

Stock Code : 3036

WT Microelectronics Co., Ltd.

Handbook of 2024 Annual Shareholders' Meeting

[Translation]

Method of Convening the Meeting : Hybrid Shareholders' Meeting

Meeting Time : May 30, 2024

Venue : 11F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City
(WT Microelectronics Meeting Room)

E-Meeting Platform : Taiwan Depository & Clearing Corporation
(<https://stockservices.tdcc.com.tw>)

Contents

Meeting Agenda.....	1
I. Report Items	2
II. Proposal Items	4
III. Discussion Items.....	5
IV. Election Matters.....	6
V. Other Matters.....	6
VI. Extempore Motions	6
Annex.....	7
I. Business Report	7
II. Audit Committee's Review Report.....	11
III. 2023 Directors' Remuneration Table	13
IV. 2023 Consolidated Financial Statements and Independent Auditors' Report	15
V. 2023 Standalone Financial Statements and Independent Auditors' Report.....	30
VI. 2023 Earnings Distribution Statement.....	44
VII. Instructions for Issuance of New Common Shares by Cash Capital Increase for Sponsoring GDR Issuance.....	45
VIII. List of Director Candidate	46
IX. Current Directors (including Independent Directors) Concurrent Positions in Other Companies	47
Appendix.....	48
I. Rules for Directors Election	48
II. Rules of Procedure for Shareholders' Meetings.....	50
III. Articles of Incorporation	55
IV. Shareholdings of all Directors	69

WT Microelectronics Co., Ltd.

2024 Annual Shareholders' Meeting Agenda

Time: Thursday, May 30, 2024, 9:00 a.m.

Method of Convening the Meeting: Hybrid Shareholders' Meeting

Venue: 11F., No. 738, Zhongzheng Rd., Zhonghe Dist., New Taipei City (WT Microelectronics Meeting Room)

E-Meeting Platform: TDCC (<https://stockservices.tdcc.com.tw>)

Meeting Agenda

I. Call the Meeting to Order (Announce number of shareholders present)

II. Chairman Remarks

III. Report Items

- (I) The 2023 Business Report.
- (II) The Audit Committee's Review Report on the 2023 Financial Statements.
- (III) Report on 2023 Distribution of Employees and Directors Profit-Sharing Compensation.
- (IV) Report on 2023 Earnings Distribution of Cash Dividends.
- (V) Report on 2023 Remuneration to Directors.

IV. Proposal Items

- (I) The 2023 Business Report and Financial Statements.
- (II) The 2023 Earnings Distribution.

V. Discussion Items

- (I) Issuance of New Common Shares by Cash Capital Increase for Sponsoring GDR Issuance.

VI. Election Matters

- (I) By-election of a Seat for the 10th Term of Director.

VII. Other Matters

- (I) Removal of Non-Competition Restriction for the Directors of the Company.

VIII. Extempore Motions

IX. End of Meeting

Report Items

Item No. 1: (Proposed by the Board of Directors)

Agenda: The 2023 Business Report.

Description: Please refer to Annex 1 (pages 7-10) for the Company's 2023 Business Report.

Item No. 2: (Proposed by the Board of Directors)

Agenda: The Audit Committee's Review Report on the 2023 Financial Statements.

Description: Please refer to Annex 2 (pages 11-12) for the Audit Committees' Review Report.

Item No. 3: (Proposed by the Board of Directors)

Agenda: Report on 2023 Distribution of Employees and Directors Profit-Sharing Compensation.

Description:

1. This proposal was handled in accordance with Article 19 of the Articles of Incorporation and Article 5 Paragraph 1 Subparagraph 3 of the Director and Functional Committee Remuneration Payment Guidelines.
2. The Company's 2023 profit was NT\$4,351,576,922. The profit means pre-tax profit in the current year without deducting the profit-sharing compensation of employees and Directors. NT\$43,600,000 was distributed to employees, which is no less than 1% of the profit, and NT\$26,571,233 was distributed to Directors, which is no more than 3% of the profit, as their profit-sharing compensation. All are to be distributed in cash.

Item No. 4: (Proposed by the Board of Directors)

Agenda: Report on 2023 Earnings Distribution of Cash Dividends.

Description:

1. The Board of Directors is authorized to decide the distribution of partial or full dividends in cash, and report the decision to the shareholders meeting in accordance with Article 20 of the Articles of Incorporation.
2. NT\$270,000,000 was first distributed to preferred shares shareholders at NT\$2 per share for preferred shares A. NT\$2,008,438,472 was then distributed to common shares shareholder at NT\$1.8 per share for common shares. Cash dividends for preferred shares and common shares were rounded to the nearest whole number. The total amount of cash dividends less than NT\$1 was adjusted from greatest to smallest in accordance with the total amount of cash dividends.
3. The Chairman was authorized by the Board of Directors to decide the ex-dividend date, the distribution date, and other relevant matters. In the event that the proposed distribution of earnings is affected by changes in the Company's outstanding common shares, the Chairman is authorized by the Board of Directors to adjust such distribution at his/her discretion.

Item No. 5:

(Proposed by the Board of Directors)

Agenda: Report on 2023 Remuneration to Directors.

Description: The Company reports the 2023 remuneration received by Directors, including the remuneration policy, details, amounts, and the correlation with individual Directors' performance outcomes, at the Annual Shareholder' Meeting in accordance with Article 10-1 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies". Please refer to Annex 3 (pages 13-14) for the relevant content.

Proposal Items

Item No. 1:

(Proposed by the Board of Directors)

Agenda: The 2023 Business Report and Financial Statements.

Description: 1. The 2023 Business Report and financial statements for WT Microelectronics Co., Ltd. were approved by the Board of Directors and audited by CPA Hsu, Sheng-Chung and CPA Hsu, Chieh-Ju from Pricewaterhouse Coopers Taiwan. The aforementioned financial statements and Business Report were reviewed by the Audit Committee of WT Microelectronics Co., Ltd. The review reports are on file.

2. Please refer to Annex 1 (pages 7-10) and Annexes 4 to 5 (pages 15-43) for the 2023 Business Report, Independent Auditors' Report, and Financial Statements.

Resolution:

Item No. 2:

(Proposed by the Board of Directors)

Agenda: The 2023 Earnings Distribution.

Description: Please refer to Annex 6 (page 44) for the 2023 Distribution, which was approved by the Board of Directors and reviewed by the Audit Committee.

Resolution:

Discussion Items

Item No. 1:

(Proposed by the Board of Directors)

Agenda: Issuance of New Common Shares by Cash Capital Increase for Sponsoring GDR Issuance.

- Description:**
1. To meet the capital requirements for long-term strategic development and business growth (including, but not limited, to replenishing working capital, procuring raw materials in foreign currencies, repaying loans, and supporting long-term strategic initiatives), and to make capital raising methods more international and diversified, the Company plans to request approval from the Annual Shareholders' Meeting to authorize the Board of Directors, depending on market conditions and the Company's capital needs, to determine the appropriate timing to issue new common shares by cash capital increase for sponsoring GDR issuance, within the limit of 100,000,000 common shares (hereinafter called "the Offering").
 2. Please refer to Annex 7 (pages 45) for the Instructions for Issuance of New Common Shares by Cash Capital Increase for Sponsoring GDR Issuance.
 3. The new shares issued by cash capital increase will share the same rights and obligations as the original outstanding common shares.
 4. The number of outstanding common shares as of April 18, 2024 is 1,115,799,151 shares, and the limit of common shares to be issued in the Offering is 100,000,000 shares, representing approximately 8.2% of the Company's outstanding common shares after the capital increase. The issuance is not expected to significantly impact the rights and interests of existing shareholders. The raised funds are intended to meet the capital requirements for long-term strategic development and business growth, as well as to improve operational efficiency. It will have a positive effect on the Company's future development and the equity of shareholders.
 5. For the main contents of the Offering, including but not limited to the underwriting method, tentative issuance price, actual issuance price, actual number of issued shares, issuance conditions, proposed items, amount of funds raised, estimated progress of fund utilization, expected benefits and all other matters related to the proposal, it is proposed to authorize the Chairman and/or a person designated by the Chairman to handle all necessary modifications or corrections related to the Offering at their full discretion in response to changes in laws or regulations, directives from regulatory authorities, or based on business assessments and prevailing market conditions.
 6. To complete the fundraising plan, it is proposed to request authorization from the Annual Shareholders' Meeting for the Chairman and/or the person designated by the Chairman to represent the Company in signing all relevant contracts and documents related to the Offering and to handle all necessary matters related to this case.
 7. For any matters not fully deliberated herein, the Board of Directors and/or Chairman shall have full authority to deal with the matters in accordance with laws and regulations.

Resolution:

Election Matters

Item No. 1:

(Proposed by the Board of Directors)

Proposal: By-election of a Seat for the 10th Term of Director.

- Explanation:**
1. The Company shall have seven to eleven directors in accordance with Article 13 of the “Articles of Incorporation”. The Company currently has eight Directors and plans to elect one seat of Director in response to the Company’s operation and to strengthen the structure of the Board of Directors. The Company will have nine Directors after by-election.
 2. The election of Directors shall use a candidate nomination system, with the shareholders electing the directors from a candidate list. The candidate list for the by-election was passed by resolution of the Directors on April 18, 2024. Information on the Director candidates' education, experience and number of shares held are attached as Annex 8 (page 46).
 3. The new Directors assumes the position from the date of election, and shall have the same term as the 10th term Board of Directors from May 30, 2024 to May 19, 2025.
 4. The Rules for Directors Election please refer to Appendix 1 (pages 48-49).

Voting Result:

Other Matters

Item No. 1:

(Proposed by the Board of Directors)

Agenda: Removal of Non-Competition Restriction for the Directors of the Company.

- Description:**
1. Article 209 of the Company Act stipulates that directors must disclose the significant details of actions they intend to undertake for themselves or on behalf of others within the scope of the Company's business operations during Shareholders' Meetings and obtain approval accordingly.
 2. Please refer to Annex 9 (page 47) for positions concurrently held by 10th term Directors (including Independent Directors) in other companies. A proposal will be submitted during the Annual Shareholders' Meeting for approval to remove non-competition for the Directors.

Resolution:

Extempore Motions

End of Meeting

WT Microelectronics Co., Ltd. Business Report

I. 2023 Business Report

(I) Business Performance:

The Group's net consolidated operating revenue in 2023 was NT\$594,518,813 thousand, a 4.08% growth compared with NT\$571,197,118 thousand in 2022. Our profit for the year in 2023 was NT\$3,978,834 thousand, down 47.65% compared to the NT\$7,600,364 thousand in 2022. 2023 was a challenging year for the global semiconductor industry. The weak overall global economic environment, high inflation and high interest rates have intensified and extended the global semiconductor inventory adjustment cycle. Despite the challenges posed by the macro environment, the Company has demonstrated strong resilience. Application areas, such as automotive and datacenter, still achieved revenue growth, but was partially offset by revenue decline in application areas such as industrial and instrument, communication, personal computer, and mobile phone.

Unit: NT\$ thousands

Item	2022	2023	Increase (Decrease)	Rate of change %
Operating Revenue	571,197,118	594,518,813	23,321,695	4.08
Operating Profit	11,782,617	8,199,923	(3,582,694)	(30.41)
Profit for the year	7,600,364	3,978,834	(3,621,530)	(47.65)

(II) Financial revenue and expenditure and profitability analysis:

Item		2022	2023
Financial structure	Debt to asset ratio (%)	72.54	72.87
	Long-term funds to fixed assets ratio (%)	7,739.27	6,914.38
Liquidity	Current Ratio (%)	147.14	134.21
	Quick Ratio (%)	73.92	79.62
Profitability	Return on assets (%)	4.68	2.47
	Return on equity (%)	13.97	6.27
	Net profit margin (%)	1.33	0.67
	Basic EPS (NTD) [Notes]	8.61	4.24

Notes: Based on weighted average outstanding shares in each year.

(III) Research and development status:

The continued evolution of semiconductor processes, the rising demand for high performance computing processors, and the adoption of artificial intelligence to significantly enhance computing performance, together with the introduction of New Generation Wide Band Gap semiconductor components and the rapid deployment and development of 5G communication, have led to new emerging markets such as new energy vehicles, open RAN, and edge computing. The changes in market demand require new applications: advanced driver assistance systems, 5G base stations, metaoptics, green energy, industrial automation, low-orbit satellites, ultra wide band real-time positioning, data processing unit (DPU),

machine vision, WIFI 7, new IoT connection technologies, Bluetooth 5.3, and 4D imaging radar. These technologies have become the highlights of the next generation semiconductor industry. In addition to carrying key components, such as high performance x86 processors, neural embedded system image processors, high performance radio frequency components, single point infrared laser sensing components, multiple point far infrared sensing components, MEMS components, high performance microprocessors, high performance power components, highest-bandwidth switching solutions, and high precision analog components, the Group is constructing corresponding equipment, digital systems, and development tools, in order to reduce the technological gap between customers and new technologies. We aim to provide considerable technologies to support the system design and product development of the aforementioned new platforms. Focusing on the long-term stable growth of semiconductor demand in the future, the Group will continue to invest in and accumulate knowledge and technologies for system integration to enhance the overall depth and quality of research and development. We will continue to work with world-class IC designers to provide high-quality technical services and total solutions to customers. Research and development expenditures over the last three years are shown below:

Unit: NT\$ thousands

Item	2021	2022	2023
Net operating revenue	447,896,117	571,197,118	594,518,813
R&D expenses	608,561	654,845	755,450
R&D expenses as a percentage of revenue	0.14%	0.11%	0.13%

II. 2024 Business Plan

In 2024, facing the uncertainty of global economic recovery in the post-epidemic era, the rapid development of artificial intelligence (AI) technology, changes in the electronic product supply chain, etc., the Company will formulate business strategies based on the overall economic situation and market conditions, continue to improve its overall positioning in the electronic components market, and increase market share and profitability. Internally, we will continue to optimize the operation management system and strengthen risk management to improve operational efficiency, while strengthening the financial control system and improving human resources management, deepening the ability to provide added value in the electronic components supply chain to build the foundation for sustainable business operations.

