yet constituted more than one-third of all issued and outstanding shares, the chairman shall announce the termination of the Meeting.

If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Law of the Republic of China, and shareholders shall be notified to attend another shareholders' meeting to approve the tentative resolutions within one month.

If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Law of the Republic of China.

10. The agenda of the Meeting shall be set by the Board of Directors if the meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.

The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such meeting.

Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the items (including provisional motions) listed in the agenda are completed.

11. When a shareholder attending the meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's account number (or the number of attendance card) and the account name of the shareholder. The chairman shall determine the sequence of shareholder's speeches.

If any attending shareholder at the Meeting submits a speech note but does not speak, no speech should be deemed to have been made by the shareholder. In case the content of the speech of a shareholder is inconsistent with the content of the speech note, the content of actual speech shall prevail.

The same shareholder may not speak more than twice concerning the same item without the chairman's consent, and each speech time may not exceed five minutes. The chairman may stop the speech of any shareholder who violates the above provision or exceeds the scope of the agenda item.

Unless otherwise permitted by the chairman and the speaking shareholder, no shareholder shall interrupt the speech of the speaking shareholder, otherwise the chairman shall stop such interruption.

When a legal-entity shareholder has appointed two or more representatives to attend the Meeting, only one representative can speak for each agenda item.

The chairman may respond himself/herself or designate another person to respond after the speech of attending shareholder.

12. Unless otherwise listed in the agenda items, there shall be no discussion or voting.

The chairman must provide sufficient time for the explanation and discussion of all items on the agenda and amendments and provisional motions submitted by shareholders; the chairman may announce an end of discussion and submit an item for a vote if the chairman deems that the agenda item is ready for voting. If the item(s) discussion of which was ended by the chairman is announced by the chairman to submit for voting(s), the votings may be conducted at same time, but each agenda item shall be voted separately.

13. Except otherwise specified in the Company Law or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the attending shareholders. An agenda item shall be deemed approved and shall have the same effect as if it was voted by casting ballots if no objection is voiced by all the attending shareholders after solicitation by the chairman.
14. If there is amendment to or substitute for an agenda item, the chairman shall decide the sequence of voting for such original agenda item, the amendment and the substitute. If any one of them has been approved, the others shall be deemed vetoed and no further voting will be necessary.
15. The chairman shall appoint persons to handle checking and counting ballots during votes on agenda items. However, the persons responsible for checking ballots must be shareholders. The ballots shall be publicly counted at the Meeting venue and the results of voting shall be announced at the Meeting and placed on record.
16. During procession of the Meeting, the chairman may announce recession. In case of force majeure, the chairman may determine to suspend the Meeting and announce the time of resuming the Meeting. In accordance with Article 182 of the Company Law of the Republic of China, the shareholders may have resolution to extend or continue the Meetings in five days.

Before the agenda (including provisional motions) set for the Meeting are completed, if the Meeting place cannot continue to be used, a new place will be located for resumption of the Meeting.
17. Persons handling affairs of the Meeting shall wear identification cards or arm badges. The chairman may order disciplinary officers or security guards to assist in keeping order in the Meeting place. Such disciplinary officers or security guards shall wear arm badges marked "Disciplinary Personnel" when assisting in maintaining order in the Meeting place.

If the Meeting place is equipped with loudspeaker equipment, the chairman shall stop any shareholders using equipment not installed by the Company from speaking.

The chairman shall order disciplinary officers or security guard to escort any shareholders who violate these Rules and Procedures and fail to heed the chairman's correction, or disrupt the proceeding of the Meeting and fail to desist, to leave the Meeting place.
18. If the election of directors is conducted during the Meeting, such an election shall be performed in accordance with the Company's Rules for Election of Directors and Supervisors, and the results must be announced at the Meeting.

The ballots casts in the election in the forgoing paragraph shall be sealed and signed by the persons responsible for checking ballots and kept for at least one year. If a shareholder initiates a lawsuit in accordance with Article 189 of the Company Law, ballots shall be kept until the end of the lawsuit.

19. Resolutions made at the Meeting shall be complied in the form of minutes. The chairman shall affix his signature or seal to the minutes, which shall be issued to shareholders within 20 days after the end of the Meeting.

With regard to the issue of minutes in the forgoing paragraph, the minutes may be distributed in the form of an announcement on the Market Observation Post System Website.

The minutes must faithfully record the Meeting's date (year, month, day), place, chairman's name, resolution method, summary of proceeding and results of resolutions.

The minutes of the Meeting shall be preserved for as long as the Company exists.

"There is no objection from any shareholders after solicitation by the chairman and the resolution is passed" shall be recorded in the minutes if no objection is voiced after solicitation by the chairman before an agenda item is put to a vote. If there are any objections, however, the resolution method, the number of approval votes cast and the percentage of the approval votes as to total votes shall be recorded in the minutes.

If any resolutions made by the Meeting are material information pursuant to the applicable laws and regulations or the Taiwan Stock Exchange Corporation's (Taipei Exchange's) regulations, the Company shall transmit the content of such resolutions to the Market Observation Post System Website within the specified period of time.

