

# **Unimicron**

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## **Unimicron Technology Corp.**

### **2023 Annual General Meeting**

#### **Meeting Minutes**

**Date: May 30, 2023**

***Important Disclaimer***

This is a translation of the agenda for the 2023 Annual General Meeting (“the agenda”) of Unimicron Technology Corp. (“the Company”). The translation is intended for reference only and no other purpose. The Company hereby disclaims any and all liabilities whatsoever for the translation. The Chinese text of the agenda shall govern any and all matters related to the interpretation of the subject matter stated herein.

# **Unimicron Technology Corp.**

## **2023 Annual General Meeting Minutes**

Meeting Type: physical shareholders meeting

Time: Tuesday, May 30, 2023 at 9:00 a.m.

Location: Chuto Plaza Hotel, No. 398, Taoying Road Taoyuan Dist., Taoyuan City

Attendants: All shareholders and their proxy holders, representing 1,187,900,666 shares (among them, 768,362,414 shares voted via electronic transmission), or 78.02% of the total 1,522,532,262 outstanding shares

Attending Director: Tzyy-Jang Tseng, SC Chien, Ting-Yu Lin, Terry Wang, a total of 4 directors.

Attendance: CPA, Wu, Han-Chi, PricewaterhouseCoopers, Layor, Grace Yu, Chen & Lin Attorneys-at-Law

Chairman: Tzyy-Jang Tseng

Minute Record: Carina Liu

1. Commencement
2. Chairman's Address (omitted)
3. Status Reports
  - (1) 2022 business operations  
Acknowledged
  - (2) Audit Committee's report for 2022 audited financial reports  
Acknowledged
  - (3) 2022 distributable compensation for employees and directors  
Acknowledged
  - (4) 2022 investment in China  
Acknowledged
  - (5) The share exchange with Subtron Technology Co., Ltd.  
Acknowledged
  - (6) The short-form merger with Qun Hong Technology Inc.  
Acknowledged
4. Approval Items
  - (1) The Company's 2022 business report and financial statements
    - 1) The Company's 2022 annual business report and financial statements have been approved by the 26<sup>th</sup> meeting of Board of Directors, the 12<sup>th</sup> term, and reviewed by the Audit Committee. The Audit Committee's report and Independent Auditors' report by Ya-Hui Lin and Han-Chi Wu, accountants of PWC Taiwan, were issued accordingly.
    - 2) Please refer to 2022 annual business report (Attachment 1) and financial statements (Attachment 4).

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 1,187,850,666 shares were represented at the time of voting (including 768,362,414 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 1,018,777,187 votes (including 603,108,191 shares voted via electronic transmission)	85.76%
Votes against : 54,070 votes (including 54,070 shares voted via electronic transmission)	0.00%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 169,019,409votes (including 165,200,153 shares voted via electronic transmission)	14.22%

(2) The Company's 2022 earnings distribution

- 1) The Company's 2022 earnings distribution chart was approved by the 26<sup>th</sup> meeting of Board of Directors, the 12<sup>th</sup> term, and reviewed by the Audit Committee. The Audit Committee's report was issued accordingly.
- 2) Please refer to the 2022 earnings distribution sheet (Attachment 5).
- 3) In the event of any change in the number of outstanding shares resulting from the buyback of the Company's common stock, transfer, conversion or cancellation of the treasury shares, the exercise of the employee stock options or the conversion of convertible bonds, the dividend ratio must be adjusted. It is proposed to fully authorize the board of directors to adjust the dividend ratio and to proceed on the relevant matters.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 1,187,850,666 shares were represented at the time of voting (including 768,362,414 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 1,019,606,428 votes (including 603,852,133 shares voted via electronic transmission)	85.83%
Votes against : 92,600 votes (including 92,600 shares voted via electronic transmission)	0.00%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 168,151,638 votes (including 164,417,681 shares voted via electronic transmission)	14.15%

5. Election Item

- (1) To elect the Company's 13<sup>th</sup> term of nine Directors(including three independent directors)
  - 1) The expiry of the Company's 12th term of Directors is June 18, 2023.
  - 2) The Company will elect the 13th term of Directors according to the Company Act and Articles of Incorporation during 2023 annual general meeting dated on May 30, 2023. Please refer to the personal information of Director Candidate List (Attachment 6)
  - 3) The Company's 12th term of Directors will be dismissed after the annual general meeting on May 30, 2023.