(I) Business strategies:

- Introducing new product lines and expanding new application markets: According to the long-term strategy, the Company will optimize product portfolios by introducing new product lines that meet the market demand and have high profitability, strengthen product and market planning ability, refine strategies for rapidly growing new application markets, and increase the shipments portion in automotive electronics, industrial control, green energy, energy management, medical devices, 5G related applications, cloud datacenter, and smart Internet of Things. This will enable us to continuously improve our product mix and profitability.
- Improving customer penetration and expansion: The Company will optimize its management capability to increase product penetration for existing clients and explore opportunities for new applications with both existing and new high-quality clients. Particularly in strategic areas such as automotive electronics, industrial control, 5G-

related applications, and cloud data centers, we will strive to establish closer partnerships with industry leaders. The Company will also provide quality technical support and total application solutions, help them to promote their products to the market more efficiently, and maintain a long-term relationship with new clients through constructive interactions.

- **Improving value-added services and service quality:** The Company will continue its enterprise digital optimization efforts and improve service quality for vendors and customers through digital operational processes and data analysis. The Company will also help vendors to create demand through solid customer relationships and a quick response to the market, as well as increasing the added value of products and overall profitability through strong technical support for clients' development of new products.

(II) Operations management:

- **Improving the risk management:** As the global economy continues to change, the Company will operate more steadily and continue to identify major risk factors, such as operational risks from technological changes and industry changes, financial risks such as interest rate and exchange rate changes, remote backup and network security related information security risks, climate change, energy uncertainty and other environmental risks. The Company continues to conduct more in-depth management to control the above risk factors and establishes an exception management mechanism to reduce the Company's operational risks.
- **Continuously improving operational efficiency and profitability:** The Company will continuously improve the capability of operational management through optimizing operational procedures and strengthening the operations management system; control expenses to improve profitability and productivity; continue to use return on working capital (ROWC) and return on equity (ROE) as key financial indicators.
- **Strengthening financial control and building a solid and flexible financial system:** The Company adopts a comprehensive risk control and management system, which allows management to identify and measure market risk, credit risk, liquidity risk, and cash flow risk. With the solid internal control system and operating procedures, the Company considers economics, competition, and market risks in a timely manner and requires sales representatives and financial supervisors to regularly track the collection of accounts receivable to achieve optimal risk positioning and maintain liquidity at an appropriate level. In addition, the Company increases the flexibility in the use of funds through diverse funding channels to lower the cost of capital and operational risk.

(III) Human Resources:

■ Vision, goals and core value of the Company

Our collective vision is to establish WT Microelectronics as the world's leading distributor. We aim for continuous delivery of high-quality services, sustainable growth and profitability, and earning the trust of shareholders, investors, customers, and vendors. Our core philosophy emphasizes integrity, discipline, commitment, respect and teamwork, which we strive to instill in every employee.

■ Organization transformation :

Given the rapid changes in the global economic environment and industry landscape, we adapt by making timely organizational adjustments and talent reallocations. These changes enhance our flexibility and enable us to respond quickly and effectively to market challenges.

■ **Well-established talent reserve and training:**

- Long-term talent strategy: We recruit potential young talents through industry-academia cooperation with well-known universities, (Want Talent; Internship Talent Program) and attract international talents to optimize our workforce in terms of level, quantity, and structure. We prioritize grooming successors, both from within and outside the Company, to promote globalization and ensure a competitive edge in future markets.
- New employee training: We invest in comprehensive education and training for new employees, utilizing Online E-Learning platform and offline cross-training. This approach familiarizes employees with department functions, products, and applications while fostering efficient collaboration across locations and regions to meet customer service requirements. In addition, we facilitate effective communication of corporate culture and business philosophy through management-employee communication channels.
- Development of high-potential talent: We identify high-potential talents and devise individual development plans (IDPs) to optimize job training and upgrade individual capabilities , with a specific focus on cultivating managers at all levels.

■ **Performance management enhancement:**

- Clarifying Key Performance Indicators (KPIs): We enhance employees' understanding and alignment with KPIs, ensuring consistent implementation towards our corporate goal and vision.
- Refined Productivity and Efficiency: We review personnel productivity and efficiency, setting more practical and specific targets (OKRs) and metrics based on current realities to drive performance improvement.

Chairman: Cheng, Wen-Tsung

Managerial officer: Cheng, Wen-Tsung

Chief Accountant: Yang, Shing-Yu

WT Microelectronics Co., Ltd.
Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2023 business report and financial statements. PricewaterhouseCoopers Taiwan audited the financial statements and issued an audit report. These have been reviewed by the Audit Committee and determined to be correct and accurate as WT Microelectronics' business activities. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To

2024 Annual Shareholders' Meeting of WT Microelectronics Co., Ltd.

Audit Committee convener : Ding, Kung-Wha

February 16, 2024

WT Microelectronics Co., Ltd. Audit Committee's Review Report

The Company's 2023 earnings distribution proposal submitted by the Board of Directors has been reviewed by the Audit Committee and determined to be correct. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To

2024 Annual Shareholders' Meeting of WT Microelectronics Co., Ltd.

Audit Committee convener : Ding, Kung-Wha

April 18, 2024

[Annex 3]

WT Microelectronics Co., Ltd.

2023 Directors' Remuneration Table

Unit: NT\$ thousand

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income (Note 5)		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (Note 5)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Base compensation (A) (Note 1)		Retirement pay and pension (B)		Director profit- sharing compensation (C) (Note 2)		Expenses and perquisites (D)				Salary, rewards, and special disbursement (E) (Note 3)		Retirement pay and pension (F)		Employee profit-sharing compensatio (G)						
		The Company	All Consolidated Entities (Note 4)	The Company	All Consolidated Entities (Note 4)	The Company	All Consolidated Entities (Note 4)	The Company	All Consolidated Entities (Note 4)	The Company	All Consolidated Entities (Note 4)	The Company	All Consolidated Entities (Note 4)	The Company	All Consolidated Entities (Note 4)	The Company		All Consolidated Entities (Note 4)		The Company	All Consolidated Entities (Note 4)	
																Cash	Stock	Cash	Stock			
Director	Cheng, Wen-Tsung	0	0	0	0	3,500	3,500	0	0	3,500 0.09%	3,500 0.09%	29,520	29,520	0	0	0	0	0	0	33,020 0.82%	33,020 0.82%	None
	Wen You Investment Co., Ltd.	0	0	0	0	3,500	3,500	0	0	3,500 0.09%	3,500 0.09%	0	0	0	0	0	0	0	0	3,500 0.09%	3,500 0.09%	None
	Representative: Hsu, Wen-Hung	0	0	0	0	0	0	0	0	0	0	12,461	15,975	0	0	0	0	0	0	12,461 0.31%	15,975 0.40%	None
	ASMedia Technology Inc.	0	0	0	0	3,500	3,500	0	0	3,500 0.09%	3,500 0.09%	0	0	0	0	0	0	0	0	3,500 0.09%	3,500 0.09%	None
	Representative: Lin, Che-Wei	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
	Sung Kao, Hsin-Ming	0	0	0	0	3,500	3,500	0	0	3,500 0.09%	3,500 0.09%	0	0	0	0	0	0	0	0	3,500 0.09%	3,500 0.09%	None
Independent Director	Cheng, Tien-Chong	740	740	0	0	3,500	3,500	0	0	4,240 0.11%	4,240 0.11%	0	0	0	0	0	0	0	0	4,240 0.11%	4,240 0.11%	None
	Kung, Ju-Chin	740	740	0	0	3,500	3,500	0	0	4,240 0.11%	4,240 0.11%	0	0	0	0	0	0	0	0	4,240 0.11%	4,240 0.11%	None
	Ding, Kung-Wha	740	740	0	0	3,500	3,500	0	0	4,240 0.11%	4,240 0.11%	0	0	0	0	0	0	0	0	4,240 0.11%	4,240 0.11%	None
	Chang, Chia-Chi (Note 6)	294	294	0	0	2,071	2,071	0	0	2,365 0.06%	2,365 0.06%	0	0	0	0	0	0	0	0	2,365 0.06%	2,365 0.06%	None

*1. Please describe the policy, system, standard, and structure of remuneration to directors and independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

The Company has stipulated the “Director and Functional Committee Remuneration Payment Guidelines”. Apart from members of functional committees, the Company’s directors are not paid fixed remuneration. When the Company profits, director remuneration will be given according to the Articles of Incorporation. The Company’s director and functional committee member remuneration structure is stipulated according to industry standards, and the remuneration policy, system, structure, and standards for directors and functional committee members are reviewed periodically according to the Company’s short- and long-term business plans. According to Article 5 of the aforementioned guidelines, the director remuneration payment standards are as follows:

- (1) Remuneration: It is handled according to Article 16 of the Company’s Articles of Incorporation. Remuneration shall be proposed by the Remuneration Committee based on the degree of the directors’ involvement in the Company’s operation and value of contribution, the Company’s business performance and the standards of the industry, and submitted to the Board of Directors for resolution.
- (2) Pension: The Company does not provide director pensions except for directors who are also serving as employees of the Company.
- (3) Remuneration to directors: It is handled according to Article 19 of the Company’s Articles of Incorporation. Director remuneration is distributed according to the profits. The remuneration is reviewed and approved by the Remuneration Committee, then submitted to the Board of Directors for resolution and reported to the Shareholders’ Meeting. The distribution of remuneration for individual directors will be based on the extent of directors’ involvement in the Company’s operations and the value of such contributions. The remuneration will be distributed by Board of Directors resolution after being approved by the Remuneration Committee.
- (4) Business expense: The Company also does not provide transportation allowances, special expense allowances, and other allowances. Apart from directors who are employees, travel expenses for business trips due to the Company’s operational needs will be subsidized according to the Company’s Management Measures for Business Trips.

2. In addition to the table above, in the most recent fiscal year, compensation for services provided by directors of the company (including as a non-employee advisor for all companies/investees under the parent company/in the Financial Report) is as follows: None.

Note 1: Refers to director remuneration in the most recent year (2023) (including independent directors and members of the Remuneration Committee).

Note 2: Refers to the amount of remuneration to directors as approved by the Board of Directors for the most recent year (2023).

Note 3: Refers to the remuneration received by directors who are also employees (including the president and vice presidents) in the most recent fiscal year (2023), including salaries, car rentals, year-end bonuses, employee stock trusts, and employee stock options recognized as salary expenses under IFRS 2.

Note 4: The total pay to the directors from all companies in the consolidated statements (including the Company).

Note 5: The net income after-tax refers to the net income after-tax of NT\$4,012,142 thousand in the standalone financial statements for the most recent year (2023).

Note 6: The newly appointed independent director took office after the by-election at the Annual Shareholders’ Meeting on May 30th, 2023.

*The information on the remuneration disclosed in this table is different from the concept of income of the Income Tax Act. Therefore, the purpose of this Table is for information disclosure only and not for tax purposes.

[Annex 4]

2023 Consolidated Financial Statements and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of WT Microelectronics Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of WT Microelectronics Co., Ltd. and subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

Recognition of supplier rebates

Description

Refer to Note 4(13) for accounting policies on supplier rebates.

The Group is primarily engaged in the sales of electronic and communication components. In line with industry practice, the Group has entered into rebate arrangements with its suppliers for various kinds and quantities of inventories. Under the arrangement, the Group calculates the amount of supplier rebates based on sales breakdown, which is recognised as a deduction of accounts payable to suppliers and a deduction of operating costs. The Group pays the net purchase price, after confirming that the rebate is granted and the credit memo from its suppliers has been received.

