

(Translation - In case of any discrepancy between Chinese and English versions, the Chinese version shall prevail.)

GlobalWafers Co., Ltd.
2021 Annual General Shareholders' Meeting Agenda

Time: 9:00 AM, Tuesday, August 24, 2021

Place: 2F, No. 1. Industrial East Road 2, Hsinchu Science Park, Hsinchu
(Science Park Life Hub/Darwin Hall)

Attending shareholders and proxy representing: 399,564,909 shares (including 397,459,307 shares of e-voting), ratio to total common outstanding 435,237,000 shares (deducting treasury stock 2,013,000 shares): 91.80%

Directors: Hsiu-Lan Hsu (chairperson), Ming-Kuang Lu (director), Tang-Liang Yao (director), Chi-Hsiung Cheng (independent director/Audit committee chair), total 4 directors attend in person; Kuo-Chow Chen (director), Jeng-Ywan Jeng (independent director), total 2 directors attend via video conferencing

CPA: Chen-Chien Chen (KPMG)

Chairperson: Hsiu-Lan Hsu

Secretary: Ming-Hui Chien

I. Call Meeting to Order:

The aggregate shareholding of the presenting shareholders constituted a quorum.

II. Chairman's Address:(Omitted)

III. Report Items

Item 1 Fiscal 2020 Business Report submitted for review

- (1) Please refer to the Fiscal 2020 Business Report on page 12 of this handbook.
- (2) In accordance with the Financial Supervision and Administration Commission Jin-Guanzheng-Fa-Zi No. 1100342091 (approving the company’s application for the issuance of the first overseas unsecured conversion of corporate bonds), the company reported at the shareholders meeting the purpose, benefits and necessity of the public acquisition of Siltronic AG :
 - (1) The company announced on December 9, 2020 that it has signed a Business Combination Agreement ("BCA") with Siltronic AG ("Siltronic") and intends to publicly tender all outstanding shares of Siltronic through a 100% owned subsidiary. By the end of acceptance period in March 2021, the minimum threshold was achieved at the final acceptance level of 70.27% ended on 1 March 2021. The closing of the offer is subject to receipt of anti-trust and foreign investment regulatory approvals.
 - (2) The purpose, benefits and necessity of the public acquisition of Siltronic AG

| | |
|---------------------------------|---|
| Purpose & necessity of the deal | The combination of GlobalWafers and Siltronic will maximize the shareholder’s benefits complementarily |
| Synergy after the acquisition | <ul style="list-style-type: none"> ● Greater resources to invest in further capacity expansion ● Expanded production and technical capabilities to satisfy growing demand ● Diversity of combined resources to enable more nimble production ● Significantly increased financial and operational capabilities ● Potential for meaningful synergies and value creation for shareholders and customers ● Greater customer diversification |

Item 2 Audit Committee’s report on 2020 annual final accounting books and statements submitted for review

Please refer to the Audit Committee’s 2020 Review Report on page 19 of this handbook.

Item 3 Distribution of remuneration to directors and employees in fiscal 2020, submitted for review

- (1) The company 2020 earning (Before deducting remuneration to employees and directors from Profit before Tax) is NTD 15,419,883,399. Pursuant to Article 31 of Articles of Incorporation, if the Company is profitable at the end of each fiscal year, 3~15% of the profit shall be appropriated for the employees' remuneration and no more than 3% shall be appropriated for directors' remuneration.
- (2) The Company is proposed to distribute NTD 463,952,806 to employees (distribution ratio 3.01%) and NTD 44,500,000 to directors (distribution ratio 0.29%). Distribution to both employees and directors is made in cash.
- (3) Qualification requirements of employees entitled to receive remuneration includes employees of the company and subsidiaries of the company meeting certain specific requirements. Remuneration amount will be decided after consideration with seniority, position, performance, contribution or special dedication, and chairperson is fully authorized.

Item 4 Report on 2020 earning distribution, submitted for review.
GlobalWafers' Annual Shareholders' Meeting approved the amendments to its Articles of Incorporation on June 23, 2020 to authorize the Board of Directors to approve cash dividends at the close of each half fiscal year. The respective amounts and payment dates of 2020 cash dividends of each half year approved by the Board of Directors are demonstrated in the table below:

| 2020 | Approval Date (month/date/year) | Payment Date (month/date/year) | Cash Dividends Per Share (NT\$) | Total Amount (NT\$) |
|-------------|------------------------------------|-----------------------------------|------------------------------------|------------------------|
| First Half | 12/09/2020 | 02/19/2021 | 8.0 | 3,481,896,000 |
| Second Half | 05/04/2021 | 08/06/2021 | 10.0 | 4,352,370,000 |
| Total | | | 18.0 | 7,834,266,000 |

IV. Approval Items

Item 1

(Proposed by the Board of Directors)

Motion: To approve FY 2020 business report, financial statements and earning distribution

- (1) 2020 Financial Statements were audited by KPMG CPAs, Chen, Chen-Chien, and Cheng, An-Chih. The aforementioned, Independent Auditors' Report and FY 2020 Business Report and Earning Distribution Table have been approved by the board and the audit committee with review report.
- (2) Please refer to the Business Report, Financial Statements and Earning Distribution Table on page 12, page 22 and page 38 of this handbook.
- (3) Approval requested

Resolution: Voting result as below:

| Voting Result | |
|---------------|---|
| In favor | 372,207,394 votes (as 93.15% of the total represented share present) |
| Against | 4,802 votes |
| Abstained | 27,352,713 votes |
| Invalid | 0 votes |

RESOLVED, that the above proposal be and hereby was approved as proposed.

V. Discussion Items

Item 1

(Proposed by the Board of Directors)

Motion: Amendment to the "Rules for Election of Directors"

- (1) To be consistent with the latest regulation, the Company proposes to amend some articles in "Rules for Election of Directors." Please refer to the comparison chart on page 39 of this handbook.
- (2) Resolution requested

Supplementary explanation: The amendment date of this proposal should be based on the actual date of the shareholders meeting, therefore the amendment date of Article 12 was revised to August 24, 2021.

Resolution: Voting result as below:

| Voting Result | |
|---------------|---|
| In favor | 372,292,395 votes (as 93.17% of the total represented share present) |
| Against | 4,802 votes |
| Abstained | 27,267,712 votes |
| Invalid | 0 votes |

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item 2

(Proposed by the Board of Directors)

Motion: Amendment to the "Policies and Procedures for Financial Derivatives Transactions"

- (1) To be consistent with the latest regulation and to stipulate the company could only engage in hedging-oriented transactions, the Company proposes to amend "Policies and Procedures for Financial Derivatives Transactions " accordingly. Please refer to the comparison chart on page 43 of this handbook.
- (2) Resolution requested

Supplementary explanation: The amendment date of this proposal should be based on the actual date of the shareholders meeting, therefore the amendment date of Article 18 was revised to August 24, 2021.

Resolution: Voting result as below:

| Voting Result | |
|---------------|---|
| In favor | 372,295,739 votes (as 93.17% of the total represented share present) |
| Against | 6,443 votes |
| Abstained | 27,262,727 votes |
| Invalid | 0 votes |

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item 3

(Proposed by the Board of Directors)

Motion: Amendment to the "Acquisition or Disposal of Assets Procedure"

- (1) To cope with the takeover offer for Siltronic and operational needs, the Company proposes to amend some articles in "Acquisition or Disposal of Assets Procedure" accordingly. Please refer to the comparison chart on page 50 of this handbook.
- (2) Resolution requested

Supplementary explanation: The amendment date of this proposal should be based on the actual date of the shareholders meeting, therefore the amendment date of Article 29 was revised to August 24, 2021.

Resolution: Voting result as below:

| Voting Result | |
|---------------|---|
| In favor | 325,543,436 votes (as 81.47% of the total represented share present) |
| Against | 44,301,468 votes |
| Abstained | 29,720,005 votes |
| Invalid | 0 votes |

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item 4

(Proposed by the Board of Directors)

Motion: Discussion on issuance of new shares through public offering

Description:

(1) In order to fund various initiatives, including 1) M&A, 2) strategic alliance, 3) general working capital, 4) repayment of debt, 5) investment, and/or capital expenditures to improve competitiveness, the Company proposes to authorize the Board to issue new stocks up to 50 million shares under appropriate conditions and in determination of the method of stock issuance in common shares or in GDR for common shares, and adjustment of issuing size within the said quota at once or through installment.

(2) Principles and Conducting of Raising Funds

1. The issuance of new common shares for capital increase in cash

Pursuant to the Article 28-1 of Securities and Exchange Act, Board of Directors is authorized to choose either book building or public application regarding underwriting and proceed as below:

I. Book Building

Unless otherwise the Article 267 of the Company Act to retain 10%-15% new issuance shares for the company employees, and the remaining 85%-90% according to the Securities and Exchange Act Rule 28-1, shall be all provided with public application in the book building method. In case the actual purchases of the reserved stock options for the employees falls short, the chairperson is authorized to negotiate with specific parties to purchase those shares at the issue price in accordance with the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms.

The issue price by the Taiwan Securities Association Rules Governing Issue Company raising and issuing securities (hereinafter "Discipline Principles") may not be lower than 90% of the average closing prices of common shares of the Company for either one, three, or five business days before either the date on which the application is filed at Taipei Exchange or the five business days before the ex-rights date. The aforementioned price should be determined in compliance with related requirements of competent authorities. The Board of Directors will be authorized to negotiate with the lead underwriter to have actual price determined in light of market status.

II. Public Application Offering

Pursuant to the Article 267 of Company Act, 10%-15% of the new share issuance will be reserved for employees' preemptive subscription and 10% will be reserved for public offer. The remaining 85%-90% of the share issuance will be reserved for preemptive purchase of original shareholders based on the shareholder's name and his/her shares registered in the shareholders roster at the dividend record date. For the issuance not subscribed by employees and the original shareholders in proportion or as a whole, the chairperson of the Board is to be authorized to negotiate with specific parties to purchase shares at issuing price. The issue price of new common shares from the cash capital increase may not be lower than 70% of the average closing prices of common shares of the Company for either

the one, three, or five business days before either the date on which the application is filed with the Financial Supervisory Commission or the five business days before the ex-rights date. The average closing price mentioned above shall be after adjustment for any distribution of stock/cash dividends or capital reduction.

2. The issuance of GDR for the new common shares from cash capital increase:
 - I. Pursuant to the Article 267 of Company Act, 10%-15% of the share issuance will be reserved for employees' preemptive subscription. For those stocks not subscribed by employees in proportion or as a whole, the chairperson of the Board is to be authorized to negotiate with specific parties to purchase the unsubscribed share in common stock or GDR of subscription at the issuing price in accordance with the market development. For the remaining 85%-90% of issuance, based on the Article 28-1 of the Securities and Exchange Act, the board proposes to offer through public application offering for the issuance of GDR according to the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms.
 - II. The issuing price of new common shares for capital increase in cash or the issuing price of GDR for the new common shares from cash capital increase is to be determined based on general practices worldwide and it shall not affect shareholder's interests. However, the final issuing price is to be determined by the lead underwriter and the Chairperson of the Board who is authorized by the Shareholders' Meeting by referring to market conditions at the time of issuance; also, it must be in compliance with related requirements of competent authorities.
 - a. According to the "Disciplinary Rules", the issuing price of the new common shares from cash capital increase may not be lower than 90% of the closing price of common shares at Taipei Exchange on the price determination day or 90% of average closing price of the common shares of the Company for either one, three, or five business days before the price determination date, after adjustment for any distribution of stock/cash dividends or capital reduction. The aforementioned price may adjust when variation occurred in domestic requirements. Since domestic share price may vary excessively within a short period, the Chairman of the Board of Directors will be authorized to negotiate with the lead underwriter to have actual price determined in light of international conventions, capital market, domestic share price and overall book building.
 - b. For the rights of original shareholders, the issuance of new shares for cash capital increase up to 50 million common shares will have the maximum dilution effect of at 10.30% which is calculated on the foundation of outstanding 435,237,000 shares as of 2021/3/31. The funds raised from the capital increase in cash shall generate sustainable growth in Company's business; reinforce competitiveness, and surely benefit shareholders. GDR issue price is determined according to fair value domestically. Original shareholders may purchase common stock in domestic market

at Taipei Exchange for the price close to GDR price, exempting from currency and fluidity risks. There is no huge impact on original shareholders.

- (3) After the approval by the shareholders' meeting on the domestic capital increase by cash or the issuance of new shares and/or GDR for cash capital increase, the Board is authorized to determine public offering of the issuance of common shares, conditions, volume, pricing, amount, fund usage, project items, project schedule, possible projected production benefits, record date for the capital increase and relevant matters including commands from the authorities or market and objective environmental alteration, and others not included.
- (4) Rights and obligations about the issuance of new shares are the same with those of the issued shares.
- (5) Resolution requested

Resolution: Voting result as below:

| Voting Result | |
|---------------|---|
| In favor | 341,536,325 votes (as 85.47% of the total represented share present) |
| Against | 30,233,861 votes |
| Abstained | 27,794,723 votes |
| Invalid | 0 votes |

RESOLVED, that the above proposal be and hereby was approved as proposed.

