

Winbond Electronics Corporation
Minutes of 2024 Annual General Meeting of Shareholders¹
(English Translation)

Time and Date: 9:00 a.m. ,May 09, 2024 (Thursday)

Place: No.539, Sec. 2, Wenxing Rd., Zhubei City, Hsinchu County, Taiwan (R.O.C.) (Auditorium Hall)

Shares present at the meeting: Shareholders who were present in person or by proxy together held 3,201,633,145 shares (including 1,150,904,922 shares present by electronic means), representing 76.59 % of the total number of issued shares of the Company, which is 4,180,000,193 shares.

Chairman: Arthur Yu-Cheng Chiao, the Chairman of the Board of Directors

Recorder: Chou,Chih-Chung

Attendees :

Directors : Mr. Arthur Yu-Cheng Chiao (Chairman)

Chin-Xin Investment Co., Ltd. (Representative: Tung-Yi Chan),

Mr. Allen Hsu (Chairman of the Audit Committee),

Mr. Chung-Ming Kuan (Independent Director),

Ms. Yung Chin (Director),

Walsin Lihwa Corporation (Representative: Fred Pan)

Others : Mr. Kuo-Tyan Hong, and Mr. Oscar Shih, CPA, Deloitte

Ms. Hsin-Lan Hsu, Attorney-at-Law, Lee and Li

Meeting called:

The total number of issued shares of the Company is 4,180,000,193 shares. As of 9:00 a.m., the number of shares present were 3,201,572,367 shares (including 1,254,998,832 shares in person, 795,668,613 shares by proxy, and 1,150,904,922 shares by electronic means), which constituted the quorum of shareholders representing at least two-thirds of issued shares of the Company, and therefore the Chairman announced the commencement of the meeting.

Opening Speech of the Chairman : (omitted)

¹ This translation is for reference only. In the event of any discrepancy between the Chinese version and this translation, the Chinese version shall prevail.

Matters to be reported

1. Business report of fiscal year 2023
Both the Company's business report and financial statements of fiscal year 2023 are hereby presented (please refer to Attachment 1 for details). Please examine. To be reported by the President.
2. Audit Committee's review report on 2023 audited financial statements and report
The Audit Committee's review report is hereby presented (please refer to Attachment 3 for details). Please examine.
3. Other matters to be reported:
 - (1) Report on the shareholdings of all directors of the Company:
 - a. According to Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Share Ownership Ratios of Directors and Supervisors of Public Companies, the minimum combined shareholdings of all directors of the Company should be 100,320,005 shares. The Company has set up an Audit Committee and thus the requirement on the minimum shareholdings of all supervisors is not applicable.
 - b. Please refer to Attachment 4 for the shareholding of each director and the shareholdings of all directors as of the record date for determining the shareholders eligible to attend this annual general shareholders meeting.
 - c. The aggregate shareholdings of all directors of the Company meet the minimum shareholding required by laws and regulations.
 - (2) During the period for accepting shareholders' proposals, no shareholder submitted any written proposal to the Company for the Company's 2024 annual general shareholders meeting in accordance with Article 172-1 of the Company Act.

Matters to be recognized and discussed

Motion 1: (proposed by the Board of Directors)

Proposal: The business report and financial statements of fiscal year 2023 are hereby presented. Please acknowledge and recognize the same.

Explanation:

1. Please refer to Attachment 1 for the business report and financial statements of fiscal year 2023.
2. The aforementioned financial statements had been approved by the Board of Directors. After being audited by the certified public accountants, such financial statements, together with the business report, had been submitted to and reviewed by the Audit Committee.

Resolution: Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,873,413,105 (including voting via electronic transmission); No votes: 287,126 (including voting via electronic transmission) ; invalid votes: 0; abstained votes and uncast votes: 327,932,914 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 89.74% of the voting shares present.

Motion 2: (proposed by the Board of Directors)

Proposal: The proposal for distribution of the 2023 profit is hereby presented. Please acknowledge and recognize the same.

Explanation:

1. It is conducted in accordance with Article 228 of the Company Act and Article 21 of the Company's Articles of Incorporation.
2. The Company's profit distribution table is as follows.

3. The aforementioned financial statements had been approved by the Board of Directors.

Winbond Electronics Corporation
Statement of Profit Distribution
For the year ended December 31, 2023

(Unit : NT\$)

Items	Total
Unappropriated Earnings, Beginning of Year	\$23,462,242,519
Plus : Net Loss of 2023	(\$1,146,521,899)
Plus : Gain on Disposals of investments in equity instruments designated as at fair value through other comprehensive income and the cumulative gain or loss transferred to retained earnings	270,996,930
Plus : Gains on Remeasurement of Defined Benefit Plans	116,034,768
Net Loss of 2023 and other adjustments transferred to retained earnings in 2023	(759,490,201)
Minus : 10% Legal Reserve Appropriated	0
Earnings Available for Distribution as of December 31, 2023	\$22,702,752,318
Distributable items:	
Cash Dividends to Common Shareholders (NT\$ 0 per share)	0
Unappropriated Earnings, End of Year	\$22,702,752,318

(Note: No distribution of the Company's profit or make up its losses for the end of half of 2023 nor for the full year.)

Chairman: Arthur Yu-Cheng Chiao

Manager: Pei-Ming Chen

Chief Accountant: Chin-Feng Yang

Resolution: Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,888,201,089 (including voting via electronic transmission); No votes: 651,879 (including voting via electronic transmission) ; invalid votes: 0; abstained votes and uncast votes: 312,780,177 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 90.21% of the voting shares present.

Motion 3: (proposed by the Board of Directors)

Proposal: It is proposed that the Company carry out a plan to raise its long-term capital. Please review and approve the same

Explanation:

1. It is conducted in accordance with Item 4 of Paragraph 1 of Article 17 of the Company's Articles of Incorporation.
2. To meet the Company's capital needs for its long-term strategic development and operational growth (including but not limited to, replenishment of its working capital, purchase of raw materials overseas, repayment of its bank loans, procurement of machinery and equipment, reinvestment, improvement of its financial structure, or other purposes related to the Company's long-term strategic development), considering the internationalization and diversification of capital-raising methods, it is proposed that the shareholders' meeting authorize the Board of Directors to choose the time and the fund raising tool it deems proper by conducting either a capital increase for cash through issuing new common shares to be offered in the form of global depositary shares (GDSs), or a capital increase for cash through issuing new common shares by way of competitive auction or book-building for public underwriting or a combination of the above (collectively, the "Long-Term Fund Raising") to raise long-term funds. Please refer to Attachment 5 for the fundraising methods and the principles of conducting such fundraising.
3. It is proposed that the total number of common shares authorized to be issued for the Long-Term Fund Raising (including those common shares underlying GDSs or those issued for the capital

increase for cash and offered for public underwriting through competitive auction or book-building) shall not exceed 350,000,000 as a principle.