As the terms of different types of supplier rebates vary and change frequently, the calculation is complex. The Group relies on the information system to gather related transaction information, and manually matches each inventory category with its corresponding rebate term to calculate the supplier rebate that should be recognised. Since the supplier rebate is material to the financial statements and more audit effort is required to address this audit matter, the recognition of supplier rebate has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and assessed the internal controls related to supplier rebates, and tested the effectiveness of relevant internal controls to verify whether major supplier rebates had been reviewed by responsible management, and the inventory cost had been correctly deducted and paid in net amount based on the credit memo approved by suppliers;
- B. Sampled supplier rebates and tested transaction data to confirm whether the transaction quantities were consistent with sales breakdown. Also, verified arrangements and calculation worksheets, and recalculated supplier rebates to ensure that the rebate recognition is consistent with contract;
- C. Sampled the supplier rebates which were recognised before the balance sheet date but have not yet been confirmed by suppliers, verified its consistency and reasonableness with subsequent credit memos approved by suppliers after the balance sheet date, and confirmed whether there were any material differences; and
- D. Performed confirmation of selected material accounts payable, including supplier rebates which have been confirmed by suppliers, and examined the reconciliation for the differences between the amount stated in the suppliers' confirmation and the Group's records.

Assessment of inventory valuation losses

Description

Refer to Note 4(13) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventory valuation. As at December 31, 2023, the Group's inventories and allowance for inventory valuation losses were NT\$97,263,203 thousand and NT\$1,547,706 thousand, respectively.

The Group is primarily engaged in the sales of various kinds of electronic components. Due to rapid technology innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. For non-obsolete inventories, the net realisable value is estimated based on the estimated selling price in a certain period around the balance sheet date. The net realisable values of obsolete inventories are individually identified as obsolete or damaged, if any. Since the amount of inventory is material, inventory types vary, sources of information in calculating the net realisable value of each type of inventories are various, and the identification of obsolete and damaged inventory and its net realisable value is subject to management's judgement, we considered the assessment of inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and evaluated the process of inventory and warehouse management, examined the annual plan and participated in stock take to assess the effectiveness of management's identification and controls on obsolete inventory;
- B. Obtained an understanding of the Group's nature of business and industry in order to assess whether the provision policies and procedures were applied consistently and reasonably during the periods, including identified as obsolete with supporting documents, and agreed to information obtained from physical inventory; and
- C. Obtained the net realisable value statement of each inventory, and tested supporting documents in relation to sources of information in calculating the net realisable value.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain subsidiaries which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors.

The total assets of these subsidiaries as at December 31, 2023 and 2022 amounted to NT\$15,668,852 thousand and NT\$18,216,536 thousand, constituting 5.91% and 9.10% of the consolidated total assets, respectively. Revenue for the years ended December 31, 2023 and 2022 amounted to NT\$39,438,389 thousand and NT\$13,347,437 thousand, constituting 6.63% and 2.34% of the consolidated net operating revenue, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of WT Microelectronics Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 professional skepticism throughout the audit. We also:

- A. 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.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- D. 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.
- E. 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.
- F. Obtain sufficient 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.



Hsu, Sheng-Chung



Chieh-Ju, Hsu

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 16, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 22,747,549	9	\$ 5,383,254	3
1110	Financial assets at fair value through profit or loss - current	6(2)	42,151	-	12,870	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	1,106,224	-	-	-
1170	Accounts receivable, net	6(4) and 7	111,636,650	42	84,568,116	42
1200	Other receivables	6(4)(5)	5,550,957	2	2,237,030	1
130X	Inventories	6(6)	95,715,497	36	90,547,237	45
1410	Prepayments		1,397,586	1	838,630	1
1470	Other current assets	6(1) and 8	550,331	-	62,447	-
11XX	Total current assets		238,746,945	90	183,649,584	92
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	360,778	-	291,474	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	18,833,048	7	9,139,705	5
1550	Investments accounted for using equity method	6(7)	44,539	-	62,955	-
1600	Property, plant and equipment	6(8)	1,262,530	1	974,071	-
1755	Right-of-use assets	6(9)	1,030,253	1	830,030	-
1760	Investment property - net	6(10)	190,318	-	193,686	-
1780	Intangible assets	6(11)	3,339,635	1	3,371,512	2
1840	Deferred income tax assets	6(30)	828,845	-	1,078,254	1
1900	Other non-current assets		548,081	-	610,899	-
15XX	Total non-current assets		26,438,027	10	16,552,586	8
1XXX	Total assets		\$ 265,184,972	100	\$ 200,202,170	100

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 19,821,848	8	\$ 38,340,556	19
2110	Short-term notes and bills payable	6(13)	349,848	-	1,049,386	1
2120	Financial liabilities at fair value through profit or loss - current	6(2)	41,185	-	11,372	-
2130	Contract liabilities - current	6(23)	1,461,903	1	904,038	1
2170	Accounts payable	7	147,955,015	56	77,996,735	39
2200	Other payables	6(14)	5,980,439	2	3,789,378	2
2230	Current income tax liabilities		745,342	-	1,627,567	1
2280	Lease liabilities - current		240,516	-	248,213	-
2320	Long-term liabilities, current portion	6(15)	88,382	-	-	-
2365	Refund liabilities - current	6(23)	1,127,279	-	778,605	-
2399	Other current liabilities		77,048	-	70,347	-
21XX	Total current liabilities		177,888,805	67	124,816,197	63
Non-current liabilities						
2540	Long-term loans	6(15)	12,644,242	5	17,786,449	9
2570	Deferred income tax liabilities	6(30)	1,031,875	-	856,757	-
2580	Lease liabilities - non-current		478,104	-	335,919	-
2600	Other non-current liabilities		1,196,294	1	1,432,527	1
25XX	Total non-current liabilities		15,350,515	6	20,411,652	10
2XXX	Total liabilities		193,239,320	73	145,227,849	73
Equity attributable to owners of parent						
	Share capital	6(18)				
3110	Common stock		8,873,017	3	8,835,297	4
3120	Preferred stock		1,350,000	1	1,350,000	1
3130	Certificates of entitlement to new shares from convertible bonds		6,540	-	-	-
3140	Advance receipts for share capital		5,423,396	2	-	-
	Capital surplus	6(19)				
3200	Capital surplus		25,680,674	9	25,294,109	13
	Retained earnings	6(20)				
3310	Legal reserve		4,311,098	2	3,542,791	2
3320	Special reserve		1,564,387	1	-	-
3350	Unappropriated retained earnings		14,300,632	5	16,647,535	8
	Other equity interest	6(21)				
3400	Other equity interest		9,599,039	4	(1,564,387)	(1)
31XX	Equity attributable to owners of the parent		71,108,783	27	54,105,345	27
36XX	Non-controlling interest	6(22)	836,869	-	868,976	-
3XXX	Total equity		71,945,652	27	54,974,321	27
	Commitments and contingent liabilities	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		\$ 265,184,972	100	\$ 200,202,170	100

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

			Year ended December 31			
			2023		2022	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(23) and 7	\$	594,518,813	100	\$ 571,197,118	100
5000 Operating costs	6(6) and 7	(	576,112,549)	(97)	(551,364,963)	(97)
5900 Gross profit			18,406,264	3	19,832,155	3
Operating expenses	6(28)					
6100 Selling expenses		(	6,383,289)	(1)	(5,533,094)	(1)
6200 General and administrative expenses		(	3,059,840)	(1)	(1,860,504)	-
6300 Research and development expenses		(	755,450)	-	(654,845)	-
6450 Impairment loss determined in accordance with IFRS 9	12(2)	(	7,762)	-	(1,095)	-
6000 Total operating expenses		(	10,206,341)	(2)	(8,049,538)	(1)
6900 Operating profit			8,199,923	1	11,782,617	2
Non-operating income and expenses						
7100 Interest income	6(24)		151,614	-	39,036	-
7010 Other income	6(25)		594,130	-	421,482	-
7020 Other gains and losses	6(26)		148,295	-	129,302	-
7050 Finance costs	6(27)	(	3,880,037)	-	(2,445,514)	-
7060 Share of loss of associates and joint ventures accounted for using equity method	6(7)	(	18,560)	-	(15,781)	-
7000 Total non-operating income and expenses		(	3,004,558)	-	(1,871,475)	-
7900 Profit before income tax			5,195,365	1	9,911,142	2
7950 Income tax expense	6(30)	(	1,216,531)	-	(2,310,778)	(1)
8200 Profit for the year		\$	3,978,834	1	\$ 7,600,364	1

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

				Year ended December 31			
				2023		2022	
Items		Notes	AMOUNT	%	AMOUNT	%	
Other comprehensive income (loss)							
Components of other comprehensive income (loss) that will not be reclassified to profit or loss							
8311	Loss on remeasurements of defined benefit plans	6(16)	(\$ 2,115)	-	(\$ 5,747)	-	
8316	Unrealised gain (loss) on valuation of equity investment instruments measured at fair value through other comprehensive income (loss)	6(21)(22)	11,228,827	2	(11,414,478)	(2)	
8320	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(21)	-	-	(12,499)	-	
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)	423	-	1,150	-	
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		11,227,135	2	(11,431,574)	(2)	
Components of other comprehensive income (loss) that will be reclassified to profit or loss							
8361	Financial statements translation differences of foreign operations	6(21)(22)	(312,036)	-	4,363,742	1	
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(21)	(116)	-	(2,130)	-	
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(312,152)	-	4,361,612	1	
8300	Total other comprehensive income (loss) for the year		\$ 10,914,983	2	(\$ 7,069,962)	(1)	
8500	Total comprehensive income for the year		\$ 14,893,817	3	\$ 530,402	-	
Profit (loss) attributable to:							
8610	Owners of the parent		\$ 4,012,142	1	\$ 7,631,123	1	
8620	Non-controlling interest		(33,308)	-	(30,759)	-	
			\$ 3,978,834	1	\$ 7,600,364	1	
Comprehensive income (loss) attributable to:							
8710	Owners of the parent		\$ 14,929,690	3	\$ 551,844	-	
8720	Non-controlling interest		(35,873)	-	(21,442)	-	
			\$ 14,893,817	3	\$ 530,402	-	
Earnings per share (in dollars)							
9750	Basic earnings per share	6(31)	\$ 4.24		\$ 8.61		
9850	Diluted earnings per share		\$ 4.17		\$ 8.53		

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent													

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

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 5,195,365	\$ 9,911,142
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	448,487	380,125
Amortisation	6(28)	107,214	57,888
Impairment loss determined in accordance with IFRS 9	12(2)	7,762	1,095
Net gain on financial assets and liabilities at fair value through profit or loss	6(26)	(235,377)	(598,787)
Share-based payments	6(17)	297,110	222,571
Share of profit or loss of associates and joint ventures accounted for using equity method	6(7)	18,560	15,781
Loss on disposal of property, plant and equipment, net		968	1,517
Loss on disposal of intangible assets, net	6(26)	-	15,487
Loss on disposal of investments accounted for using equity method	6(7)	-	2,009
Impairment loss	6(11)	-	7,836
Interest expense	6(27)	2,253,878	1,436,773
Interest income	6(24)	(151,614)	(39,036)
Dividend income	6(25)	(436,092)	(339,705)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(28,279,834)	2,953,585
Other receivables		(3,331,271)	(269,823)
Inventories		(4,815,087)	(8,380,057)
Prepayments		(564,798)	119,768
Other current assets (including contract assets)		2,118	15,422
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		255,639	650,239
Contract liabilities		567,790	131,703
Accounts payable		70,408,917	(9,233,288)
Other payables		2,144,551	94,661
Other current liabilities (including refund liabilities)		445,296	123,970
Net defined benefit liability		12,971	5,026
Cash inflow (outflow) generated from operations		44,352,553	(2,714,098)
Interest received		151,614	39,036
Dividends received		436,092	339,705
Interest paid		(2,323,213)	(1,327,929)
Income taxes paid		(1,589,006)	(2,375,623)
Net cash flows from (used in) operating activities		41,028,040	(6,038,909)

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		(\$ 88,568)	(\$ 7,200)
Proceeds from disposal of financial assets at fair value through profit or loss		-	1,306
Acquisition of financial assets at fair value through other comprehensive income		(30,201)	(1,511,910)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	462,219	99,295
Increase in other financial assets		(497,218)	(39,157)
Acquisition of property, plant and equipment	6(33)	(228,298)	(310,452)
Proceeds from disposal of property, plant and equipment		5,418	91
Acquisition of intangible assets	6(11)	(24,930)	(10,449)
Increase in guarantee deposits		(17,572)	(195,409)
Decrease in guarantee deposits		8,900	11,248
Net cash payments for business combination	6(33)	(199,306)	(3,041,127)
Decrease in other non-current assets		(129,084)	17,673
Proceeds from disposal of investments accounted for using equity method		-	31,346
Net cash flows used in investing activities		(738,640)	(4,954,745)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(34)	820,759,706	850,651,375
Decrease in short-term borrowings	6(34)	(839,211,405)	(850,595,048)
Decrease in short-term notes and bills payable	6(34)	(716,769)	(1,010,053)
Proceeds from long-term loans	6(34)	55,312,534	91,962,000
Repayments of long-term loans	6(34)	(60,349,891)	(82,898,034)
Payment of lease liabilities	6(34)	(279,375)	(235,467)
Increase in other non-current liabilities		5,089	4,331
Issuance of shares - Global depositary receipts	6(18)	-	5,549,184
Issuance of shares - direct costs of Global depositary receipts		-	(93,924)
Cash dividends paid	6(20)	(4,082,065)	(4,701,032)
Cash dividends paid to non-controlling interest	6(22)	-	(588)
Increase in non-controlling interest	6(33)	(1,786)	-
Employee stock options exercised		183,941	-
Capital injection	6(18)	5,423,396	-
Net cash flows (used in) from financing activities		(22,956,625)	8,632,744
Effect of exchange rate changes on cash and cash equivalents		31,520	3,064,588
Net increase in cash and cash equivalents		17,364,295	703,678
Cash and cash equivalents at beginning of year		5,383,254	4,679,576
Cash and cash equivalents at end of year		\$ 22,747,549	\$ 5,383,254

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

[Annex 5]

**2023 Standalone Financial Statements and Independent Auditors'
Report**

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of WT Microelectronics Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of WT Microelectronics Co., Ltd. (the “Company”) as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the report of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 Company's 2023 parent company only financial statements. 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Recognition of supplier rebates

Description

Refer to Note 4(12) for accounting policies on supplier rebates.

