



WIN Semiconductors Corp.

2022 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.

Meeting Type: Physical shareholders' meeting

Time: 9:00 a.m., Friday, June 17, 2022

Place: 3F, No. 2, Fuxing 1st Road, Guishan District, Taoyuan City, Taiwan, R.O.C.
(Fullon Hotel Taoyuan Airport MRT A8)

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I. MEETING PROCEDURE

WIN Semiconductors Corp. Procedure for the 2022 Annual General Shareholders' Meeting

I. Call the Meeting to Order

II. Chairperson Remarks

III. Report Items

IV. Proposed Items

V. Discussion Items

VI. Directors Election

VII. Other Items

VIII. Special Motions

IX. Adjournment

II. MEETING AGENDA

WIN Semiconductors Corp.

Agenda of the 2022 Annual General Shareholders' Meeting

Meeting Type: Physical shareholders' meeting

Time: 9:00 a.m., Friday, June 17, 2022

Place: 3F, No. 2, Fuxing 1st Road, Guishan District, Taoyuan City, Taiwan, R.O.C.
(Fullon Hotel Taoyuan Airport MRT A8)

I. Call the Meeting to Order

II. Chairperson Remarks

III. Report Items

1. 2021 Business Report
2. 2021 Audit Committee's review report
3. 2021 employees' profit sharing bonus and Directors' compensation
4. Status of distribution for cash dividend of 2021 earnings
5. Status of endorsement and/or guarantee of the Company

IV. Proposed Items

1. Adoption of the 2021 Business Report, Financial Statements and Profit Allocation Proposal

V. Discussion Items

1. Amendment to the Company's "Procedures for Acquisition or Disposal of Asset"

VI. Elections

The 9th Election of Directors

VII. Other Items

1. Proposal to Release the Prohibition on Newly-elected Directors from Participation in Competitive Business.

VIII. Special Motions

IX. Adjournment

REPORT ITEMS

Report 1: 2021 Business Report

See Attachment I (pages 8-11).

Report 2: 2021 Audit Committee's review report

See Attachment II (page 12).

Report 3: 2021 employees' profit sharing bonus and Directors' compensation

1. The Company's profit for 2021 was NT\$ 7,209,674,088 (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\$447,000,000 and NT\$129,000,000 respectively, and both will be distributed in cash.
2. These amounts were examined by the Compensation Committee on March 10, 2022 and approved by the Board of Directors meeting on March 18, 2022.

Report 4: Status of distribution for cash dividend of 2021 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\$8 per common share, amounting to NT\$3,391,811,072. 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\$13,840,000 thousand as of December 31, 2021, 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.	2,306,657	17,469,004
Jiangsu Chainwin Kang Yuan Agricultural Development Co., Ltd.	3,137,058	17,469,004
Jiangsu Win Yield Agriculture Development Co., Ltd.	4,521,085	17,469,004
Jiangsu Win Shine Agriculture Development Co., Ltd.	0	17,469,004
Jiangsu Chainwin Agriculture and Animal Technology Co., Ltd.	2,029,857	17,469,004
Jiangsu Win Chance Agriculture Development Co., Ltd.	0	17,469,004
Jiangsu Win Fortune Agriculture Development Co., Ltd.	738,143	17,469,004
Jiangsu Win Boutique Agriculture Development Co., Ltd.	553,600	17,469,004
Jiangsu Win Sunlight Agriculture Development Co., Ltd.	553,600	17,469,004
Total	13,840,000	17,469,004 (Aggregate limit of endorsement / guarantee)
<p>Note 1: The aggregate credit line of endorsees/ guarantees the Company provides for above subsidiaries is no more than US\$500 million, the exchange rate of USD/NTD=27.68 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>		

PROPOSED ITEMS

Proposal 1:

Proposed by the Board

Adoption of the 2021 Business Report, Financial Statements and Profit Allocation Proposal

Explanation:

1. The CPAs from KPMG, Chia-Chien Tang and Ming-Hung Huang, were retained to audit WIN's Financial Statements (parent-company-only & consolidated) including the balance sheets, statements of comprehensive income, statement of changes in equity, and statements of cash flows and have issued an audit report relating to the Financial Statements with unqualified opinion and other matters. The Financial Statements together with 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 2021 Business Report, Independent Auditors' Audit Report, Financial Statements and Profit Allocation Proposal are attached hereto as Attachments I (pages 8-11), III, IV and V (pages 13-29).

DISCUSSION ITEMS

Proposal 1:

Proposed by the Board

Amendment to the Company's "Procedures for Acquisition or Disposal of Asset"

Explanation:

- (1) WIN's "Procedures for Acquisition or Disposal of Asset" should be amended to reflect the relevant corporate governance rules released in the letter of No. 1110380465 from the Financial Supervisory Commission on January 28, 2022. The proposed amendment to the "Procedures for Acquisition or Disposal of Asset" is attached hereto as Attachment VI (pages 30-35).
- (2) WIN's "Procedures for Acquisition or Disposal of Asset" (before the revision) is attached hereto as Appendix IV (pages 58-82).

ELECTIONS

Proposal 1:

Proposed by the Board

The 9th Election of Directors

Explanation:

- (1) According to WIN's Article of Incorporation, the Company shall have seven to thirteen Directors, including not less than three Independent Directors. The tenure of WIN's 8th Board of Directors (including Independent Directors) expires on June 13, 2022. All Directors should be elected at this Annual General Shareholders' Meeting.
- (2) There shall be eleven Directors (including four Independent Directors), and the election shall be conducted in accordance with the candidate nomination system as specified in Article 192-1 of the Company Law. The Directors shall be elected at a shareholders' meeting. The list of Director candidates is attached hereto as Attachment VII (pages 36-40).
- (3) The newly-elected Directors shall take office on the elected day and serve a term of office of three years. The tenure of newly-elected Directors shall commence on June 17, 2022 and expire on June 16, 2025. The term of office of original Directors shall end on the date of re-election according to the law.

OTHER ITEMS

Proposal 1:

Proposed by the Board

Proposal for Release the Prohibition on Newly-elected Directors from Participation in Competitive Business.

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. The candidates of the Directors of the Board 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. Positions that Directors concurrently engage in are attached hereto as Attachment VIII (pages 41-42).

SPECIAL MOTIONS

ADJOURNMENT

III. ATTACHMENT

ATTACHMENT I: 2021 BUSINESS REPORT

2021 ended with COVID-19 still running rampant worldwide. We have occasionally heard about factories in the industry that have encountered suspension of production, chip shortage, backlog at ports, and price hikes over the past year. Coupled with the impact of a trade ban on a customer at the end of the previous year, it is truly an accomplishment for WIN Semi to achieve record high revenue in 2021 despite the many severe challenges.

For the full year of 2021, we seized the opportunity to be a key beneficiary amidst the reshuffling of China's smartphone market, by leveraging our strength of advanced technology, excellent production yield, and industry-leading production capacity. This was our most outstanding growth driver last year. In addition, while the die size shrink of the new generation 3D sensing chips for US-based smartphones caused the market to be cautious about the overall shipments for wafers, our 3D sensing revenue actually increased year-on-year given the increased difficulty of wafer production technology, making it another key growth driver for us last year. This demonstrated that our strategy of focusing on technology leadership and customer diversification has served us well, allowing us to continue to outperform despite volatility and uncertainties in the market. Looking ahead to the upcoming new year, while the COVID-19 pandemic continues to impact the world, the global 5G network infrastructure is still incomplete, and the penetration rate of 5G smartphones still has huge room to grow. However, the long-term development of the Internet of Things, AI and big data, and the evolution from AR and VR to XR and Metaverse, all require the characteristics of broadband, high-speed transmission and low-latency for 5G networks. Thus, we continue to be optimistic about the development of 5G in the next few years, as well as the construction of satellite communication infrastructure. In addition, our technologies in optical communication and optical sensing are becoming more mature, as we continue to accumulate more experience, which also helps to attract more potential customers. As a result, we continue to invest in R&D resources and cooperate with customers closely, aiming to become a pioneer of the next new application.

In addition to driving operational excellence, we also prioritize corporate sustainability and corporate governance. For the 2021 Corporate Governance Evaluation Survey by TWSE, we not only have been ranked top 5% among TPEx-listed companies for seven consecutive years, but also ranked top 10% among all TWSE and TPEx-listed companies in the electronics industry with a market value of over NT\$10 billion. In addition, we were also the winner of the 14th TCSA "Sustainability Report - Platinum Award." Internationally, we have been selected to join the DJSI World Index for the second year since 2020. As ESG continues to grow in importance globally, it is encouraging for us to be included in DJSI again, along with other global leading semiconductor companies, and gain recognition for our efforts in corporate governance and sustainability. 2021 operating results and 2022 outlook are reported as follow:

A. Operating Performance in 2021

1. Operating Performance

The Company's 2021 consolidated revenues totaled NT\$26,182,376 thousand, representing an increase of 2.49% compared to the year 2020. 2021 net profit attributable to owners of parent was NT\$5,454,962 thousand, representing a decrease of 16.45% compared to the prior year, and EPS for 2021 was NT\$12.9.

2. Analysis of Receipts, Expenditures, and Profitability

Unit: NT\$ thousand; %

Items			2021 (Consolidated)	2020 (Consolidated)
Interest Income & Interest Expense	Interest Income		37,752	29,425
	Interest Expense		309,380	92,964
Profitability	Return on Total Assets (%)		8.42	13.51
	Return on Equity (%)		15.81	20.49
	Ratio to Issued Capital (%)	Operating Income	151.50	183.52
		Pre-tax Income	150.95	188.71
	Profit Ratio (%)		19.90	25.32
	Earnings per Share (NT\$ dollars)		12.90	15.45

3. Budget Implementation

The Company is not required to make public its 2021 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

WIN Semi has developed applications spanning low frequency to high frequency from mobile phones to SATCOM and VSAT, and further entered the field of optical communications and light sensor components, covering transmission, reception, short wavelength, and long wavelength, expanding one step at a time to become the leader in the foundry industry. This was made possible through consistent investment of considerable R&D resources to provide customers with the most advanced process technologies and helping customers gain an advantage and increase their market share through these leading technologies and performance. In the development of advanced compound semiconductor materials in recent years, WIN Semi continued to optimize process technologies for GaN applications in 5G infrastructure, and has accelerated the development of the process technologies for InP in optical communications and optical sensing components.