4. The common shares to be issued in the Long-Term Fund Raising, with a par value of NT\$10 per share, will have the identical rights and obligations as the existing issued common shares of the Company after the issuance. The Long-Term Fund Raising will help enhance the Company's financial structure and competitiveness for long-term development, and should have a positive impact on the shareholders' equity. Regarding the rights and interests of the existing shareholders, assuming that a maximum of 350,000,000 common shares, which account for 8.37% of the Company's current paid-in capital of 4,180,000,193 shares, are issued for the Long-Term Fund Raising, there should be no significant impact on the existing shareholders' rights and interests.
5. It is proposed that the shareholders' meeting authorize the Board of Directors to adjust, determine, and handle any key contents of the offering plan for the Long-Term Fund Raising, including but not limited to, the actual issue price, number of shares to be issued, offering conditions, fundraising amount, record date for the capital increase, project items, expected schedule, and expected benefits, as well as all other matters relating to the offering plan, depending on the prevailing market conditions. In the case of any need to amend or adjust any of the foregoing matters, including applying for an extension or cancellation of the offering plan with the competent authority, due to changes in laws or regulations or as required by the competent authority or objective or subjective circumstances, the Board of Directors is also authorized to handle these matters with full power and authority in accordance with the law.
6. To facilitate the issuance operation under the Long-Term Fund Raising, it is proposed that the shareholders' meeting authorize the Chairman of the Board or his designated person to sign all contracts and documents relating to the Long-Term Fund Raising and handle other relevant matters for and on behalf of the Company.
7. The proposal was approved by the Board of Directors.

Resolution: Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,743,834,956(including voting via electronic transmission); No votes: 145,405,581 (including voting via electronic transmission) ; invalid votes: 0; abstained votes and uncast votes: 312,392,608 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 85.70% of the voting shares present.

Motion 4: (proposed by the Board of Directors)

Proposal: It is proposed to release the directors of the Company from non-competition restrictions.

Please review and approve the same.

Explanation:

1. It is conducted in accordance with Paragraph 1 of Article 209 of the Company Act.
2. Please refer to Attachment 6 for the items of competitive conduct of the directors of the Company who act as chairman, directors or managers in other companies which engage in the same businesses as those of the Company.
3. It is proposed to release the non-competition restriction on directors who conduct activities that fall within the Company's business scope and to waive the Company's right to request disgorgement of the profits gained by such directors from the date of acting as the chairman, directors or managers of other companies in the same business.

Resolution:

(4-A)Total number of voting rights present at the time of voting: 2,940,878,709 after deducting 751,000 voting shares held by shareholder Tung-Yi Chan and 260,003,436 voting shares held by shareholder Chin-Xin Investment Co., Ltd voluntarily abstained from voting. Yes

votes: 2,529,320,110 (including voting via electronic transmission); No votes: 822,738 (including voting via electronic transmission) ; invalid votes: 0; abstain votes and uncast votes: 410,735,861 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 86.00% of the voting shares present.

(4-B) Mr. Chung-Ming Kuan did not own any shares in the Company and thus is not required to abstain from voting. Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,764,489,391 (including voting via electronic transmission); No votes: 25,639,150 (including voting via electronic transmission) ; invalid votes: 0; abstain votes and uncast votes: 411,504,604 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 86.34% of the voting shares present.

(4-C) Mr. LI -JONG PEIR did not own any shares in the Company and thus is not required to abstain from voting. Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,764,524,762 (including voting via electronic transmission); No votes: 25,600,668 (including voting via electronic transmission) ; invalid votes: 0; abstain votes and uncast votes: 411,507,715 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 86.34 % of the voting shares present.

(4-D) Mr. Jamie Lin did not own any shares in the Company and thus is not required to abstain from voting. Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,762,580,438 (including voting via electronic transmission); No votes: 27,549,621 (including voting via electronic transmission) ; invalid votes: 0; abstain votes and uncast votes: 411,503,086 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 86.28 % of the voting shares present.

(4-E) Ms. Wei-Hsin Ma did not own any shares in the Company and thus is not required to abstain from voting. Total number of voting rights present at the time of voting: 3,201,633,145. Yes votes: 2,767,125,413 (including voting via electronic transmission); No votes: 22,947,983 (including voting via electronic transmission) ; invalid votes: 0; abstain votes and uncast votes: 411,559,749 (including voting via electronic transmission). This Proposal was passed as originally made by a simple majority, with affirmative vote of 86.42% of the voting shares present.

Shareholder's Questions and Company Responses: (Given too many questions were raised, we summarize the questions and answers thereto by category as follows.)

Shareholder raised questions on the company's operations , financial results, cash capital increase issuance of new shares ,investments, ESG, and other related issues.

Responses from Chairman or designated persons summarized as follows : In 2023, Facing the global semiconductor market downturn with over 10% decline in revenue, Winbond positivized short-term operational impacts and focused on achieving mid- and long-term strategic objectives and sustainable development. With respect to business operations, Our in-house DRAM 20nm and NOR Flash 45nm process technology have successfully entered mass production. At the same time, we gradually increased the production capacity of the Kaohsiung plant to prepare for the recovery of the economy. The company plans to increase its capital by issuing new shares for cash for the company's medium and long-term development and growth. Regarding the re-invested enterprise, the e-commerce business has completed its missions at this stage and therefore close their business. To address climate issues, we encouraged employees to use innovative methods to reduce greenhouse gas emissions in daily operations. We actively invested in and procured renewable energy to showcase our commitment

to climate actions, and took into account the goals of operational growth and sustainable co-prosperity.

Other Extemporaneous Matters and Motions: None.

Meeting Adjourned. (11:53 a.m.).

(All of the shareholder suggestions have been fully recorded and videotaped for future reference. The video recording of this annual general shareholders' meeting shall prevail in the event of any discrepancy between these meeting minutes and the video recording in any detail.)

Winbond Electronics Corporation 2023 Business Report

In 2023, Winbond demonstrated operational resilience and outlined a new era of ESG development. Despite the global semiconductor market downturn with over 10% decline in revenue, Winbond not only positivized short-term operational impacts but also focused on achieving mid- and long-term strategic objectives and sustainable development. With respect to business operations, Winbond's second 12-inch wafer fabrication plant (Kaohsiung Fab) continued to increase its production capacity. Our in-house DRAM 20nm and NOR Flash 45nm process technology have successfully entered mass production. We also continued to promote digital transformation and integrate AI technology for increasing productivity. To address climate issues, we encouraged employees to use innovative methods to reduce greenhouse gas emissions in daily operations. Additionally, we actively invested in and procured renewable energy to showcase our commitment to climate actions as we prepare for economic recovery.

Financial Performance

In 2023, our consolidated revenue amounted to NT\$75.006 billion, a decrease of 20.7% compared to 2022 mainly due to weakened end-user market demand and inventory adjustments of the electronics industry. Memory and logic IC products constituted 53% and 47% of consolidated revenue, respectively. The gross margin was 30% and the operating margin was -2%. Our net earnings after tax were NT\$34 million (net loss of NT\$1.147 billion attributed to the parent company) while -NT\$0.29 per share.

Market and Product Applications

Winbond's memory business is dedicated to the design, manufacturing, and distribution of Code Storage Flash Memory and Specialty DRAM. Our logic IC business includes microcontroller/voice applications, cloud security, image sensors, battery monitoring, IoT applications, semiconductor components, and IC foundry. The combination of our memory and logic IC businesses offers our clients a wider range of comprehensive solutions, thereby strengthening our operational stability.

In terms of product application, Winbond's memory products are evenly distributed across 4 major sectors: communication, automotive/industrial, consumer, and computing/peripheral products. In 2023, revenue from communication applications dropped to 25% of our memory business revenue due to slower inventory destocking. Automotive and industrial sectors have rectified supply-demand imbalance during the pandemic, with the combined revenue contribution remaining at 26%. Demand for consumer and computing/peripheral products gradually returned by season, accounting for 25% and 24% respectively. In the realm of logic IC business, demand for automotive and industrial applications stabilized, reaching 48% of the logic IC business revenue. Demand for consumer products and smartphones weakened, accounting for 17% and 19% while computing and peripheral products and applications remained at 16%.

Product Innovation and Technology Development

For our memory business, Winbond incorporates green design concepts into product development to fulfill our sustainability promise, leveraging our core competitive advantage. We invented ultra-low power design and smaller packaging for Flash and DRAM products, such as the Flash SON 2x3, 100BGA LPDDR4/4X. We also developed innovative CUBE structures with 3D stacking technology to strengthen bandwidth and reduce consumption during data transfers.