VI. Election

Item 1

(Proposed by the Board of Directors)

Motion: Election of Directors

- (1) The service of the fourth-term directors was expired in 2021/6/24 and is proposed to be elected in the Shareholder Meeting. The fourth-term directors are discharged right after the fifth-term directors assume their office.
- (2) "Articles of Incorporation" specifies that, the Company shall have seven directors elected for the fifth-term, among whom include three independent directors. The term of new directors is effective immediately after the election, and shall serve for a term of three years (2021/6/22~2024/6/21)
- (3) The appointment of directors adopts candidate nomination system. Please refer to the Independent Director Candidates on page 64 of this handbook.
- (4) Election requested

Election result:

According to the announcement of the Financial Supervisory Commission "Relevant Measures for Postponing the Shareholder Meetings of Listed-Companies in Response to the Epidemic", this annual shareholder meeting is postponed, and the term of office of newly elected directors shall be calculated based on the actual date of the shareholders meeting. Therefore, the term of office of the new directors of this term shall be calculated from the actual re-election date, that is, the term of office is from August 24, 2021 to August 23, 2024.

Votes of the newly elected directors as below :

| Title | Name | Votes Received |
|----------------------|--|----------------|
| Director | Hsiu-Lan Hsu | 378,123,299 |
| Director | Sino-American Silicon Products Inc. Representative: Ming-Kuang Lu | 356,564,349 |
| Director | Sino-American Silicon Products Inc. Representative: Tan-Liang Yao | 356,072,779 |
| Director | Kuo-Chow Chen | 350,654,508 |
| Independent Director | Jeng-Ywan Jeng | 347,223,020 |
| Independent Director | Chung-Yu Wang | 345,969,596 |
| Independent Director | Ming-Ren Yu | 344,977,132 |

VII. Other Proposals

Item 1

(Proposed by the Board of Directors)

Motion: Release of the newly elected directors from the non-competition restrictions

- (1) Pursuant to Article 209 of the Company Act, a director and their legal representatives engaging, either for himself/herself or on behalf of another person, activities that are within the scope of the Company's business, shall explain at the shareholders' meeting the essential details of such activities and obtain the shareholders' approval for engaging in such activities.
- (2) To rely on expertise and relevant work experiences of directors, hereby request the shareholders' approval to release these directors and their legal representatives from the non-competition restrictions.

**Newly Elected Directors' & Legal Representatives'
Competing Business Conducts**

| Position | Name | Concurrent Employment |
|----------|---|---|
| Director | Hsiu-Lan Hsu | <ol style="list-style-type: none"> 1. Chairperson & CEO of Sino-American Silicon Products Inc. 2. The legal Board of Director representative of Actron Technology Corporation. 3. Director of Crystalwise Technology Inc. 4. The legal Board of Director representative of Advanced Wireless Semiconductor Company. 5. Chairperson of Taiwan Speciality Chemicals Corporation. 6. The legal Board of Director representative SAS Sunrise Inc. 7. Director representative of SAS Sunrise Pte. Ltd. 8. Chairperson of Sunrise PV Three Co., Ltd. 9. Chairperson of SAS Holding Co., Ltd. 10. Chairperson of Sustainable Energy Solution Co., Ltd. 11. Chairperson of Sunrise PV Four Co., Ltd. 12. Director of GlobalWafers Inc. 13. Director of GlobalSemiconductor Inc. 14. Chairperson & CEO of GlobiTech Incorporated. 15. Chairperson of GlobalWafers Japan Co., Ltd. 16. Vice Chairperson of Kunshan Sino Silicon Technology Co., Ltd. 17. Chairperson of Topsil GlobalWafers A/S. 18. Director of GWafers Singapore Pte. Ltd. 19. Director of GlobalWafers Singapore Pte. Ltd. 20. Director of GlobalWafers B.V. 21. Chairperson of MEMC Japan Limited. 22. Director of MEMC Korea Company. 23. Chairperson of GlobalWafers Holding Co., Ltd. |
| Director | Sino-American Silicon Products Inc. | <ol style="list-style-type: none"> 1. Juridical person of Actron Technology Corporation 2. Juridical person of Crystalwise Technology Inc. 3. Juridical person of Advanced Wireless Semiconductor Company. 4. Juridical person of Taiwan Speciality Chemicals Corporation 5. Juridical person of Sino Silicon Technology Inc. 6. Juridical person of SAS Sunrise Inc. 7. Juridical person of Sulu Electric Power and Lights Inc. 8. Juridical person of Sunrise PV Three Co., Ltd. 9. Juridical person of Accusolar Co., Ltd. 10. Juridical person of SAS Holding Co., Ltd. 11. Juridical person of Sustainable Energy Solution Co., Ltd. |
| Director | Sino-American Silicon Products Inc. Representative: Ming-Kuang Lu | <ol style="list-style-type: none"> 1. Director & Honorary Chairperson of Sino-American Silicon Products Inc. 2. Chairperson & CEO of Actron Technology Corporation. 3. Chairperson of Tatung Company. 4. The legal Board of Director representative of Formica Optoelectronics Inc. 5. Chairperson of REC Technology Corporation. 6. Chairperson of Bigbest Solutions Inc. 7. Director of SAS Holding Co., Ltd. 8. Director of GlobalWafers Holding Co., Ltd. |

| | | |
|----------------------|---|---|
| Director | Sino-American Silicon Products Inc. Representative: Tan-Liang Yao | <ol style="list-style-type: none"> 1. Vice Chairperson & President of Sino-American Silicon Products Inc. 2. The legal Board of Director Representative, Vice Chairperson & Vice CEO of Actron Technology Corporation. 3. Chairperson & CEO of Crystalwise Technology Inc. 4. The legal Board of Director Representative of Taiwan Speciality Chemicals Corporation. 5. Director of Shanghai Sawyer Shenkai Technology Material Co., Ltd. 6. Director of SY Company LLC. 7. Director of SAS Sunrise Pte. Ltd. 8. The legal Board of Director representative of Sunrise PV Three Co. 9. Director of SAS Holding Co., Ltd. 10. Director of Sunstainable Energy Solution Co., Ltd. 11. Director of GlobiTech Incorporated. 12. Director of GlobalWafers Japan Co., Ltd. 13. Chairperson of Kunshan Sino Silicon Technology Co., Ltd. 14. Director of GWafers Singapore Pte. Ltd. 15. Director of GlobalWafers Holding Co., Ltd. |
| Director | Kuo-Chow Chen | Chairman of the board of director of Nan-hai Optoelectronics Co., Ltd. |
| Independent Director | Jeng-Ywan Jeng | <ol style="list-style-type: none"> 1. Professor, Engineering Department, National Taiwan University of Science and Technology. 2. Consultant of school affairs, Lunghwa University. 3. Independent Director of ANT Precision Industry Co., Ltd. 4. Independent Director of Actron Technology Corporation. |
| Independent Director | Chung-Yu Wang | <ol style="list-style-type: none"> 1. Director of CX Technology Corporation. 2. Director of Curiemed Corporation. |
| Independent Director | Ming-Ren Yu | Vice President of Elite Material Co., Ltd. |

(3) Resolution requested

Resolution: Voting result as below:

| Voting Result | |
|---------------|---|
| In favor | 257,400,031 votes (as 64.42% of the total represented share present) |
| Against | 103,113,573 votes |
| Abstained | 39,051,305 votes |
| Invalid | 0 votes |

RESOLVED, that the above proposal be and hereby was approved as proposed.

VIII. Extemporary Motion: None

IX. Meeting Adjourned: 09:50 a.m., Tuesday, August 24, 2021

The minutes records the meeting subject and results only; specific content, procedure as well as shareholders' speeches please refer to video record.

Attachment 1

GlobalWafers Co., Ltd.

Fiscal 2020 Business Report

The semiconductor market has recovered gradually from last year's weak demands in the memory market, sliding of the average selling price (ASP) and trough resulted from high inventories. Although the global economics recessed in 2020 due to the strong impacts from COVID-19 and geopolitical frictions, as the semiconductors are essential for society's operation, compared to other industries, the semiconductor industry has grown instead. Other than the penetration of 5G accelerating, the pandemic also accelerates the transformation toward digitalization; the trend of remote working/learning stimulates the growth of PC, data center, cloud services and other related devices. The full-year consolidated revenue of GlobalWafers for 2020 is NT\$ 55.359 billion. Although the strong appreciation of the New Taiwan Dollar detracted the full year revenue to be 4.71% lower than the revenue of 2019, in USD term, the full year revenue of 2020 is almost the same as 2019, only 0.26% lower. It demonstrates that GlobalWafers has performed well in such headwinds, thanks to its flexible operating strategy. The full year revenue is the third highest in the history, with the operating revenue of NT\$15.287 billion, net profit after tax of NT\$13.104 billion, and earnings per share after tax of NT\$ 30.11.

While the pandemic impacted the global economy in 2020, the revenue and shipment of GlobalWafers have been growing every quarter, regardless of the headwinds! The revenue, gross profit, profit before tax, net income, and earnings per share of 2020 have been the third highest in history. The net income has even been the highest since the foundation of the Company!

The following is a summary report on the 2020 operation results, the 2021 business plan summary, future company development, external competition, regulatory environment and overall economic environment:

I. Operating Results in 2020

(I) Business Plan Implementation Results

Unit: NT\$ thousands

| Year Item | 2020 (IFRSs) | 2019 (IFRSs) | Percent Change (%) |
|--------------------|-----------------|-----------------|--------------------|
| Revenue | 55,358,788 | 58,094,331 | -4.7% |
| Cost of Goods Sold | 34,790,674 | 35,247,610 | -1.3% |
| Gross Profit | 20,568,114 | 22,846,721 | -10.0% |
| Operating Expense | 5,281,265 | 4,949,500 | 6.7% |

| | | | |
|-------------------|------------|------------|--------|
| Operating Income | 15,286,849 | 17,897,221 | -14.6% |
| Profit Before Tax | 16,614,967 | 18,553,865 | -10.5% |
| Net Profit | 13,103,631 | 13,635,656 | -3.9% |

While the macroeconomics is so uncertain, GlobalWafers has outperformed and maintained the high profitability as always through signing long-term contracts with clients, flexible deployment of production locations, and active control over costs.

(II) Budget Implementation: The Company had not announced its financial forecast in 2020.

(III) Profitability analysis

| Items | | 2020 | 2019 | |
|-------------------------------------|--|--------------------|---------|---------|
| Financial structure | Debt to asset ratio | 53.45% | 53.33% | |
| | Long-term funds to PPE (%) (PPE-plant, property, equipment) | 176.55% | 200.81% | |
| Profitability analysis | Return on Assets | 13.75% | 14.69% | |
| | Return on Equity | 29.37% | 30.91% | |
| | Percentage in paid-up capital | Operating profit | 349.61% | 409.31% |
| | | Profit before ttax | 379.99% | 424.33% |
| | Net profit Margin | 23.67% | 23.47% | |
| After-tax earnings per share (NT\$) | 30.11 | 31.35 | | |

(IV) Financial Income and Expenditure

The Company's 2020 operating revenue is NT\$55,358,788 thousand. The operating cost is NT\$34,790,674 thousand, and the operating expense is NT\$5,281,265 thousand. The net non-operating income is NT\$1,328,118 thousand. The net profit before tax is NT\$16,614,967 thousand, and the net profit after tax is NT\$13,103,631 thousand; the financial revenue and expenditure are normal.

(V) Research and Development Status

1. R&D expenditure in 2020

Unit: NT\$ thousands

| Item/Year | 2020 | 2019 |
|---|------------|------------|
| R&D expenses | 1,624,308 | 1,710,801 |
| Net operating revenues | 55,358,788 | 58,094,331 |
| R&D expenses as a percentage of net revenue | 2.93% | 2.94% |

2. R&D results in 2020

Name of technology or product

- (1) 6" silicon carbide 170um ultra-thin wafer regeneration processing technology
- (2) 4" Semi insulating SiC Crystal and the wafer
- (3) Optimization technology for the structure of back barrier layer and manufacturing process of GaN epitaxy
- (4) Image determination technology for quality measuring of smart chips
- (5) Silicon substrate for next generation IC process
- (6) AI application on the silicon wafer with no height difference topography
- (7) AI application to adjust the oxygen content in crystal ingots
- (8) Introduction of new polishing technology
- (9) Introduction of new grinding technology
- (10) Technology controlling tiny fallout applied to 300mm high-end wafers
- (11) 200mm ultra-low resistance and heavy red phosphorus-doped wafer and epitaxy technology
- (12) Advanced AI technology applied to the improvement of manual efficiency and productivity in mass productions
- (13) New assessing technology to lower the limits of heavy metal pollution detection

3. Future R&D plan:

- (1) 300mm ultra low resistivity <math><1.8\text{m}\Omega\text{-cm}</math> wafer with antimony doped
- (2) SiC wafer for next generation high power automotive electronic device application
- (3) Epi-substrate for GaN_HEMT application

- (4) High strength and ultra thin silicon substrate with nano structure
- (5) SOI substrate for next generation RF device application
- (6) Development of 300mm diamond wire cutting manufacturing process
- (7) "ECAS®" wafer for next generation 3D memory device
- (8) 12" MCZ wafer with lower carbon and lower oxygen for power devices, memory devices, and mobile CIS"
- (9) 6" Semi insulating SiC Crystal and the wafer
- (10) 8" GaN/Silicone normally open power application epi-wafer
- (11) 4"/6" GaN/S.I.-SiC RF application epi-wafer

II. Summary of the Business Plan for 2021

(I) Operating Philosophy

- (1) Flexible scheduling of product production to achieve the competitiveness of the most economies of scale, master the downstream terminal customer market and strengthen the research and development links with customers, and expand product market share and profitability.
- (2) Use existing customer networks to expand the customer base of new products, increase the capacity utilization rate of production lines, and enhance the profitability of products.
- (3) Actively develop GaN/Si/SiC products to expand the blue sea market, and enhance the patent position.
- (4) Expand the collaboration among government, industry, and academy, deploy our advanced manufacturing process for niche applications and accelerate the development of new technologies.