For the long term research and development deployment and nurturing talents, on November 2021, WIN and National Yang Ming Chiao Tung University (NYCU) entered into a cooperation agreement for establishment of the NYCU-WIN Joint Technology Innovation Center. In addition, WIN together with 15 companies invested in National Cheng Kung University to establish the Academy of

Innovative Semiconductor and Sustainable Manufacturing. In the future, the parties will combine their advantages and resources to form a first-tier R&D team, focusing on development of compound semiconductor materials and devices related to wireless communication and optoelectronic application, and most importantly, fostering of future top-notch talents desperately needed by the industry. The research and development results of these projects will be brought into B5G (post 5G), 6G, next-generation ultra-high frequency (THz) communication and optical sensing components to meet demands ranging from mobile phones, autonomous cars, data centers to satellite communication, in the hope of supporting Taiwan's compound semiconductor supply chain to establish an irreplaceable market position in the world.

B. Business Plan in 2022

After one year of planning and implementing for the capacity expansion, the first floor clean room expansion of Fab C will be completed in the first half of 2022, and we will install equipment immediately after that. The new capacity is expected to come online in the second half of the year to meet the demand for the stronger season. In addition, for the new Luzhu fab in the Southern Taiwan Science Park in Kaohsiung, after its groundbreaking in the middle of last year, the construction of the new fab is a key focus for this year, and the goal is to complete the construction of clean room in the middle of 2023 and enter mass production before the end of 2024 to prepare in advance for customers long-term future demand.

C. Development Strategy

WIN Semi continues to pay attention to the developments of the industry's long-term growth momentum. According to the analysis of a research institute, the penetration of 5G smartphones will increase from 40% in the previous year to 50% in 2022. Besides increasing demand on cellular PA, countries also have relatively higher requirements on the density of 5G network. In addition, in order to meet the requirements of AI, IoT, and big data, upgrading Wi-Fi to Wi-Fi 6 and Wi-Fi 6E has become the top priority, and WIN Semi is actively developing technologies needed for Wi-Fi 7 in the future. Moreover, Low-Earth orbit satellites that allow seamless Internet access from land, air, and sea is the most crucial application among the development strategies for microwave applications in WIN Semi. As for optoelectronics applications, WIN Semi utilized its leading VCSEL manufacturing technologies and quality to further expanded the applications to proximity sensor and in-cabinet sensing for automobiles and the processes technologies of InP that we have been developing for years, the applications include receptors and other laser components. We are also actively developing LiDAR applications with potential customers

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

The world has been living in the shadows of COVID-19 and geopolitical tensions in recent years, which have caused uncertainties to supply and demand in the industry. Material and labor shortage and rising costs are issues that companies must face every single day. While facing these challenges and external competition, WIN Semi insists on complying with the law, implementing corporate governance, caring for society, the environment, and stakeholders and pursuing sustainable development.

Chin-Tsai Chen
(Dennis Chen)
Chairman

Kuo-Hua Chen
(Kyle Chen)
CEO

Linna Su
Accounting Officer

ATTACHMENT II: 2021 AUDIT COMMITTEE'S REVIEW REPORT

AUDIT COMMITTEE'S REVIEW REPORT

The Board of Directors has prepared the Company's 2021 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, 2022

ATTACHMENT III: INDEPENDENT AUDITORS' REPORT AND 2021 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, 2021 and 2020, 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, based on our audits and the report of another auditor (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, 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

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation 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 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. Based on our audits and the report of another auditor, 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.

Description of key audit matter:

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

We did not audit the financial statements for the year ended December 31, 2021 of certain investments accounted for using the equity method. That financial statements for the year ended December 31, 2021 were audited by another auditor, whose audit report has been furnished to us, and our conclusion, insofar as it relates to the amounts included in these investments, is based solely on the audit report of another auditor. The investment accounted for using the equity method amounted to \$9,678,934 thousand, constituting 12.92% of consolidated total assets as of December 31, 2021, the related share of profit of associates and joint ventures accounted for using the equity method amounted to \$306,374 thousand, and the related shares of other comprehensive income of associates and joint ventures accounted for using the equity method amounted to \$25,420 thousand, constituting 5.62% and 0.47% of consolidated total comprehensive income and loss for the year ended December 31, 2021, respectively.

WIN Semiconductors Corp. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unmodified opinion with other matter paragraph.

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, 2022

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, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020				December 31, 2021		December 31, 2020	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(a))	\$ 16,331,759	22	8,356,270	15	2120	Current financial liabilities at fair value through profit or loss (Notes				
1110	Current financial assets at fair value through profit or loss (Note 6(b))	61,875	-	756,038	1		6(b) and 6(r))	\$ 180,497	-	-	-
1170	Notes and accounts receivable, net (Notes 6(c) and 6(z))	2,717,560	3	2,037,502	4	2130	Current contract liabilities (Note 6(z))	353,157	-	534,426	1
1310	Inventories (Note 6(e))	6,670,737	9	5,498,603	10	2170	Notes and accounts payable	2,162,825	3	1,794,668	3
1400	Current biological assets (Note 6(f))	138,494	-	283,273	1	2200	Other payables	4,218,686	6	4,131,595	8
1470	Other current assets (Notes 6(d) and 6(o))	<u>534,427</u>	<u>1</u>	<u>549,745</u>	<u>1</u>	2280	Current lease liabilities (Notes 6(s) and 6(af))	122,882	-	84,993	-
	Total current assets	<u>26,454,852</u>	<u>35</u>	<u>17,481,431</u>	<u>32</u>	2399	Other current liabilities	<u>176,905</u>	<u>-</u>	<u>157,203</u>	<u>-</u>
Non-current assets:						Total current liabilities		<u>7,214,952</u>	<u>9</u>	<u>6,702,885</u>	<u>12</u>
1510	Non-current financial assets at fair value through profit or loss (Note					Non-current liabilities:					
	6(b))	1,822,433	2	814,065	1	2530	Bonds payable (Notes 6(r) and 6(af))	13,286,639	18	-	-
1517	Non-current financial assets at fair value through other					2540	Long-term borrowings (Notes 6(q), 6(af) and 8)	15,992,820	22	11,418,620	21
	comprehensive income (Note 6(b))	2,186,577	3	6,719,581	12	2580	Non-current lease liabilities (Notes 6(s) and 6(af))	1,034,327	1	614,891	1
1550	Investments accounted for using equity method (Notes 6(g) and 7)	10,405,398	14	841,825	2	2600	Other non-current liabilities (Notes 6(u), 6(af) and 7)	<u>243,424</u>	<u>-</u>	<u>235,615</u>	<u>1</u>
1600	Property, plant and equipment (Notes 6(h), 6(k), 7 and 8)	27,783,997	37	23,422,217	43		Total non-current liabilities	<u>30,557,210</u>	<u>41</u>	<u>12,269,126</u>	<u>23</u>
1755	Right-of-use assets (Notes 6(l) and 8)	1,255,616	2	787,133	1		Total liabilities	<u>37,772,162</u>	<u>50</u>	<u>18,972,011</u>	<u>35</u>
1760	Investment property (Notes 6(m) and 8)	1,053,948	1	1,380,781	3		Equity (Notes 6(b), 6(g), 6(i), 6(j), 6(r), 6(w) and 6(x)):				
1780	Intangible assets (Notes 6(h), 6(n) and 7)	641,885	1	578,431	1	3110	Ordinary shares	4,239,764	6	4,240,564	8
1830	Non-current biological assets (Note 6(f))	389,952	1	281,943	1	3200	Capital surplus	9,969,914	13	9,323,098	17
1840	Deferred tax assets (Note 6(v))	417,116	1	219,844	-	3300	Retained earnings	19,960,265	27	17,001,021	31
1915	Prepayments for business facilities	2,153,533	3	1,833,676	3	3400	Other equity interests	<u>768,065</u>	<u>1</u>	<u>3,512,903</u>	<u>6</u>
1990	Other non-current assets (Notes 6(o) and 8)	<u>328,851</u>	<u>-</u>	<u>341,536</u>	<u>1</u>		Total equity attributable to owners of parent	<u>34,938,008</u>	<u>47</u>	<u>34,077,586</u>	<u>62</u>
	Total non-current assets	<u>48,439,306</u>	<u>65</u>	<u>37,221,032</u>	<u>68</u>	36XX	Non-controlling interests	<u>2,183,988</u>	<u>3</u>	<u>1,652,866</u>	<u>3</u>
							Total equity	<u>37,121,996</u>	<u>50</u>	<u>35,730,452</u>	<u>65</u>
Total assets		<u>\$ 74,894,158</u>	<u>100</u>	<u>54,702,463</u>	<u>100</u>		Total liabilities and equity	<u>\$ 74,894,158</u>	<u>100</u>	<u>54,702,463</u>	<u>100</u>