Our logic IC business has delivered stellar performance in 4 major sectors: automotive/industrial control systems, communication, consumer, and computing products. For automotive, we launched the 4th-generation battery chip to precisely measure cell voltage, temperature, and battery pack currents. For industrial control systems, our new heterogeneous multi-core NuMicro® MA35D1 series microprocessor combines high performance, real-time control, and advanced security features, while our 32-bit microprocessor is extensively applicable in various high-performance motor and power source control. Among handheld devices, our CSP MOSFETs for lithium-ion battery protection have been integrated into new smartphone models, hearing aids, and AR glasses. Our new low-power MUG51 microprocessor caters to all types of battery-free devices. In the realm of computing applications, our eBMC (Edge Computing Base Management Controller) chip is particularly designed for edge computing platforms. Suitable for high-speed signal transmission, our USB4 re-timer IC has been successfully introduced to PC clients, propelling new momentum into future prospects of our logic IC business.

To advance our in-house memory technologies, we have initiated mass production of our latest DRAM 20nm technology in 2023 to eventually replace 25nm as the main line of the Kaohsiung Fab. The development of next-generation DRAM 16nm process is proceeding as planned. The NOR Flash 45nm has finished trial run in 2023, with mass production slated to commence in 2024.

Corporate Sustainability

Winbond actively mitigates climate risks by developing green products and technologies as well as encouraging all employees to reduce their carbon footprint, a Key Performance Indicator for innovative value that fosters a sustainable culture within Winbond. Through the Large Corporations Lead SMEs on Low-Carbon Smart Manufacturing Upgrades and Transformation Subsidy Program organized by the Industrial Development Administration of the Ministry of Economic Affairs, we collaborated with 13 suppliers and contractors on carbon reduction plans that will generate tangible benefits to the supply chain. To facilitate implementation, we adopted 2.94 hectares of state-owned forests under the Forestry and Nature Conservation Agency as part of a 30-year forestation cooperation plan that reduces CO2 emissions as well as increasing local biodiversity and natural habitats.

Winbond values employees and respects human rights. We continue to promote workplace Diversity, Equity, and Inclusion (DEI) to improve team cohesion among global talents. Each year, Winbond invests resources to jointly nurture semiconductor talents with the National Cheng Kung University through its Academy of Innovative Semiconductor and Sustainable Manufacturing. Our Education Financial Aid Raised for Impoverished Students benefiting over a thousand school children. Additionally, we actively sponsor the Happy Breakfast Program for School Children in Remote Areas for the betterment of society.

To enhance corporate governance, we are assembling a Senior Executive Development Committee to raise the ESG Committee to the level of the Board of Directors. By strengthen our senior executive training and sustainable governance, we hope to refine our organizational structure as well as expand and reinforce supervision and reviews by the Board of Directors. Our efforts have consistently placed us within the top 6%–20% of the TWSE Corporate Governance Evaluation for consecutive years.

Honors and Awards

In 2023, Winbond was recognized by numerous authorities for our product innovation, pursuit of excellence, and sustainable development. For product innovation, we were listed for the first time in Clarivate’s Top 100 Global Innovators, a testament to our proactive approach to adopting innovative thinking in the R&D process. For pursuit of excellence, we won 2 Gold and 1 Silver at the 2023 Taiwan Continuous Improvement Awards to honor our teamwork in determining the optimal criteria for reducing defect rate. Our logic IC achievement in a node management controller with both safety management and IoT functions has been approved through the High-Level Innovation Project conducted by the Industrial Development Bureau. Our NuMicro® M467 series microcontrollers also received the 2023 EE Awards Asia: Golden Selection.

Concerning sustainable development, we have long attached great importance to corporate governance and eco-sustainability. In 2023, we were praised for the first time for our Human Rights Practice and Development and Workplace Wellbeing Leadership, and were winning again including Taiwan Top 100 Sustainability Model Award, Corporate Sustainability Report Award – Platinum Level, Talent Development Leadership Award, and Innovation and Growth Leadership Awards. Noticeably, we were ranked No. 1 for CSR Platinum Award, the highest level under Category 1. Regarding global ESG ratings, Winbond was awarded Silver Medal on the EcoVadis Sustainability platform. Furthermore, our logic IC subsidiary, Nuvoton Technology, won SGS ESG Awards for Sustainability Reporting, TCSA’s Taiwan Top 100 Sustainability Model Award, Corporate Sustainability Report Award – Silver Level, and 2023 Business Weekly Carbon Competitiveness Top 100 by renowned financial magazine Business Weekly.

Future Prospects

The semiconductor industry is projected to usher in a new round of growth driven by rising global demand for AI and high-performance computing, alongside the recovery of market demand for smartphones, PCs, servers, and automotive. In alignment with our vision of becoming “a hidden champion in providing sustainable semiconductors to enrich human life,” we are committed to optimizing processes, enhancing energy efficiency, providing green solutions, and using renewable energy. These not only advance green manufacturing as a climate action but also a catalyst for customer loyalty and new business opportunities. With firm determination, we will stride toward the digital era with digital transformation, integrating a robust database for corporate sustainability and net zero by 2050.

Chairman: Arthur Yu-Cheng Chiao

President: Pei-Ming Chen

CAO: Chin-Feng Yang

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 16,962,598	9	\$ 20,402,936	11
Current financial assets at fair value through profit or loss (Notes 4 and 7)	408,987	-	223,532	-
Current financial assets at fair value through other comprehensive income (Notes 4 and 8)	12,760,052	7	14,587,832	8
Accounts receivable, net (Notes 4 and 9)	9,738,820	5	9,137,746	5
Accounts receivable due from related parties, net (Note 32)	44,707	-	735,659	-
Finance lease receivables - current (Notes 4, 10 and 32)	92,088	-	96,731	-
Other receivables (Notes 11 and 32)	710,059	-	558,836	-
Inventories (Notes 4, 5 and 12)	23,869,969	13	21,448,078	12
Other current assets	1,918,109	1	1,346,173	1
Total current assets	66,505,389	35	68,537,523	37
NON-CURRENT ASSETS				
Non-current financial assets at fair value through profit or loss (Notes 4 and 7)	76,763	-	121,775	-
Non-current financial assets at fair value through other comprehensive income (Notes 4 and 8)	3,117,125	2	3,056,829	2
Investments accounted for using equity method (Notes 4 and 13)	10,951,997	6	9,971,440	5
Property, plant and equipment (Notes 4 and 14)	102,147,688	53	93,806,639	51
Right-of-use assets (Notes 4 and 15)	2,050,173	1	2,224,481	1
Investment properties (Notes 4 and 16)	1,549,000	1	1,798,160	1
Intangible assets (Notes 4 and 17)	603,829	-	782,603	1
Deferred income tax assets (Notes 4 and 25)	2,116,898	1	1,191,547	1
Finance lease receivables - non-current (Notes 4, 10 and 32)	23,289	-	123,451	-
Other non-current assets (Notes 6 and 32)	1,645,793	1	2,550,545	1
Total non-current assets	124,282,555	65	115,627,470	63
TOTAL	\$ 190,787,944	100	\$ 184,164,993	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ 1,064,280	1	\$ 1,069,040	-
Current financial liabilities at fair value through profit or loss (Notes 4 and 7)	786	-	7,412	-
Notes and accounts payable	5,983,415	3	5,202,743	3
Accounts payable due to related parties (Note 32)	1,314,474	1	1,188,928	1
Payables on machinery and equipment	9,282,165	5	3,535,586	2
Other payables (Note 32)	7,619,337	4	9,735,007	5
Current tax liabilities (Notes 4 and 25)	805,011	-	2,123,413	1
Provisions - current (Notes 4 and 20)	-	-	132,473	-
Lease liabilities - current (Notes 4 and 15)	255,282	-	276,015	-
Long-term borrowings - current portion (Note 18)	8,980,184	5	3,171,429	2
Other current liabilities	727,825	-	1,334,708	1
Total current liabilities	36,032,759	19	27,776,754	15
NON-CURRENT LIABILITIES				
Bonds payable (Note 19)	9,980,978	5	9,968,462	5
Long-term borrowings (Notes 18 and 28)	36,024,538	19	34,278,073	19
Provisions - non-current (Notes 4 and 20)	2,402,789	1	2,733,351	2
Lease liabilities - non-current (Notes 4 and 15)	1,895,615	1	2,052,762	1
Net defined benefit liabilities - non-current (Notes 4 and 21)	1,683,585	1	1,892,594	1
Other non-current liabilities (Note 32)	2,307,502	1	2,729,281	1
Total non-current liabilities	54,295,007	28	53,654,523	29
Total liabilities	90,327,766	47	81,431,277	44
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Notes 4 and 22)				
Share capital	41,800,002	22	39,800,002	22
Capital surplus	10,135,865	5	7,785,918	4
Retained earnings				
Legal reserve	4,772,874	3	3,434,165	2
Unappropriated earnings	22,702,753	12	28,780,952	15
Exchange differences on translation of the financial statements of foreign operations	(1,007,855)	-	(654,652)	-
Unrealized gains on financial assets measured at fair value through other comprehensive income	13,893,178	7	15,016,611	8
Total equity attributable to owners of the parent	92,296,817	49	94,162,996	51
NON-CONTROLLING INTERESTS (Note 22)	8,163,361	4	8,570,720	5
Total equity	100,460,178	53	102,733,716	56
TOTAL	\$ 190,787,944	100	\$ 184,164,993	100