(II) Estimated sales volume and the basis:

Based on the analysis of World Semiconductor Trade Statistics (WSTS) the global market of discrete components by product field decreased 0.3% to USD 23.8 billion in 2020, and grow 10% in 2021. For photoelectric, it decreased 2.8% to USD 40.4 billion in 2020 but recover 8.8% in 2021. In addition, the component markets in most fields demonstrated upward trends in 2020, including the growth in sensors, which grew 10.7%, and the trend of growth will be kept in 2021 for 16.8% growth. In the regard of digital IC, the full year growth in 2020 is 8.4% or USD 361.2 billion (analog: 3.2%, memory: 10.4%, logic: 11.1%, micro-controllers: 4.9%), and the growth will reach 10.9% in 2021.

For 2021, the impacts from COVID-19 on the global semiconductors are still uncertain as the pandemic is still developing. The abovementioned are the best forecasts may be provided under the current circumstance.

(III) Important production and marketing policies:

- (1) Combine the technology, resources and various possibilities within the Group to optimize the bottleneck spots of each plant and maximize product capacity, deepen the multinational technology integration platform, and comprehensively improve quality and customer satisfaction to meet market demand.
- (2) Stabilize the supply of key raw materials and parts to ensure good production quality and on-time delivery so that the production line runs smoothly. .
- (3) Develop high-efficiency niche products with core technology capabilities to enhance added value.
- (4) Actively sign long-term cooperation plans with key partners to consolidate the foundation of cooperation.
- (5) Enhance the future sales key points of 12” and special materials
- (6) Grasp the emerging vertical applications in the end markets, and integrate the product design and production models flexibly. Fully apply the existing technologies to expand the leading advantages.

(IV) Development Strategies of the Company in the Future

- (1) The Group's high-end leading technology is utilized to develop chips matching next-generation product utilization. Development shall move towards large size advanced manufacturing process, heavily-doped crystal growth and power semiconductor epitaxy technology, as well as becoming the world's largest silicon wafer supplier.
- (2) Accelerate the development of next-generation application products, including GaN and SiC, and actively expand the new blue sea.
- (3) Expand the collaboration among government, industry, and academy, to keep high product innovation capability, accelerate the development capability in terms of products and technologies, to reach the international level.
- (4) Have a firm grasp of market trends and industry pulse and adjust business strategies in a timely manner, continue developing potential products in various application areas, and carrying out patent protection measures to strengthen our own competitiveness.
- (5) Strengthen R&D links with downstream customers, develop high-efficiency niche products

with core technology capabilities, and actively reduce manufacturing costs to increase profit margins.




- (6) Based on the current stable outstanding management performance, securely expand the Company's operation scale via strategic alliance or acquisitions.

(V) Effect of External Competition, Regulatory Environment and Overall Economic Environment

- (1) With the development and application of the semiconductor industry, its related products have penetrated people's daily life. The use of semiconductor products can be seen in food, clothing, housing, transportation, education and music. Therefore, the semiconductor industry boom has a considerable degree of links with the overall economy. Due to the Company's wide customer base, the end products spread across various industries and application areas, such as automotive products, power products, memory, etc., which can reduce the risk from the booming cycle of a single industry. So when the overall economy is not good, the Company can diversify risks and stabilize operations in this way.
- (2) The semiconductor wafer industry has undergone decades of development and has established a considerable degree of entry barriers in terms of technology and patents. However, in the face of new competitors with significant funds, we will closely observe the industry's development. In order to prevent the new manufacturers from actively joining and leading to the decline in product prices to affect sales and profit, we will continue to combine the technological advantages of the Company around the world to develop niche products with core technology capabilities. And we will also increase the added value of the product and minimize the cost to increase profit margins.
- (3) The drastic changes in the international circumstance, development of COVID-19, and regional trade conflicts have shocked the macroeconomics. However, GlobalWafers has production facilities around the world and thus is able to deploy the production flexibly to respond to the impacts from related regulations, lower duties, to the operational costs. Clients all over the world also effectively diversify the impacts from the pandemic to the revenue and lower the economic risks from a single area.

Looking ahead to 2021, the global economy will recover from the heavy hits brought by the pandemic, and the semiconductor industry is expected to grow faster. As the automotive market recovery is driven by the higher electrification and auto-driving penetration and acceleration of 5G, AI, and machine learning is also seen as the key drivers for the semiconductor industry in 2021. Major makers have contributed significant research resources and increased the capital expenses, which in turn will drive the next evolution for semiconductor technologies and the expansion of innovative technologies for the growth of the industry. Although the pandemic development and vaccine rollout still overshadow

the future with uncertainties, GlobalWafers will take advantage of the Group's abundant domestic and overseas R&D energies to work on the next-generation technologies; with over 1,400 patents, we actively expand the niche products' landscape, and work on the third-generation semiconductors other than the existing complete product spectrum, as the opportunity of development, so that we will create more values for the employees, clients, and shareholders.

| | | |
|---------------|--------------|---|
| Chairperson | Hsiu-Lan Hsu |  |
| President | Mark England |  |
| Chief Account | Yu-Ting Lo |  |

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2020 Business Report, Consolidated and Standalone Financial Statements and Earnings Distribution Proposal. GlobalWafers Co., Ltd. Consolidated and Standalone Financial Statements have been audited and certified by Chen, Chen-Chien, CPA, and Cheng, An-Chih, CPA, of KPMG and audit review reports relating to the Financial Statements have been issued. The aforementioned reports have been reviewed and considered to be complied with relevant rules by the undersigned, the audit committee of GlobalWafers Co., Ltd. according to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this report.

GlobalWafers Co., Ltd.

Audit Committee Convener:



Chi-Hsiung Cheng

May 4, 2021

Attachment 3

Independent Auditors' Report and Financial Statements

Independent Auditors' Report

To the Board of Directors of GlobalWafers Co., Ltd.:

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(15) "Revenue recognition" for accounting policy and note 6(19) "Revenue from contracts with customers" of the consolidated financial statements for further information.

Description of key audit matter:

The Group's revenues are derived from the sales of semiconductor materials and components. Revenue recognition is also dependent on whether the specified sales terms in each individual contract are met. In consideration of the high volume of sales transactions generated from world-wide operations, revenue recognition is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included understanding of revenue recognition policies and assessing whether revenue recognition policies are appropriate based on sales terms and revenue recognition criteria; understanding the design and process of implementation of internal controls and testing operating effectiveness; testing selected sales samples and agreeing to customer orders, delivery note and related documentation supporting sales recognition; testing sales cut-off, on a sample basis, for transactions incurred within a certain period before or after the balance sheet date by reviewing related sales terms, inspecting delivery documents, and other related supporting document to evaluate whether the revenue was recorded in proper period.

2. Goodwill impairment assessment

Please refer to the note 4(12) "Intangible assets" for accounting policy, note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" for goodwill impairment assessment, and note 6(9) "Intangible assets" for further details.

Description of key audit matter:

The Group is in a capital intensive industry, with goodwill arising from business combinations. Moreover, the Group operates in an industry in which the operations are easily influenced by various external factors, such as market conditions and governmental policies. Therefore, the assessment of impairment of goodwill is critical. The assessment procedures, including identification of cash-generating units, valuation models, selection of key assumptions and calculations of recoverable cash inflows, depend on the management's subjective judgments, which contained uncertainty in accounting estimations. Consequently, this is one of the key areas in our audit.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included assessing triggering events identified by management for impairment indicators existing in a cash-generating unit, assessing whether the assumptions used for evaluating the recoverable amount are reasonable; evaluating the achievement of prior year financial forecasts; inspecting the calculations of recoverable amounts; assessing the assumptions used for calculating recoverable amounts and cash flow projections; performing sensitivity analysis based on key factors; assessing whether the accounting policies for goodwill impairment test and other relevant information have been appropriately disclosed.

Other Matter

The Company has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2020 and 2019, on which we have issued an unqualified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Chien Chen and An-Chih Cheng.

KPMG

Taipei, Taiwan (Republic of China)

March 16, 2021

Notes to Readers

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

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

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd. and subsidiaries

Consolidated Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

| Assets | | December 31, 2020 | | December 31, 2019 | | Liabilities and Equity | | December 31, 2020 | | December 31, 2019 | |
|------------------------|---|----------------------|------------|-------------------|------------|-----------------------------|--|----------------------|------------|-------------------|------------|
| | | Amount | % | Amount | % | | | Amount | % | Amount | % |
| Current assets: | | | | | | Current liabilities: | | | | | |
| 1100 | Cash and cash equivalents (note 6(1)) | \$ 22,439,481 | 24 | 32,821,512 | 34 | 2100 | Short-term borrowings (notes 6(11) and 8) | \$ 9,871,000 | 10 | 9,886,000 | 10 |
| 1110 | Financial assets at fair value through profit or loss — current (note 6(2)) | 5,656,668 | 6 | 1,883,576 | 2 | 2120 | Financial liabilities at fair value through profit or loss — current (note 6(2)) | 45,953 | - | 216,632 | - |
| 1170 | Notes and accounts receivable, net (note 6(4)) | 7,962,618 | 8 | 8,089,619 | 8 | 2130 | Contract liabilities — current (note 6(19)) | 3,639,970 | 4 | 4,035,411 | 4 |
| 1180 | Accounts receivable due from related parties, net (note 7) | 74,812 | - | 50,348 | - | 2170 | Notes and accounts payable | 3,640,950 | 4 | 3,606,374 | 4 |
| 130X | Inventories (note 6(5)) | 7,207,731 | 8 | 6,848,823 | 7 | 2180 | Accounts payable to related parties (note 7) | 254,514 | - | 231,107 | - |
| 1476 | Other financial assets — current (note 9) | 5,588,381 | 6 | 896,531 | 1 | 2201 | Payroll and bonus payable | 2,408,567 | 3 | 2,473,035 | 3 |
| 1479 | Other current assets (note 6(10)) | 656,678 | 1 | 902,336 | 1 | 2216 | Dividends payable | 3,481,896 | 4 | - | - |
| | Total current assets | <u>49,586,369</u> | <u>53</u> | <u>51,492,745</u> | <u>53</u> | 2230 | Current tax liabilities | 2,035,186 | 2 | 2,672,322 | 3 |
| | Non-current assets: | | | | | 2399 | Other current liabilities (note 6(13)) | 3,953,350 | 4 | 3,789,770 | 4 |
| 1513 | Financial assets at fair value through profit or loss — non-current (note 6(2)) | 117,204 | - | 95,163 | - | | Total current liabilities | <u>29,331,386</u> | <u>31</u> | <u>26,910,651</u> | <u>28</u> |
| 1517 | Financial assets at fair value through other comprehensive income — non-current (note 6(3)) | 101,475 | - | - | - | | Non-Current liabilities: | | | | |
| 1550 | Investments accounted for using equity method (note 6(6)) | 1,202,176 | 1 | 571,929 | 1 | 2527 | Contract liabilities — non-current (notes 6(19)) | 13,088,058 | 14 | 16,164,687 | 16 |
| 1600 | Property, plant and equipment (notes 6(7), 7 and 8) | 37,111,052 | 39 | 34,697,367 | 36 | 2570 | Deferred tax liabilities (note 6(15)) | 4,942,689 | 5 | 4,745,579 | 5 |
| 1755 | Right-of-use assets (note 6(8)) | 657,121 | 1 | 771,057 | 1 | 2670 | Other non-current liabilities (note 6(13)) | 852,997 | 1 | 741,196 | 1 |
| 1780 | Intangible assets (note 6(9)) | 2,797,463 | 3 | 3,227,583 | 3 | 2640 | Net defined benefit liabilities (note 6(14)) | 2,481,587 | 3 | 2,950,390 | 3 |
| 1840 | Deferred tax assets (note 6(15)) | 2,230,787 | 2 | 1,855,040 | 2 | | Total non-current liabilities | <u>21,365,331</u> | <u>23</u> | <u>24,601,852</u> | <u>25</u> |
| 1980 | Other financial assets — non-current (notes 8 and 9) | 260,393 | - | 3,098,123 | 3 | | Total liabilities | <u>50,696,717</u> | <u>54</u> | <u>51,512,503</u> | <u>53</u> |
| 1990 | Other non-current assets (note 6(10)) | 787,577 | 1 | 776,746 | 1 | | Equity (note 6(16)): | | | | |
| | Total non-current assets | <u>45,265,248</u> | <u>47</u> | <u>45,093,008</u> | <u>47</u> | | Equity attributable to shareholders of GlobalWafers Co., Ltd.: | | | | |
| | Total assets | <u>\$ 94,851,617</u> | <u>100</u> | <u>96,585,753</u> | <u>100</u> | 3110 | Ordinary share | 4,372,500 | 5 | 4,372,500 | 5 |
| | | | | | | 3200 | Capital surplus | 23,470,919 | 25 | 24,776,630 | 26 |
| | | | | | | | Retained earnings: | | | | |
| | | | | | | 3310 | Legal reserve | 4,060,325 | 4 | 2,686,883 | 3 |
| | | | | | | 3320 | Special reserve | 2,291,256 | 2 | 1,133,596 | 1 |
| | | | | | | 3350 | Unappropriated retained earnings | 12,270,817 | 13 | 14,965,441 | 15 |
| | | | | | | | | <u>18,622,398</u> | <u>19</u> | <u>18,785,920</u> | <u>19</u> |
| | | | | | | 3400 | Other equity interest | (1,734,138) | (2) | (2,291,256) | (2) |
| | | | | | | 3500 | Treasury shares | (576,779) | (1) | (576,779) | (1) |
| | | | | | | | Total equity attributable to shareholders of GlobalWafers Co., Ltd. | <u>44,154,900</u> | <u>46</u> | <u>45,067,015</u> | <u>47</u> |
| | | | | | | 36XX | Non-controlling interests | - | - | 6,235 | - |
| | | | | | | | Total equity | <u>44,154,900</u> | <u>46</u> | <u>45,073,250</u> | <u>47</u> |
| | | | | | | | Total liabilities and equity | <u>\$ 94,851,617</u> | <u>100</u> | <u>96,585,753</u> | <u>100</u> |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd. and subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