WIN Semiconductors Corp. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Notes 6(b), 6(g) and 6(z))	\$ 26,182,376	100	25,546,205	100
5000	Operating costs (Notes 6(e), 6(f), 6(g), 6(k), 6(l), 6(n), 6(s), 6(u), 6(x), 6(aa), 7 and 12)	<u>(16,412,282)</u>	<u>(63)</u>	<u>(14,977,704)</u>	<u>(59)</u>
	Gross profit from operating	<u>9,770,094</u>	<u>37</u>	<u>10,568,501</u>	<u>41</u>
	Operating expenses (Notes 6(c), 6(k), 6(l), 6(m), 6(n), 6(s), 6(u), 6(x), 6(aa), 7 and 12):				
6100	Selling expenses	(347,132)	(1)	(343,627)	(1)
6200	Administrative expenses	(1,667,370)	(6)	(1,315,126)	(5)
6300	Research and development expenses	(1,331,849)	(5)	(1,127,552)	(5)
6450	Losses on expected credit impairment	<u>(694)</u>	<u>-</u>	<u>(23)</u>	<u>-</u>
	Total operating expenses	<u>(3,347,045)</u>	<u>(12)</u>	<u>(2,786,328)</u>	<u>(11)</u>
	Net operating income	<u>6,423,049</u>	<u>25</u>	<u>7,782,173</u>	<u>30</u>
	Non-operating income and expenses (Notes 6(b), 6(g), 6(k), 6(n), 6(r), 6(s), 6(t), 6(ab) and 7):				
7100	Interest income	37,752	-	29,425	-
7010	Other income	52,046	-	229,275	1
7020	Other gains and losses	48,113	-	(72,982)	-
7050	Finance costs	(309,380)	(1)	(92,964)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	<u>148,299</u>	<u>1</u>	<u>127,256</u>	<u>-</u>
	Total non-operating income and expenses	<u>(23,170)</u>	<u>-</u>	<u>220,010</u>	<u>1</u>
7900	Profit before tax	6,399,879	25	8,002,183	31
7950	Tax expense (Note 6(v))	<u>(1,189,465)</u>	<u>(5)</u>	<u>(1,533,572)</u>	<u>(6)</u>
	Profit	<u>5,210,414</u>	<u>20</u>	<u>6,468,611</u>	<u>25</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss (Notes 6(g), 6(u), 6(v) and 6(w))				
8311	Remeasurements of defined benefit plans	(1,099)	-	(10,736)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	323,357	1	742,137	3
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method	(656)	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>220</u>	<u>-</u>	<u>2,147</u>	<u>-</u>
	Total components of other comprehensive income (loss) that will not be reclassified to profit or loss	<u>321,822</u>	<u>1</u>	<u>733,548</u>	<u>3</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss (Notes 6(g) and 6(w))				
8361	Exchange differences on translation of foreign financial statements	(118,583)	-	(48,290)	-
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method	39,920	-	45,865	-
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>
	Total components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>(78,663)</u>	<u>-</u>	<u>(2,425)</u>	<u>-</u>
8300	Other comprehensive income, net	<u>243,159</u>	<u>1</u>	<u>731,123</u>	<u>3</u>
8500	Total comprehensive income	<u>\$ 5,453,573</u>	<u>21</u>	<u>7,199,734</u>	<u>28</u>
	Profit (loss) attributable to:				
8610	Profit attributable to owners of parent	\$ 5,454,962	21	6,528,740	25
8620	Profit (losses) attributable to non-controlling interests	<u>(244,548)</u>	<u>(1)</u>	<u>(60,129)</u>	<u>-</u>
		<u>\$ 5,210,414</u>	<u>20</u>	<u>6,468,611</u>	<u>25</u>
	Comprehensive income (loss) attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 5,709,580	22	7,238,423	28
8720	Comprehensive income (loss), attributable to non-controlling interests	<u>(256,007)</u>	<u>(1)</u>	<u>(38,689)</u>	<u>-</u>
		<u>\$ 5,453,573</u>	<u>21</u>	<u>7,199,734</u>	<u>28</u>
	Earnings per common share (expressed in New Taiwan dollars) (Note 6(y))				
9750	Basic earnings per share	<u>\$ 12.90</u>		<u>15.45</u>	
9850	Diluted earnings per share	<u>\$ 12.49</u>		<u>15.33</u>	

WIN Semiconductors Corp. and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent											
						Other equity interests						
						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Other unearned compensation for restricted shares of employees	Total other equity interests	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total retained earnings							
Balance as of January 1, 2020	\$ 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 interest 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
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)	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,508,470	1,508,470
Balance as of December 31, 2020	4,240,564	9,323,098	2,515,700	14,485,321	17,001,021	(202,205)	3,780,846	(65,738)	3,512,903	34,077,586	1,652,866	35,730,452
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	657,022	(657,022)	-	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	(4,240,414)	(4,240,414)	-	-	-	-	(4,240,414)	-	(4,240,414)
	-	-	657,022	(4,897,436)	(4,240,414)	-	-	-	-	(4,240,414)	-	(4,240,414)
Profit (losses) for the year ended December 31, 2021	-	-	-	5,454,962	5,454,962	-	-	-	-	5,454,962	(244,548)	5,210,414
Other comprehensive income for the year ended December 31, 2021	-	-	-	(879)	(879)	(67,204)	322,701	-	255,497	254,618	(11,459)	243,159
Total comprehensive income for the year ended December 31, 2021	-	-	-	5,454,083	5,454,083	(67,204)	322,701	-	255,497	5,709,580	(256,007)	5,453,573
Changes in ownership interest in subsidiaries	-	16,155	-	(25,344)	(25,344)	-	-	-	-	(9,189)	-	(9,189)
Compensation cost arising from restricted shares of employees	-	-	-	39	39	-	-	48,579	48,579	48,618	-	48,618
Purchase and retirement of restricted shares of stock for employees	(800)	(9,762)	-	-	-	-	-	10,562	10,562	-	-	-
Recognition of equity component of convertible bonds issued	-	639,583	-	-	-	-	-	-	-	639,583	-	639,583
Changes in equity of associates and joint ventures accounted for using equity method	-	510	-	(1,288,596)	(1,288,596)	-	-	-	-	(1,288,086)	-	(1,288,086)
Stock option compensation cost of subsidiary	-	330	-	-	-	-	-	-	-	330	230	560
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	3,059,476	3,059,476	-	(3,059,476)	-	(3,059,476)	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	786,899	786,899
Balance as of December 31, 2021	\$ 4,239,764	9,969,914	3,172,722	16,787,543	19,960,265	(269,409)	1,044,071	(6,597)	768,065	34,938,008	2,183,988	37,121,996

WIN Semiconductors Corp. and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 6,399,879	8,002,183
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	4,034,973	3,627,595
Amortization expense	132,369	108,881
Losses on expected credit impairment	694	23
Net gains on financial assets or liabilities at fair value through profit or loss	(365,198)	(156,103)
Interest expense	309,380	92,964
Interest income	(37,752)	(29,425)
Dividend income	(47,766)	(200,473)
Share-based payments	49,178	81,700
Shares of profit of associates and joint ventures accounted for using equity method	(198,535)	(126,030)
Losses (gains) on disposal of property, plant and equipment	49,183	(21,124)
Prepayments for business facilities transferred to expenses	986	860
Changes in biological assets at fair value	(7,506)	21,326
Unrealized foreign exchange gains	(92,825)	(189,575)
Losses on lease modification	19,584	-
Impairment loss	-	159,382
Total adjustments to reconcile profit (loss)	<u>3,846,765</u>	<u>3,370,001</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss	703,208	(260,952)
(Increase) decrease in notes and accounts receivable	(680,697)	369,104
Increase in inventories	(1,425,949)	(1,143,801)
Increase in biological assets	(19,965)	(544,683)
Increase in other current assets	<u>(10,162)</u>	<u>(150,175)</u>
Total changes in operating assets	<u>(1,433,565)</u>	<u>(1,730,507)</u>
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(181,269)	274,000
Increase (decrease) in notes and accounts payable	368,157	(31,546)
Increase in other payables	370,172	125,415
Increase (decrease) in other current liabilities	19,693	(3,118)
Increase in other non-current liabilities	<u>1,044</u>	<u>1,186</u>
Total changes in operating liabilities	<u>577,797</u>	<u>365,937</u>
Total changes in operating assets and liabilities	<u>(855,768)</u>	<u>(1,364,570)</u>
Cash inflow generated from operations	9,390,876	10,007,614
Dividends received	31,181	45,267
Income taxes paid	<u>(1,607,345)</u>	<u>(1,297,860)</u>
Net cash flows from operating activities	<u>7,814,712</u>	<u>8,755,021</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(2,744,229)	(1,507,183)
Proceeds from disposal of financial assets at fair value through other comprehensive income	313,827	75,188
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	10,000	6,667
Acquisition of financial assets at fair value through profit or loss	(614,629)	(396,208)
Proceeds from disposal of financial assets at fair value through income	-	318,337
Proceeds from capital reduction of financial assets at fair value through profit or loss	901	-
Acquisition of investments accounted for using equity method	(3,619,063)	(170,913)
Acquisition of property, plant and equipment	(6,728,213)	(6,877,801)
Proceeds from disposal of property, plant and equipment	11,005	62,365
Acquisition of intangible assets	(93,632)	(286,719)
Net cash inflows from business combination	458	-
Acquisition of right-of-use assets	(51,976)	(17,866)
Increase in other non-current assets	(39,305)	(210,108)
Increase in prepayments for business facilities	(1,352,663)	(1,630,995)
Interest received	37,629	28,405
Dividends received	<u>275,484</u>	<u>152,682</u>
Net cash flows used in investing activities	<u>(14,594,406)</u>	<u>(10,454,149)</u>
Cash flows from (used in) financing activities:		
Issuance of convertible bonds payable	13,902,774	-
Proceeds from long-term debt	7,759,270	8,348,293
Repayments of long-term debt	(3,081,000)	(2,632,500)
Increase (decrease) in other non-current liabilities	5,666	(879)
Repayments of lease liabilities	(123,806)	(96,721)
Cash dividends paid	(4,240,414)	(2,968,394)
Interest paid	(87,000)	(47,327)
Changes in non-controlling interests	<u>695,982</u>	<u>1,577,880</u>
Net cash flows from financing activities	<u>14,831,472</u>	<u>4,180,352</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(76,289)</u>	<u>(51,427)</u>
Net increase in cash and cash equivalents	7,975,489	2,429,797
Cash and cash equivalents at beginning of period	<u>8,356,270</u>	<u>5,926,473</u>
Cash and cash equivalents at end of period	<u>\$ 16,331,759</u>	<u>8,356,270</u>

ATTACHMENT IV: INDEPENDENT AUDITORS' REPORT AND 2021 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, 2021 and 2020, 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, based on our audits and the report of another auditor (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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. Based on our audits and the report of another auditor, 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.

Other Matter

We did not audit the financial statements for the year ended December 31, 2021 of certain investments accounted for using the equity method. That financial statements for the year ended December 31, 2021 were audited by another auditor, whose audit report has been furnished to us, and our conclusion, insofar as it relates to the amounts included in these investments, is based solely on the audit report of another auditor. The investment accounted for using the equity method amounted to \$7,855,162 thousand, constituting 11.90% of total assets as of December 31, 2021 and the related share of profit of subsidiaries, associates and joint ventures accounted for using the equity method amounted to \$254,979 thousand, and the related share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method amounted to \$21,000 thousand, constituting 4.47% and 0.37% of total comprehensive income and loss for the year ended December 31, 2021, respectively.