The accompanying notes are an integral part of the consolidated financial statements.

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 32)	\$ 75,006,078	100	\$ 94,529,790	100
OPERATING COSTS (Notes 12 and 32)	<u>52,610,352</u>	<u>70</u>	<u>51,478,707</u>	<u>54</u>
GROSS PROFIT	<u>22,395,726</u>	<u>30</u>	<u>43,051,083</u>	<u>46</u>
OPERATING EXPENSES (Note 32)				
Selling expenses	2,128,764	3	2,547,825	3
General and administrative expenses	4,915,171	6	8,301,233	9
Research and development expenses	16,957,826	23	15,818,706	17
Expected credit (gain) loss (Note 9)	<u>24,197</u>	<u>-</u>	<u>(151,262)</u>	<u>-</u>
Total operating expenses	<u>24,025,958</u>	<u>32</u>	<u>26,516,502</u>	<u>29</u>
INCOME (LOSS) FROM OPERATIONS	<u>(1,630,232)</u>	<u>(2)</u>	<u>16,534,581</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 32)	334,058	-	154,580	-
Dividend income (Note 32)	548,920	1	634,979	1
Other income (Notes 15, 28 and 32)	341,761	-	540,182	1
Share of profit (loss) of associates	456,040	1	512,295	1
Gains (losses) on disposal of property, plant and equipment (Note 32)	716,701	1	357,146	-
Gains (losses) on disposal of intangible assets (Note 32)	(591)	-	91	-
Gains (losses) on disposal of non-current assets held for sale	-	-	36,181	-
Gains (losses) on foreign exchange (Note 35)	170,900	-	968,662	1
Gains (losses) on financial instruments at fair value through profit or loss	(276,176)	-	(962,983)	(1)
Interest expense (Notes 15, 28 and 32)	(991,919)	(1)	(94,874)	-
Other expenses (Notes 14 and 32)	<u>(367,125)</u>	<u>(1)</u>	<u>(634,668)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>932,569</u>	<u>1</u>	<u>1,511,591</u>	<u>2</u>
INCOME (LOSS) BEFORE INCOME TAX	(697,663)	(1)	18,046,172	19
INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 25)	<u>(732,112)</u>	<u>(1)</u>	<u>3,059,620</u>	<u>3</u>
NET INCOME (LOSS)	<u>34,449</u>	<u>-</u>	<u>14,986,552</u>	<u>16</u>

(Continued)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:				
Gains on remeasurement of defined benefit plans (Note 21)	\$ 139,302	-	\$ 215,816	-
Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	(1,592,356)	(2)	2,811,664	3
Share of other comprehensive income (loss) of associates accounted for using equity method	774,469	1	(529,691)	-
Income tax expense related to remeasurement of defined benefit plans	(4,206)	-	(5,812)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(621,874)</u>	<u>(1)</u>	<u>225,926</u>	<u>-</u>
Other comprehensive income (loss)	<u>(1,304,665)</u>	<u>(2)</u>	<u>2,717,903</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ (1,270,216)</u>	<u>(2)</u>	<u>\$ 17,704,455</u>	<u>19</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the parent	\$ (1,146,522)	(2)	\$ 12,927,165	14
Non-controlling interests	<u>1,180,971</u>	<u>2</u>	<u>2,059,387</u>	<u>2</u>
	<u>\$ 34,449</u>	<u>-</u>	<u>\$ 14,986,552</u>	<u>16</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the parent	\$ (2,236,126)	(3)	\$ 15,699,089	17
Non-controlling interests	<u>965,910</u>	<u>1</u>	<u>2,005,366</u>	<u>2</u>
	<u>\$ (1,270,216)</u>	<u>(2)</u>	<u>\$ 17,704,455</u>	<u>19</u>
EARNINGS (LOSSES) PER SHARE (Note 26)				
Basic	<u>\$ (0.29)</u>		<u>\$ 3.25</u>	
Diluted	<u>\$ (0.29)</u>		<u>\$ 3.23</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Parent								
	Share Capital	Capital Surplus	Retained Earnings		Other Equity		Total	Non-controlling Interests	Total Equity
			Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2022	\$ 39,800,002	\$ 7,786,124	\$ 2,074,570	\$ 20,733,450	\$ (861,389)	\$ 12,911,356	\$ 82,444,113	\$ 7,589,399	\$ 90,033,512
Appropriation of 2021 earnings	-	-	1,359,595	(1,359,595)	-	-	-	-	-
Legal reserve appropriated	-	-	-	(3,980,000)	-	-	(3,980,000)	-	(3,980,000)
Cash dividends	-	-	-	-	-	-	-	-	-
Total appropriations	-	-	1,359,595	(5,339,595)	-	-	(3,980,000)	-	(3,980,000)
Net income for the year ended December 31, 2022	-	-	-	12,927,165	-	-	12,927,165	2,059,387	14,986,552
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	159,408	206,737	2,405,779	2,771,924	(54,021)	2,717,903
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	13,086,573	206,737	2,405,779	15,699,089	2,005,366	17,704,455
Changes in ownership interests in subsidiaries	-	8	-	-	-	-	8	8	16
Changes in equity of associates accounted for using equity method	-	(214)	-	-	-	-	(214)	-	(214)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Note 8)	-	-	-	300,524	-	(300,524)	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	(1,024,053)	(1,024,053)
BALANCE AT DECEMBER 31, 2022	39,800,002	7,785,918	3,434,165	28,780,952	(654,652)	15,016,611	94,162,996	8,570,720	102,733,716
Appropriation of 2022 earnings	-	-	1,338,709	(1,338,709)	-	-	-	-	-
Legal reserve appropriated	-	-	-	(3,980,000)	-	-	(3,980,000)	-	(3,980,000)
Cash dividends	-	-	-	-	-	-	-	-	-
Total appropriations	-	-	1,338,709	(5,318,709)	-	-	(3,980,000)	-	(3,980,000)
Net income (loss) for the year ended December 31, 2023	-	-	-	(1,146,522)	-	-	(1,146,522)	1,180,971	34,449
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	116,035	(353,203)	(852,436)	(1,089,604)	(215,061)	(1,304,665)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	(1,030,487)	(353,203)	(852,436)	(2,236,126)	965,910	(1,270,216)
Issuance of ordinary shares for cash	2,000,000	2,389,599	-	-	-	-	4,389,599	-	4,389,599
Share-based payment (Notes 24 and 27)	-	70,017	-	-	-	-	70,017	-	70,017
Changes in ownership interests in subsidiaries	-	(97,592)	-	-	-	-	(97,592)	60,405	(37,187)
Changes in equity of associates accounted for using equity method	-	(12,077)	-	-	-	-	(12,077)	-	(12,077)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Notes 8 and 13)	-	-	-	270,997	-	(270,997)	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	(1,433,674)	(1,433,674)
BALANCE AT DECEMBER 31, 2023	\$ 41,800,002	\$ 10,135,865	\$ 4,772,874	\$ 22,702,753	\$ (1,007,855)	\$ 13,893,178	\$ 92,296,817	\$ 8,163,361	\$ 100,460,178