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

| | | 2020 | | 2019 | |
|------|---|----------------------|-----------|-------------------|-----------|
| | | Amount | % | Amount | % |
| 4000 | Operating revenue (notes 6(19) and 7) | \$ 55,358,788 | 100 | 58,094,331 | 100 |
| 5000 | Operating costs (notes 6(5), (17), (20) and 7) | 34,790,674 | 63 | 35,247,610 | 61 |
| | Gross profit from operations | 20,568,114 | 37 | 22,846,721 | 39 |
| | Operating expenses (notes 6(17), (20) and 7): | | | | |
| 6100 | Selling expenses | 1,233,877 | 2 | 1,193,223 | 2 |
| 6200 | Administrative expenses | 2,431,832 | 4 | 2,040,734 | 3 |
| 6300 | Research and development expenses | 1,624,308 | 3 | 1,710,801 | 3 |
| 6450 | Expected credit losses (gains) (note 6(4)) | (8,752) | - | 4,742 | - |
| | Total operating expenses | 5,281,265 | 9 | 4,949,500 | 8 |
| | Net operating income | 15,286,849 | 28 | 17,897,221 | 31 |
| | Non-operating income and expenses: | | | | |
| 7100 | Interest income(note 6(21)) | 243,546 | - | 723,336 | 1 |
| 7020 | Other gains and losses (notes 6(21) and 7) | 1,158,228 | 2 | 5,022 | - |
| 7050 | Finance costs(notes 6(13), (21) and 7) | (73,656) | - | (71,714) | - |
| | | 1,328,118 | 2 | 656,644 | 1 |
| | Income before income tax | 16,614,967 | 30 | 18,553,865 | 32 |
| 7950 | Income tax expense (note 6(15)) | 3,511,336 | 6 | 4,918,209 | 9 |
| | Net income | 13,103,631 | 24 | 13,635,656 | 23 |
| 8300 | Other comprehensive income: | | | | |
| 8310 | Items that may not be reclassified subsequently to profit or loss: | | | | |
| 8311 | Gains (losses) on remeasurements of defined benefit plans | (248,547) | - | 179,553 | - |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 6,118 | - | 27,542 | - |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(15)) | (38,521) | - | 120,951 | - |
| | | (203,908) | - | 86,144 | - |
| 8360 | Items that may be reclassified subsequently to profit or loss: | | | | |
| 8361 | Exchange differences on translation of foreign operations | (75,886) | - | (1,503,580) | (2) |
| 8370 | Share of other comprehensive income of associates accounted for using equity method | 611,708 | 1 | 275,843 | - |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(15)) | (15,178) | - | (300,404) | (1) |
| | | 551,000 | 1 | (927,333) | (1) |
| 8300 | Other comprehensive income (after tax) | 347,092 | 1 | (841,189) | (1) |
| | Total comprehensive income | <u>\$ 13,450,723</u> | <u>25</u> | <u>12,794,467</u> | <u>22</u> |
| | Net income attributable to: | | | | |
| | Shareholders of GlobalWafers Co., Ltd | \$ 13,103,614 | 24 | 13,644,095 | 23 |
| | Non-controlling interests | 17 | - | (8,439) | - |
| | | <u>\$ 13,103,631</u> | <u>24</u> | <u>13,635,656</u> | <u>23</u> |
| | Total comprehensive income attributable to: | | | | |
| | Shareholders of GlobalWafers Co., Ltd | \$ 13,450,706 | 25 | 12,804,463 | 22 |
| | Non-controlling interests | 17 | - | (9,996) | - |
| | | <u>\$ 13,450,723</u> | <u>25</u> | <u>12,794,467</u> | <u>22</u> |
| | Earnings per share (NT dollars) (note 6(18)) | | | | |
| | Basic earnings per share | <u>\$ 30.11</u> | | <u>31.35</u> | |
| | Diluted earnings per share | <u>\$ 30.03</u> | | <u>31.21</u> | |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd. and subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Equity attributable to shareholders of GlobalWafers Co., Ltd.

| | Retained earnings | | | | | | Other equity interest | | | | Non-controlling interests | Total equity | |
|---|-------------------|-----------------|---------------|-----------------|----------------------------------|-------------------------|---|---|-----------------------------|-----------------|---------------------------|--------------|--------------|
| | Ordinary shares | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Total retained earnings | Exchange differences on translation of foreign financial statements | Gains (losses) from equity instrument measured at fair value through other comprehensive income | Total other equity interest | Treasury shares | | | Total |
| Balance at January 1, 2019 | \$ 4,372,500 | 24,772,608 | 1,341,111 | 1,133,596 | 13,457,718 | 15,932,425 | (1,328,874) | (32,425) | (1,361,299) | (576,779) | 43,139,455 | 16,658 | 43,156,113 |
| Net income for the year | - | - | - | - | 13,644,095 | 13,644,095 | - | - | - | - | 13,644,095 | (8,439) | 13,635,656 |
| Other comprehensive income for the year | - | - | - | - | 58,602 | 58,602 | (1,201,619) | 303,385 | (898,234) | - | (839,632) | (1,557) | (841,189) |
| Comprehensive income for the year | - | - | - | - | 13,702,697 | 13,702,697 | (1,201,619) | 303,385 | (898,234) | - | 12,804,463 | (9,996) | 12,794,467 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 1,345,772 | - | (1,345,772) | - | - | - | - | - | - | - | - |
| Cash dividends on ordinary shares | - | - | - | - | (10,880,925) | (10,880,925) | - | - | - | - | (10,880,925) | - | (10,880,925) |
| Difference between consideration and the carrying amount of subsidiaries acquired or disposed | - | (41) | - | - | - | - | - | - | - | - | (41) | (427) | (468) |
| Disposal of investments in equity instruments designated at fair value through other comprehensive income | - | - | - | - | 31,723 | 31,723 | - | (31,723) | (31,723) | - | - | - | - |
| Difference between consideration and the carrying amount of associates acquired or disposed | - | 4,063 | - | - | - | - | - | - | - | - | 4,063 | - | 4,063 |
| Balance at December 31, 2019 | 4,372,500 | 24,776,630 | 2,686,883 | 1,133,596 | 14,965,441 | 18,785,920 | (2,530,493) | 239,237 | (2,291,256) | (576,779) | 45,067,015 | 6,235 | 45,073,250 |
| Net income for the year | - | - | - | - | 13,103,614 | 13,103,614 | - | - | - | - | 13,103,614 | 17 | 13,103,631 |
| Other comprehensive income for the year | - | - | - | - | (210,026) | (210,026) | (60,708) | 617,826 | 557,118 | - | 347,092 | - | 347,092 |
| Comprehensive income for the year | - | - | - | - | 12,893,588 | 12,893,588 | (60,708) | 617,826 | 557,118 | - | 13,450,706 | 17 | 13,450,723 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 1,373,442 | - | (1,373,442) | - | - | - | - | - | - | - | - |
| Special reserve appropriated | - | - | - | 1,157,660 | (1,157,660) | - | - | - | - | - | - | - | - |
| Cash dividends on ordinary shares | - | - | - | - | (13,057,110) | (13,057,110) | - | - | - | - | (13,057,110) | - | (13,057,110) |
| Cash dividends from capital surplus | - | (1,305,711) | - | - | - | - | - | - | - | - | (1,305,711) | - | (1,305,711) |
| Changes in non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | (6,252) | (6,252) |
| Balance at December 31, 2020 | \$ 4,372,500 | 23,470,919 | 4,060,325 | 2,291,256 | 12,270,817 | 18,622,398 | (2,591,201) | 857,063 | (1,734,138) | (576,779) | 44,154,900 | - | 44,154,900 |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd. and subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

| | 2020 | 2019 |
|---|--------------------|--------------------|
| Cash flows from operating activities: | | |
| Income before income tax | \$ 16,614,967 | 18,553,865 |
| Adjustments: | | |
| Adjustments to reconcile profit (loss): | | |
| Depreciation expenses | 5,165,290 | 4,380,511 |
| Amortization expenses | 356,495 | 364,830 |
| Expected credit losses (gains) | (8,752) | 4,742 |
| Net loss (gain) on financial assets or liabilities at fair value through profit or loss | (457,641) | 286,218 |
| Interest expense | 73,656 | 71,714 |
| Interest income | (243,546) | (723,336) |
| Dividend income | (2,210) | (4,137) |
| Shares of profit of associates accounted for using equity method | (36,809) | (20,331) |
| Loss on disposal of property, plant and equipment | 5,559 | 7,992 |
| Loss on disposal of intangible assets | - | 1,141 |
| Provisions for inventory valuation | 144,385 | 123,286 |
| Total adjustments | 4,996,427 | 4,492,630 |
| Changes in operating assets and liabilities: | | |
| Notes and accounts receivable (including related parties) | 110,868 | 1,081,878 |
| Inventories | (490,308) | 74,794 |
| Other operating assets | 221,566 | (792,437) |
| Other financial assets | (40,290) | 100,841 |
| Total changes in operating assets | (198,164) | 465,076 |
| Contract liabilities | (3,472,070) | (1,978,993) |
| Notes and accounts payable (including related parties) | 57,983 | (1,032,964) |
| Net defined benefit liabilities | (495,042) | (3,253) |
| Other operating liabilities | 85,024 | (477,072) |
| Total changes in operating liabilities | (3,824,105) | (3,492,282) |
| Total changes in operating assets and liabilities | (4,022,269) | (3,027,206) |
| Total adjustments | 974,158 | 1,465,424 |
| Cash inflow generated from operations | 17,589,125 | 20,019,289 |
| Interest received | 242,694 | 747,584 |
| Dividends received | 2,210 | 4,137 |
| Interest paid | (70,946) | (67,369) |
| Income taxes paid | (3,199,524) | (3,314,743) |
| Net cash flows from operating activities | 14,563,559 | 17,388,898 |

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows(Continued)

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

| | 2020 | 2019 |
|---|----------------------|---------------------|
| Cash flows from investing activities: | | |
| Acquisition of financial assets at fair value through other comprehensive income | (95,357) | - |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | - | 79,178 |
| Acquisition of financial assets at fair value through profit or loss | (5,611,917) | (1,907,850) |
| Proceeds from disposal of financial assets at fair value through profit or loss | 2,103,746 | 95,901 |
| Acquisition of investments accounted for using equity method | - | (109,760) |
| Cash dividends from associates accounted for using equity method | 18,270 | 16,510 |
| Acquisition of property, plant and equipment | (8,167,167) | (7,602,947) |
| Proceeds from disposal of property, plant and equipment | 97,282 | 75,718 |
| Increase in refundable deposits | (1,288) | - |
| Acquisition of intangible assets | (3,631) | - |
| Increase in other financial assets | (1,811,690) | (3,081,247) |
| Net cash flows used in investing activities | (13,471,752) | (12,434,497) |
| Cash flows from financing activities: | | |
| Increase (decrease) in short-term borrowings | (15,000) | 4,844,000 |
| Repayments of long-term borrowings | - | (430,000) |
| Decrease in guarantee deposits received | (156,249) | (145,941) |
| Payment of lease liabilities | (159,280) | (171,013) |
| Cash dividends paid | (10,880,925) | (10,880,925) |
| Change in non-controlling interests | (6,252) | (468) |
| Net cash flows used in financing activities | (11,217,706) | (6,784,347) |
| Effect of exchange rate changes on cash and cash equivalents | (256,132) | (562,865) |
| Net decrease in cash and cash equivalents | (10,382,031) | (2,392,811) |
| Cash and cash equivalents at beginning of period | 32,821,512 | 35,214,323 |
| Cash and cash equivalents at end of period | \$ 22,439,481 | 32,821,512 |

Independent Auditors' Report

To the Board of Directors of GlobalWafers Co., Ltd.:

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of the parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

1. Revenue recognition

Please refer to note 4(14) "Revenue recognition" for accounting policy and note 6(18) "Revenue from contracts with customers" of the parent-company-only financial statements for further information.

Description of key audit matter:

The Company's revenues are derived from the sales of semiconductor materials and components. Revenue recognition is also dependent on whether the specified sales terms in each individual contract are met. In consideration of the high volume of sales transactions generated from world-wide operations, revenue recognition is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included understanding of revenue recognition policies and assessing whether revenue recognition policies are appropriate based on sales terms and revenue recognition criteria; understanding the design and process of implementation of internal controls and testing operating effectiveness; testing selected sales samples and agreeing to customer orders, delivery note and related documentation supporting sales recognition; testing sales cut-off, on a sample basis, for transactions incurred within a certain period before or after the balance sheet date by reviewing related sales terms, inspecting delivery documents, and other related supporting document to evaluate whether the revenue was recorded in proper period.