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, 2022.

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, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020				December 31, 2021		December 31, 2020	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(a))	\$ 11,522,418	18	4,402,617	9	2120	Current financial liabilities at fair value through profit or loss (Note 6(b) and 6(o))	\$ 180,497	-	-	-
1110	Current financial assets at fair value through profit or loss (Note 6(b))	18,541	-	10,239	-	2130	Contract liabilities (Note 6(w))	339,851	1	518,940	1
1170	Accounts receivable, net (Notes 6(c) and 6(w))	2,708,951	4	2,033,714	4	2170	Accounts payable	2,118,917	3	1,767,092	4
1210	Other receivables due from related parties (Notes 6(d) and 7)	14,148	-	8,445	-	2200	Other payables (Note 6(x))	3,822,631	6	3,957,873	8
1310	Inventories (Note 6(e))	6,554,201	10	5,446,860	11	2220	Other payables to related parties (Note 7)	6,643	-	6,835	-
1470	Other current assets (Notes 6(d) and 6(l))	<u>236,354</u>	<u>-</u>	<u>258,094</u>	<u>1</u>	2280	Current lease liabilities (Notes 6(p) and 6(ac))	30,844	-	13,635	-
	Total current assets	<u>21,054,613</u>	<u>32</u>	<u>12,159,969</u>	<u>25</u>	2399	Other current liabilities	<u>170,874</u>	<u>-</u>	<u>147,599</u>	<u>-</u>
Non-current assets:							Total current liabilities	<u>6,670,257</u>	<u>10</u>	<u>6,411,974</u>	<u>13</u>
1510	Non-current financial assets at fair value through profit or loss (Note 6(b))	1,442,016	2	814,065	2		Non-Current liabilities:				
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(b))	660,220	1	5,205,161	11	2530	Bonds payable (Notes 6(o) and 6(ac))	13,286,639	20	-	-
1550	Investments accounted for using equity method (Notes 6(f), 6(g) and 7)	21,190,836	32	9,794,631	20	2540	Long-term borrowings (Notes 6(n), 6(ac) and 8)	10,470,660	16	7,758,940	16
1600	Property, plant and equipment (Notes 6(h) and 8)	17,261,431	26	16,856,639	35	2580	Non-current lease liabilities (Notes 6(p) and 6(ac))	384,407	1	4,657	-
1755	Right-of-use assets (Note 6(i) and 8)	413,970	1	18,168	-	2600	Other non-current liabilities (Notes 6(r), 6(ac) and 7)	<u>234,543</u>	<u>-</u>	<u>227,057</u>	<u>1</u>
1760	Investment property (Notes 6(j) and 8)	1,053,948	2	1,380,781	3		Total non-current liabilities	<u>24,376,249</u>	<u>37</u>	<u>7,990,654</u>	<u>17</u>
1780	Intangible assets (Note 6(k))	138,218	-	133,392	-		Total liabilities	<u>31,046,506</u>	<u>47</u>	<u>14,402,628</u>	<u>30</u>
1840	Deferred tax assets (Note 6(s))	417,116	1	219,844	-		Equity (Notes 6(b), 6(f), 6(g), 6(o), 6(r), 6(s), 6(t) and 6(u)):				
1915	Prepayments for business facilities	2,140,415	3	1,798,857	4	3110	Ordinary shares	4,239,764	7	4,240,564	9
1990	Other non-current assets (Notes 6(l) and 8)	<u>211,731</u>	<u>-</u>	<u>98,707</u>	<u>-</u>	3200	Capital surplus	9,969,914	15	9,323,098	19
	Total non-current assets	<u>44,929,901</u>	<u>68</u>	<u>36,320,245</u>	<u>75</u>	3300	Retained earnings	19,960,265	30	17,001,021	35
						3400	Other equity interests	<u>768,065</u>	<u>1</u>	<u>3,512,903</u>	<u>7</u>
							Total equity	<u>34,938,008</u>	<u>53</u>	<u>34,077,586</u>	<u>70</u>
Total assets		<u><u>\$ 65,984,514</u></u>	<u><u>100</u></u>	<u><u>48,480,214</u></u>	<u><u>100</u></u>	Total liabilities and equity		<u><u>\$ 65,984,514</u></u>	<u><u>100</u></u>	<u><u>48,480,214</u></u>	<u><u>100</u></u>

WIN Semiconductors Corp.

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Notes 6(w) and 7)	\$ 25,521,833	100	24,940,505	100
5000	Operating costs (Notes 6(e), (h), (i), (k), (p), (r), (u), (x), and 12)	(15,779,629)	(62)	(14,522,007)	(58)
	Gross profit from operations	9,742,204	38	10,418,498	42
	Operating expenses (Notes 6(h), (i), (j), (k), (p), (r), (u), (x), 7 and 12):				
6100	Selling expenses	(287,537)	(1)	(281,071)	(1)
6200	Administrative expenses	(1,168,561)	(5)	(982,525)	(4)
6300	Research and development expenses	(1,154,136)	(4)	(1,010,778)	(4)
	Total operating expenses	(2,610,234)	(10)	(2,274,374)	(9)
	Net operating income	7,131,970	28	8,144,124	33
	Non-operating income and expenses (Notes 6(b), (f), (h), (o), (p), (q), (y) and 7):				
7100	Interest income	31,463	-	20,729	-
7010	Other income	51,765	-	229,055	1
7020	Other gains and losses	227,320	1	(159,961)	(1)
7050	Finance costs	(205,163)	(1)	(28,769)	-
7070	Share of losses of subsidiaries, associates and joint ventures accounted for using equity method	(603,681)	(2)	(143,098)	(1)
	Total non-operating income and expenses	(498,296)	(2)	(82,044)	(1)
7900	Profit before tax	6,633,674	26	8,062,080	32
7950	Tax expenses (Note 6(s))	(1,178,712)	(5)	(1,533,340)	(6)
	Profit	5,454,962	21	6,528,740	26
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss (Notes 6(r), 6(s) and 6(t))				
8311	Remeasurements of defined benefit plans	(1,099)	-	(10,736)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	49,108	-	378,045	2
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	273,593	1	362,982	1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	220	-	2,147	-
	Total components of other comprehensive income (loss) that will not be reclassified to profit or loss	321,822	1	732,438	3
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss (Note 6(t))				
8361	Exchange differences on translation of foreign financial statements	(214,625)	(1)	(298,767)	(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	147,421	1	276,012	1
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	(67,204)	-	(22,755)	-
8300	Other comprehensive income	254,618	1	709,683	3
8500	Total comprehensive income	<u>\$ 5,709,580</u>	<u>22</u>	<u>7,238,423</u>	<u>29</u>
	Earnings per common share (expressed in dollars) (Note 6(v))				
9750	Basic earnings per share	<u>\$ 12.90</u>		<u>15.45</u>	
9850	Diluted earnings per share	<u>\$ 12.49</u>		<u>15.33</u>	

WIN Semiconductors Corp.
Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other equity interests				
						Exchange differences on translation of foreign financial statements	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	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total retained earnings					
Balance on January 1, 2020	<u>\$ 4,240,564</u>	<u>9,244,308</u>	<u>2,068,260</u>	<u>11,330,929</u>	<u>13,399,189</u>	<u>(179,450)</u>	<u>3,089,886</u>	<u>(137,029)</u>	<u>2,773,407</u>	<u>29,657,468</u>
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	447,440	(447,440)	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	(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)	-
Balance on December 31, 2020	<u>4,240,564</u>	<u>9,323,098</u>	<u>2,515,700</u>	<u>14,485,321</u>	<u>17,001,021</u>	<u>(202,205)</u>	<u>3,780,846</u>	<u>(65,738)</u>	<u>3,512,903</u>	<u>34,077,586</u>
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	657,022	(657,022)	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	(4,240,414)	(4,240,414)	-	-	-	-	(4,240,414)
	-	-	657,022	(4,897,436)	(4,240,414)	-	-	-	-	(4,240,414)
Profit for the year ended December 31, 2021	-	-	-	5,454,962	5,454,962	-	-	-	-	5,454,962
Other comprehensive income for the year ended December 31, 2021	-	-	-	(879)	(879)	(67,204)	322,701	-	255,497	254,618
Total comprehensive income for the year ended December 31, 2021	-	-	-	5,454,083	5,454,083	(67,204)	322,701	-	255,497	5,709,580
Adjustments to share of changes in equities of subsidiaries and associates	-	6,409	-	(1,230,923)	(1,230,923)	-	(54,714)	-	(54,714)	(1,279,228)
Changes in ownership interests in subsidiaries	-	10,586	-	(28,303)	(28,303)	-	-	-	-	(17,717)
Compensation cost arising from restricted shares of employees	-	-	-	39	39	-	-	48,579	48,579	48,618
Purchase and retirement of restricted shares of stock for employees	(800)	(9,762)	-	-	-	-	-	10,562	10,562	-
Recognition of equity component of convertible bonds issued	-	639,583	-	-	-	-	-	-	-	639,583
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	3,004,762	3,004,762	-	(3,004,762)	-	(3,004,762)	-
Balance on December 31, 2021	<u>\$ 4,239,764</u>	<u>9,969,914</u>	<u>3,172,722</u>	<u>16,787,543</u>	<u>19,960,265</u>	<u>(269,409)</u>	<u>1,044,071</u>	<u>(6,597)</u>	<u>768,065</u>	<u>34,938,008</u>