The accompanying notes are an integral part of the consolidated financial statements.

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$ (697,663)	\$ 18,046,172
Adjustments for:		
Depreciation expense	11,469,317	9,195,254
Amortization expense	387,093	354,103
Carbon offset	42	174
Expected credit (gain) loss recognized on accounts receivable	24,197	(151,262)
(Gains) losses on financial assets and liabilities at fair value through profit or loss	(81)	10,041
Interest expense	991,919	94,874
Interest income	(334,058)	(154,580)
Dividend income	(548,920)	(634,979)
Share-based payment	70,017	-
Share of (profit) loss of associates	(456,040)	(512,295)
(Gains) losses on disposal of property, plant and equipment	(716,701)	(357,146)
(Gains) losses on disposal of non-current assets held for sale	-	(36,181)
(Gains) losses on disposal of intangible assets	591	(91)
Impairment loss on property, plant and equipment	-	112,266
(Gains) on lease modification	(26,036)	(111,231)
Other income under government grants	(56,527)	(47,599)
Changes in operating assets and liabilities		
(Increase) decrease in financial assets and liabilities at fair value through profit or loss	(218,431)	51,928
(Increase) decrease in accounts receivable	(1,140,548)	2,452,548
(Increase) decrease in accounts receivable due from related parties	690,952	(96,397)
(Increase) decrease in other receivables	(212,685)	540,209
(Increase) decrease in inventories	(2,966,122)	(5,507,390)
(Increase) decrease in other current assets	44,861	(221,754)
(Increase) decrease in other non-current assets	(260,421)	(1,904,413)
Increase (decrease) in notes and accounts payable	1,361,016	(1,038,754)
Increase (decrease) in accounts payable due to related parties	125,546	(155,267)
Increase (decrease) in other payables	(1,982,214)	140,930
Increase (decrease) in other current liabilities	(158,514)	308,338
Increase (decrease) in other non-current liabilities	(283,693)	(917,350)
Cash flows generated by (used in) operations	<u>5,106,897</u>	<u>19,460,148</u>
Interest received	321,487	150,955
Dividends received	768,329	726,400
Interest paid	(1,126,230)	(552,169)
Income taxes paid	<u>(1,469,010)</u>	<u>(4,031,232)</u>
Net cash flows generated by (used in) operating activities	<u>3,601,473</u>	<u>15,754,102</u>

(Continued)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investments accounted for using equity method	\$ (89,586)	\$ (568,772)
Acquisitions of financial assets at fair value through profit or loss	-	(96,958)
Proceeds from disposal of financial assets at fair value through profit or loss	26,418	-
Acquisitions of financial assets at fair value through other comprehensive income	(69,086)	(1,521,393)
Proceeds from disposal of financial assets at fair value through other comprehensive income	287,024	18,535
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,000	1,000
Proceeds from disposal of non-current assets held for sale	-	55,200
Acquisitions of property, plant and equipment	(13,786,982)	(42,164,653)
Proceeds from disposal of property, plant and equipment	767,554	369,674
Increase in unearned receipts - disposal of assets	95,862	-
Acquisitions of right-of-use assets	-	(2,167)
(Increase) decrease in refundable deposits	(75,799)	(29,160)
(Increase) decrease in other receivables - time deposits	48,830	128,267
Acquisitions of intangible assets	(327,194)	(380,405)
Acquisitions of intangible assets - carbon credits	(5,083)	(937)
Proceeds from disposal of intangible assets	-	356
Increase (decrease) in investment payable	-	(362,643)
(Increase) decrease in finance lease receivables	<u>94,491</u>	<u>71,848</u>
Net cash flows generated by (used in) investing activities	<u>(13,031,551)</u>	<u>(44,482,208)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	70,080	(361,377)
Proceeds from long-term borrowings	12,239,430	23,150,000
Repayments of long-term borrowings	(4,700,000)	-
Cash dividends paid	(3,980,000)	(3,980,000)
Change in non-controlling interests	(1,433,674)	(1,024,053)
Proceeds from issuance of ordinary shares	4,389,599	-
Repayments of lease liabilities	(300,051)	(339,177)
Increase (decrease) in guarantee deposits	<u>64,943</u>	<u>433,932</u>
Net cash flows generated by (used in) financing activities	<u>6,350,327</u>	<u>17,879,325</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(360,587)</u>	<u>337,290</u>