2. Evaluation of investments accounted for using equity method

Please refer to the note 4(9) "Investment in subsidiaries" for accounting policy, note 5 "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" for evaluation of investments accounted for using equity method, and note 6(6) "Investments accounted for using equity method" for further details.

Description of key audit matter:

The Company's investments accounted for using equity method are mainly the investments of subsidiaries, arising from business combinations. Moreover, the Company operates in an industry in which the operations are easily influenced by various external factors, such as market conditions. The assessment of subsidiaries' revenue recognition and impairment of goodwill arising from business combinations is crucial. Consequently, this is one of the key areas in our audit.

How the matter was addressed in our audit:

We mainly performed audit procedures as explained in the key audit matter 1. "Revenue recognition" over revenues of subsidiaries accounted for using equity method; in relation to impairment assessment of intangible assets (including goodwill), we performed certain key audit procedures that included assessing triggering events identified by management for impairment indicators existing in a cash generating unit, assessing whether the assumptions used for evaluating the recoverable amount are reasonable; evaluating the achievement of prior year financial forecasts; reviewing the calculations of recoverable amounts of cash generating units; evaluating the assumptions used for calculating recoverable amounts and cash flow projections and performing sensitivity analysis based on key factors.

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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent-company-only financial statements.

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

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

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Chien Chen and An-Chih Cheng.

KPMG

Taipei, Taiwan (Republic of China)

March 16, 2021

Notes to Readers

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

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

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd.

Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

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

| | | <u>2020</u> | | <u>2019</u> | |
|------|---|----------------------|------------|-------------------|------------|
| | | <u>Amount</u> | <u>%</u> | <u>Amount</u> | <u>%</u> |
| 4000 | Operating revenue (notes 6(18) and 7) | \$ 22,506,100 | 100 | 12,456,803 | 100 |
| 5000 | Operating costs (notes 6(5), (19) and 7) | <u>13,339,502</u> | <u>59</u> | <u>7,616,254</u> | <u>61</u> |
| | Gross profit from operations | <u>9,166,598</u> | <u>41</u> | <u>4,840,549</u> | <u>39</u> |
| | Operating expenses (notes 6(19) and 7): | | | | |
| 6100 | Selling expenses | 369,441 | 2 | 149,108 | 1 |
| 6200 | Administrative expenses | 1,183,086 | 5 | 473,170 | 4 |
| 6300 | Research and development expenses | 918,303 | 4 | 622,864 | 5 |
| 6450 | Expected credit loss (gain) (note 6(4)) | <u>(1,262)</u> | - | <u>851</u> | - |
| | Total operating expenses | <u>2,469,568</u> | <u>11</u> | <u>1,245,993</u> | <u>10</u> |
| | Net operating income | <u>6,697,030</u> | <u>30</u> | <u>3,594,556</u> | <u>29</u> |
| | Non-operating income and expenses: | | | | |
| 7100 | Interest income (note 6(20)) | 90,551 | - | 37,222 | - |
| 7020 | Other gains and losses (notes 6(20) and 7) | (394,846) | (2) | (51,637) | (1) |
| 7050 | Finance costs (notes 6(12), (20) and 7) | (263,675) | (1) | (153,373) | (1) |
| 7375 | Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (note 6(6)) | <u>8,782,371</u> | <u>39</u> | <u>12,039,142</u> | <u>97</u> |
| | Income before income tax | <u>14,911,431</u> | <u>66</u> | <u>15,465,910</u> | <u>124</u> |
| 7950 | Income tax expense (note 6(14)) | <u>1,807,817</u> | <u>8</u> | <u>1,821,815</u> | <u>15</u> |
| | Net income | <u>13,103,614</u> | <u>58</u> | <u>13,644,095</u> | <u>109</u> |
| 8300 | Other comprehensive income: | | | | |
| 8310 | Items that may not be reclassified subsequently to profit or loss: | | | | |
| 8311 | Gains (losses) on remeasurements of defined benefit plans | (32,349) | - | (4,156) | - |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 6,118 | - | 27,542 | - |
| 8330 | Share of other comprehensive income of subsidiaries and associates accounted for using equity method – components of other comprehensive income that will not be reclassified to profit or loss | (216,198) | (1) | 80,810 | 1 |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(14)) | <u>(38,521)</u> | - | <u>18,052</u> | - |
| | | <u>(203,908)</u> | <u>(1)</u> | <u>86,144</u> | <u>1</u> |
| 8360 | Items that may be reclassified subsequently to profit or loss: | | | | |
| 8361 | Exchange differences on translation of foreign operations | (75,886) | - | (1,502,023) | (12) |
| 8380 | Share of other comprehensive income of associates accounted for using equity method | 611,708 | 3 | 275,843 | 2 |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note 6(14)) | <u>(15,178)</u> | - | <u>(300,404)</u> | <u>(2)</u> |
| | Total items that may be reclassified subsequently to profit or loss | <u>551,000</u> | <u>3</u> | <u>(925,776)</u> | <u>(8)</u> |
| 8300 | Other comprehensive income (after tax) | <u>347,092</u> | <u>2</u> | <u>(839,632)</u> | <u>(7)</u> |
| | Total comprehensive income | <u>\$ 13,450,706</u> | <u>60</u> | <u>12,804,463</u> | <u>102</u> |
| | Earnings per share (NT dollars) (note 6(17)) | | | | |
| | Basic earnings per share | <u>\$ 30.11</u> | | <u>31.35</u> | |
| | Diluted earnings per share | <u>\$ 30.03</u> | | <u>31.21</u> | |

See accompanying notes to parent-company-only financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd.

Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

| | Retained earnings | | | | | | Other equity interest | | | | |
|---|---------------------|-------------------|------------------|------------------|--|-------------------|--|--|--------------------|------------------|-------------------|
| | Ordinary shares | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Total | Exchange differences on translation of foreign financial statements | Gains (losses) from equity instrument measured at fair value through other comprehensive income | Total | Treasury shares | Total equity |
| Balance at January 1, 2019 | \$ 4,372,500 | 24,772,608 | 1,341,111 | 1,133,596 | 13,457,718 | 15,932,425 | (1,328,874) | (32,425) | (1,361,299) | (576,779) | 43,139,455 |
| Net income for the year | - | - | - | - | 13,644,095 | 13,644,095 | - | - | - | - | 13,644,095 |
| Other comprehensive income for the year | - | - | - | - | 58,602 | 58,602 | (1,201,619) | 303,385 | (898,234) | - | (839,632) |
| Comprehensive income for the year | - | - | - | - | 13,702,697 | 13,702,697 | (1,201,619) | 303,385 | (898,234) | - | 12,804,463 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 1,345,772 | - | (1,345,772) | - | - | - | - | - | - |
| Cash dividends on ordinary shares | - | - | - | - | (10,880,925) | (10,880,925) | - | - | - | - | (10,880,925) |
| Disposal of investments in equity instruments designated at fair value through other comprehensive income | - | - | - | - | 31,723 | 31,723 | - | (31,723) | (31,723) | - | - |
| Difference between consideration and the carrying amount of associates acquired or disposed | - | 4,063 | - | - | - | - | - | - | - | - | 4,063 |
| Difference between consideration and the carrying amount of subsidiaries acquired or disposed | - | (41) | - | - | - | - | - | - | - | - | (41) |
| Balance at December 31, 2019 | 4,372,500 | 24,776,630 | 2,686,883 | 1,133,596 | 14,965,441 | 18,785,920 | (2,530,493) | 239,237 | (2,291,256) | (576,779) | 45,067,015 |
| Net income for the year | - | - | - | - | 13,103,614 | 13,103,614 | - | - | - | - | 13,103,614 |
| Other comprehensive income for the year | - | - | - | - | (210,026) | (210,026) | (60,708) | 617,826 | 557,118 | - | 347,092 |
| Comprehensive income for the year | - | - | - | - | 12,893,588 | 12,893,588 | (60,708) | 617,826 | 557,118 | - | 13,450,706 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 1,373,442 | - | (1,373,442) | - | - | - | - | - | - |
| Special reserve appropriated | - | - | - | 1,157,660 | (1,157,660) | - | - | - | - | - | - |
| Cash dividends on ordinary shares | - | - | - | - | (13,057,110) | (13,057,110) | - | - | - | - | (13,057,110) |
| Cash dividends from capital surplus | - | (1,305,711) | - | - | - | - | - | - | - | - | (1,305,711) |
| Balance at December 31, 2020 | \$ 4,372,500 | 23,470,919 | 4,060,325 | 2,291,256 | 12,270,817 | 18,622,398 | (2,591,201) | 857,063 | (1,734,138) | (576,779) | 44,154,900 |

See accompanying notes to parent-company-only financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd.

Statements of Cash Flows

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

| | 2020 | 2019 |
|---|--------------------|---------------------|
| Cash flows from operating activities: | | |
| Income before income tax | \$ 14,911,431 | 15,465,910 |
| Adjustments: | | |
| Adjustments to reconcile profit (loss): | | |
| Depreciation expenses | 875,757 | 197,206 |
| Amortization expenses | 317,949 | 317,931 |
| Expected credit loss (gain) | (1,262) | 851 |
| Net loss (gain) on financial assets or liabilities at fair value through profit or loss | (320,759) | 287,032 |
| Interest expense | 263,675 | 153,373 |
| Interest income | (90,551) | (37,222) |
| Dividend income | (2,210) | (4,137) |
| Shares of profit of associates accounted for using equity method | (8,627,290) | (11,838,621) |
| Loss on disposal of property, plant and equipment | 5,591 | 349 |
| Provision for (reversal of) inventory valuation | (8,096) | 13,727 |
| Total adjustments | (7,587,196) | (10,909,511) |
| Changes in operating assets and liabilities: | | |
| Notes and accounts receivable (including related parties) | (372,967) | 775,505 |
| Inventories | 251,938 | 299,764 |
| Other operating assets | 36,301 | 122,170 |
| Total changes in operating assets | (84,728) | 1,197,439 |
| Contract liabilities | (1,543,550) | (1,352,578) |
| Notes and accounts payable (including related parties) | 387,370 | (768,082) |
| Net defined benefit liabilities | 14,708 | (6,146) |
| Other operating liabilities | 661,358 | 320,897 |
| Total changes in operating liabilities | (480,114) | (1,805,909) |
| Total changes in operating assets and liabilities | (564,842) | (608,470) |
| Total adjustments | (8,152,038) | (11,517,981) |
| Cash inflow generated from operations | 6,759,393 | 3,947,929 |
| Interest received | 125,826 | 37,733 |
| Dividends received | 2,210 | 4,137 |
| Interest paid | (288,123) | (149,314) |
| Income taxes paid | (1,828,302) | (1,315,543) |
| Net cash flows from operating activities | 4,771,004 | 2,524,942 |

(Continued)

See accompanying notes to parent-company-only financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)
GlobalWafers Co., Ltd.

Statements of Cash Flows(Continued)

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

| | 2020 | 2019 |
|--|---------------------|--------------------|
| Cash flows from investing activities: | | |
| Proceeds from capital reduction of financial assets at fair value through other comprehensive income | (95,357) | - |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | - | 79,178 |
| Acquisition of financial assets at fair value through profit or loss | (2,829,152) | (31,194) |
| Proceeds from disposal of financial assets at fair value through profit or loss | - | 95,901 |
| Acquisition of investments accounted for using equity method | (12,060,400) | (109,913) |
| Proceeds from disposal of investments accounted for using equity method | 1,660,860 | - |
| Cash dividends from subsidiaries accounted for using equity method | 7,362,720 | 5,145,843 |
| Cash dividends from associates accounted for using equity method | 18,270 | 16,510 |
| Acquisition of property, plant and equipment | (469,388) | (205,543) |
| Proceeds from disposal of property, plant and equipment | 2,882 | 459 |
| Decrease in refundable deposits | 1,188 | 11 |
| Acquisition of intangible assets | (120) | - |
| Net cash inflows from business combination | 5,067,011 | - |
| Increase in other financial assets | (2,655,566) | (2,998,204) |
| Net cash flows from (used in) investing activities | (3,997,052) | 1,993,048 |
| Cash flows from financing activities: | | |
| Increase (decrease) in short-term borrowings | (15,000) | 4,844,000 |
| Repayments of long-term borrowings | - | (430,000) |
| Increase in payables to related parties | 11,399,508 | 667,000 |
| Payment of lease liabilities | (40,508) | (7,424) |
| Cash dividends paid | (10,880,925) | (10,880,925) |
| Net cash flows from (used in) financing activities | 463,075 | (5,807,349) |
| Net increase (decrease) in cash and cash equivalents | 1,237,027 | (1,289,359) |
| Cash and cash equivalents at beginning of period | 2,067,325 | 3,356,684 |
| Cash and cash equivalents at end of period | \$ 3,304,352 | 2,067,325 |

Attachment 4

GlobalWafers Co., Ltd.