The Company is primarily engaged in the sales of electronic and communication components. In line with industry practice, the Company has entered into rebate arrangements with its suppliers for various kinds and quantities of inventories. Under the arrangement, the Company calculates the amount of supplier rebates based on sales breakdown, which is recognised as a deduction of accounts payable to suppliers and a deduction of operating costs. The Company pays the net purchase price, after confirming that the rebate is granted and the credit memo from its suppliers has been received.

As the terms of different types of supplier rebates vary and change frequently, the calculation is complex. The Company relies on the information system to gather related transaction information, and manually matches each inventory category with its corresponding rebate term to calculate the supplier rebate that should be recognised. Since the supplier rebate is material to the parent company only financial statements and more audit effort is required to address this audit matter, the recognition of supplier rebate has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and assessed the internal controls related to supplier rebates, and tested the effectiveness of relevant internal controls to verify whether major supplier rebates had been reviewed by responsible management, and the inventory cost had been correctly deducted and paid in net amount based on the credit memo approved by suppliers;
- B. Sampled supplier rebates and tested transaction data to confirm whether the transaction quantities were consistent with sales breakdown. Also, verified arrangements and calculation worksheets, and recalculated supplier rebates to ensure that the rebate recognition is consistent with contract;
- C. Sampled the supplier rebates which were recognised before the balance sheet date but have not yet been confirmed by suppliers, verified its consistency and reasonableness with subsequent credit memos approved by suppliers after the balance sheet date, and confirmed whether there were any material differences; and
- D. Performed confirmation of selected material accounts payable, including supplier rebates which have been confirmed by suppliers, and examined the reconciliation for the differences between the amount stated in the suppliers' confirmation and the Company's records.

Assessment of inventory valuation losses

Description

Refer to Note 4(12) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventory valuation. As at December 31, 2023, the Company's inventories and allowance for inventory valuation losses were NT\$58,937,516 thousand and NT\$995,221 thousand, respectively.

The Company is primarily engaged in the sales of various kinds of electronic components. Due to rapid technology innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. For non-obsolete inventories, the net realisable value is estimated based on the estimated selling price in a certain period around the balance sheet date. The net realisable values of obsolete inventories are individually identified as obsolete or damaged, if any. Since the amount of inventory is material, inventory types vary, sources of information in calculating the net realisable values of each type of inventories are various, and the identification of obsolete and damaged inventory and its net realisable value is subject to management's judgement, as well as the fact that the aforementioned matter also affects the Company's subsidiaries (recognised as investments accounted for using equity method), we considered the assessment of inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and evaluated the process of inventory and warehouse management, examined the annual plan and participated in stock take to assess the effectiveness of management's identification and controls on obsolete inventory;
- B. Obtained an understanding of the Company's nature of business and industry in order to assess whether the provision policies and procedures were applied consistently and reasonably during the periods, including identified as obsolete with supporting documents, and agreed to information obtained from physical inventory; and
- C. Obtained the net realisable value statement of each inventory, and tested supporting documents in relation to sources of information in calculating the net realisable value.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed

herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$4,964,229 thousand and NT\$5,132,040 thousand, constituting 2.74% and 3.54% of the parent company only total assets as at December 31, 2023 and 2022, respectively, and the comprehensive (loss) income recognised from associates and joint ventures accounted for under the equity method amounted to (NT\$169,428) thousand and NT\$41,041 thousand, constituting 1.13% and 7.44% of the parent company only total comprehensive income for the years then ended, respectively.

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 professional skepticism throughout the audit. We also:

- A. 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.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.

- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the parent company only 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 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.

Hsu, Sheng-Chung

Chieh-Ju, Hsu

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 16, 2024

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

WT MICROELECTRONICS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 8,217,742	4	\$ 436,001	-
1110	Financial assets at fair value through profit or loss - current	6(2)	11,809	-	8,369	-
1120	Financial assets at fair value through other comprehensive income - current	6(3)	1,106,224	1	-	-
1170	Accounts receivable, net	6(4)	32,962,995	18	24,333,779	17
1180	Accounts receivable, net - related parties	7	18,330,170	10	21,353,336	15
1200	Other receivables	6(4)(5)	775,816	-	892,543	1
130X	Inventories	6(6)	57,942,295	32	57,815,094	40
1410	Prepayments		972,157	1	472,728	-
11XX	Total current assets		120,319,208	66	105,311,850	73
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	236,285	-	196,885	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	18,201,735	10	8,718,841	6
1550	Investments accounted for using equity method	6(7)	40,590,761	23	28,978,617	20
1600	Property, plant and equipment	6(8)	322,886	-	342,059	-
1755	Right-of-use assets	6(9)	152,205	-	136,807	-
1760	Investment property, net	6(10)	89,445	-	92,000	-
1780	Intangible assets	6(11)	249,507	-	257,102	-
1840	Deferred income tax assets	6(29)	537,562	1	615,455	1
1900	Other non-current assets		272,841	-	272,632	-
15XX	Total non-current assets		60,653,227	34	39,610,398	27
1XXX	Total assets		\$ 180,972,435	100	\$ 144,922,248	100

(Continued)

WT MICROELECTRONICS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 10,895,000	6	\$ 16,952,187	12
2110	Short-term notes and bills payable	6(13)	299,900	-	699,629	1
2120	Financial liabilities at fair value	6(2)				
	through profit or loss - current		18,183	-	5,178	-
2130	Contract liabilities - current	6(22) and 7	107,514	-	181,952	-
2170	Accounts payable		77,541,627	43	49,389,178	34
2180	Accounts payable - related parties	7	3,693,776	2	1,094,714	1
2200	Other payables	6(14)	2,447,888	2	1,760,298	1
2220	Other payables - related parties	7	4,826	-	7,163	-
2230	Current income tax liabilities		180,798	-	617,968	-
2280	Lease liabilities - current		103,283	-	93,870	-
2365	Refund liabilities - current	6(22)	134,766	-	353,997	-
2399	Other current liabilities		20,790	-	17,490	-
21XX	Total current liabilities		95,448,351	53	71,173,624	49
Non-current liabilities						
2540	Long-term loans	6(15)	12,555,750	7	17,613,000	12
2570	Deferred income tax liabilities	6(29)	733,599	-	657,122	1
2580	Lease liabilities - non-current		51,243	-	45,974	-
2600	Other non-current liabilities		1,074,709	1	1,327,183	1
25XX	Total non-current liabilities		14,415,301	8	19,643,279	14
2XXX	Total liabilities		109,863,652	61	90,816,903	63
Equity						
	Share capital	6(18)				
3110	Common stock		8,873,017	5	8,835,297	6
3120	Preferred stock		1,350,000	1	1,350,000	1
3130	Certificates of entitlement to new shares from convertible bonds		6,540	-	-	-
3140	Advance receipts for share capital		5,423,396	3	-	-
	Capital surplus	6(19)				
3200	Capital surplus		25,680,674	14	25,294,109	17
	Retained earnings	6(20)				
3310	Legal reserve		4,311,098	2	3,542,791	2
3320	Special reserve		1,564,387	1	-	-
3350	Unappropriated retained earnings		14,300,632	8	16,647,535	12
	Other equity interest	6(21)				
3400	Other equity interest		9,599,039	5	(1,564,387)	(1)
3XXX	Total equity		71,108,783	39	54,105,345	37
	Commitments and contingent liabilities	9				
	Significant subsequent events	11				
3X2X	Total liabilities and equity		\$ 180,972,435	100	\$ 144,922,248	100

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

WT MICROELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

		Year ended December 31			
Items	Notes	2023		2022	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(22) and 7	\$ 379,590,206	100	\$ 419,523,201	100
5000 Operating costs	6(6) and 7	(372,555,628)	(98)	(411,156,760)	(98)
5900 Gross profit		<u>7,034,578</u>	<u>2</u>	<u>8,366,441</u>	<u>2</u>
Operating expenses	6(27) and 7				
6100 Selling expenses		(2,165,918)	(1)	(2,323,407)	(1)
6200 General and administrative expenses		(1,866,203)	-	(907,598)	-
6300 Research and development expenses		(427,532)	-	(366,151)	-
6450 Impairment gain (loss) determined in accordance with IFRS 9	12(2)	<u>6,614</u>	<u>-</u>	<u>(1,808)</u>	<u>-</u>
6000 Total operating expenses		(4,453,039)	(1)	(3,598,964)	(1)
6900 Operating profit		<u>2,581,539</u>	<u>1</u>	<u>4,767,477</u>	<u>1</u>
Non-operating income and expenses					
7100 Interest income	6(23)	29,507	-	6,375	-
7010 Other income	6(24)	463,231	-	328,501	-
7020 Other gains and losses	6(25)	352,952	-	395,286	-
7050 Finance costs	6(26)	(2,227,864)	(1)	(1,453,858)	-
7070 Share of profit of associates and joint ventures accounted for using equity method		<u>3,082,041</u>	<u>1</u>	<u>4,578,502</u>	<u>1</u>
7000 Total non-operating income and expenses		<u>1,699,867</u>	<u>-</u>	<u>3,854,806</u>	<u>1</u>
7900 Profit before income tax		4,281,406	1	8,622,283	2
7950 Income tax expense	6(29)	(269,264)	-	(991,160)	-
8200 Profit for the year		<u>\$ 4,012,142</u>	<u>1</u>	<u>\$ 7,631,123</u>	<u>2</u>
Other comprehensive income (loss)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311 Loss on remeasurement of defined benefit plan	6(16)	(\$ 1,827)	-	(\$ 14,309)	-
8316 Unrealised gain (loss) on valuation of equity instruments measured at fair value through other comprehensive income	6(21)	11,031,855	3	(11,098,184)	(3)
8330 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(30)	197,248	-	(321,356)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(29)	<u>365</u>	<u>-</u>	<u>2,862</u>	<u>-</u>
8310 Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>11,227,641</u>	<u>3</u>	<u>(11,430,987)</u>	<u>(3)</u>
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(21)	(200,971)	-	3,463,635	1
8380 Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method	6(30)	(109,122)	-	888,073	-
8360 Other comprehensive (loss) income that will be reclassified to profit or loss		(310,093)	-	4,351,708	1
8300 Total other comprehensive income (loss) for the year		<u>\$ 10,917,548</u>	<u>3</u>	<u>(\$ 7,079,279)</u>	<u>(2)</u>
8500 Total comprehensive income for the year		<u>\$ 14,929,690</u>	<u>4</u>	<u>\$ 551,844</u>	<u>-</u>
Earnings per share (in dollars)	6(31)				
9750 Basic earnings per share		\$ 4.24		\$ 8.61	
9850 Diluted earnings per share		\$ 4.17		\$ 8.53	