(Continued)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (3,440,338)	\$ (10,511,491)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>20,402,936</u>	<u>30,914,427</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 16,962,598</u>	<u>\$ 20,402,936</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 9,436,796	6	\$ 8,684,164	6
Current financial assets at fair value through profit or loss (Notes 4 and 7)	211,551	-	48,712	-
Current financial assets at fair value through other comprehensive income (Notes 4 and 8)	12,760,052	7	14,587,832	9
Accounts receivable, net (Notes 4 and 9)	3,437,272	2	3,588,202	2
Accounts receivable due from related parties, net (Note 27)	1,121,576	1	1,179,039	1
Other receivables (Note 27)	378,761	-	256,731	-
Inventories (Notes 4, 5 and 10)	16,124,079	10	13,044,368	8
Other current assets	1,419,807	1	861,614	1
Total current assets	<u>44,889,894</u>	<u>27</u>	<u>42,250,662</u>	<u>27</u>
NON-CURRENT ASSETS				
Non-current financial assets at fair value through other comprehensive income (Notes 4 and 8)	583,885	-	579,064	-
Investments accounted for using equity method (Notes 4 and 11)	21,584,279	13	20,926,478	14
Property, plant and equipment (Notes 4 and 12)	95,830,976	57	87,575,274	56
Right-of-use assets (Notes 4 and 13)	1,466,315	1	1,562,419	1
Investment properties (Notes 4 and 14)	334,644	-	275,254	-
Intangible assets (Notes 4 and 15)	11,327	-	18,158	-
Deferred income tax assets (Notes 4 and 21)	1,723,000	1	810,000	1
Other non-current assets (Notes 6 and 27)	908,530	1	2,009,285	1
Total non-current assets	<u>122,442,956</u>	<u>73</u>	<u>113,755,932</u>	<u>73</u>
TOTAL	<u>\$ 167,332,850</u>	<u>100</u>	<u>\$ 156,006,594</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	\$ -	-	\$ 102,011	-
Accounts payable	4,674,777	3	2,691,742	2
Accounts payable due to related parties (Note 27)	554,797	-	462,039	-
Payables on machinery and equipment	8,932,496	6	3,382,521	2
Other payables (Note 27)	4,047,687	3	5,423,560	4
Current tax liabilities (Notes 4 and 21)	474,609	-	1,386,821	1
Lease liabilities - current (Notes 4 and 13)	87,030	-	87,383	-
Long-term borrowings - current portion (Note 16)	8,837,327	5	3,100,000	2
Other current liabilities	187,968	-	75,372	-
Total current liabilities	<u>27,796,691</u>	<u>17</u>	<u>16,711,449</u>	<u>11</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 17)	9,980,978	6	9,968,462	7
Long-term borrowings (Notes 16 and 24)	35,167,395	21	32,849,502	21
Lease liabilities - non-current (Notes 4 and 13)	1,459,197	1	1,541,922	1
Net defined benefit liabilities - non-current (Notes 4 and 18)	302,082	-	379,105	-
Other non-current liabilities (Note 27)	329,690	-	393,158	-
Total non-current liabilities	<u>47,239,342</u>	<u>28</u>	<u>45,132,149</u>	<u>29</u>
Total liabilities	<u>75,036,033</u>	<u>45</u>	<u>61,843,598</u>	<u>40</u>
EQUITY (Note 19)				
Share capital	41,800,002	25	39,800,002	25
Capital surplus	10,135,865	6	7,785,918	5
Retained earnings				
Legal reserve	4,772,874	3	3,434,165	2
Unappropriated earnings	22,702,753	14	28,780,952	19
Exchange differences on translation of the financial statements of foreign operations	(1,007,855)	(1)	(654,652)	(1)
Unrealized gains on financial assets measured at fair value through other comprehensive income	13,893,178	8	15,016,611	10
Total equity	<u>92,296,817</u>	<u>55</u>	<u>94,162,996</u>	<u>60</u>
TOTAL	<u>\$ 167,332,850</u>	<u>100</u>	<u>\$ 156,006,594</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 27)	\$ 37,561,043	100	\$ 51,139,171	100
OPERATING COSTS (Notes 10 and 27)	<u>31,740,350</u>	<u>84</u>	<u>27,181,153</u>	<u>53</u>
GROSS PROFIT	<u>5,820,693</u>	<u>16</u>	<u>23,958,018</u>	<u>47</u>
OPERATING EXPENSES (Note 27)				
Selling expenses	1,020,564	3	1,229,028	3
General and administrative expenses	1,248,332	3	4,672,592	9
Research and development expenses	7,362,127	20	6,610,718	13
Expected credit (gain) loss (Note 9)	<u>8,730</u>	<u>-</u>	<u>(39,000)</u>	<u>-</u>
Total operating expenses	<u>9,639,753</u>	<u>26</u>	<u>12,473,338</u>	<u>25</u>
INCOME (LOSS) FROM OPERATIONS	<u>(3,819,060)</u>	<u>(10)</u>	<u>11,484,680</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	127,193	-	59,527	-
Dividend income (Note 27)	473,871	1	551,906	1
Other income (Notes 24 and 27)	117,099	-	164,340	-
Share of profit (loss) of subsidiaries and associates	1,847,887	5	2,925,842	6
Gains (losses) on disposal of property, plant and equipment (Note 27)	70,878	-	53,438	-
Gains (losses) on disposal of non-current assets held for sale	-	-	36,181	-
Gains (losses) on foreign exchange (Note 30)	72,911	-	809,964	2
Gains (losses) on financial instruments at fair value through profit or loss	(172,709)	-	(822,862)	(2)
Interest expense (Notes 13, 24 and 27)	(943,182)	(2)	(59,527)	-
Other expenses	(163,633)	-	(159,052)	-
Impairment loss recognized on property, plant and equipment (Note 12)	<u>-</u>	<u>-</u>	<u>(112,266)</u>	<u>-</u>
Total non-operating income and expenses	<u>1,430,315</u>	<u>4</u>	<u>3,447,491</u>	<u>7</u>
INCOME (LOSS) BEFORE INCOME TAX	(2,388,745)	(6)	14,932,171	29
INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 21)	<u>(1,242,223)</u>	<u>(3)</u>	<u>2,005,006</u>	<u>4</u>
NET INCOME (LOSS)	<u>(1,146,522)</u>	<u>(3)</u>	<u>12,927,165</u>	<u>25</u>

(Continued)

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:				
Gains on remeasurement of defined benefit plans (Note 18)	\$ 88,031	-	\$ 92,216	-
Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	(1,535,934)	(4)	2,857,430	6
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using equity method	711,502	2	(384,459)	(1)
Components of other comprehensive income (loss) that will be reclassified to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(81,549)	-	(43,322)	-
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using equity method	<u>(271,654)</u>	<u>(1)</u>	<u>250,059</u>	<u>1</u>
Other comprehensive income (loss)	<u>(1,089,604)</u>	<u>(3)</u>	<u>2,771,924</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ (2,236,126)</u>	<u>(6)</u>	<u>\$ 15,699,089</u>	<u>31</u>
EARNINGS (LOSSES) PER SHARE (Note 22)				
Basic	<u>\$ (0.29)</u>		<u>\$ 3.25</u>	
Diluted	<u>\$ (0.29)</u>		<u>\$ 3.23</u>	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

			Retained Earnings		Other Equity		Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2022	\$ 39,800,002	\$ 7,786,124	\$ 2,074,570	\$ 20,733,450	\$ (861,389)	\$ 12,911,356	\$ 82,444,113
Appropriation of 2021 earnings	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	1,359,595	(1,359,595)	-	-	-
Cash dividends	-	-	-	(3,980,000)	-	-	(3,980,000)
Total appropriations	-	-	1,359,595	(5,339,595)	-	-	(3,980,000)
Net income for the year ended December 31, 2022	-	-	-	12,927,165	-	-	12,927,165
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	159,408	206,737	2,405,779	2,771,924
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	13,086,573	206,737	2,405,779	15,699,089
Changes in ownership interests in subsidiaries	-	8	-	-	-	-	8
Changes in equity of associates accounted for using equity method	-	(214)	-	-	-	-	(214)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Notes 8 and 11)	-	-	-	300,524	-	(300,524)	-
BALANCE AT DECEMBER 31, 2022	39,800,002	7,785,918	3,434,165	28,780,952	(654,652)	15,016,611	94,162,996
Appropriation of 2022 earnings	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	1,338,709	(1,338,709)	-	-	-
Cash dividends	-	-	-	(3,980,000)	-	-	(3,980,000)
Total appropriations	-	-	1,338,709	(5,318,709)	-	-	(3,980,000)
Net loss for the year ended December 31, 2023	-	-	-	(1,146,522)	-	-	(1,146,522)
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	116,035	(353,203)	(852,436)	(1,089,604)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	(1,030,487)	(353,203)	(852,436)	(2,236,126)
Issuance of ordinary shares for cash	2,000,000	2,389,599	-	-	-	-	4,389,599
Share-based payment (Notes 20 and 23)	-	70,017	-	-	-	-	70,017
Changes in ownership interests in subsidiaries	-	(97,592)	-	-	-	-	(97,592)
Changes in equity of associates accounted for using equity method	-	(12,077)	-	-	-	-	(12,077)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Notes 8 and 11)	-	-	-	270,997	-	(270,997)	-
BALANCE AT DECEMBER 31, 2023	\$ 41,800,002	\$ 10,135,865	\$ 4,772,874	\$ 22,702,753	\$ (1,007,855)	\$ 13,893,178	\$ 92,296,817

The accompanying notes are an integral part of the parent company only financial statements.