Earnings Distribution Table Year 2020

(Unit: NTD)

| | | |
|--|-----------------|-----------------------|
| Beginning unappropriated retained earnings | | 2,859,125,694 |
| Plus (Less) : | | |
| Current change on defined benefits remeasurements. | (210,026,634) | |
| 2020 net income | 13,103,614,179 | 12,893,587,545 |
| Beginning unappropriated retained earnings | | 15,752,713,239 |
| Plus (Less) : | | |
| Provision as legal reserve : | | |
| 20201H accumulated provision | (627,779,486) | |
| 2020 provision for discrepancy | (661,579,269) | (1,289,358,755) |
| Reversal (Provision) of equity deduction special reserve : | | |
| 20201H accumulated provision | (765,585,666) | |
| 2020 reversal for discrepancy | 1,322,703,615 | 557,117,949 |
| Item of distribution : | | |
| Share dividends-cash | | |
| 2020 interim earnings that were distributed | (3,481,896,000) | |
| (NTD 8.0 per share) | | |
| 2020 earnings to be distributed | (4,352,370,000) | (7,834,266,000) |
| (NTD 10.0 per share) | | |
| Ending unappropriated earnings | | 7,186,206,433 |
| Note: | | |
| In the second quarter of 2020, due to the interim dividend distribution: the provision of legal reserve is NTD 627,779,486; the provision of special reserve is NTD 765,585,666; the cash dividends resolved to be distributed is NTD 3,481,896,000. | | |

Chairperson:



President:



Chief Account:



Attachment 5

GlobalWafers Co., Ltd.

Rules for Election of Directors Comparison Chart

| Article | Before | After | Remark |
|---------|---|---|---|
| 1 | Unless otherwise provided in the Company Law or the Articles of Incorporation of this Company, the independent and non-independent directors of this Company shall be elected in accordance with the rules specified herein. | Unless otherwise provided in the Company Law, <u>or the Securities and Exchange Act, or related laws,</u> or the Articles of Incorporation of this Company, the independent and non-independent directors of this Company shall be elected in accordance with the rules specified herein. | Rephrase. |
| 2 | Election of directors of this Company shall be held at the shareholders' meeting. The board of directors shall prepare ballots and <u>note the number of voting rights.</u> | Election of directors of this Company shall be held at the shareholders' meeting. The board of directors shall prepare ballots which to be numbered based on the <u>attendance card number. Each ballot shall contain the votes that the voter is entitled to in the election.</u> | Merge with Article 6 from previous version. |
| | Article 6 from former version <u>The Board of Directors shall prepare ballots and distribute one ballot to each shareholder identified by his/her attendance card number. Each ballot shall contain the votes that the voter is entitled to in the election.</u> | <u>Delete</u> | Merge with Article 2. |
| 6 | Article 7 from former version <u>At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from among the shareholders present.</u> | <u>Before</u> the beginning of the election, the Chair <u>person</u> shall appoint several persons to record the ballots <u>and appoint several persons with shareholder status to perform the respective duties.</u> | Reorder and rephrase. |
| | Article 9 from former version <u>If the candidate is a shareholder of</u> | <u>Delete</u> | Director election |

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| | <p>this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and the candidate's ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column. If there are several representatives, each of the representatives' names must be filled in.</p> | | <p>adopts candidate nomination system. Shareholders shall choose directors from the candidates list. Shareholders can learn nominee's name, educational background, work experience and other information from the candidate list before the shareholders' meeting. Shareholder account number or ID number is used as the method to identify the candidates. The above narratives are unnecessary, thus delete this article.</p> |
| 8 | <p>Article 10 from former version Ballots shall be deemed void under the following conditions:</p> | <p>Article 10 from original version Ballots shall be deemed void under the following conditions:</p> | <p>Modify Article 1 based on</p> |

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| | <ol style="list-style-type: none"> 1. <u>Ballots not prepared by the Board of Directors;</u> 2. <u>The number of candidates filled in the ballot exceeding the number of the seats to be elected.</u> 3. <u>Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number);</u> 4. <u>The handwriting on the ballots is too illegible to be identified or is altered;</u> 5. <u>If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect;</u> 6. <u>Ballots without being filled in candidate's name or shareholder's number (ID number).</u> | <ol style="list-style-type: none"> 1. <u>The ballot was not prepared by a person with the right to convene;</u> 2. <u>A blank ballot is placed in the ballot box;</u> 3. <u>The handwriting on the ballots is too illegible to be identified or is altered;</u> 4. <u>The candidate filled in the ballot is inconsistent with the list of director candidates;</u> 5. <u>In addition to filling in the allotted voting rights, ballots contain other written characters;</u> 6. <u>Fill in two or more candidates on one ballot.</u> | <p>following description: In accordance with Article 173 of the Company Act, shareholder(s) can obtain approval from the competent authority under certain circumstances (e.g. the board of directors fails to give a notice for convening a special meeting), the proposing shareholder(s) may convene a special meeting of shareholders on his/their own.</p> <p>Move Article 2 to Article 5 and reorder them based on following description: Director election adopts candidate</p> |
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| | | | nomination system. Shareholders shall choose directors from the candidates list. |
| 9 | Article 11 from former version The ballots should be calculated during the meeting right after the vote casting <u>and</u> the results of the election should be announced by the Chairperson or the designee at the meeting. | The ballots should be calculated during the meeting right after the vote casting, <u>the results of the election and the numbers of voting rights with which they were elected</u> should be announced by the Chairperson or the designee at the meeting. <u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel 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.</u> | Reorder and rephrase. |
| 7 10 11 | Article 8 from former version (Omit) Article 12 from former version (Omit) Article 13 from former version (Omit) | Article 7(Omit) Article 10(Omit) Article 11(Omit) | Reorder. |
| 12 | Article 14 from former version This Procedure was enacted on January 19, 2015. <u>First</u> amendment on June 25, 2019 | This Procedure was enacted on January 19, 2015. <u>The 1st amendment was made on June 25, 2019</u> <u>The 2nd amendment was made on August 24, 2021</u> | Add amendment date. |

Attachment 6

GlobalWafers Co., Ltd.

Policies and Procedures for Financial Derivatives Transactions Comparison Chart

| Article | Before | After | Remark |
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| Article 1~18 | <p>Article 1 :</p> <p>Article 2 :</p> <p>Article 3 :</p> <p>Article 4 :</p> <p>Article 5 :</p> <p>Article 6 :</p> <p>Article 7 :</p> <p>Article 8 : Division of authority and duties</p> <p>Article 9 : Authorization</p> <p>Article 10 :</p> <p>Article 11 :</p> <p>Article 12 :</p> <p>Article 13 :</p> <p>Article 14 :</p> <p>Article 15 : Internal control</p> <p>Article 16 :</p> <p>Article 17 :</p> <p>Article 18 :</p> | <p>Article 1 : <u>Scope of application</u></p> <p>Article 2 : <u>Definition (1)</u></p> <p>Article 3 : <u>Definition (2)</u></p> <p>Article 4 : <u>The types of derivatives that may be traded</u></p> <p>Article 5 : Transaction principle and guideline</p> <p>Article 6 : <u>The loss ceiling on total trading and for individual</u></p> <p>Article 7 : <u>Ceiling of total amount of derivatives contracts</u></p> <p>Article 8 : Division of authority and duties</p> <p>Article 9 : Authorization</p> <p>Article 10 :</p> <p>Article 11 : <u>Public Disclosure of Information</u></p> <p>Article 12 :</p> <p>Article 13 :</p> <p>Article 14 :</p> <p>Article 15 : Internal control</p> <p>Article 16 : <u>Internal audit and penalties</u></p> <p>Article 17 : <u>Implementation and amendment</u></p> <p>Article 18 : <u>Enforcement and history</u></p> | Add article topics. |
| Article 5 | <p>Transaction principle and guideline:</p> <p>The profit of the Company shall be derived from operation. The Company engages in above derivatives transactions shall be based on the principle of hedging currency and interest rate risks only, opportunism transaction <u>are not allowed</u>. The instruments shall meet the Company's actual hedging needs</p> | <p>Transaction principle and guideline</p> <p>The profit of the Company shall be derived from operation. The Company engages in <u>hedge-oriented transaction of the above derivatives</u> transactions shall be based on the principle of hedging currency and interest rate risks only, <u>which means the purpose of holding or issuing derivatives commodity is not to earn through price differences of a commodity</u>. The Company does not <u>allow opportunism</u> transaction. The</p> | Clearly define the Company could only engage in hedging transaction. |

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| | | instruments shall meet the Company's actual hedging needs. | |
| Article 6 | <p><u>For derivatives transactions in which the Company engages, loss limit is US\$250,000 of the contract amount in aggregate. The individual contracts loss limit is 10% of the principal amount respectively and shall not exceed US\$250,000. Loss limit is 20% of the contract amount for any individual contract or for all contracts in aggregate. The aforementioned "transaction-oriented" refers to holding /issuing derivative transaction to profit from price difference. "Non-transaction-oriented" or "Hedge-oriented" refers to transactions for other purposes.</u></p> | <p><u>The loss ceiling on total trading and for individual</u> <u>Loss limit of "Hedge-oriented transactions" is 20% of the contract amount. The term applies in any individual contract or for all contracts in aggregate.</u></p> | Delete the Articles of non-hedge-oriented transaction, and definition for hedge-oriented transaction is moved to Article 5. |
| Article 7 | <p><u>Original Article 9</u></p> <p>The total contract amount from foreign exchange hedging operation shall not exceed the total foreign currency position of accounts receivable, accounts payable and deposit <u>arising from operation</u>, and shall be reported to the latest BOD meeting after transaction. Apart from <u>business</u>, any currency hedging should adopt the assets (liability) which are held or anticipated to trade as ceiling. For example, overseas acquisition adopts acquisition price as ceiling, fund lending adopts loan balance as ceiling, overseas equity, bonds or other financial instruments adopts total amount of outstanding balance as ceiling, and could only be executed after BOD approval. However, if BOD approval could not be obtained in advance due to interest of time, Chairperson could be authorized to approve transactions based on evaluation report submitted by finance department, and such transaction shall be reported to the latest BOD meeting after execution.</p> | <p><u>Article 7</u> <u>Ceiling of total amount of derivatives contracts</u> <u>The total contract amount from foreign exchange hedging operation underwritten from daily operation, shall not exceed the total foreign currency position of accounts receivable and accounts payable (including funds lending among companies in the consolidated financial statements) and deposit, and shall be reported to the latest BOD meeting after transaction. Apart from <u>daily operation</u>, any currency hedging should adopt the assets (liability) which are held or anticipated to trade as ceiling. For example, overseas acquisition adopts acquisition price as ceiling, fund lending adopts loan balance as ceiling, overseas equity, bonds or other financial instruments adopts total amount of outstanding balance as ceiling, and could only be executed after BOD approval. However, if BOD approval could not be obtained in advance due to interest of time, Chairperson could be authorized to approve</u></p> | Reorder and rephrase. |

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| | | transactions based on evaluation report submitted by finance department, and such transaction shall be reported to the latest BOD meeting after execution. | |
| Original Article 8 | <p><u>Article 8: Performance assessments</u></p> <p>(1) <u>The _____ performance assessments are based on the gain or loss between account exchange and interest rate and derivative trading.</u></p> <p>(2) <u>The Finance Department shall assess market prices and evaluate _____ hedging performance each week. “Transaction-oriented” position shall be evaluated at least once a week; “Non-transaction-oriented” or “Hedge-oriented” position shall be evaluated at least twice a month; reports should be delivered to managers with BOD authorization.</u></p> | Delete | Delete because duplicate with Article 15-3 (i) |
| Article 8 | <p><u>Article 7: Division of authority and duties</u></p> <p>(1) Finance Department is responsible for building currency strategy and negotiation, as well as setting up quarterly hedging ceiling in accordance with the Procedures based on revenue, export/import quantity and balance position for risk control.</p> <p>(2) Finance Department shall pay attention to currency as well as capital position at all times, submit hedging strategy according to actual needs for President’s approval. Any</p> | <p><u>Article 8: Division of authority and duties</u></p> <p>(1) Finance Department is responsible for building currency strategy and negotiation, as well as setting up quarterly hedging ceiling in accordance with the Procedures based on revenue, export/import quantity and balance position for risk control.</p> <p>(2) Finance Department shall pay attention to currency as well as capital position at all times, submit hedging strategy according to actual needs for President’s approval. Any deviation can only be executed upon receiving President’s</p> | Reorder and rephrase |

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| | deviation can only be executed upon receiving President's approval. | approval. | |
| Article 9~18 | <u>Article 10~19</u> | <u>Article 9~18</u> | Reorder because of deletion in Article 8 |
| Article 9 | <p><u>Original Article 10 :</u> Authorization</p> <p>(1) The amount within US\$500 thousand or equivalent foreign currency on each transaction shall be approved by President.</p> <p>(2) The amount exceed US\$500 thousand on each transaction shall be approved by Chairperson.</p> | <p><u>Article 9</u> Authorization</p> <p>(1) The amount within US\$500 thousand or equivalent foreign currency on each transaction shall be approved by President.</p> <p>(2) The amount exceed US\$500 thousand <u>or equivalent foreign currency</u> on each transaction shall be approved by Chairperson.</p> | Rephrase |
| Article 11 | <p><u>Original Article 12</u></p> <p><u>The dealers shall ensure derivative transactions complete and consistent with relevant regulations. After being public,</u> the Company shall submit derivatives transactions as of last month of the Company and its overseas public subsidiaries to the information disclosure website designated by the Securities and Futures Commission on a monthly basis by the 10th of every month.</p> | <p><u>Article 11</u> <u>Public Disclosure of Information</u></p> <p>(1) The Company shall submit derivatives transactions as of last month of the Company and its overseas public subsidiaries to the information disclosure website designated by the Securities and Futures Commission on a monthly basis by the 10th of every month.</p> <p>(2) <u>When losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted, the Company shall publicly announce and report the relevant information on the FSC's designated website in the</u></p> | Delete phrases duplicate with Article 1; add regulations on announcement within 2 days when losses reach ceiling |