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

WT MICROELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Capital					Retained Earnings			Other Equity Interest			Total equity
		Share capital - common stock	Preference stock	Certificates of bond-to-stock conversion	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Other equity, others	
<u>2022</u>													
Balance at January 1, 2022		\$ 7,977,068	\$ 1,350,000	\$ 51,498	\$ -	\$ 20,444,778	\$ 2,677,275	\$ -	\$ 14,531,008	(\$ 3,678,252)	\$ 10,591,772	(\$ 177,282)	\$ 53,767,865
Profit for the year		-	-	-	-	-	-	-	7,631,123	-	-	-	7,631,123
Other comprehensive income (loss)	6(21)	-	-	-	-	-	-	-	(4,597)	4,351,708	(11,426,390)	-	(7,079,279)
Total comprehensive income (loss)		-	-	-	-	-	-	-	7,626,526	4,351,708	(11,426,390)	-	551,844
Appropriations of 2021 earnings:	6(20)												
Legal reserve		-	-	-	-	-	865,516	-	(865,516)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	-	(4,431,032)	-	-	-	(4,431,032)
Cash dividends for preferred stock		-	-	-	-	-	-	-	(270,000)	-	-	-	(270,000)
Issuance of shares - Global depositary receipts	6(18)(19)	780,000	-	-	-	4,675,260	-	-	-	-	-	-	5,455,260
Conversion of convertible bonds	6(18)(19)	80,374	-	(51,498)	-	47,760	-	-	-	-	-	-	76,636
Cancellation of employee restricted shares	6(18)(19)	(2,145)	-	-	-	2,145	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(19)(21)	-	-	-	-	(3,320)	-	-	-	-	-	3,320	-
Changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	(716)	-	-	-	(716)
Compensation cost of share-based payments	6(17)	-	-	-	-	127,486	-	-	102	-	-	94,983	222,571
Disposal of financial assets at fair value through other comprehensive income	6(21)	-	-	-	-	-	-	-	57,163	-	(57,163)	-	-
Redemption liability recognised as other equity	6(21)	-	-	-	-	-	-	-	-	-	-	(1,267,083)	(1,267,083)
Balance at December 31, 2022		<u>\$ 8,835,297</u>	<u>\$ 1,350,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,294,109</u>	<u>\$ 3,542,791</u>	<u>\$ -</u>	<u>\$ 16,647,535</u>	<u>\$ 673,456</u>	<u>(\$ 891,781)</u>	<u>(\$ 1,346,062)</u>	<u>\$ 54,105,345</u>
<u>2023</u>													
Balance at January 1, 2023		\$ 8,835,297	\$ 1,350,000	\$ -	\$ -	\$ 25,294,109	\$ 3,542,791	\$ -	\$ 16,647,535	\$ 673,456	(\$ 891,781)	(\$ 1,346,062)	\$ 54,105,345
Profit for the year		-	-	-	-	-	-	-	4,012,142	-	-	-	4,012,142
Other comprehensive income (loss)	6(21)	-	-	-	-	-	-	-	(1,692)	(310,093)	11,229,333	-	10,917,548
Total comprehensive income (loss)		-	-	-	-	-	-	-	4,010,450	(310,093)	11,229,333	-	14,929,690
Appropriations of 2022 earnings:	6(20)												
Legal reserve		-	-	-	-	-	768,307	-	(768,307)	-	-	-	-
Special reserve		-	-	-	-	-	-	1,564,387	(1,564,387)	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	-	-	(3,812,065)	-	-	-	(3,812,065)
Cash dividends for preferred stock		-	-	-	-	-	-	-	(270,000)	-	-	-	(270,000)
Capital injection	6(18)	-	-	-	5,423,396	-	-	-	-	-	-	-	5,423,396
Employee stock options exercised	6(18)(19)	38,960	-	6,540	-	138,441	-	-	-	-	-	-	183,941
Cancellation of employee restricted shares	6(18)(19)	(1,240)	-	-	-	1,240	-	-	-	-	-	-	-
Changes in restricted stocks to employees	6(19)(21)	-	-	-	-	(3,531)	-	-	-	-	-	3,531	-
Changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	(1,707)	-	-	-	(1,707)
Compensation cost of share-based payments	6(17)	-	-	-	-	250,415	-	-	-	-	-	46,695	297,110
Disposal of financial assets at fair value through other comprehensive income	6(21)	-	-	-	-	-	-	-	59,113	-	(59,113)	-	-
Change in redemption liability recognised as other equity	6(21)	-	-	-	-	-	-	-	-	-	-	253,073	253,073
Balance at December 31, 2023		<u>\$ 8,873,017</u>	<u>\$ 1,350,000</u>	<u>\$ 6,540</u>	<u>\$ 5,423,396</u>	<u>\$ 25,680,674</u>	<u>\$ 4,311,098</u>	<u>\$ 1,564,387</u>	<u>\$ 14,300,632</u>	<u>\$ 363,363</u>	<u>\$ 10,278,439</u>	<u>(\$ 1,042,763)</u>	<u>\$ 71,108,783</u>

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

WT MICROELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 4,281,406	\$ 8,622,283
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(27)	179,910	198,871
Amortisation	6(27)	31,879	27,526
Impairment (gain) loss determined in accordance with IFRS 9	12(2)	(6,614)	1,808
Net gain on financial assets and liabilities at fair value through profit or loss	6(25)	(108,490)	(137,498)
Share-based payments	6(17)	297,110	222,571
Share of profit of subsidiaries accounted for using equity method		(3,082,041)	(4,578,502)
Interest expense	6(26)	1,293,505	895,184
Interest income	6(23)	(29,507)	(6,375)
Dividend income	6(24)	(425,333)	(307,470)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(8,841,898)	(2,511,484)
Accounts receivable - related parties		3,023,166	3,948,618
Other receivables		116,727	(132,621)
Inventories		(127,201)	(8,885,822)
Prepayments		(499,429)	(19,130)
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		78,655	174,717
Contract liabilities		(74,438)	128,755
Accounts payable		28,152,449	(1,480,556)
Accounts payable - related parties		2,599,062	75,015
Other payables		745,062	235,583
Other current liabilities		(215,931)	(139,955)
Net defined benefit liability		(1,212)	(2,062)
Cash inflow (outflow) generated from operations		27,386,837	(3,670,544)
Interest received		29,507	6,375
Dividends received		3,982,359	3,438,025
Interest paid		(1,340,274)	(814,015)
Income taxes paid		(552,065)	(1,341,193)
Net cash flows from (used in) operating activities		29,506,364	(2,381,352)

(Continued)

WT MICROELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		\$ -	(\$ 7,200)
Acquisition of financial assets at fair value through other comprehensive income	12(2)	(12,500)	(1,373,511)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	455,237	-
Proceeds from capital reduction of subsidiaries accounted for using equity method		-	1,123,988
Acquisition of investments accounted for using equity method		(12,000,000)	(5,202,072)
Acquisition of property, plant and equipment	6(33)	(16,765)	(73,964)
Acquisition of intangible assets	6(11)	(24,284)	(10,244)
Increase in guarantee deposits		(24,698)	(195,324)
Decrease in guarantee deposits		13,059	5,188
Decrease (increase) in other non-current assets		11,419	(32,002)
Net cash flows used in investing activities		(11,598,532)	(5,765,141)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(34)	545,797,020	634,071,185
Decrease in short-term borrowings	6(34)	(551,854,207)	(638,478,621)
Decrease in short-term notes and bills payable	6(34)	(413,996)	(1,006,899)
Proceeds from long-term loans	6(34)	42,716,900	95,099,300
Repayment of long-term loans	6(34)	(47,774,150)	(85,236,700)
(Decrease) increase in guarantee deposits received		(14)	6,434
Payment of lease liabilities	6(34)	(124,070)	(133,435)
Issuance of shares - Global depositary receipts	6(18)	-	5,549,184
Issuance of shares - Direct costs of Global depositary receipts	6(18)	-	(93,924)
Cash dividends paid	6(20)	(4,082,065)	(4,701,032)
Capital injection	6(18)	5,423,396	-
Employee stock options exercised		183,941	-
Increase in non-controlling interest	6(7)	(1,786)	-
Net cash flows (used in) from financing activities		(10,129,031)	5,075,492
Effect of exchange rate changes on cash and cash equivalents		2,940	2,438,523
Net increase (decrease) in cash and cash equivalents		7,781,741	(632,478)
Cash and cash equivalents at beginning of year		436,001	1,068,479
Cash and cash equivalents at end of year		\$ 8,217,742	\$ 436,001

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

WT Microelectronics Co., Ltd.
2023 Earnings Distribution Statement

	Unit: NTD
2023 Net Income	\$ 4,012,141,803
Plus: Disposal of equity instruments measured at fair value through other comprehensive income	59,112,761
Less: Remeasurements of defined benefit plan	(1,692,258)
Less: Changes in ownership interests in subsidiaries	(1,706,571)
Current after-tax net profit plus other profit items included in undistributed earnings in the current year	4,067,855,735
Less: 10% statutory reserve	(406,785,574)
Plus: Reversal of special reserve	1,564,387,079
Plus: Undistributed earnings from the previous year	10,232,775,800
Accumulated distributable earnings at the end of 2023	15,458,233,040
Items for distribution: (Note 1)	
Dividends on preferred shares (Note 2)	(270,000,000)
Cash dividends on ordinary shares (Note 3) (NT\$1.8 per share)	(2,008,438,472)
Undistributed earnings at the end of the period	\$ 13,179,794,568
Note 1: Earnings in 2023 are distributed first. Note 2: 135,000,000 class A preferred shares were issued at the price of NT\$50 on October 15, 2020; calculated at a dividend yield of 4% for preferred shares. Note 3: Distribution of dividends is based on 1,115,799,151 shares issued upon resolution of the Board of Directors on April 18, 2024.	

Chairman: Cheng, Wen-Tsung

Managerial officer: Cheng, Wen-Tsung

Chief Accountant: Yang, Shing-Yu

WT Microelectronics Co., Ltd.
Instructions for Issuance of New Common Shares by Cash Capital
Increase for Sponsoring GDR Issuance

- I. With regard to the issuance of common stock for cash capital increase of GDRs, in addition to making 10% to 15% of the new shares available for subscription by employees of the Company and its subsidiaries according to Article 267 of the Company Act and Article 7-3 of the Company's Articles of Incorporation, the remaining shares, in accordance with Article 28-1 of the Securities and Exchange Act, will be submitted to the shareholder meeting for a resolution to have existing shareholders to waive preemptive rights and to make all shares available for public offering in GDRs. For the shares that employees give up the subscription or under-subscribed, the Chairman is authorized to engage a designated party to subscribe at issue price, or list as the original securities participating in the issuance of GDRs depending on market needs.
- II. According to Article 9 of the "The Taiwan Securities Association Self-regulatory Rules Governing the Provision of Advisory Services by Underwriter Members to Issuing Companies Offering and Issuing Securities", the issue price will not be lower than 90% of the simple arithmetic mean of the closing price of ordinary shares on the pricing date or in the 1, 3, or 5 business days prior to the pricing date, less stock dividend (or capital reduction) and cash dividend. If there are changes to domestic laws and regulations, the pricing method may be adjusted in accordance with the laws and regulations. The Chairman and/or a person designated by the Chairman is authorized to negotiate the actual issue price with underwriters within the price range specified above according to international practices and with consideration to the international capital market, domestic stock prices, and book building.
- III. The issue price of issuance of new common shares for cash to sponsor issuance of GDRs was decided in accordance with related laws and regulations, as well as the fair market price of the Company's ordinary shares in the domestic stock exchange. Hence, the basis of pricing should be reasonable. Original shareholders may still purchase the Company's ordinary shares in the domestic stock exchange at price near the issue price of GDRs, and do not need to bear foreign exchange risk and liquidity risk. Hence, it should not have a material impact on the rights and interests of the Company's original shareholders.

WT Microelectronics Co., Ltd.
List of Director Candidate

Director Candidate Basic Information		
Candidate Name		Omar Baigmirza
Education		Bachelor Degree in Commerce – Finance & Marketing, Concordia University
Experience		● Chief Operating Officer, Future Electronics Inc. ● Executive Vice President Worldwide, Sales and Marketing, Future Electronics Inc. ● Corporate Vice President Worldwide SBDU, Future Electronics Inc.
Current Position		● Director, President and CEO, Future Electronics Inc. ● Director, President and CEO, F.A.I. Electronics Inc. ● Director, Future Electronics (CDA) Ltd. ● President, Future Electronics Corp ● President, Future Electronics (US) Holding Corp. ● President, Future Electronics (US) LLC ● President, Future Electronics (US) Finance Corp. ● President, Future Electronics LP Corp. ● President, Future Electronics GP Corp. ● CEO, Future Electronics Puerto Rico Corp.
Number of Shares Held	Common Shares	0 shares
	Preferred Shares	0 shares

WT Microelectronics Co., Ltd.
Current Directors (including Independent Directors) Concurrent
Positions in Other Companies

Position	Name	Concurrent positions held and in which companies (Note)
Director	Representative of Wen You Investment Co., Ltd. - Ms. Hsu, Wen-Hung	Director, Daypower Energy Co., Ltd.
	Ms. Sung Kao, Hsin-Ming	Chairman, Marketop Smart Solutions Co., Ltd.
Independent Director	Mr. Ding, Kung-Wha	Independent Director, Steminent Biotherapeutics Inc.
	Ms. Kung, Ju-Chin	Independent Director, Coasia Electronics Corp. Independent Director, Panram International Corporation

Note: Excluding subsidiaries 100% owned by the Company.