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$ (2,388,745)	\$ 14,932,171
Adjustments for:		
Depreciation expense	10,264,093	8,113,063
Amortization expense	38,872	52,841
Expected credit (gain) loss recognized on accounts receivable	8,730	(39,000)
(Gains) losses on financial assets and liabilities at fair value through profit or loss	3,021	7,525
Interest expense	943,182	59,527
Interest income	(127,193)	(59,527)
Dividend income	(473,871)	(551,906)
Share-based payment	66,637	-
Share of (profit) loss of subsidiaries and associates	(1,847,887)	(2,925,842)
(Gains) losses on disposal of property, plant and equipment	(70,878)	(53,438)
(Gains) losses on disposal of non-current assets held for sale	-	(36,181)
Impairment loss on property, plant and equipment	-	112,266
Unrealized profit (loss) on the transactions with subsidiaries	(35,812)	(66,340)
Carbon offset	42	174
(Gains) on lease modification	(38)	-
Other income under government grants	(56,527)	(47,599)
Changes in operating assets and liabilities		
(Increase) decrease in financial assets and liabilities at fair value through profit or loss	(192,278)	45,778
(Increase) decrease in accounts receivable	142,200	2,007,695
(Increase) decrease in accounts receivable due from related parties	57,463	765,600
(Increase) decrease in other receivables	(109,502)	30,252
(Increase) decrease in inventories	(3,079,711)	(3,848,554)
(Increase) decrease in other current assets	58,605	(136,011)
(Increase) decrease in other non-current assets	38,573	(1,806,912)
Increase (decrease) in notes payable	(102,011)	40,363
Increase (decrease) in accounts payable	2,501,697	(827,941)
Increase (decrease) in accounts payable due to related parties	92,758	(451,542)
Increase (decrease) in other payables	(1,383,773)	256,911
Increase (decrease) in other current liabilities	16,734	(18,570)
Increase (decrease) in other non-current liabilities	(63,790)	(468,882)
Cash flows generated by (used in) operations	4,300,591	15,085,921
Interest received	121,153	58,914
Dividends received	2,204,737	1,718,099
Interest paid	(1,080,160)	(518,173)
Income taxes paid	(589,477)	(3,243,031)
Net cash flows generated by (used in) operating activities	<u>4,956,844</u>	<u>13,101,730</u>

(Continued)

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investments accounted for using equity method	\$ (424,661)	\$ (400,070)
Proceeds from capital reduction of investments accounted for using equity method	171,703	-
Acquisitions of financial assets at fair value through profit or loss	-	(51,958)
Proceeds from disposal of financial assets at fair value through profit or loss	26,418	-
Acquisitions of financial assets at fair value through other comprehensive income	-	(1,321,011)
Proceeds from disposal of financial assets at fair value through other comprehensive income	287,024	18,535
Proceeds from disposal of non-current assets held for sale	-	55,200
Acquisitions of property, plant and equipment	(12,706,331)	(40,798,805)
Proceeds from disposal of property, plant and equipment	70,878	53,660
Increase in unearned receipts - disposal of assets	95,862	-
Acquisitions of right-of-use assets	-	(2,167)
(Increase) decrease in refundable deposits	(71,183)	167,545
Acquisitions of intangible assets - carbon credits	(5,083)	(937)
Acquisitions of investment properties	-	(572)
Net cash flows generated by (used in) investing activities	<u>(12,555,373)</u>	<u>(42,280,580)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	-	(1,430,417)
Proceeds from long-term borrowings	12,239,430	23,150,000
Repayments of long-term borrowings	(4,200,000)	-
Cash dividends paid	(3,980,000)	(3,980,000)
Repayments of lease liabilities	(97,988)	(102,858)
Proceeds from issuance of ordinary shares	4,389,599	-
Increase (decrease) in guarantee deposits	120	-
Net cash flows generated by (used in) financing activities	<u>8,351,161</u>	<u>17,636,725</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	752,632	(11,542,125)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>8,684,164</u>	<u>20,226,289</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 9,436,796</u>	<u>\$ 8,684,164</u>

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Winbond Electronics Corporation

Opinion

We have audited the accompanying consolidated financial statements of Winbond Electronics Corporation (the “Company”) and its subsidiaries (collectively referred as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. 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.

Occurrence of Sales Revenue from Specific Series of Flash Memory Products

The sales revenue of Winbond Electronics Corporation and its subsidiaries is mainly from the sale of DRAM IC products, Flash Memory products and Logic IC products.

As the gross profit margin and the proportion of sales revenue from the specific series of flash memory products are higher than those of other product series, and given that the gross profit of the specific series is significant to the net income for the year ended December 31, 2023, we considered the occurrence of sales revenue from the specific series of products as a key audit matter of the Company's consolidated financial statements for the year ended December 31, 2023.

The audit procedures that we performed in response to the abovementioned key audit matter included understanding the design and implementation of the key internal controls and testing the effectiveness of the relevant controls over sales revenue and selecting samples of revenue items to verify the occurrence of the transactions.

Other Matter

We have also audited the parent company only financial statements of Winbond Electronics Corporation as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and 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 responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional 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 statements 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 for the year ended December 31, 2023 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 audits resulting in this independent auditors' report are Kuo-Tyan Hong and Wen-Yea Shyu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 6, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Winbond Electronics Corporation

Opinion

We have audited the accompanying parent company only financial statements of Winbond Electronics Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2023 and 2022, and its parent company only financial performance and its parent company only 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Occurrence of Sales Revenue from Specific Series of Flash Memory Products

The sales revenue of Winbond Electronics Corporation is mainly from the sale of DRAM IC products and Flash Memory products.

As the gross profit margin and the proportion of sales revenue from the specific series of flash memory products are higher than those of other product series, and given that the gross profit of the specific series is significant to the net income for the year ended December 31, 2023, we considered the occurrence of sales revenue from the specific series of products as a key audit matter of the parent company only financial statements for the year ended December 31, 2023.

The audit procedures that we performed in response to the abovementioned key audit matter included understanding the design and implementation of the key internal controls and testing the effectiveness of the relevant controls over sales revenue and selecting samples of revenue items to verify the occurrence of the transactions.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of 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 parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 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 audits resulting in this independent auditors' report are Kuo-Tyan Hong and Wen-Yea Shyu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 6, 2024

Notice 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 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 parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

Audit Committee's Review Report

To: The 2024 Annual General Meeting of Shareholders

The Board of Directors has prepared the Company's 2023 Business Report, the financial statements (including the consolidated financial statements) and proposal for distribution of earnings. The financial statements have been audited by Kuo-Tyan Hong and Wen-Yea Shyu from Deloitte & Touche, which has been retained by the Board of Directors as independent auditors. The independent auditors have issued an unmodified opinion. The Audit Committee has reviewed and determined the above Business Report, the financial statements, and proposal for distribution of earnings to be correct and accurate. According to relevant requirements of the Securities and Exchange Act and the Company Law, it is hereby submitted for your review and perusal.