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| | | <u>appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event.</u> | |
| Article 15 | <p><u>Original Article 16</u></p> <p>1 Internal Control</p> <p>(1) The Financial unit's transaction personnel and confirmation and settlement operations personnel may not concurrently serve in more than one of those positions.</p> <p>(2) Trading personnel shall submit foreign exchange trading slip to confirmation personnel for record.</p> <p>(3) Bookkeeping personnel shall at regular intervals reconcile accounts or records with the trading counterparty.</p> <p>(4) Trading personnel shall check total transaction amounts on an ongoing basis to see whether they conform to the ceilings set under these Procedures.</p> <p>2 Risk Management (Omit)</p> | <p><u>Article 15</u></p> <p>1. Internal Control</p> <p>1. The Financial unit's transaction personnel and confirmation and settlement operations personnel may not concurrently serve in more than one of those positions.</p> <p><u>Related risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in the preceding subparagraph and shall report to the Board of Directors or senior management personnel with no responsibility for trading or position decision-making.</u></p> <p>2. Trading personnel shall submit foreign exchange trading slip to confirmation personnel for record.</p> <p>3. Bookkeeping personnel shall at regular intervals reconcile accounts or records with the trading counterparty.</p> <p>4. Trading personnel shall check total transaction amounts on an ongoing basis to see whether they conform to the ceilings set under these Procedures.</p> <p>2. Risk Management (Omit)</p> <p>3. Periodic evaluation</p> | <p>Add new regulations for risk management personnel. Delete the relevant provisions of non-hedging transactions. Add the retention period of the log book and rephrase.</p> |

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| | <p>3 Periodic evaluation</p> <p>(1) The Finance Department shall assess market prices and evaluate hedging performance <u>each week</u>. <u>“Transaction-oriented” amount shall be evaluated at least once a week; “Non-transaction-oriented” or “Hedge-oriented” amount shall be evaluated at least twice a month; reports should be delivered to managers with BOD authorization.</u></p> <p>(2) The designated personnel appointed by the <u>board of directors</u> to monitor and control derivatives trading risks on an ongoing basis shall also at regular intervals evaluate whether trading performance accords with established operational strategies, and whether risks assumed are within a tolerable range. They shall at regular intervals evaluate whether the risk management procedures currently in use are appropriate and scrupulously conducted in accordance with these Procedures.</p> <p>(3) <u>The chief financial officer</u> shall monitor the trading and profit and loss situation. When any irregularity is discovered, <u>the chief financial officer</u> shall report to the <u>board of directors</u>. <u>If</u></p> | <p>(1) The Finance Department shall assess market prices and evaluate hedging performance.</p> <p>“Hedge-oriented” amount shall be evaluated at least twice a month; reports should be delivered to managers with BOD authorization.</p> <p>(2) The designated personnel appointed by the <u>Board of Directors</u> to monitor and control derivatives trading risks on an ongoing basis shall also at regular intervals evaluate whether trading performance accords with established operational strategies, and whether risks assumed are within a tolerable range. They shall at regular intervals evaluate whether the risk management procedures currently in use are appropriate and scrupulously conducted in accordance with these Procedures.</p> <p>(3) <u>Senior management personnel authorized by the Board of Directors</u> shall monitor the trading and profit and loss situation. When any irregularity is discovered, <u>senior</u></p> | |
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| | <p><u>independent Director(s) have been appointed, the board of directors shall have the independent director(s) attend and express an opinion.</u></p> <p>(4) The <u>company</u> engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, <u>board of directors</u> approval dates, and the matters required to be carefully evaluated under subparagraph 1, 2 of this <u>article</u> shall be recorded in detail in the log book.</p> | <p><u>management personnel authorized by the Board of Directors</u> shall report to the <u>Board of Directors</u>. <u>The Board of Directors</u> shall have the independent <u>Director(s)</u> attend and express an opinion.</p> <p>(4) The <u>Company</u> engaging in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, <u>Board of Directors</u> approval dates, and the matters required to be carefully evaluated under subparagraph 1, 2 of this <u>Article</u> shall be recorded in detail in the log book <u>at least 5 years.</u></p> | |
| Article 18 | <p>Original Article 19</p> <p>The Procedure was enacted on October 25th, 2011.</p> <p>The 1st amendment was made on June 25, 2013.</p> <p>The 2nd amendment was made on January 19, 2015.</p> <p>The 3rd amendment was made on February 20, 2017.</p> <p>The 4th amendment was made on June 25, 2019.</p> | <p>Article 18</p> <p>The Procedure was enacted on October 25th, 2011.</p> <p>The 1st amendment was made on June 25, 2013.</p> <p>The 2nd amendment was made on January 19, 2015.</p> <p>The 3rd amendment was made on February 20, 2017.</p> <p>The 4th amendment was made on June 25, 2019.</p> <p><u>The 5th amendment was made on August 24, 2021.</u></p> | Add the amendment date |

Attachment 7

GlobalWafers Co., Ltd.

Acquisition or Disposal of Assets Procedure Comparison Chart

| Article | Before | After | Remark |
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| Article 2 | <p>The term "assets" as used in these Regulations includes the following:</p> <ol style="list-style-type: none"> Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. Real property (including land, houses and buildings, investment property, <u>and construction enterprise inventory</u>) and equipment. Memberships. Patents, copyrights, trademarks, franchise rights, and other intangible assets. Right-of-use assets. <u>Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).</u> Derivatives. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law. Other major assets. | <p>The term "assets" as used in these Regulations includes the following:</p> <ol style="list-style-type: none"> Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. Real property (including land, houses and buildings, investment property) and equipment. Memberships. Patents, copyrights, trademarks, franchise rights, and other intangible assets. Right-of-use assets. Derivatives. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law. Other major assets. | Delete inapplicable items to the company. |
| Article 2-1 | <p>Terms used in these Regulations are defined as follows:</p> <ol style="list-style-type: none"> Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit | <p>Terms used in these Regulations are defined as follows:</p> <ol style="list-style-type: none"> Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit | Delete inapplicable items to the company. |

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| | <p>index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, <u>Financial Holding Company Act</u>, <u>Financial Institution Merger Act</u> and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.</p> <p>3. ~ 6. Omit</p> <p>7. <u>Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.</u></p> | <p>index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.</p> <p>3.~ 6. Omit</p> | |
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| | <p>8. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</p> <p>9. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</p> | <p>7. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</p> <p>8. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</p> | |
| Article 3 | <p>Operating Procedures</p> <p>1. Before any asset acquisition or disposal, responsible unit shall take into account the reasons, affecting objects, transaction parties, transfer price, terms of transaction, and references of price.</p> <p>2. The Company's acquisition or disposal of assets shall be made in accordance with the Procedure.</p> <p>3. Amount limits for investment in non-operational purpose fixed assets or right-of-use assets, and securities are as below:</p> <p>(1) The total amount of any real property or right-of-use assets purchased by the Company not for use in business operations may not exceed fifteen percent (15%) of the Company's net worth; the total amount of any real property or right-of-use assets purchased by</p> | <p>Operating Procedures</p> <p>1. Before any asset acquisition or disposal, responsible unit shall take into account the reasons, affecting objects, transaction parties, transfer price, terms of transaction, and references of price.</p> <p>2. The Company's acquisition or disposal of assets shall be made in accordance with the Procedure.</p> <p>3. Amount limits for investment in non-operational purpose fixed assets or right-of-use assets, and securities are as below:</p> <p>(1) The total amount of any real property or right-of-use assets purchased by the Company not for use in business operations may not exceed fifteen percent (15%) of the Company's net worth; the total amount of any real property or right-of-use assets purchased by</p> | <p>Modify security investment ceilings based on operational requirements, and Siltronic M&A.</p> <p>Reorder and rephrase.</p> |

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| | <p>a subsidiary of the Company not for use in business operations may not exceed five percent (5%) of the Company's net worth.</p> <p>(2) The total amount of investment by the Company in all securities may not exceed <u>two hundred percent (200%)</u> of its net worth; the total amount of investment in all securities by a subsidiary of the Company may not exceed <u>two hundred percent (200%)</u> of the Company's net worth.</p> <p>(3) The amount of the Company 's investment in any single security may not exceed <u>one hundred and fifty percent (150%)</u> of its net worth; the amount of investment by a subsidiary of the Company in any single security may not exceed <u>one hundred and fifty percent (150%)</u> of the Company's net worth.</p> <p>(4) The reinvestment of the Company, in accordance with the Articles of Incorporation, is not limited by the rule of article 13 of the Company Act that the reinvestment shall not exceed forty percent (40%) of the paid-in capital.</p> <p><u>When a transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any</u></p> | <p>a subsidiary of the Company not for use in business operations may not exceed five percent (5%) of the Company's net worth.</p> <p>(2) The total amount of investment by the Company in all securities may not exceed <u>six times</u> of its net worth; the total amount of investment in all securities by a subsidiary of the Company may not exceed <u>six times</u> of the Company's net worth.</p> <p>(3) The amount of the Company 's investment in any single security may not exceed <u>six times</u> of its net worth; the amount of investment by a subsidiary of the Company in any single security may not exceed <u>six times</u> of the Company's net worth.</p> <p>(4) The reinvestment of the Company, in accordance with the Articles of Incorporation, is not limited by the rule of article 13 of the Company Act that the reinvestment shall not exceed forty percent (40%) of the paid-in capital.</p> | |
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| | <p><u>matter, it shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>Where the Audit Committee has been established,</u> any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.</p> <p>If the aforesaid transaction of major assets or derivatives has not been approved by such Audit Committee with the consent of one-half or more than one-half of all members of the audit committee, it may be undertaken upon the consent of at least two-thirds of all members of the Board of Directors, but the resolution adopted by the audit committee shall be recorded in the meeting minutes of the Board of Directors meeting.</p> <p>The Audit Committee members and the Board of Directors members in <u>preceding paragraph</u> will only calculate the members in present position.</p> | <p>Any transaction involving major assets or derivatives <u>outside the scope of Article 4 in the procedures</u> shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.</p> <p>If the aforesaid transaction of major assets or derivatives has not been approved by such Audit Committee with the consent of one-half or more than one-half of all members of the audit committee, it may be undertaken upon the consent of at least two-thirds of all members of the Board of Directors, but the resolution adopted by the audit committee shall be recorded in the meeting minutes of the Board of Directors meeting.</p> <p><u>The board of directors shall take into full consideration of each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</u></p> <p>The Audit Committee members and the Board of Directors members in <u>this article</u> will only calculate the members in present position.</p> | |
| Article 4 | <p><u>Appraisal Rules</u></p> <p>1. <u>Authorization scope</u></p> <p>(1) Acquisition or disposal of long-term securities and fixed assets or right-of-use assets whose value under NT\$100 million shall be approved by Chairperson</p> | <p><u>Authorization scope</u></p> <p><u>Acquisition or Disposal of the following Assets shall be determined by the authority within the scope of authorization:</u></p> <p>1. Acquisition or disposal of long-term securities and fixed assets or right-of-use assets whose value under NT\$100 million shall be approved by Chairperson first.</p> | <p>Modify Chairperson's authorization amount due to the company's operating scale and needs.</p> <p>Partial terms from second section of Article 12 move to the fourth section of</p> |

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| | <p>first.</p> <p>(2) Acquisition or disposal of short-term (within one year) securities and fixed assets whose value under NT\$<u>100</u> million shall be approved by President first.</p> <p>(3) The acquisition or disposal of equipment or right-of-use assets of which amount is under NT\$<u>100</u> million shall be approved by Chairperson first.</p> <p>2. <u>Acquisition or Disposal of Assets prices shall proceed according to Article 8 of the Procedure.</u></p> | <p>2. Acquisition or disposal of short-term (within one year) securities and fixed assets whose value under NT\$100 million shall be approved by President first.</p> <p>3. The acquisition or disposal of equipment or right-of-use assets of which amount is under NT\$<u>300</u> million shall be approved by Chairperson first.</p> <p>4. <u>With respect to the types of transactions listed below, when to be conducted between the company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Board Chairperson may decide such matters when the transaction is under NT\$300 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting, not subject to the second section of Article 12 of this Procedure:</u></p> <p>(1) <u>Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</u></p> <p>(2) <u>Acquisition or disposal of real property right-of-use assets held for business use.</u></p> | <p>Article 4. Delete repeated terms in Article 8.</p> |
| <p>Article 5</p> | <p>Public Disclosure</p> <p>1. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate</p> | <p>Public Disclosure</p> <p>1. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate</p> | <p>Delete inapplicable items to the company.</p> |

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| | <p>format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds, bonds under repurchase, resale agreements, subscription or redemption of the fund of the money market issued by domestic securities investment trust enterprises</p> <p>(2) Merger, demerger, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.</p> <p>(4) Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount is more than NT\$500 million.</p> <p>(5) Where land is acquired</p> | <p>format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds, bonds under repurchase, resale agreements, subscription or redemption of the fund of the money market issued by domestic securities investment trust enterprises</p> <p>(2) Merger, demerger, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.</p> <p>(4) Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount is more than NT\$500 million.</p> <p>(5) Where land is acquired</p> | |
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| | <p>under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is <u>less</u> than NT\$500 million.</p> <p>(6) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, <u>a disposal of receivables by a financial institution</u>, or an investment in the mainland China area reaches twenty percent (20%) or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ul style="list-style-type: none"> i. Trading of domestic government bonds. ii. Trading of bonds under repurchase/resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>2. ~ 6. Omit</p> | <p>under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is more than NT\$500 million.</p> <p>(6) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches twenty percent (20%) or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ul style="list-style-type: none"> i. Trading of domestic government bonds. ii. Trading of bonds under repurchase/resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. <p>2. ~ 6. Omit</p> | |
| Article 6 | <p><u>Announcement and Reporting</u></p> <p>Where any of the following circumstances occurs with respect</p> | <p><u>Changes in Announcement and Reporting</u></p> <p>Where any of the following circumstances occurs with respect</p> | Revise the title. |