WIN Semiconductors Corp.
Statements of Cash Flows
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 6,633,674	8,062,080
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	3,856,799	3,541,341
Amortization expense	102,693	87,911
Net gains on financial assets or liabilities at fair value through profit or loss	(243,365)	(23,184)
Interest expense	205,163	28,769
Interest income	(31,463)	(20,729)
Dividend income	(16,585)	(155,206)
Compensation cost arising from share-based payments	48,618	79,216
Shares of losses of subsidiaries, associates and joint ventures accounted for using equity method	603,681	143,098
Losses (gains) on disposal of property, plant and equipment	3,098	(21,124)
Other income	(51,482)	(18,818)
Impairment loss	-	139,071
Prepayments for business facilities transferred to expenses	96	625
Total adjustments to reconcile profit (loss)	<u>4,477,253</u>	<u>3,780,970</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in accounts receivable	(675,237)	368,210
Increase in inventories	(1,361,157)	(1,122,415)
(Increase) decrease in other current assets	(3,291)	15,658
Total changes in operating assets	<u>(2,039,685)</u>	<u>(738,547)</u>
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(179,089)	272,481
Increase (decrease) in accounts payable	351,825	(53,926)
Increase in other payables	338,429	61,485
Decrease in other payables to related parties	(192)	(360)
Increase (decrease) in other current liabilities	23,275	(3,468)
Increase in other non-current liabilities	1,044	1,186
Total changes in operating liabilities	<u>535,292</u>	<u>277,398</u>
Total changes in operating assets and liabilities	<u>(1,504,393)</u>	<u>(461,149)</u>
Cash inflow generated from operations	9,606,534	11,381,901
Income taxes paid	(1,596,645)	(1,297,658)
Net cash flows from operating activities	<u>8,009,889</u>	<u>10,084,243</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(1,884,803)	(1,295,285)
Proceeds from disposal of financial assets at fair value through other comprehensive income	313,827	46,945
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	10,000	6,667
Acquisition of financial assets at fair value through profit or loss	(353,212)	(396,208)
Proceeds from disposal of financial assets at fair value through profit or loss	-	318,337
Proceeds from capital reduction of financial assets at fair value through profit or loss	901	-
Acquisition of investments accounted for using equity method	(7,214,240)	(3,491,500)
Acquisition of property, plant and equipment	(2,896,439)	(2,614,208)
Proceeds from disposal of property, plant and equipment	11,005	62,364
Acquisition of intangible assets	(79,541)	(119,038)
Increase in other non-current assets	(113,024)	(49,359)
Increase in prepayments for business facilities	(1,346,378)	(1,597,403)
Interest received	30,121	20,761
Dividends received	295,408	152,682
Other income received	45,779	11,572
Net cash flows used in investing activities	<u>(13,180,596)</u>	<u>(8,943,673)</u>
Cash flows from (used in) financing activities:		
Issuance of convertible bonds payable	13,902,774	-
Proceeds from long-term debt	5,792,720	5,165,440
Repayments of long-term debt	(3,081,000)	(2,632,500)
Repayments of lease liabilities	(47,666)	(33,990)
Increase (decrease) in other non-current liabilities	5,343	(3,445)
Cash dividends paid	(4,240,414)	(2,968,394)
Interest paid	(41,249)	(29,014)
Net cash flows from (used in) financing activities	<u>12,290,508</u>	<u>(501,903)</u>
Net increase in cash and cash equivalents	7,119,801	638,667
Cash and cash equivalents at beginning of period	4,402,617	3,763,950
Cash and cash equivalents at end of period	<u>\$ 11,522,418</u>	<u>4,402,617</u>

ATTACHMENT V: PROFIT ALLOCATION PROPOSAL

WIN Semiconductors Corp. 2021 Profit Allocation Proposal

Unit: NT\$

Unappropriated retained earnings, Dec. 31, 2020	9,587,884,754
Net profit of 2021	5,454,961,933
Add: Disposal of investments in equity instruments designated at fair value through other comprehensive income	3,004,762,204
Less: Changes in equity of investment in subsidiaries and associates accounted for using equity method	(1,230,922,888)
Add: Compensation cost of Restricted Stock Award	39,300
Less: Change in ownership interest in subsidiaries	(28,303,017)
Less: Remeasurements of defined benefit plans	(879,200)
The net profit of 2021 and the items other than net profit of 2021 but are included in unappropriated retained earnings of 2021	7,199,658,332
Less: 10% legal reserve	(719,965,834)
Retained earnings in 2021 available for distribution	6,479,692,498
Distributable item:	
Cash dividends to common share holders (NT\$8 per share)	(3,391,811,072)
Unappropriated retained earnings of 2021	3,087,881,426
Unappropriated retained earnings, Dec. 31, 2021	12,675,766,180

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 (Dennis Chen) *Kuo-Hua Chen (Kyle Chen)* *Linna Su*

Chairman

CEO

Accounting Officer

ATTACHMENT VI: REVISIONS TO PROCEDURES FOR ACQUISITION OR DISPOSAL OF ASSET

Before and After Revision

AFTER THE REVISION	BEFORE THE REVISION
<p>Article 4</p> <p>Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPA's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>Subparagraph 1~3 (Omitted)</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules of their respective allied associations and the</u> following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate</u> and reasonable, and that they have complied with applicable laws and regulations. 	<p>Article 4</p> <p>Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPA's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>Subparagraph 1~3 (Omitted)</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable <u>and accurate</u>, and that they have complied with applicable laws and regulations.
<p>Article 8</p> <p>In acquiring or disposing of real property,</p>	<p>Article 8</p> <p>In acquiring or disposing of real property,</p>

AFTER THE REVISION	BEFORE THE REVISION
<p>equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: Subparagraph 1~2 (Omitted)</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. Subparagraph 4 (Omitted)</p>	<p>equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: Subparagraph 1~2 (Omitted)</p> <p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. Subparagraph 4 (Omitted)</p>
<p>Article 9 The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a CPA, for reference in appraising the transaction price, and if the dollar amount</p>	<p>Article 9 The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a CPA, for reference in appraising the transaction price, and if the dollar amount</p>

AFTER THE REVISION	BEFORE THE REVISION
<p>of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>
<p>Article 10 Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p>	<p>Article 10 Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>
<p>Article 14 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by domestic</p>	<p>Article 14 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by domestic</p>

AFTER THE REVISION	BEFORE THE REVISION
<p>securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution:</p>	<p>securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution:</p>
<p>Subparagraph 1~7 (Omitted)</p>	<p>Subparagraph 1~7 (Omitted)</p>
<p>With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company’s Board of Directors delegate the Chairman of Board of Directors to decide such matters when the transaction is within 10 percent of the Company’s net value and subsequently submitted to and ratified by the next Board of Directors meeting:</p>	<p><u>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with second paragraph Article 30 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and the Board of Directors need not be counted toward the transaction amount.</u></p>
<ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. 	<p>With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company’s Board of Directors delegate the Chairman of Board of Directors to decide such matters when the transaction is within 10 percent of the Company’s net value and subsequently submitted to and ratified by the next Board of Directors meeting:</p>
<ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>When a matter is submitted for discussion by the Board of Directors pursuant to the first paragraph, the Board of Directors shall take into full consideration each independent director’s opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p>	<ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use.
<p><u>If the Company or its subsidiary that is not a domestic public offering company conducts a transaction outlined in paragraph 1, and the transaction amount reaches 10% or more of the Company’s total assets, the Company shall submit the materials listed in paragraph 1 to the shareholders meeting for approval before it may sign the transaction contract and make payments. However, transactions between the Company and its subsidiaries</u></p>	<p>When a matter is submitted for discussion by the Board of Directors pursuant to the first paragraph, the Board of Directors shall take into full consideration each independent director’s opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p>

AFTER THE REVISION	BEFORE THE REVISION
<p><u>or between its subsidiaries shall not be subject to this provision.</u></p> <p><u>The calculation of the transaction amount refer to in paragraph 1 and the preceding paragraph shall be made in accordance with the provisions of Article 30, paragraph 2 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by Shareholders Meeting, Audit Committee and the Board of Directors need not be counted toward the transaction amount.</u></p>	
<p>Article 19 Risk management: Subparagraph 1~5 (Omitted) <u>6. Level of Approved Authority:</u> <u>(1) Total amount of an individual contract exceed NT\$300 million: Chairman</u> <u>(2) Total amount of an individual contract less than or equal to NT\$300 million: General Manager of CA.</u></p>	<p>Article 19 Risk management: Subparagraph 1~5 (Omitted)</p>
<p>Article 30 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC’s designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event: Subparagraph 1~5 (Omitted) 6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds <u>or the foreign government bonds with a credit rating not lower than our country's sovereign rating.</u> (2) Trading of bonds under</p>	<p>Article 30 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC’s designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event: Subparagraph 1~5 (Omitted) 6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds. (2) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic</p>

AFTER THE REVISION	BEFORE THE REVISION
repurchase/resale agreements, or subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises. Paragraph 2~6 (Omitted)	money market funds issued by domestic securities investment trust enterprises. Paragraph 2~6 (Omitted)

ATTACHMENT VII: LIST OF DIRECTOR (INCLUDING INDEPENDENT DIRECTOR) CANDIDATES

Directors:

Name	Gender	Education & Previous Major Experience	Major Positions Currently Held	Shareholdings* (shares)
Mr. Chin-Tsai Chen (Dennis Chen, 陳進財)	Male	<ul style="list-style-type: none"> • Master Degree in Public Administration, University of San Francisco, USA • Master Degree in Accounting, Tamkang University, Taiwan • Honorary Doctorate, Tamkang University, Taiwan • Director, Namchow Chemical Industrial Co., Ltd. • General Manager, Namchow Chemical Industrial Co., Ltd. 	<ul style="list-style-type: none"> • Chairman and President, WIN Semiconductors Corp. • Chairman/Director, ITEQ Corporation (and its subsidiaries) • Chairman, WIN Venture Capital Corp. • Chairman, WIN Earn Investment Corp. • Chairman, WIN Chance Investment Corp. • Chairman, Phalanx Biotech Group, Inc. • Vice Chairman, HIWIN Technologies Corp. • Director Representative, Mercuries Life Insurance • Director, Taiwan New Economy Foundation • Independent Director, Kinsus Interconnect Technology Corp. • Independent Director, Tong Hsing Electronic Ind, Ltd. • Independent Director, Inventec Besta Co., Ltd. • Chairman, WIN SEMI. USA, INC. • Chairman, Win Semiconductors Cayman Islands Co., Ltd. • Chairman/Director, Chainwin Agrotech and Biotech (Cayman Islands) Co., Ltd. (and its subsidiaries) • Supervisor, Excellence Sporting Goods Co., Ltd. • Supervisor, Comax Sporting Goods Co., Ltd 	12,752,953