WT Microelectronics Co., Ltd. Rules for Directors Election

- Article 1: The election of directors of the Company shall be handled in accordance with these Rules.
- Article 2: The election of the Company's directors shall be held according to candidate nomination procedures specified in Article 192-1 of the Company Act.
The candidate nomination system and accumulated voting with single name registered on the ballot will be used for the election of directors. The attendance card code of the electors may be used on the ballot instead of the name of the electors. Each share has the number of exercisable votes same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate, or may be split for election of two or more candidates, on the candidate list of directors, unless otherwise stipulated or limited.
- Article 3: Independent and non-independent directors shall be selected from the list of candidates in the Regular Shareholders' Meeting and elected at the same time in accordance with the quota stipulated in Articles of Incorporation and related announcements. The voting result is determined by electronic votes or ballots. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an elected independent or non-independent director. If two or more persons obtain the same number of votes and the number of such persons exceeds the specified seats available, such persons obtaining the same votes shall draw lots to decide who should win the seats available, and the chairman shall draw lots on behalf of the candidate who is not present.
- Article 4: The ballots shall be prepared by the person having the convening right and marked with the weights and distributed among shareholders present in order to hold the election in accordance with the quota of directors. The election held by electronic votes requires no ballots.
- Article 5: When the election commences, the chairman of the meeting shall appoint ballot supervisor(s) from among the shareholders present. Other personnel responsible for counting and announcing the ballots and performing relevant duties shall be appointed by the chairman of the meeting.
- Article 6: For board member elections, the ballot box shall be prepared by the person having the convening right and examined by the ballot supervisor(s) in public before the voting.
- Article 7: A ballot shall be void upon any of the following conditions:
1. The ballot was not in the form provided by the person having the convening right.
 2. The ballot was blank when cast in the ballot box.
 3. The handwriting on the ballot was blurred or illegible or has been altered.
 4. The candidate is verified to be inconsistent with the list of director candidates.
 5. There are other written characters or symbols in addition to the name(s) of the candidate(s), or shareholders number (the number of identification certificate) and the designated number of voting rights on the ballot.
 6. There are two or more than two candidates on the candidate list filled in on the same ballot.
- Article 8: The ballot box shall be opened and the ballots shall be counted on spot under the supervision of the ballot supervisor immediately after the completion of voting, and the result of counting the ballots, including the list of persons elected as directors and the

numbers of votes with which they were elected, shall be proclaimed by the chairman of the meeting or the person designated by the chairman.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the supervisor(s) and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 9: Matters not provided in these Rules shall be handled in accordance with the Articles of Incorporation of the Company and relevant laws and regulations.

Article 10: These Rules shall be effective upon approval of the shareholders' meeting. The same applies to amendments.

These Rules were formulated on May 31, 1999.

The 1st Amendment was made on May 2, 2001.

The 2ed Amendment was made on June 17, 2002.

The 3rd Amendment was made on June 10, 2015.

The 4th amendment was made on June 21, 2019.

The 5th amendment was made on July 12, 2021.

WT Microelectronics Co., Ltd.
Rules of Procedure for Shareholders' Meetings

Article 1: Unless otherwise specified by law or the Articles of Incorporation, the Company shall process its shareholders' meetings according to the terms of these Rules.

Article 2: Any change in the manner of convening a shareholders' meeting shall be resolved by the Board of Directors, and any such change shall be made no later than mailing of the shareholders meeting notice.

The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (hereinafter referred to as "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The foregoing time during which attendance registrations for shareholders will be accepted shall be at least 30 minutes prior to the commencement of the meeting. The place of attendance registration shall be clearly marked, and adequate and appropriate personnel shall be assigned to handle the registrations. Shareholders participating in a video shareholders' meeting should register on dedicated platform at least 30 minutes prior to the commencement of the meeting. Shareholders who have completed the registration are considered to be present in person at the shareholders' meeting.

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report, and other pertinent materials to the dedicated platform at least 30 minutes prior to the commencement of the meeting and continue to disclose them until the end of the meeting.

Article 3: Shareholders or proxies present may turn in their attendance cards to sign in, who will be recognized as present. The Company is not responsible for the recognition of attendance.

Article 4: The total attendance and vote shall be calculated based on shares. The number of shares present is calculated based on the number of shares reported on the sign-in card and the video conference platform, plus the number of shares for which voting rights are exercised by written or electronic means.

If shareholders propose to count the attendance, the chairman may not proceed. In the resolution, if the attendance has reached the statutory quota, the proposal is considered approved.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. Where there is an election of directors or supervisors, the number of representatives assigned by a corporate shareholder shall be limited to the number of directors to be elected in the current shareholders' meeting.

When a juristic person is authorized to attend the shareholders' meeting, only one representative shall be appointed by the juristic person.

Article 5: The venue of shareholders' meeting shall be at the Company or a convenient and suitable location. The shareholders' meeting shall be held during 9 a.m. and 3 p.m.

When holding a virtual shareholders' meeting, the Company is not subject to the foregoing restrictions on the venue.

Article 6: If a shareholders' meeting is convened by the board, the chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his duties for some reason, the chairman shall designate one director to act on his behalf. If the chairman has not appointed a proxy, the meeting chair shall be elected from

among the directors present.

If the meeting is convened by any other person besides the board of directors who is entitled to convene the meeting, such person shall be the chairman to preside at the meeting. If there are more than two persons convening the meeting, then shall be the one elected by the other.

Article 7: The chairman shall call the meeting to order at the appointed meeting time and announce related information including the number of shares without voting rights and the number of shares in attendance at the same time.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If attending shareholders represent less than one-third of the total number of issued shares after two postponements, the chairman shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall announce the adjournment of the meeting on the video conference platform. However, if the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month; In the event of a virtual shareholders' meeting, shareholders who wish to attend by video shall re-register with the Company.. If before the end of the meeting and at enough shares become present to constitute a quorum, the chairman may then re-submit the tentative resolutions to the meeting for approval, in accordance with Article 174 of the Company Act.

Article 8: The agenda for the shareholders' meetings shall be set by the Board of Directors if the meeting is convened by the Board of Directors. The meeting shall be conducted in accordance with the agenda, which may not be altered without a resolution adopted at the shareholders' meeting.

The preceding provisions of this Article apply mutatis mutandis to cases where shareholders' meetings are convened by any person(s), other than the Board of Directors, entitled to convene the meeting.

Unless otherwise resolved at the shareholders' meeting, the chairman may not announce adjournment of the meeting unless the scheduled agenda items (including Questions and Motions) set forth in the preceding provisions of this Article are concluded, or in case of disorder of other matters that make the meeting hard to proceed normally. If the chairman announces adjournment of the meeting and violates these rules of procedure, the meeting may be continued after electing one of the attendees to be the meeting chairman in accordance to the approval of the majority of the votes represented by the attending shareholders.

After the meeting is adjourned, shareholders may not separately elect a chair and resume the meeting at the original or another venue.

Article 9: Before speaking, shareholders attending the meeting must fill out a speaker's card , specifying therein the major points of his or her speech, account number (or number appeared on attendance pass) and account name. The chairman shall determine sequence of shareholders' speeches.

A shareholder in attendance who submits a speaker's slip but does not speak shall be deemed to have not spoken. In the case where the contents of a shareholder's speech differ from those specified on the speaker's card, the contents of the actual speech shall prevail.

When shareholders' authorization is limited by proxies in the power of attorney or through other methods, proxies' speech or votes shall prevail, regardless of the Company's awareness.

Article 10: A shareholder may not speak more than twice on the same resolution without the chairman's consent, with five minutes maximum for each speech.

The chairman may stop any shareholder who violates the above rules or exceeds the scope of the agenda item.

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

When corporate shareholders appoint two or more representatives to attend the shareholders' meeting, only one representative has the right to speak for the same proposal.

Shareholders not obeying the chairman regarding the situations mentioned in preceding three paragraphs shall be handled in accordance with Paragraph 4 of Article 18.

In the event of a virtual shareholders' meeting, shareholders participating by video may ask questions by text on the video conference platform after the chairman announces the commencement of the meeting and before the meeting is adjourned. The maximum number of questions for each motion is two, and each question is limited to 200 words. The Paragraph 1 to 4 and Paragraph 1 to 2 of Article 9 shall not apply.

Article 11: The chairman may respond or designate other persons to respond after an attending shareholder's speech.

Article 12: Discussions or votes shall be carried out only for proposals. When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution. For such motions which are announced by the chairman to be determined by votes, ballots may be casted for several motions at the same time but shall be voted separately.

Article 13: Unless otherwise specified in the Company Act and the Articles of Incorporation, resolutions shall be adopted by a majority of the votes represented by the attending shareholders.

The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder.

The vote counting process of the voting and election shall be announced at the venue of the meeting once completed, including the weights. And the result of the vote counting process shall be recorded.

If there is an amendment or replacement proposal to the original proposal, the chairman shall decide the sequence of voting for such proposals, provided that if any one of the proposals has been approved, other matters shall be deemed vetoed and no further voting is required.

In the event that the Company convenes a virtual shareholders' meeting, shareholders participating by video shall vote on each motion and election motion through the video conference platform after the chairman announces the commencement of the meeting, and shall complete the voting before the chairman announces the close of the voting. After this period, the shareholders shall be deemed to have abstained from voting.

In the event of a virtual shareholders' meeting, the votes shall be count at once after the chairman announces the end of the voting, announce the voting and election results, and

disclose them on the video conference platform of the shareholders' meeting.

Article 14: Shareholders of the Company have one vote per share, except for those limited to vote or having no vote in accordance with Paragraph 2, Article 179 of Company Act.

According to Article 177-1 of Company Act, shareholders exercising their votes through ballots or electronic votes are deemed present in the shareholders' meeting.

However, such shareholders shall waive their votes for questions and motions and the amendments or alternatives of the original proposals in the shareholders' meeting.

Article 15: In the event of a virtual shareholders' meeting, when declaring the meeting open, the chairman shall also declare, unless under a circumstance where a meeting is not required to be postponed to or reconvened at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or reconvened on another date within five days, in which case Article 182 of the Company Act shall not apply.

In the event of a postponed or reconvened meeting as described above, shareholders who have not registered to participate in the original shareholders' meeting by video may not participate in the postponed or reconvened meeting.

In the event of a postponed or reconvened meeting in accordance with the provisions of the first paragraph, if shareholders who have registered to attend the original shareholders' meeting by video and have completed registration for the meeting do not attend the postponed or reconvened meeting, the number of their shares present and the voting and election rights they exercised at the original shareholders' meeting shall be included in the total number of shares, voting rights and election rights of the shareholders present at the postponed or reconvened meeting.

When a postponed or reconvened shareholders' meeting is held in accordance with the provisions of the first paragraph, it is not required to re-discuss and resolve on motions for which voting and counting of votes have been completed and the voting results or the names of the directors elected have been announced.

When the Company convenes a hybrid shareholders' meeting and the reconvened video conference cannot be conducted as described in the first paragraph, if the total number of shares present reaches the statutory quota for the shareholders' meeting after the number of shares present at the shareholders' meeting by video is deducted, the shareholders' meeting shall be continued without any postponement or reconvention as provided in the first paragraph.

In the event that a meeting shall be continued as described in the preceding paragraph, the number of shares represented by shareholders participating in the shareholders' meeting by video shall be included in the total number of shares of shareholders present. However, the shareholders shall be deemed to have abstained from voting in all motions of the shareholders' meeting.

Article 16: The Company may appoint designated attorneys, certified public accounts or other relevant persons to attend shareholders' meetings.

Article 17: The Company shall continuously and uninterruptedly record and videotape the entire process of shareholders' check-in, meeting, and vote counting from the time the Company receives shareholders' registration.

The preceding audio-visual data shall be kept for at least one year.

The litigations brought by shareholders in accordance with Article 189 of Company Act

shall be recorded until closed.

In the event of a virtual shareholders' meeting, the Company shall keep records of the shareholders' registration, enrollment, check-in, questions and voting and the Company's vote counting results, and shall continuously and uninterruptedly record and videotape the entire video conference.

The Company shall keep the aforementioned information and audio and video recordings safe throughout the life of the Company, and shall give the audio and video recordings to the person entrusted with the video conference for retention.

No virtual shareholders' meeting is open to anyone who is not a shareholder for participation or observation. Shareholders participating by video shall not distribute or forward the URL of the live link, or record or videotape the Company's live shareholders' meeting by machine or screen recording software to protect the rights of the participants.

Article 18: The staff members who take charge of the shareholders' meeting affairs shall wear identification certificates or armbands.

The chairman may direct disciplinary officers or security personnel to maintain the order of the Meeting. For identification purposes, they shall wear a badge bearing the words of "disciplinary officer."

If a public-address system is available at the venue, the chairman may stop the shareholder's speech using equipment outside the Company's setting. Persons that violate the Rules or interfere with the procedures of the shareholders' meeting and disobey the chairman's correction will be asked by disciplinary officers or security personnel to leave the venue.

Article 19: During the process of the meeting, the chairman may announce a recess at an appropriate time. In case of irresistible circumstances, the chairman may suspend the shareholders' meeting and announce the time of continuance of the meeting.

If the shareholders' meeting cannot be held at the venue before the scheduled procedures (including Questions and Motions) of the meeting agenda are ended, the shareholders' meeting may be proceeded at another venue.

The shareholders' meeting may be postponed for not more than, or reconvened within, five days by resolution in accordance with Article 182 of the Company Act.

Article 20: These Rules and procedures shall be effective after ratification at the shareholders' meetings. The same applies to modifications.

These Rules were formulated on May 31, 1999.

The 1st amendment was made on April 6, 2000.

The 2ed amendment was made on June 17, 2002.