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| | <p>to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within two (2) days commencing immediately from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. | <p>to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within two (2) days commencing immediately from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. | |
| <p>Article 12</p> | <ol style="list-style-type: none"> 1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches ten percent (10%) or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the procedure. <p>The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9, Paragraph 2 herein.</p> <p>When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship</p> | <p><u>Related Party Transactions</u></p> <ol style="list-style-type: none"> 1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches ten percent (10%) or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the procedure. <p>The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9, Paragraph 2 herein.</p> <p>When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship</p> | <p>Add a new title, move partial terms from second section of Article 12 to the fourth section of Article 4.</p> |

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| | <p>shall also be considered</p> <p>2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches twenty percent (20%) or more of paid-in capital, ten percent (10%) or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the Audit Committee:</p> <ol style="list-style-type: none"> (1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. (2) The reason for choosing the related party as a trading counterparty. (3) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with related regulations. (4) The date and price at which the related party originally | <p>shall also be considered</p> <p>2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches twenty percent (20%) or more of paid-in capital, ten percent (10%) or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the Audit Committee:</p> <ol style="list-style-type: none"> (1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. (2) The reason for choosing the related party as a trading counterparty. (3) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with related regulations. (4) The date and price at which the related party originally acquired the real property, | |
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| | <p>acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party.</p> <p>(5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and recognized by the Audit Committee need not be counted toward the transaction amount.</p> <p><u>With respect to below transactions made among the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds one hundred percent (100 %) of the issued shares or authorized capital, Board of Directors may pursuant to the procedure delegate the chairperson to decide such matters</u></p> | <p>the original trading counterparty, and that trading counterparty's relationship to the company and the related party.</p> <p>(5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and recognized by the Audit Committee need not be counted toward the transaction amount.</p> | |
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| | <p><u>when the transaction is within NTD 100 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting.</u></p> <p>(1) <u>Acquisition or disposal of equipment or right-of-use assets thereof held for business use</u></p> <p>(2) <u>Acquisition or disposal of real property right-of-use assets held for business use</u></p> <p>3. ~ 6. Omit</p> | 3. ~ 6. Omit | |
| Article 14 | <p>The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.</p> <p>Where the shareholders meeting fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.</p> | <p>The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.</p> <p>Where the shareholders meeting <u>of any one of the companies participating in a merger, demerger, or acquisition</u> fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.</p> | Modify based on “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”. |
| Article 21 | Acquisition or disposal of assets by the Company’s subsidiary shall obey as follows: | Acquisition or disposal of assets by the Company’s subsidiary shall obey as follows: | Delete section 4 (Subsidiary has been |

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| | <ol style="list-style-type: none"> 1. The Company’s subsidiary shall adopt and implement the procedures for the acquisition or disposal of assets in compliance with these Procedures. 2. If the acquisition or disposal of assets by the Company’s subsidiary, which is not a domestic public company, reaches the reporting criteria specified in Article 5 of the Procedures, the Company shall make the reporting and public announcements on behalf of its subsidiary. 3. “Reaching twenty percent (20%) of paid-in capital or 10% of total assets” specified in the regulatory of subsidiary reporting and public announcements criteria shall be the paid-in capital or total assets of the parent Company. 4. <u>The term “subsidiary” as used in these procedures, means following companies directly or indirectly controlled by the Company throughout the country or overseas:</u> <ol style="list-style-type: none"> (1) <u>the invested Company in which the Company directly holds more than fifty percent (50%) issued voting shares</u> (2) <u>each invested Company in which the Company through its subsidiaries indirectly holds more than fifty percent (50%) issued voting shares and the rest shall apply the same.</u> (3) <u>each invested Company in which the Company directly and through its subsidiaries indirectly holds more than fifty percent (50%) issued voting shares and the rest shall apply the same.</u> | <ol style="list-style-type: none"> 1. The Company’s subsidiary shall adopt and implement the procedures for the acquisition or disposal of assets in compliance with these Procedures. 2. If the acquisition or disposal of assets by the Company’s subsidiary, which is not a domestic public company, reaches the reporting criteria specified in Article 5 of the Procedures, the Company shall make the reporting and public announcements on behalf of its subsidiary. 3. “Reaching twenty percent (20%) of paid-in capital or 10% of total assets” specified in the regulatory of subsidiary reporting and public announcements criteria <u>in the preceding paragraph</u> shall be the paid-in capital or total assets of the parent Company. | <p>defined in Article 2-1 item 3) and rephrase.</p> |
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| <p>Article 29</p> | <p>The Procedures were enacted on May 26, 2014</p> <p>The 1st amendment was made on January 19, 2015</p> <p>The 2nd amendment was made on June 23, 2015</p> <p>The 3rd amendment was made on June 22, 2016</p> <p>The 4th amendment was made on June 19, 2017</p> <p>The 5th amendment was made on June 25, 2018</p> <p>The 6th amendment was made on June 25, 2019</p> | <p>The Procedures were enacted on May 26, 2014</p> <p>The 1st amendment was made on January 19, 2015</p> <p>The 2nd amendment was made on June 23, 2015</p> <p>The 3rd amendment was made on June 22, 2016</p> <p>The 4th amendment was made on June 19, 2017</p> <p>The 5th amendment was made on June 25, 2018</p> <p>The 6th amendment was made on June 25, 2019</p> <p><u>The 7th amendment was made on August 24, 2021</u></p> | <p>Add amendment date.</p> |
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Attachment 8

GlobalWafers Co., Ltd.

Director Candidates

| Position | Name | Education & Experience | Current Job | Shares (GlobalWafers) |
|----------|--------------|--|---|--------------------------|
| Director | Hsiu-Lan Hsu | <p>M.S. in Computer Science from University of Illinois.</p> <p>President of Sino-American Silicon Products Inc.</p> | <p>Chairperson & CEO of GlobalWafers.</p> <p>Chairperson & CEO of Sino-American Silicon Products Inc.</p> <p>The legal Board of Director representative of Actron Technology Corporation.</p> <p>Director of Crystalwise Technology Inc.</p> <p>The legal Board of Director representative of Advanced Wireless Semiconductor Company.</p> <p>Chairperson of Taiwan Speciality Chemicals Corporation.</p> <p>The legal Board of Director representative SAS Sunrise Inc.</p> <p>Director representative of SAS Sunrise Pte. Ltd.</p> <p>Chairperson of Sunrise PV Three Co., Ltd.</p> <p>Chairperson of SAS Holding Co., Ltd.</p> <p>Chairperson of Sunrise PV Four Co., Ltd.</p> <p>Director of GWafers Inc.</p> <p>Director of GlobalSemiconductor Inc.</p> <p>Chairperson & CEO of GlobiTech Incorporated.</p> <p>Chairperson of GlobalWafers Japan Co., Ltd.</p> <p>Vice Chairperson of Kunshan Sino Silicon Technology Co., Ltd.</p> <p>Chairperson of Topsil GlobalWafers A/S.</p> <p>Director of GWafers Singapore Pte. Ltd.</p> <p>Director of GlobalWafers</p> | 847,879 |

| Position | Name | Education & Experience | Current Job | Shares (GlobalWafers) |
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| | | | <p>Singapore Pte. Ltd.</p> <p>Director of GlobalWafers B.V.</p> <p>Chairperson of MEMC Japan Limited.</p> <p>Director of MEMC Korea Company.</p> <p>Chairperson of GlobalWafers Holding Co., Ltd.</p> | |
| Director | <p>Sino-American Silicon Products Inc.</p> <p>Representative: Ming-Kuang Lu</p> | <p>Honorary Doctorate of Science in National Chiao Tung University.</p> <p>Honorary Doctorate of Engineering in National Tatung University.</p> <p>ITRI Laureate.</p> <p>Chairperson of Sino-American Silicon Products Inc.</p> <p>President of Lite-On Semiconductor Corporation.</p> <p>President of Vishay Lite-On Power Semiconductor Corporation.</p> <p>Vice President of Silitek Corporation.</p> | <p>Director & Honorary Chairperson of Sino-American Silicon Products Inc.</p> <p>The legal Board of Director representative of GlobalWafers Co., Ltd.</p> <p>Chairperson & CEO of Actron Technology Corporation.</p> <p>Chairperson of Tatung Company.</p> <p>The legal Board of Director representative of Formerica Optoelectronics Inc.</p> <p>Chairperson of REC Technology Corporation.</p> <p>Chairperson of Biggest Solutions Inc.</p> <p>Director of SAS Holding Co., Ltd.</p> <p>Director of GlobalWafers Holding Co., Ltd.</p> | 222,727,000 |
| Director | <p>Sino-American Silicon Products Inc.</p> <p>Representative: Tan-Liang Yao</p> | <p>MBA from Tamkang University.</p> <p>President of Sino American Silicon Products Inc.</p> <p>Assistant Vice President at Lite-On Semiconductor Corporation.</p> | <p>Vice Chairperson & President of Sino-American Silicon Products Inc.</p> <p>The legal Board of Director Representative of GlobalWafers Co., Ltd.</p> <p>The legal Board of Director Representative, Vice Chairperson & Vice CEO of Actron Technology Corporation.</p> <p>Chairperson & CEO of Crystalwise Technology Inc.</p> <p>The legal Board of Director Representative of Taiwan Speciality Chemicals Corporation.</p> <p>Director of Shanghai Sawyer Shenkai Technology Material Co., Ltd.</p> <p>Director of SY Company LLC.</p> <p>Director of SAS Sunrise Pte. Ltd.</p> <p>The legal Board of Director</p> | 222,727,000 |

| Position | Name | Education & Experience | Current Job | Shares (GlobalWafers) |
|-------------------------|------------------|---|--|--------------------------|
| | | | <p>representative of Sunrise PV Three Co.</p> <p>Director of SAS Holding Co., Ltd.</p> <p>Director of GlobiTech Incorporated.</p> <p>Director of GlobalWafers Japan Co., Ltd.</p> <p>Chairperson of Kunshan Sino Silicon Technology Co., Ltd.</p> <p>Director of GWafers Singapore Pte. Ltd.</p> <p>Director of GlobalWafers Holding Co., Ltd.</p> | |
| Director | Kuo-Chow Chen | <p>Nan Ying Vocation High School</p> <p>Chairperson of Nan-hai Photoelectric Co., Ltd.</p> <p>Director of COTA Commercial Bank.</p> | Director of Nan-hai Photoelectric Co., Ltd. | 665,773 |
| Independent Director | Jeng-Ywan Jeng | <p>PhD in mechanical engineering from University of Liverpool.</p> <p>Dean, College of Engineer, National Taiwan University of Science and Technology.</p> <p>Founder of Taiwan Tech 3d Co., Ltd.</p> <p>Chairperson of Additive Manufacturing Association of Taiwan.</p> | <p>Professor, Engineering Department, National Taiwan University of Science and Technology.</p> <p>Consultant of school affairs, Lunghwa University.</p> <p>Independent Director of ANT Precision Industry Co., Ltd.</p> <p>Independent Director of Actron Technology Corporation.</p> | 0 |
| Independent Director | Chung-Yu Wang | <p>Honorary Doctorate of Chemical Engineering in Chung Yuan University.</p> <p>Advanced Management Program, Harvard University.</p> <p>Chairperson of Taisil Electronic Materials Corporation.</p> <p>Chairperson of China Steel Corporation.</p> <p>Chairperson of Tong Lung Metal Industry Co., Ltd.</p> <p>Chairperson of Kaohsiung MRT</p> <p>Executive Director of Bank of Kaohsiung Co., Ltd.</p> <p>Independent Director of Chunghwa Telecom Co., Ltd.</p> | <p>Director of CX Technology Corporation.</p> <p>Director of Curiemed Corporation.</p> | 0 |

| Position | Name | Education & Experience | Current Job | Shares (GlobalWafers) |
|----------------------|-------------|--|--|--------------------------|
| | | <p>Chairperson of Taiwan Steel & Iron Industries Association.</p> <p>President of World Steel Association.</p> <p>CEO of State-owned Enterprise Commission, MOEA.</p> <p>Chairperson of ROC-USA Business Council.</p> <p>Chairperson of Chinese International Economic Cooperation Association (CIECA), Taiwan.</p> <p>Members of the Legislative Yuan.</p> <p>Independent Director of CTBC Financial Holding Co., Ltd.</p> <p>Independent Director of CTBC Bank Co., Ltd.</p> <p>Chairperson of SYU JHIH Consulting Co., Ltd.</p> <p>Director of General Biologicals Corporation.</p> | | |
| Independent Director | Ming-Ren Yu | <p>MBA from New York University.</p> <p>Vice President of J.P. Morgan.</p> <p>Coretronic Corporation CFO & President of Backlight Module Business Group.</p> <p>Executive Vice President of Yuanta Securities Co., Ltd. In Investment Banking Department.</p> <p>Senior Vice President & Executive Director of FIH Mobile Limited</p> | Vice President of Elite Material Co., Ltd. | 0 |