Name	Gender	Education & Previous Major Experience	Major Positions Currently Held	Shareholdings* (shares)
Dr. Yu-Chi Wang (YC Wang, 王郁琦)	Male	<ul style="list-style-type: none"> • PhD in Material Engineering, Rutgers University, USA • Researcher, Bell Laboratories, Lucent Technologies, Murray Hill, NJ, USA • CEO, WIN Semiconductors Corp. • Director and CEO, WIN SEMI. USA, INC. 	<ul style="list-style-type: none"> • Vice Chairman, WIN Semiconductors Corp. • Chairman of Technology Development Strategy Committee, WIN Semiconductors Corp. 	650,000
Mr. Ming-Chien Hsieh (謝明健)	Male	<ul style="list-style-type: none"> • Bachelor Degree in Architecture, National Cheng Kung University, Taiwan • Master Degree in Science of Finance, Golden Gate University, USA • Chairman, Hua-chuang Development Co., Ltd. 	<ul style="list-style-type: none"> • Director Representative, WIN Semiconductors Corp. • Chairman, KC Fibertech INC. ** • Chairman, Going Champion Enterprise Co., Ltd. • Chairman, Triumphant Capital Ltd. • Director, Kuo Cheng Investment Enterprise Co., Ltd. 	0
Mr. Li-Cheng Yeh (葉力誠)	Male	<ul style="list-style-type: none"> • Master of Information Engineering, Pace University • Chairman, Goldshare Investment Corporation • Chairman, Fulltime Investment Corporation 	<ul style="list-style-type: none"> • Director, WIN Semiconductors Corp. • Chairman, Goldshare Investment Corporation • Chairman, Fulltime Investment Corporation • Chairman, RNS Assets Management Company • Vice Chairman, Royal Base Corporation • Director, Inventec Corporation • Director Representative, Inventec Appliances Corp. • Director Representative, AIMobile Co., Ltd. • Director, Inventec Besta Co., Ltd. • Director, Chainwin Biotech and Agrotech (Cayman Islands) Co., Ltd. • Director, Inventec Group Charity Foundation 	7,687,525

Name	Gender	Education & Previous Major Experience	Major Positions Currently Held	Shareholdings* (shares)
			<ul style="list-style-type: none"> President, Shanghai Shisheng Enterprise Management Consulting Co., Ltd. 	
Dr. Wen-Ming Chang (William Chang, 張文銘)	Male	<ul style="list-style-type: none"> PhD in Chemical Engineering, Clemson University, USA General Manager, Huga Optotech Inc. 	<ul style="list-style-type: none"> Director, WIN Semiconductors Corp. BU General Manager, WIN Semiconductors Corp Independent Director, GIGA SOLAR MATERIALS CORPORATION 	290,750
Mr. Shun-Ping Chen (Steve Chen, 陳舜平)	Male	<ul style="list-style-type: none"> Master Degree in Business Administration, Rutgers University, USA Acting Spokesperson, ASUSTEK Computer Inc. Manager, Protek (Shanghai) Limited 	<ul style="list-style-type: none"> General Manager of Corporate Administration, WIN Semiconductors Corp. Director Representative, NFC I Renewable Power Co., Ltd. Director Representative, Gogolook Co., Ltd. Director Representative, NEW FUTURE CAPITAL CO., LTD. Director Representative, Phalanx Biotech Group, Inc. Independent Director, Wei Chuan Foods Corp. Chairman of ESG Committee, WIN Semiconductors Corp. 	1,897,993
Mr. Kuo-Hua Chen (Kyle Chen, 陳國樺)	Male	<ul style="list-style-type: none"> EMBA, Graduate Institute of Accounting, National Taiwan University, Taiwan Fab Director, Macronix International Co., Ltd. Director, ProMOS Technologies Inc. General Manager, Yokogawa Test & Measurement Corporation 	<ul style="list-style-type: none"> CEO, WIN Semiconductors Corp. CEO, WIN SEMI. USA, INC. 	155,176

* Shareholdings as of April 19, 2022.

** KC Fibertech INC. was previously translated as International Fiber Technology Co., Ltd. in historical meeting handbooks and annual reports.

Independent Directors:

Name	Gender	Education & Major Experience	Other Major Positions	Shareholdings* (shares)
Mr. Chin-Shih Lin (林錦獅)	Male	<ul style="list-style-type: none"> • Master Degree in Accounting, Tamkang University, Taiwan • Certified Public Accountant (CPA) • Supervisor/Director, Prolific Technology Inc. • Independent Director & Compensation Committee Member, Namchow Holdings Co., Ltd. • Independent Director & Compensation Committee Member, WIN Semiconductors Corp. 	<ul style="list-style-type: none"> • Independent Director & Compensation Committee Member, WIN Semiconductors Corp. • Certified Public Accountant (CPA) • Director, Prolific Technology Inc. • Independent Director & Compensation Committee Member, Namchow Holdings Co., Ltd. 	0
Dr. Shen-Yi Lee (李伸一)	Male	<ul style="list-style-type: none"> • PhD in Law, Chinese Culture University, Taiwan • Lawyer • Chairman, Consumer's Foundation, Taiwan, R.O.C. • Commissioner, Political Party Review Commission, Executive Yuan, Taiwan • Commissioner, Fair Trade Commission, Executive Yuan, Taiwan • Member, 2nd and 3rd Sessions, Control Yuan, Taiwan • President, Junior Chamber International Taipei • President, Taiwan Rotary Club • Secretary-general, Dharma Drum Mountain Humanity and Social Foundation 	<ul style="list-style-type: none"> • Independent Director & Compensation Committee Member, WIN Semiconductors Corp. • Chairman, One Eternity Foundation Company Limited • Supervisor, Dharma Drum Mountain Humanity and Social Foundation • Compensation Committee Member, Capital Futures Corporation • Director Representative, Nan Ya Plastics Corporation • Director, East Tender Optoelectronics Corporation • Director, Pharmaessentia Corporation • Independent Director & Compensation Committee Member, Capital Securities Corporation 	5,000

		<ul style="list-style-type: none"> • Adjunct Associate Professor, National Chengchi University (NCCU) • Adjunct Associate Professor, Chinese Culture University • CSR Reviewer, CommonWealth Magazine • Director & Compensation Committee Member, WIN Semiconductors Corp. 	<ul style="list-style-type: none"> • Supervisor, Chinese Culture University • Supervisor, Taoyuan International Airport Services Co., Ltd. • National Policy Advisor to the President, Office of the President • Vice Chairman, Taiwan New Economy Foundation 	
Ms. Hai-Ming Chen (陳海鳴)	Female	<ul style="list-style-type: none"> • PhD, National Yang Ming Chiao Tung University, Taiwan • Professor, Graduate Institute of Management Sciences & Dean of Human Resource, Tamkang University, Taiwan 	<ul style="list-style-type: none"> • Independent Director & Compensation Committee Member, WIN Semiconductors Corp. • Emeritus Professor, Tamkang University • Independent Director & Chairman of Compensation Committee, Tecom Co., Ltd. • Compensation Committee Member, Namchow Holdings Co., Ltd. 	5,120
Mr. Chao-Shun Chang (張兆順)	Male	<ul style="list-style-type: none"> • Master Degree in Public Finance, National Chengchi University, Taiwan • Supervisor, First Commercial Bank • Chairman, Franklin Templeton First Taiwan Securities Investment Trust Enterprise • Supervisor, First Financial Holding Co., Ltd. • Chairman, Oversea-Chinese Banking Corporation Limited • Chairman, Taiwan Business Bank • Chairman of First Financial Holding Co., Ltd. and First Commercial Bank • Certified Public Accountant 	<ul style="list-style-type: none"> • Chairman, Mega Financial Holding Company Ltd. • Chairman, Mega International Commercial Bank • Director, National Credit Card Center of R.O.C. • Director, Taipei Financial Center Corporation • Supervisor, Taiwan Capital Buffalo Fund Co., Ltd. • Director, Taiwan Capital Management Corporation • Director, Taiwan Asset Management Corporation • Chairman, Mega Bank Cultural and Educational Foundation • Chairman, Mega Charity Foundation 	0

* Shareholdings as of April 19, 2022.

ATTACHMENT VIII: DIRECTORS AND POSITIONS HELD (INCLUDING INDEPENDENT DIRECTOR) FOR RELEASE OF NON-COMPETITION RESTRICTIONS

Title	Name	Relevant positions held concurrently by directors	
Director	Mr. Chin-Tsai Chen (Dennis Chen, 陳進財)	1. ITEQ Corporation 2. Phalanx Biotech Group, Inc. 3. HIWIN Technologies Corp. 4. Mercuries Life Insurance Co., Ltd. 5. Kinsus Interconnect Technology Corp. 6. Tong Hsing Electronic Industries, Ltd. 7. Inventec Besta Co., Ltd 8. Chainwin Biotech and Agrotech (Cayman Islands) Co., Ltd. 9. ITEQ (Dongguan) Corporation (ITEQ (Dongguan)) 10. ITEQ (Wuxi) Electronic Technologies Co., Ltd. (ITEQ (Wuxi)). 11. ITEQ (Guangzhou) Corporation (ITEQ (Guangzhou)) 12. ITEQ (Huangjiang) Corporation (ITEQ (Huangjiang)) 13. ITEQ (Jiangxi) Electronic Technologies Co., Ltd (ITEQ (Jiangxi)).	Chairman Chairman Vice Chairman Director Representative Independent Director Independent Director Independent Director Chairman Chairman Chairman Chairman Chairman Chairman
Director	Mr. Ming-Chien Hsieh (謝明健)	1. KC Fibertech INC.* 2. Going Champion Enterprise Co., Ltd. 3. Triumphant Capital Ltd. 4. Kuo Cheng Investment Enterprise Co., Ltd.	Chairman Chairman Chairman Director
Director	Li-Cheng Yeh (葉力誠)	1. Goldshare Investment Corporation 2. Fulltime Investment Corporation 3. RNS Assets Management Company 4. Royal Base Corporation 5. Inventec Corporation 6. Inventec Appliances Corp. 7. AIMobile Co., Ltd. 8. Inventec Besta Co., Ltd. 9. Chainwin Biotech and Agrotech (Cayman Islands) Co., Ltd.	Chairman Chairman Chairman Vice Chairman Director Director Representative Director Representative Director Director