Winbond Electronics Corporation

Chairman of the Audit Committee : Allen Hsu

Date: February 6 ,2024

Winbond Electronics Corporation
Shareholdings of All Directors

Book closure date: March 11, 2024

Position	Name	Current shareholding (Shares)	Shareholding ratio (%)
Chairman	Arthur Yu-Cheng Chiao	68,506,673	1.64%
Vice Chairman	Chin-Xin Investment Co., Ltd (Representative: Tung-Yi Chan)	260,003,436	6.22%
Independent Director	Allen Hsu	0	0.00%
Independent Director	Stephen T. Tso	0	0.00%
Independent Director	Chung-Ming Kuan	0	0.00%
Independent Director	LI -JONG PEIR	0	0.00%
Director	Yung Chin	13,002,316	0.31%
Director	Walsin Lihwa Corporation (Representative: Fred Pan)	919,380,016	21.99%
Director	Jamie Lin	0	0.00%
Director	Wei-Hsin Ma	0	0.00%
Director	ELAINE SHIHLAN CHANG	0	0.00%
Shareholdings of All Directors		1,260,892,441	30.16%

Note: This Company had a total of 4,180,000,193 issued shares as of March 11, 2024

I. Capital Increase by Cash through Issuing New Common Shares to be offered in the form of Global Depositary Shares ("GDS"):

- (I) Under this capital increase by cash through issuing new shares (this "Capital Increase"), 10% of the total new shares to be issued will be reserved for subscription by the employees of the Company and those of its controlling or affiliated companies who meet certain conditions pursuant to Article 267 of the Company Act. It is proposed that the shareholders' meeting approve that shareholders of the Company waive their preemptive right in accordance with Article 28-1 of the Securities and Exchange Act and all the remaining shares should be offered to the public as the underlying shares of the GDSs. It is further proposed that the shareholders' meeting authorize the Chairman of the Board to arrange for specific persons to subscribe the shares left unsubscribed by the Company's employees at the issue price, or to set aside such unsubscribed shares as the underlying shares of GDSs to be offered depending on market demand.
- (II) The issue price of the GDSs shall not be less than 80% of (i) the closing price of the Company's common stock on the pricing date; or (ii) the simple average closing price of the Company's common stock on either one, three, or five business days prior to the pricing date after taking into consideration any stock dividends (or any stocks decreased due to any capital decrease) and any cash dividends (the "Reference Price"), in accordance with the Self-Regulatory Rules for Assistance Offered by Member Underwriters of the Taiwan Securities Association to Issuers for Offering and Issuance of Securities (the "Self-Regulatory Rules"). If the actual issue price is less than 90% of the Reference Price, the GDSs holders shall not request for withdrawal of their GDSs within three months after the issue date, which the Company will specify in the offering plan and the deposit agreement. Notwithstanding the foregoing, if there is any change to the relevant local laws and regulations, the pricing method may be adjusted accordingly. It is proposed to authorize the Chairman of the Board to negotiate with the securities underwriters and determine the actual issue price within the aforementioned scope in accordance with international practices, taking into account the international capital markets, domestic stock prices and the result of the book-building process. The issue price of the common shares to be issued under this Capital Increase is determined in accordance with the relevant laws and regulations and primary market practice. Therefore, the method for determining the issue price of such shares should be reasonable.

II. Capital Increase for Cash through Issuing New Common Shares Locally:

(I) By Competitive Auction

1. 10% of the new shares to be issued will be reserved for subscription by the employees of the Company and those of its controlling or affiliated companies who meet certain conditions pursuant to Article 267 of the Company Act. It is proposed that the shareholders' meeting approve that shareholders of the Company waive their preemptive right in accordance with Article 28-1 of the Securities and Exchange Act and all the remaining shares should be underwritten and offered to the public through a competitive auction. It is further proposed to

authorize the Chairman of the Board to arrange for specific persons to subscribe the shares left unsubscribed by the Company's employees at the issue price.

2. The issue price shall be determined in accordance with Article 7 of the Self-Regulatory Rules: When this Capital Increase is filed with the Financial Supervisory Commission (the "FSC") and the announcement on the competitive auction is filed with the Taiwan Securities Association, the issue price shall not be less than 90% of the simple average closing price of the Company's common stock on either one, three, or five business days prior to both the time when this Capital Increase is filed with the FSC and when the announcement on the competitive auction is filed with the Taiwan Securities Association, after taking into account any stock dividends (or any stocks decreased due to any capital decrease) and any cash dividends. Notwithstanding the foregoing, if there is any change to the relevant local laws and regulations, the pricing method may be adjusted accordingly. It is proposed to authorize the Chairman of the Board to negotiate with the securities underwriters and determine the actual issue price by reference to the conditions of the primary market and the result of competitive auction in accordance with the Self-Regulatory Rules and relevant laws and regulations, after this Capital Increase has been filed with the FSC and takes effect. The issue price of the common shares to be issued under this Capital Increase is determined in accordance with the relevant laws and regulations and primary market practice. Therefore, the method for determining the issue price of such shares should be reasonable.

(II) By Book-Building

1. 10% of the new shares to be issued will be reserved for subscription by the employees of the Company and those of its controlling or affiliated companies who meet certain conditions pursuant to Article 267 of the Company Act. It is proposed that the shareholders' meeting approve that shareholders of the Company waive their preemptive right in accordance with Article 28-1 of the Securities and Exchange Act and all the remaining shares should be offered to the public and underwritten by book-building. It is further proposed to the shareholders' meeting that the Chairman of the Board be authorized to arrange for specific persons to subscribe the remaining shares left unsubscribed by such employees.
2. The issue price shall be determined in accordance with Article 7 of the Self-Regulatory Rules: When this Capital Increase is filed with the FSC and the book-building agreement and the underwriting agreement are filed with the Taiwan Securities Association, the issue price shall not be less than 90% of the simple average closing price of the Company's common stock on either one, three or five business days prior to both the time when this Capital Increase is filed with the FSC and when the announcement on the competitive auction is filed with the Taiwan Securities Association, after taking into account any stock dividends (or any stocks decreased due to any capital decrease) and any cash dividends. Notwithstanding the foregoing, if there is any change to the relevant local laws and regulations, the pricing method may be adjusted accordingly. It is proposed to authorize the Chairman of the Board to negotiate with the securities underwriters and determine the actual issue price by reference to the conditions of the primary market and the result of competitive auction in accordance with

the Self-Regulatory Rules and relevant laws and regulations, after this Capital Increase has been filed with the FSC and takes effect. The issue price of the common shares to be issued under this Capital Increase has been determined in accordance with the relevant laws and regulations and primary market practice. Therefore, the method for determining the issue price of such shares should be reasonable.

Attachment 6

Explanations of involvement of directors in acts for themselves or others which fall into the field of the Company's business

(1) Vice Chairman : Chin-Xin Investment Co., Ltd (Representative: Tung-Yi Chan)

Names of other companies Where he served	Title	Business items same or similar to the Company's
Marketplace Management Limited	Director	Investment

(2) Independent Director : Chung-Ming Kuan

Names of other companies Where he served	Title	Business items same or similar to the Company's
Vpon Holdings Inc.	Independent Director	I301010 Information Software Services I301020 Data Processing Services

(3) Independent Director : LI -JONG PEIR

Names of other companies Where he served	Title	Business items same or similar to the Company's
KKCompany Technologies Inc.	Independent Director	I301010 Information Software Services I301020 Data Processing Services F401010 International Trade

(4) Director : Jamie Lin

Names of other companies Where he served	Title	Business items same or similar to the Company's
TWM Power CO., LTD.	Chairman	F401010 International Trade I301010 Information Software Services I301020 Data Processing Services
FullSynergy New Retail CO., LTD.	Chairman	F401010 International Trade I301010 Information Software Services I301020 Data Processing Services I501010 Product Designing

(5) Director : Wei-Hsin Ma

Names of other companies Where he served	Title	Business items same or similar to the Company's
HannsTouch Holdings Company	President	CC01080 Electronics Components Manufacturing F401010 International Trade