The 3rd amendment was made on May 25, 2005.

The 4th amendment was made on June 10, 2015.

The 5th amendment was made on July 12, 2021.

The 6th amendment was made on May 20, 2022.

WT Microelectronics Co., Ltd. Articles of Incorporation

Chapter 1 General Provisions

- Article 1: The Company, organized under the Company Act, shall be named 文曄科技股份有限公司 in Chinese and WT MICROELECTRONICS CO., LTD. in English.
- Article 2: The Company's scope of business shall be as follows:
1. Processing, manufacturing, research and development, trade, and import and export of various electronic components and finished products.
 2. Manufacturing, trade, and import and export of various telephone equipment and components.
 3. General import/export trade (except futures).
 4. Agency of quotations and tenders for domestic and foreign vendors.
 5. I301010 Software Design Services.
 6. F218010 Retail Sale of Computer Software.
 7. F118010 Wholesale of Computer Software.
 8. G801010 Warehousing and Storage.
 9. F113070 Wholesale of Telecom Instruments.
 10. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company is headquartered in New Taipei City and when necessary may establish domestic or foreign branches upon approval of the Board of Directors.
- Article 4: Public announcements of the Company shall be made in accordance with Article 28 of Company Act.

Chapter 2 Shares

- Article 5: The Company's authorized capital shall be NT\$20 billion, divided into 2 billion shares, with a par value of NT\$10 per share. The Board of Directors is authorized to issue the shares in installments, and part of the shares may be preferred shares.
Among the above total capital, NT\$3 billion, divided into 300 million shares, with a par value of NT\$10 per share, shall be reserved for issuing stock warrants, preferred shares with warrants, or corporate bonds with warrants.
- Article 5-1: The rights, obligations and other important issuance terms of Class A Preferred Shares are as follows:
- I. The dividend rate of Class A Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class A Preferred Shares remained outstanding in that year.
 - II. The Company has sole discretion on the distribution of Class A Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class A Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class A Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class A Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the

undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.

- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class A Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class A Preferred Shares cannot be converted into common shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class A preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class A preferred shares and other classes of preferred shares of the Company shall rank *pari passu* without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. The holders of Class A Preferred Shares are not entitled to any voting rights or election during general shareholders' meeting. Holders of outstanding Class A Preferred Shares have mandatory voting rights with respect to agendas that would affect preferred shares in preferred shareholders' meeting and in general shareholders' meeting.
- VII. Class A Preferred Shares are perpetual preferred shares. Holders of Class A Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class A Preferred Shares in whole or in part at the actual issue price after the day following the fifth anniversary of issuing. The rights and obligations of the remaining and outstanding Class A Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class A Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.
- VIII. If any Class A preferred shares remains outstanding, except to make up for losses, share premium of Class A Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 5-2: The rights, obligations and other important issuance terms of Class B Preferred Shares are as follows:

- I. The dividend rate of Class B Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class B Preferred Shares remained outstanding in that year.
- II. The Company has sole discretion on the distribution of Class B Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class B Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class B Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class B Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the

undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.

- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class B Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class B Preferred Shares may not be converted within 3 year after the date of issuance. The Board is authorized to set the convertible period in the actual issuance terms. Holders of Class B Preferred Shares may, pursuant to the issuance terms, request the Company to convert its shareholding (in whole or in part) into common shares pursuant to the conversion ratio set out in the issuance terms (ratio is 1:1). Upon conversion, the converted shares shall have the same rights and obligations as common shares. Class B Preferred shares that are converted into common shares before the ex-dividend date shall participate in the distribution of profit and capital reserve to holders of common shares, and may not participate in the distribution of Class B Preferred Share dividends that year. Class B Preferred Shares that are converted into common shares after the ex-dividend date shall participate in the distribution of Class B Preferred Share dividends that year, and may not participate in the distribution of profit and capital reserve to holders of common shares. In principle, holders of the converted shares should not participate in both the distribution of preferred share dividends and common share dividends during the same year for the same converted shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class B preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class B preferred shares and other classes of preferred shares of the Company shall rank pari passu without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. Class B Preferred Share Shareholders are entitled to the same voting rights and the right to be elected as common share shareholders during general shareholders' meeting.
- VII. Class B Preferred Shares are perpetual preferred shares. Holders of Class B Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class B Preferred Shares in whole or in part at the actual issue price after the day following the fifth anniversary of issuing. The rights and obligations of the remaining and outstanding Class B Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class B Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.
- VIII. If any Class B preferred shares remains outstanding, except to make up for losses, share premium of Class B Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 5-3: The rights, obligations and other important issuance terms of Class C Preferred Shares are as follows:

- I. The dividend rate of Class C Preferred Shares is 4% per annum on the issue price.

Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class C Preferred Shares remained outstanding in that year.

- II. If there are no earnings during the year, or if earnings together with share premium of Class C Preferred Shares are insufficient for the distribution of Class C Preferred Share dividends, the undistributed dividends or shortfall shall be cumulated and be deferred to pay in priority in subsequent years where there are earnings.
- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class C Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class C Preferred Shares may not be converted within 3 year after the date of issuance. The Board is authorized to set the convertible period in the actual issuance terms. Holders of Class C Preferred Shares may, pursuant to the issuance terms, request the Company to convert its shareholding (in whole or in part) into common shares pursuant to the conversion ratio set out in the issuance terms (ratio is 1:1). Upon conversion, the converted shares shall have the same rights and obligations as common shares. Class C Preferred shares that are converted into common shares before the ex-dividend date shall participate in the distribution of profit and capital reserve to holders of common shares, and may not participate in the distribution of Class C Preferred Share dividends that year. Class C Preferred Shares that are converted into common shares after the ex-dividend date shall participate in the distribution of Class C Preferred Share dividends that year, and may not participate in the distribution of profit and capital reserve to holders of common shares. In principle, holders of the converted shares should not participate in both the distribution of preferred share dividends and common share dividends during the same year for the same converted shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class C preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class C preferred shares and other classes of preferred shares of the Company shall rank *pari passu* without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. Class C Preferred Share Shareholders are entitled to the same voting rights and the right to be elected as common share shareholders during general shareholders' meeting.
- VII. Class C Preferred Shares are perpetual preferred shares. Holders of Class C Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class C Preferred Shares in whole or in part at the actual issue price after the day following the fifth anniversary of issuing. The rights and obligations of the remaining and outstanding Class C Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class C Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.
- VIII. If any Class C preferred shares remains outstanding, except to make up for losses, share premium of Class C Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article5-4: The rights, obligations and other important issuance terms of Class D Preferred Shares are as follows:

- I. The dividend rate of Class D Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class D Preferred Shares remained outstanding in that year.
- II. The Company has sole discretion on the distribution of Class D Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class D Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class D Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class D Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.
- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class D Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class D Preferred Shares may not be converted within 1 year after the date of issuance. The Board is authorized to set the convertible period in the actual issuance terms. Holders of Class D Preferred Shares may, pursuant to the issuance terms, request the Company to convert its shareholding (in whole or in part) into common shares pursuant to the conversion ratio set out in the issuance terms (ratio is 1:1). Upon conversion, the converted shares shall have the same rights and obligations as common shares. Class D Preferred shares that are converted into common shares before the ex-dividend date shall participate in the distribution of profit and capital reserve to holders of common shares, and may not participate in the distribution of Class D Preferred Share dividends that year. Class D Preferred Shares that are converted into common shares after the ex-dividend date shall participate in the distribution of Class D Preferred Share dividends that year, and may not participate in the distribution of profit and capital reserve to holders of common shares. In principle, holders of the converted shares should not participate in both the distribution of preferred share dividends and common share dividends during the same year for the same converted shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class D preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class D preferred shares and other classes of preferred shares of the Company shall rank pari passu without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. The holders of Class D Preferred Shares are not entitled to any voting rights or election during general shareholders' meeting. Holders of outstanding Class D

Preferred Shares have mandatory voting rights with respect to agendas that would affect preferred shares in preferred shareholders' meeting and in general shareholders' meeting.

VII. Class D Preferred Shares are perpetual preferred shares. Holders of Class D Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class D Preferred Shares in whole or in part at the actual issue price after the day following the fifth anniversary of issuing. The rights and obligations of the remaining and outstanding Class D Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class D Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.

VIII. If any Class D preferred shares remains outstanding, except to make up for losses, share premium of Class D Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 5-5: The rights, obligations and other important issuance terms of Class E Preferred Shares are as follows:

- I. The dividend rate of Class E Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class E Preferred Shares remained outstanding in that year.
- II. The Company has sole discretion on the distribution of Class E Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class E Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class E Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class E Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.
- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class E Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class E Preferred Shares cannot be converted into common shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class E preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class E preferred shares and other classes of preferred shares of the Company shall rank *pari passu* without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. The holders of Class E Preferred Shares are not entitled to any voting rights or election during general shareholders' meeting. Holders of outstanding Class E

Preferred Shares have mandatory voting rights with respect to agendas that would affect preferred shares in preferred shareholders' meeting and in general shareholders' meeting.

VII. Class E Preferred Shares are perpetual preferred shares. Holders of Class E Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class E Preferred Shares in whole or in part at the actual issue price after the day following the forth anniversary of issuing. The rights and obligations of the remaining and outstanding Class E Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class E Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.

VIII. If any Class E preferred shares remains outstanding, except to make up for losses, share premium of Class E Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 5-6: The rights, obligations and other important issuance terms of Class F Preferred Shares are as follows:

- I. The dividend rate of Class F Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class F Preferred Shares remained outstanding in that year.
- II. The Company has sole discretion on the distribution of Class F Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class F Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class F Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class F Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.
- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class F Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class F Preferred Shares cannot be converted into common shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class F preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class F preferred shares and other classes of preferred shares of the Company shall rank *pari passu* without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. The holders of Class F Preferred Shares are not entitled to any voting rights or election during general shareholders' meeting. Holders of outstanding Class F

Preferred Shares have mandatory voting rights with respect to agendas that would affect preferred shares in preferred shareholders' meeting and in general shareholders' meeting.

VII. Class F Preferred Shares are perpetual preferred shares. Holders of Class F Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class F Preferred Shares in whole or in part at the actual issue price after the day following the third anniversary of issuing. The rights and obligations of the remaining and outstanding Class F Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class F Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.

VIII. If any Class F preferred shares remains outstanding, except to make up for losses, share premium of Class F Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 5-7: The rights, obligations and other important issuance terms of Class G Preferred Shares are as follows:

- I. The dividend rate of Class G Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class G Preferred Shares remained outstanding in that year.
- II. The Company has sole discretion on the distribution of Class G Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class G Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class G Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class G Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.
- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class G Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class G Preferred Shares may not be converted within 1 year after the date of issuance. The Board is authorized to set the convertible period in the actual issuance terms. Holders of Class G Preferred Shares may, pursuant to the issuance terms, request the Company to convert its shareholding (in whole or in part) into common shares pursuant to the conversion ratio set out in the issuance terms (ratio is 1:1). Upon conversion, the converted shares shall have the same rights and obligations as common shares. Class G Preferred shares that are converted into common shares before the ex-dividend date shall participate in the distribution of profit and capital reserve to holders of common shares, and may not participate in the distribution of Class G Preferred Share dividends that year. Class G Preferred

Shares that are converted into common shares after the ex-dividend date shall participate in the distribution of Class G Preferred Share dividends that year, and may not participate in the distribution of profit and capital reserve to holders of common shares. In principle, holders of the converted shares should not participate in both the distribution of preferred share dividends and common share dividends during the same year for the same converted shares.

- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class G preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class G preferred shares and other classes of preferred shares of the Company shall rank *pari passu* without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. The holders of Class G Preferred Shares are not entitled to any voting rights or election during general shareholders' meeting. Holders of outstanding Class G Preferred Shares have mandatory voting rights with respect to agendas that would affect preferred shares in preferred shareholders' meeting and in general shareholders' meeting.
- VII. Class G Preferred Shares are perpetual preferred shares. Holders of Class G Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class G Preferred Shares in whole or in part at the actual issue price after the day following the forth anniversary of issuing. The rights and obligations of the remaining and outstanding Class G Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class G Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.
- VIII. If any Class G preferred shares remains outstanding, except to make up for losses, share premium of Class G Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 5-8: The rights, obligations and other important issuance terms of Class H Preferred Shares are as follows:

- I. The dividend rate of Class H Preferred Shares is capped at 8% per annum on the issue price. Dividends are paid annually in cash in one lump sum. The Chairman is authorized by the Board of Directors or a Board Resolution to set the ex-dividend date and the amount of dividends to be paid for the previous fiscal year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated proportionally based on the actual number of days the Class H Preferred Shares remained outstanding in that year.
- II. The Company has sole discretion on the distribution of Class H Preferred Share dividends. If there is no earning or insufficient earning for distributing dividends of Class H Preferred Shares in the fiscal year, or the Company has other necessary considerations, the Board may decide not to distribute Class H Preferred Share dividends by Board Resolution, and it will not be deemed as an event of default. Class H Preferred Shares are non-cumulative shares. If the Company decide not to distribute preferred share dividends or to distribute insufficient dividend, the undistributed dividends or shortfalls in dividends distributed shall not be cumulative

and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.