Title	Name	Relevant positions held concurrently by directors	
Director	Wen-Ming Chang (William Chang, 張文銘)	1. GIGA SOLAR MATERIALS CORPORATION	Independent Director
Director	Shun-Ping Chen (Steve Chen, 陳舜平)	1. NFC I Renewable Power Co., Ltd. 2. Gogolook Co., Ltd. 3. NEW FUTURE CAPITAL CO., LTD. 4. Phalanx Biotech Group, Inc. 5. Wei Chuan Foods Corp.	Director Representative Director Representative Director Representative Director Representative Independent Director
Independent Director	Chin-Shih Lin (林錦獅)	1. Prolific Technology Inc. 2. Namchow Holdings Co., Ltd.	Director Independent Director
Independent Director	Shen-Yi Lee (李伸一)	1. One Eternity Foundation Company Limited 2. Nan Ya Plastics Corporation 3. East Tender Optoelectronics Corporation 4. Pharmaessentia Corporation 5. Capital Securities Corporation	Chairman Director Representative Director Director Independent Director
Independent Director	Hai-Ming Chen (陳海鳴)	1. Tecom Co., Ltd.	Independent Director

* KC Fibertech INC. was previously translated as International Fiber Technology Co., Ltd. in historical meeting handbooks and annual reports.

IV. APPENDIX

APPENDIX I: ARTICLES OF INCORPORATION (BEFORE THE REVISION)

WIN Semiconductors Corp.

Articles of Incorporation

Approved by the AGM on July 22, 2021

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 thirteen (13) 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 three (3) 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 and the sixteenth Amendment on July 22, 2021.

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 July 22, 2021

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. Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the Board of Directors.

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).

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.

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. 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.

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.

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 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.

5. 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.

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. 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.

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. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

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 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, 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 Company may appoint retained lawyers, certified public accountants or related persons to participate in the Meeting.

8. The Company, 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 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.
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. 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. 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.

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 and allocate sufficient time for voting.

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. 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.

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. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting 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.

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.

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.

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 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.

13. 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.
14. 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.
15. 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.

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 including the names of those elected as directors and the numbers of votes.

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.

17. 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 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.

The minutes of the Meeting shall be preserved for as long as the Company exists. If any resolutions made by the Meeting are material information pursuant to the applicable laws and regulations or the Taipei Exchange (TPEX) regulations, the Company shall transmit the content of such resolutions to the Market Observation Post System Website within the specified period of time.

18. Shareholders attending the Meeting shall have the obligation to observe Meeting rules, obey resolutions and maintain order at the Meeting place.
19. 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 July 22, 2021

Article 1

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”. 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

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. They 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.

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 director.

Article 3

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.

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.

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.

Article 5

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.

Article 6

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.

Article 7

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 8

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

Article 9

Ballots shall be deemed void under the following conditions:

- (1) Ballots not prepared by a person with the right to convene;
- (2) A blank ballot is placed in the ballot box;
- (3) The writing is unclear and indecipherable or has been altered;
- (4) Other words or marks are entered in addition to the number of voting rights allotted.

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: PROCEDURES FOR ACQUISITION OR DISPOSAL OF ASSET (BEFORE THE REVISION)

WIN Semiconductors Corp.

Procedures for Acquisition or Disposal of Assets

Approved by the AGM on June 14, 2019

Chapter I General Principles

Article 1: This Company's acquisition or disposal of assets should be made in accordance with the following Procedures. Any other matters not set forth in the Procedures shall be dealt with in accordance with the applicable laws, rules, and regulations.

Article 2: The term "assets" as used in these Procedures includes the following:

1. Securities (including stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities).
2. Real property (including land, houses and buildings, and investment property) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Derivatives.
7. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
8. Other major assets.

Article 3: Terms used in this Procedure are defined as follows:

1. Derivatives: refer to forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, or long-term purchase (sales) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions,

or transfer of shares in accordance with law: refer to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefore (hereinafter “transfer of shares”) under Article 156-3 of the Company Law.

3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence: refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of the Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
7. Net worth: refers to the balance sheet equity attributable to the owners of the parent company according to the latest financial reports audited or reviewed by the certified public accountants (CPAs).

Article 4: Professional appraisers and their officers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPA’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:

1. Shall not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Law, the Banking Act of the Republic of China, the Insurance Act, the Financial Holding

Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.

2. Shall not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Chapter II Disposition Procedures

Section I Establishment of Disposition Procedures

Article 5: The Company shall establish the procedures for the acquisition or disposal of assets. The procedures shall be approved by more than half of all audit committee members and submitted to the Board of Directors for a resolution, and then to a shareholders meeting for approval; the same applies when the procedures are amended.

When the procedures for the acquisition and disposal of assets are

submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.

For matters that discussion and approval of the Audit Committee under the procedures are required, if approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

Article 6: The Company specifies the following items in the procedures:

1. The scope of assets: refer to Article 2 of the Procedure.
2. Appraisal procedures:
 - (1) The units responsible for implementation should report the reasons for acquisition or disposition of assets, subject matter, transaction counterparties, transaction price, terms of payment, and appraisal results or evaluation reports etc. to the level in-charge for decision making.
 - (2) The means of price determination:
 - i. In acquiring or disposing real property and equipment: refer to Article 8 in Section 2 of the Procedure.
 - ii. In acquiring or disposing securities:
 - (i) The price of securities trading at a centralized securities exchange market or at the place of business of a securities firm is determined by its listed price or market price.
 - (ii) The price of securities not trading at a centralized securities exchange market, at the place of business of a securities firm or at a private placement: refer to Article 9 in Section 2 of the Procedure.
 - iii. In acquiring or disposing memberships or intangible assets: refer to Article 10 in Section 2 of the Procedure.
 - iv. Related party transactions: refer to Section 3 of the Procedure.

v. Engaging in derivatives trading: refer to Section 4 of the Procedure.

vi. Assets acquired or disposed of through mergers and consolidations, splits, acquisitions and assignment of shares: refer to Section 5 of the Procedure.

3. Operating procedures:

(1) Degree of authority delegated and the levels to which authority is delegated

The acquisition and disposition of assets should be decided in accordance with the Company's delegation of authorization and in the following situations, provided, however, the matters shall be approved by the Board of Directors in advance:

i. In acquiring or disposing real property, excluding additions to the buildings and structures.

ii. In acquiring or disposing of securities for any individual transaction, where the transaction amount reaches 10 percent or more of the Company's net worth.

iii. Assets acquired or disposed of through mergers and consolidations, splits, acquisitions, and assignment of shares.

iv. In acquiring of securities (excluding balancing funds, bond funds and money market funds), where the accumulated original costs of securities (excluding balancing funds, bond funds and money market funds) reaches 60 percent or more of the Company's net worth.

v. In acquiring of individual security (excluding balancing funds, bond funds and money market funds), where the accumulated original costs of the security reaches 10 percent or more of the Company's net worth.

vi. In acquiring or disposing of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale

agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

(2) The units responsible for implementation

- i. Securities: the finance department.
- ii. Real property, equipment, memberships, intangible assets: the using department or the relevant department in-charge of assets management.
- iii. Derivatives: the finance department.
- iv. Assets acquired or disposed of through mergers and consolidations, splits, acquisitions, and assignment of shares: the project team assembled by the relevant departments.

4. Public announcement and regulatory filing procedures: refer to Chapter III of the Procedure.

5. Total amounts of real property and right-of-use assets and securities acquired by the Company and each subsidiary not for business use in, and limits on individual securities:

(1) The total amount of any real property and right-of-use assets purchased by the Company not for business use may not exceed 50 percent of the Company's net worth; the total amount of any real property and right-of-use assets purchased by each subsidiary of the Company not for business use may not exceed 50 percent of the Company's net worth.

(2) The investment limits of securities invested by the Company: total amount that is invested in all securities may not exceed 100 percent of the Company's net worth; the amount that is invested in each individual security may not exceed 80 percent of the Company's net worth.

(3) The investment limits of securities invested by each of its subsidiaries: total amount that is invested in all securities may not exceed 100 percent of the Company's net worth; the amount that is invested in each individual security may not exceed 60 percent of the Company's net worth.

6. Control procedures for the acquisition and disposal of assets by subsidiaries

- (1) The Company shall urge its subsidiaries to enact the “Procedures for Acquisition or Disposal of Assets” and implement the procedures in accordance with proper authorizations of the organizations.
 - (2) The Company shall supervise its subsidiaries to assure the latter’s acquisition or disposal of assets are in compliance with the “Procedures for Acquisition or Disposal of Assets”.
7. The Company’s persons-in-charge engages in any acquisition or disposal of assets shall follow the Procedures in order to prevent the Company from incurring any losses. Should there be any violation of related regulations or the Procedures. Subsequent castigation is subject to the related personnel guidelines and procedures of the Company.

Article 7: With respect to the Company’s acquisition or disposal of assets that is subject to the approval of the Board of Directors under the Company’s procedures or other laws or regulations, the Board of Directors shall take into full consideration each independent director’s opinions. If an independent director objects to or expresses reservations about any matter, such objection or reservation shall be recorded in the minutes of the Board of Directors meeting.

Any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.

Section II Acquisition or Disposal of Assets

- Article 8: In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company’s paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall also

be followed whenever there is any subsequent change to the terms and conditions of the transaction.

2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - (1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 9: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a CPA, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise

provided by regulations of the Financial Supervisory Commission (FSC).

- Article 10: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.
- Article 11: The calculation of the transaction amounts referred to in the preceding three Articles shall be done in accordance with second paragraph of Article 30 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA’s opinion has been obtained need not be counted toward the transaction amount.
- Article 12: Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Section III Related Party Transactions

- Article 13: When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company’s total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA’s opinion in compliance with the provisions of the preceding Section and this Section.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 11 herein.