20. Shareholders attending the Meeting shall have the obligation to observe Meeting rules, obey resolutions and maintain order at the Meeting place.
21. The Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

## **APPENDIX III: RULES FOR ELECTION OF DIRECTORS (BEFORE THE REVISION)**

### **WIN Semiconductors Corp.**

#### **Rules for Election of Directors**

Approved by the AGM on June 24, 2016

##### **Article 1**

Unless otherwise provided in relevant laws and regulations or the Company's Articles of Incorporation, the directors of this Company shall be elected in accordance with the rules specified herein.

##### **Article 2**

Election of directors of this Company shall be held at the shareholders' meeting. This Company shall prepare ballots and note the number of voting rights.

##### **Article 2-1**

The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:
  1. Ability to make operational judgments.
  2. Ability to perform accounting and financial analysis.
  3. Ability to conduct management administration.
  4. Ability to conduct crisis management.
  5. Knowledge of the industry.
  6. An international market perspective.
  7. Leadership.
  8. Ability to make policy decisions.

##### **Article 2-2**

Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company

Act, reviewing of directors' qualifications, education and working experience credentials, and the existence of any matters set forth in Article 30 of the Company Act.

### **Article 3**

In the election of directors of this Company, the names of voters may be represented by shareholders' numbers.

### **Article 4**

In the election of directors of this Company, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons. The election of Independent Directors and Directors of the Corporation shall be conducted concurrently and the number of the Independent Directors and Directors to be elected shall be calculated separately.

### **Article 5**

In the election of directors of this Company, candidates who acquire more votes should win the seats. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.

### **Article 6**

At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from the shareholders present.

### **Article 7**

The ballot box used for voting shall be prepared by the Company and checked in public by the person to check the ballots before voting.

### **Article 8**

If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number, and the number of votes cast for such candidate. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name, the candidate's ID number, and the number of votes cast for such candidate. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column.

### **Article 9**

Ballots shall be deemed void under the following conditions:

- (1) Ballots not prepared by the Company;
- (2) Blank ballots not completed by the voter;
- (3) Illegible writing;
- (4) If the candidate is a shareholder of the Company, the name or shareholder's number of the candidate filled in the ballot is inconsistent with the shareholders' register. If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is incorrect;
- (5) The number of candidates filled in the ballot exceeding the number of the seats to be elected.
- (6) Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate;
- (7) Ballots not placed in the ballot box;
- (8) Any of the candidate's name, shareholder's number (ID number) or the number of votes cast for such candidate being erased or changed;
- (9) The name of the candidates filled in the ballots being the same as another candidate's name and the respective shareholder's numbers (ID numbers) not being indicated to distinguish them;
- (10) The total votes cast by the voter exceeding the total voting rights of such voter.

#### **Article 10**

The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

#### **Article 11**

The Board of Directors shall issue notifications to the directors elected.

#### **Article 12**

The Rules and any revision thereof shall become effective after approval by the shareholders' meeting.



**APPENDIX IV: EFFECT UPON BUSINESS PERFORMANCE, EARNINGS PER SHARE AND RETURN ON EQUITY OF ANY STOCK DIVIDEND DISTRIBUTION**

No stock dividend distributed, not applicable.

**APPENDIX V: THE ACCEPTANCE OF PROPOSED RESOLUTIONS OR NOMINATION OF CANDIDATES FOR DIRECTORS FROM ELIGIBLE SHAREHOLDERS**

1. In accordance with Article 172-1 of the Company Law, the time frame for the acceptance of proposed resolutions or nomination of candidates for directors from eligible shareholders will start from March 29 to April 8, 2021.
2. No proposal was submitted by any shareholders who hold more than one per cent of the company's outstanding shares within this period.

## APPENDIX VI: SHAREHOLDING OF DIRECTORS

### WIN Semiconductors Corp. Shareholding of Directors

Book closure date: April 12, 2021

Position	Name	Gender	Shareholding (shares)	Shareholding ratio (%)
Chairman	Chin-Tsai Chen	Male	12,752,953	3.01%
Vice Chairman	Yu-Chi Wang	Male	670,000	0.16%
Director	International Fiber Technology Co, Ltd.	-	3,503,097	0.83%
	Representative: Ming-Chien Hsieh	Male	0	0%
Director	Li-Chen Yeh	Male	7,687,525	1.81%
Director	Wen-Ming Chang	Male	290,750	0.07%
Director	Shun-Ping Chen	Male	1,897,993	0.45%
<b>Shareholding of directors (excluding independent directors)</b>			<b>26,802,318</b>	<b>6.32%</b>
Independent Director	Chin-Shih Lin	Male	0	0%
Independent Director	Shen-Yi Lee	Male	5,000	0.001%
Independent Director	Hai-Ming Chen	Female	5,120	0.001%
<b>Shareholding of independent directors</b>			<b>10,120</b>	<b>0.002%</b>

- Total issued shares: 424,056,384 shares  
Note: The redeemed new restricted employee shares, totaling 15,000 shares, was yet uncanceled as of April 12, 2021.
- The minimum required combined shareholding of all directors by law: 16,000,000 shares.
- The shareholding of directors (excluding independent directors) on the book closure date: 26,802,318 shares (6.32%) as of April 12, 2021.