- III. Except for the dividend prescribed in Subparagraph 1 of this Paragraph, Class H Preferred Shareholders are not entitled to participate in the distribution of cash or share dividends with regard of the common shares derived from earnings or capital reserves.
- IV. Class H Preferred Shares may not be converted within 1 year after the date of issuance. The Board is authorized to set the convertible period in the actual issuance terms. Holders of Class H Preferred Shares may, pursuant to the issuance terms, request the Company to convert its shareholding (in whole or in part) into common shares pursuant to the conversion ratio set out in the issuance terms (ratio is 1:1). Upon conversion, the converted shares shall have the same rights and obligations as common shares. Class H Preferred shares that are converted into common shares before the ex-dividend date shall participate in the distribution of profit and capital reserve to holders of common shares, and may not participate in the distribution of Class H Preferred Share dividends that year. Class H Preferred Shares that are converted into common shares after the ex-dividend date shall participate in the distribution of Class H Preferred Share dividends that year, and may not participate in the distribution of profit and capital reserve to holders of common shares. In principle, holders of the converted shares should not participate in both the distribution of preferred share dividends and common share dividends during the same year for the same converted shares.
- V. Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, holders of outstanding Class H preferred shares are entitled to receive residual assets of the Company available for distribution to stockholders, before any distribution of assets is made to holders of the common shares. Class H preferred shares and other classes of preferred shares of the Company shall rank *pari passu* without any preference among themselves and their repayment shall be capped at their respective issue amount.
- VI. The holders of Class H Preferred Shares are not entitled to any voting rights or election during general shareholders' meeting. Holders of outstanding Class H Preferred Shares have mandatory voting rights with respect to agendas that would affect preferred shares in preferred shareholders' meeting and in general shareholders' meeting.
- VII. Class H Preferred Shares are perpetual preferred shares. Holders of Class H Preferred Shares have no right to request redemption of such shares by the Company. However, the Company may redeem Class H Preferred Shares in whole or in part at the actual issue price after the day following the third anniversary of issuing. The rights and obligations of the remaining and outstanding Class H Preferred Shares as described in the preceding paragraphs will remain unchanged. Holders of the outstanding Class H Preferred Shares are entitled to receive declared dividends based on the actual days in the redemption year up to the date of redemption should the Company decide to declare dividend for the redemption year.
- VIII. If any Class H preferred shares remains outstanding, except to make up for losses, share premium of Class H Preferred Shares should not be capitalized into share capital.

The Board is authorized to determine the name, issuance date and specific issuance terms upon actual issuance, after considering the situation of capital market and investors' willingness for subscription, in accordance with Articles of Incorporation and related laws and regulations.

Article 6: In the event that the Company invests in other companies as a limited liability shareholder, the total amount of such reinvestment is not subject to the restriction of not

more than 40% of paid-up capital of the Company as provided in Article 13 of Company Act.

- Article 7: The share certificates of the Company shall be in name-bearing form, and shall be issued only after they have been signed and sealed by the Directors representing the Company, and duly certified by the competent authority. Shares issued by the Company are not required to be printed. The Company, however, should contact the securities depository and custodian institution for registration of the share certificates.
- Article 7-1: Unless otherwise specified, share affairs of the Company shall be handled in accordance with Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority.
- Article 7-2: When the Company transfers the shares to employees based on a price lower than the average actual repurchase price, or issues the employee stock warrants based on the price lower than the closing price of the Company's common shares on the date of issuance, the resolution shall be adopted by two-thirds of the votes of the shareholders present, who represent more than one-half of the total outstanding shares.
- Article 7-3: Employees that are eligible to subscribe for new shares or restricted employee shares issued by the Company may include employees of affiliated companies that meet certain qualifications.
- Article 8: Changes to the shareholder register shall be suspended 60 days before an annual shareholders' meeting, 30 days before an extraordinary shareholders' meeting, or within 5 days before the ex-rights/ex-dividend date.

Chapter 3 Shareholders' Meeting

- Article 9: There are 2 types of shareholders' meetings: annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened within 6 months of the close of each fiscal year by the Board of Directors in accordance with the applicable laws; the extraordinary shareholders' meetings may be held in accordance with applicable laws whenever necessary.
The shareholders' meeting of preferred shares may be convened in accordance with relevant laws whenever necessary.
The Company's shareholders' meetings shall be held via video conference or through other channels as announced by the central competent authority.
- Article 10: A shareholder who may not attend the meeting due to certain reasons may appoint a proxy in accordance with Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.
- Article 11: Each share of the Company is entitled to one vote, unless otherwise specified or restricted by the law or Articles of Incorporation.
- Article 11-1: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total outstanding shares.
- Article 12: Unless otherwise provided by applicable laws and Articles of Incorporation of the Company, conducting of the shareholders' meeting shall be in accordance with the Rules of Procedure for Shareholder' Meeting stipulated by the Company.

Chapter 4 Directors and Audit Committee

- Article 13: The Company shall have 7 to 11 Directors, at least 3 of which, and no less than 1/5 of total number of seats, are independent directors. The number of Directors shall be decided by the Board of Directors. The term of office of Directors shall be 3 years, and all Directors may be re-elected.
Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Act and elected from among a group of candidates nominated at shareholders' meetings. Directors of the Company shall be selected from

the list of candidates in the shareholders' meeting. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately.

The total number of shares held by all Directors shall not be less than the percentage of the total shareholdings required by the competent authority in accordance with applicable laws.

Article 13-1: In compliance with Articles 14-4 of the Securities and Exchange Act, the Company shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Act, the Securities and Exchange Act and other relevant regulations.

Article 14: The Directors shall elect from among themselves a Chairman of the Board of Directors, by a majority in a meeting attended by two-thirds or more of the Directors. The Chairman of the Board of Directors shall have the authority to represent the Company. The Chairman and Directors shall perform their duties in accordance with the resolutions and instructions made by the Board of Directors.

Article 14-1: Unless otherwise provided by the Company Act, a meeting of the Board of Directors may be held if attended by a majority of total Directors and resolutions shall be adopted by the majority of the Directors present at the meeting.

Article 14-2: Unless otherwise provided in the Company Act, meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors.

Meetings of the Board of Directors shall be convened upon written notice mailed to all the other Directors, at least 7 days, unless in case of urgent circumstances, prior to the date of the meeting, specifying the agenda. Notices of meetings may be sent in writing, via e-mail or by fax.

A Director may authorize another Director to attend the meeting on his/her behalf by presenting a written authorization indicating the scope of authorization.

Each Director may be authorized to attend a meeting by only one another Director.

Article 15: In the event that the Chairman is absent or unable to exercise his/her authority, the Board of Directors shall designate one Director acting for him/her in accordance with Article 208 of Company Act.

Article 16: The remuneration for Directors shall be proposed by Remuneration Committee based on the degree of their involvement in the Company's operation and value of contribution, the Company's business performance and the standards of the industry, and submitted to the Board of Directors for resolution.

Article 16-1: The Company may take out liability insurance for Directors in order to reduce the risk of accusation by shareholders or other interested parties due to the performance of duties in accordance with applicable laws and regulations.

Chapter 5 Managerial Officers

Article 17: The Company shall have several managerial officers. Their appointment, dismissal, and remuneration shall be governed by Article of 29 of the Company Act.

Chapter 6 Accounting

Article 18: The Board of Directors shall prepare the following documents after the end of each fiscal year, and submit them at the annual shareholders' meeting for approval in accordance with the legal procedure.

I. Business report

II. Financial statements

III. Proposal to distribute earnings or to make up for losses.

Article 19: If the Company has profits (which mean profits before tax without deducting the

remuneration of employees and Directors) in the fiscal year, the Company shall distribute no less than 1% of such profits to employees and no more than 3% to Directors as their remuneration; provided, however, that when the Company has accumulated losses, the profits shall be preserved to make up for losses.

The employee remuneration mentioned in the preceding paragraph shall be distributed in stock or cash, which may include eligible employees of affiliated companies. The remuneration of Directors may only be distributed in cash.

The matters mentioned in preceding two paragraphs shall be approved by the Board of Directors and report to the annual shareholders' meeting.

Article 20: If the Company has earnings, the Company shall first pay taxes and offset accumulated losses; and set aside a legal reserve at 10% of such remaining earnings, until the accumulated legal reserve has equaled the total paid-in capital of the Company; then, set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Residual earnings (distributable earnings in the current year) plus undistributed earnings at the beginning of the period is the accumulated retained earnings, which shall first be distributed as dividends to holders of Preferred Share, and distribution of such earnings shall submitted by the Board of Directors to the shareholders' meeting for approval.

Pursuant to Article 240 of the Company Act, the Company authorizes the Board of Directors to distribute a portion or all of dividends, bonuses or legal reserve and capital surplus in accordance with Article 241 of the Company Act in cash by resolution adopted by a majority in a meeting attended by two-thirds or more of the Directors, and the distribution shall then be reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for approval.

Chapter 7 Supplementary Provisions

Article 20-1: The Company's dividend policy is based on the following principles:

The Company's dividend policy is determined by the Board of Directors based on the business plan, investments, capital budgets, and changes in the environment. Since the Company is currently in a growth stage, the earnings shall be held in respond to funds required for operational growth and investments. Currently, the Company adopts the minimum cash dividends plus additional dividends. The principles of distribution of earnings are as follows:

The distribution of earnings shall be no less than 40% of unappropriated retained earnings of the fiscal year. The distribution of cash dividends and stock dividends shall be made, taking into account of the future profits and capital demands, and the ratio for cash dividends shall be no less than 10% of total distribution. If total distribution amount exceeds 30% of paid-in capital before distribution, cash dividends shall be no less than 20% of total distribution for the fiscal year.

Article 20-2: (Deleted).

Article 21: According to Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the Company may provide endorsements and guarantees and act as a guarantor. Any matters not provided herein shall be governed in accordance with other applicable laws or regulations.

Article 22: The Articles of Incorporation were drawn up on December 20, 1993.

The 1st amendment was made on May 23, 1994.

The 2ed amendment was made on August 5, 1994.

The 3rd amendment was made on November 11, 1994.

The 4th amendment was made on January 13, 1997.

The 5th amendment was made on January 3, 1997.

The 6th amendment was made on March 17, 1997.

The 7th amendment was made on June 8, 1998.

The 8th amendment was made on March 30, 1999.
The 9th amendment was made on May 31, 1999.
The 10th amendment was made on September 15, 1999.
The 11th amendment was made on April 6, 2000.
The 12th amendment was made on May 2, 2001.
The 13th amendment was made on November 6, 2001.
The 14th amendment was made on June 17, 2002.
The 15th amendment was made on June 15, 2004.
The 16th amendment was made on May 25, 2005.
The 17th amendment was made on June 14, 2006.
The 18th amendment was made on June 15, 2007.
The 19th amendment was made on June 16, 2009.
The 20th amendment was made on June 15, 2010.
The 21st amendment was made on June 15, 2011.
The 22nd amendment was made on June 13, 2012.
The 23rd amendment was made on June 10, 2015.
The 24th amendment was made on June 3, 2016.
The 25th amendment was made on June 28, 2018.
The 26th amendment was made on June 21, 2019.
The 27th amendment was made on March 27, 2020.
The 28th amendment was made on July 12, 2021.
The 29th amendment was made on May 20, 2022.
The 30th amendment was made on May 30, 2023.

WT Microelectronics Co., Ltd.

Chairman Cheng, Wen-Tsung

WT Microelectronics Co., Ltd. Shareholdings of all Directors

- I. According to Article 26 of Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares held by all directors of the Company shall be 32,000,000.
- II. As of the book closure date for the shareholders meeting in 2024 (April 1, 2024), the shareholding status of respective and all directors recorded in the shareholder register is as follows:

Title	Name or Juristic Persons' Name	Common stock		Preferred stock	
		Number of Shares Held	Shareholding Percentage (%) (Note)	Number of Shares Held	Shareholding Percentage (%) (Note)
Chairman	Mr. Cheng, Wen-Tsung	25,112,112	2.44%	0	0%
Director	Representative of Wen You Investment Co., Ltd. - Ms. Hsu, Wen-Hung	3,493,760	0.34%	0	0%
Director	Representative of Asmedia Technology Inc. - Mr. Lin, Che-Wei	188,720,421	18.31%	8,000,000	5.93%
Director	Ms. Sung Kao, Hsin-Ming	4,474,434	0.43%	0	0%
Independent Director	Mr. Cheng, Tien-Chong	0	0%	0	0%
Independent Director	Ms. Kung, Ju-Chin	0	0%	0	0%
Independent Director	Mr. Ding, Kung-Wha	0	0%	0	0%
Independent Director	Mr. Chang, Chia-Chi	0	0%	0	0%
Total		221,800,727	21.52%	8,000,000	5.93%

Note: The shareholding percentage is calculated based on the issued and outstanding common shares 1,030,799,151 shares and preferred shares 135,000,000 shares respectively.

- III. The shareholding of all directors of the Company has met the statutory requirements.