When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

- Article 14: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20

percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. The reason for choosing the related party as a trading counterparty.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15 and Article 16.
4. The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article.
7. Restrictive covenants and other important stipulations associated with the transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with second paragraph Article 30 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and the Board of Directors need not be counted toward the transaction amount.

With respect to the types of transactions listed below, when to be

conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board of Directors delegate the Chairman of Board of Directors to decide such matters when the transaction is within 10 percent of the Company's net value and subsequently submitted to and ratified by the next Board of Directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property right-of-use assets held for business use.

When a matter is submitted for discussion by the Board of Directors pursuant to the first paragraph, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.

Article 15: The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted-average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land

and the structures may be separately appraised in accordance with either the means listed in the preceding paragraph.

The Company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property in accordance with the preceding two paragraphs of this Article shall also engage a CPA to check the appraisal and render a specific opinion.

When the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding Article and the preceding three paragraphs do not apply:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
3. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
4. The real property right-of-use assets for business use are acquired by the Company with its subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

Article 16: When the results of the Company's appraisal conducted in accordance with first and second paragraphs of the preceding Article are uniformly lower than the transaction price, the matter shall be handled in compliance with Article 17. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

- (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
2. Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtaining of the right-of-use assets thereof.

Article 17: Where the Company acquires real property or the right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two Articles are uniformly lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference

between the real property or right-of-use assets transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph 1 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of the Company's equity stake in the other company.

2. Audit Committee members shall comply with Article 218 of the Company Law.
3. Actions taken pursuant to preceding two subparagraphs shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.

When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms length transaction.

Section IV Engaging in Derivatives Trading

Article 18: The Company engages in derivatives trading shall be in accordance with the following trading principles and strategies:

1. Types of derivatives:

The Company can only engage in derivatives trading for hedging purpose. The mainly type of derivatives are forward contracts and option contracts.

2. Operating or hedging strategies:

Engaging in derivatives trading is to assist the risk management of the Company, and hedging should be the only concern. To avoid credit

risk, the trading counterparties shall be those financial institutions that have business relationships with the Company.

3. Segregation of duties:

- (1) The finance department: in charge of derivative trading in accordance with the Procedures shall collect market information from time to time, be familiar with the relative laws, regulations and the skills of trading, periodically calculate the net position deriving from foreign assets against liabilities of the Company, process the hedging in consistent with the Company's strategy and provide information to managing, sales, and purchasing units in time for decision making.
- (2) The accounting department: the derivatives transactions shall be recorded, reported in the financial statements and calculated realized gains or losses and unrealized gains or losses in accordance with Generally Accepted Accounting Principles.
- (3) The auditing department: regularly and non-regularly auditing the derivative transactions in accordance with internal audit system.

4. Essentials of performance evaluation

The finance department shall regularly evaluate net gains or losses and unsettled contract, and report to authorized manager for decision reference and performance evaluation to correct and improve the strategy.

5. Total amount of derivatives contracts that may be traded and the maximum loss limit on total trading and for individual contracts:

- (1) Derivatives trading for hedging purpose:
 - i. Total aggregate contract amount: the total amount of derivatives which the Company is capable to take is based on 100% of latest quarterly revenue amounts.
 - ii. Capped amount on losses of contracts: the capped amount on losses of each individual contract shall not exceed 10 percent of the specific contract amount, the capped amount on losses of all contracts shall not exceed 30 percent of the total contracts amount. Chairman's approval is required in special circumstances.

(2) Derivatives trading for trading purpose:

The Company shall not engage in derivatives trading for trading

purpose.

Article 19: Risk management:

1. Risk management measures are as below:

(1) Credit risk management:

Credit risk is controlled by restricting the counterparties that the Company deals with to those who either have banking relationship with the Company or are internationally renowned and can provide sufficient information.

(2) Market risk management:

Market risk arising from the fluctuations of foreign exchange rates or from other factors shall be closely monitored and controlled.

(3) Liquidity risk management:

Liquidity risk should be controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets.

(4) Cash flow risk management:

The Company shall maintain adequate level of quick assets and credit facilities to meet the cash settlement requirement.

(5) Operating risk management:

Delegation systems and operating procedures set forth herein are employed to control operating risk.

(6) Legal risk management:

Any legal documents in respect of financial derivative transactions shall first be reviewed by legal department before being executed to control legal risk.

2. Different personnel shall be assigned for trading, confirmation and settlement.

3. Personnel who are in charge of risk evaluation, monitoring and controlling shall not be in same department as those described in the preceding paragraph, and reporting shall be made to the Board of Directors.

4. The transaction associated with hedging purpose for business requirements shall be evaluated twice per month by finance department, and the evaluation reports shall be submitted to the chairman of the board or the person designated by the chairman of the

board.

5. The authorized trader will need to submit hedging objects, types of transaction and details to authorized manager for approval before derivatives trading, and shall report to the most recent Board of Directors meeting.

Article 20: Management principles by the Board of Directors:

1. The Board of Directors shall appoint the chairman of the board or the person designated by the chairman of the board to monitor and control the trading risk of derivatives at all times and periodically assesses whether the result of trading is consistent with the management policy and whether the risk undertaking is within the ambit permitted.
2. Appointed by the Board, the chairman of the board or the person designated by the chairman of the board should be responsible for regularly reviewing the adequacy of the current risk management measures are consistency with the principles and procedures set forth herein. Once having identified unusual transactions and performances, the chairman of the board or the person designated by the chairman of the board needs undertake any actions deemed necessary to correct the situation and report to the Board immediately, an independent director shall be present at the meeting and express an opinion.

Article 21: The Company engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated according to the preceding two Articles in detail in the log book.

Internal audit personnel is required to evaluate the suitability of the internal control system in connection with financial derivative transactions on a regular basis, to conduct auditing on how well the related departments according to the Procedures, and to make report on a monthly basis. Should there be any violation found, a written report is needed to notify the independent directors.

Section V Merger, Spin-off, Acquisition and Transfer of Shares

Article 22: The Company that conducts a merger, demerger, acquisition, or transfer of shares, shall, prior to convening the board of directors to resolve on the matter, engage a CPA, attorney, or securities underwriter to give an

opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.

Article 23: The Company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Companies shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

Article 24: The Company participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. A company participating in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a merger, demerger, acquisition, or transfer of

another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two paragraphs.

Article 25: Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger,

acquisition, or transfer of shares.

Article 26: The Companies participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
2. An action, such as a disposal of major assets, that affects the company's financial operations.
3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 27: The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:

1. Handling of breach of contract.
2. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
4. The manner of handling changes in the number of participating

entities or companies.

5. Preliminary progress schedule for plan execution, and anticipated completion date.

6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

Article 28: After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

Article 29: Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 24, Article 25, and the preceding Article.

Chapter III Public Disclosure of Information

Article 30: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:

1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements or subscription or redemption of domestic money market

funds issued by domestic securities investment trust enterprises.

2. Merger, demerger, acquisition, or transfer of shares.
3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.
4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
 - (1) When the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - (2) When the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
5. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale .
6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
 - (1) Trading of domestic government bonds.
 - (2) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises.

The amount of transactions above shall be calculated as follows:

1. The amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.

3. The cumulative transaction amount acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

“Within the preceding year” as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.

The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

When the company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.

The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company headquarters, where they shall be retained for 5 years except where another act provides otherwise.

Article 31: Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding Article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days commencing immediately from the date of occurrence of the event:

1. Change, termination, or rescission of a contract signed in regard to the original transaction.
2. The merger, demerger, acquisition, or transfer of shares is not

completed by the scheduled date set forth in the contract.

3. Change to the originally publicly announced and reported information.

Chapter IV Miscellaneous

Article 32: Information required to be publicly announced and reported in accordance with the provisions of the preceding Chapter on acquisitions and disposals of assets by a subsidiary of the company that is not itself a public company in Taiwan shall be reported by the Company.

The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under the first paragraph of Article 30.

Article 33: For the calculation of 10 percent of total assets under these Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.

In the case of a foreign subsidiary whose shares have no par value or a par value other than NT\$10, for the calculation of transaction amounts of 20 percent of paid-in capital under Articles 8 to 10 and 13, 10 percent of equity attributable to owners of the parent shall be substituted; for calculations under the provisions of these Procedures regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.

Article 34: Commitment to the ROC Taipei Exchange

1. The Company shall not waive subsequent right(s) of subscribing stock in WIN SEMI. USA, INC. and Win Semiconductors Cayman Islands Co., Ltd. newly issued for the purpose of capital increase. In case any strategic alliance or other waiving of such right that is approved the ROC Taipei Exchange, special resolution of the Board of Directors shall be obtained for waiving the right.

2. Any amendments of the preceding paragraph shall be announced on the Market Observation Post System (MOPS) and reported to the ROC Taipei Exchange.

Article 35: The Procedures shall become effective upon approval by the Audit

Committee, and Board of Directors, and be introduced to the shareholders' meeting for the latter's consent. The same applies in case of any revisions.

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

No stock dividend distributed, not applicable.

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

1. In accordance with Article 172-1 and Article 192-1 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 April 8 to April 18, 2022.
2. In addition to the nomination of the ninth election of directors by the Board, no proposal or nomination was submitted by any shareholders who hold more than one per cent of the company's outstanding shares within this period.

APPENDIX VII: SHAREHOLDING OF DIRECTORS

WIN Semiconductors Corp. Shareholding of Directors

Book closure date: April 19, 2022

Position	Name	Gender	Shareholding (shares)	Shareholding ratio (%)
Chairman	Chin-Tsai Chen	Male	12,752,953	3.01%
Vice Chairman	Yu-Chi Wang	Male	650,000	0.15%
Director	KC Fibertech INC.*	-	3,510,000	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%
Shareholding of directors (excluding independent directors)			26,789,221	6.32%
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%
Shareholding of independent directors			10,120	0.002%

* KC Fibertech INC. was previously translated as International Fiber Technology Co., Ltd. in historical meeting handbooks and annual reports.

1. Total issued shares: 423,976,384 shares
2. The minimum required combined shareholding of all directors by law: 16,000,000 shares.
3. The shareholding of directors (excluding independent directors) on the book closure date: 26,789,221 shares (6.32%) as of April 19, 2022.