4) The term for elected Directors is three years, starting from May 30, 2023 to May 29, 2026.

5) Please Vote.

#### Election Results:

Title	Name	Votes Received
Director	United Microelectronics Co. Representative: Tzyy-Jang Tseng	1,100,506,061
Director	United Microelectronics Co. Representative: SC Chien	807,230,101
Director	United Microelectronics Co. Representative: Chi-Tung Liu	807,294,028
Director	Hsun Chieh Corp. Ltd. Representative: Timothy Lan	806,802,005
Director	Yann Yuan Investment Co., Ltd. Representative: Mike Ma	806,802,639
Director	Ting-Yu Lin	806,797,345
Independent Director	Grace Li	875,211,114
Independent Director	Lai-Juh Chen	875,206,395
Independent Director	Terry Wang	875,206,042

#### 6. Discussion Items

(1) To propose the issuance of Restricted Stock Awards for Employees in 2023

1) It is proposed that the Company issue restricted stock awards for employees in 2023 in accordance with Article 267, Paragraph 9 of the Company Act and the “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” promulgated by the Financial Supervisory Commission (hereinafter referred to as the “Offering and Issuance Regulations”).

2) The main items of the restricted stock awards for employees proposed to be issued are as follows, please refer to the “2023 Regulations Governing the Issuance of Restricted Stock Awards for Employees” (Attachment 7.)

A. Total amount of issuance: The total amount of shares to be issued is capped at 5,000,000 ordinary shares, each with a face value of NT\$10, and the total issued amount is capped at NT\$50,000,000. The shares will be issued on a one-time basis or in series within two years following the arrival of notice from the competent authority indicating that registration has become effective.

B. Conditions for issuance:

(a) Issue price: 40% of the closing price of ordinary shares on the issue date of the board.

(b) Vesting conditions: The new shares to restrict employees' rights this time may be issued in accordance with operational or management needs and the following established conditions:

i. From the day when employees get restricted stock awards (the base date for capital increase), the employee is still working within the following schedule (in addition to serving in the Company, and being transferred to an affiliated company or the other company due to the appointment of the Company), and the last two

performance appraisals of the following schedules have all reached "good +" or above, for whose title is general manager level (inclusive) or above, The Company's should also achieved operational goals at the same time, and the proportion of shares that can meet the vested conditions is as follows:

Vice president level (inclusive) or above

On the job for 15 months after granting: 50%

On the job for 30 months after granting: 50%

Director level

On the job for 12 months after granting: 50%

On the job for 24 months after granting: 50%

Sr. Manager (inclusive) or below

On the job for 9 months after granting: 50%

On the job for 18 months after granting: 50%

- ii. The operational goals of the Company use the return on equity % (ROE%), earnings per share (EPS) as performance indicators. Listed below are the performance target and weight for the indicators. Targets are set for each indicator. Indicators that have achieved the target value, the number of vested shares in the year is calculated according to the corresponding weight ratio, otherwise, the corresponding weight ratio is 0%. Performance indicator year refers to the fiscal year of the most recent annual financial statement audited by a certified public accountant before the vesting date. Performance indicators are based on the consolidated financial statements audited and certified by the accountant corresponding to the period required by the indicators.

Indicator	Weighting	Target (Note)
Return on Equity (ROE%)	50%	Higher than the Company's average of the previous five years' 60%
Earnings Per Share (EPS)	50%	Higher than the Company's average of the previous five years' 60%

Note: Comparing the performance indicator year with the average of the five years' 60% preceding that year (exclusive)

- (c) When an employee violates these regulations, employment contract, corporate governance best practice principles, ethical corporate management best practice principles, non-compete and non-disclosure agreement, work handbook or other regulations with the Company after receiving new shares that restrict employee rights granted by the Company, for the new shares with restricted employee rights that are allocated but have not yet fulfilled the vested

conditions, the Company will buy back the shares at the issue price and cancel them.

- (d) Type(s) of shares issued: New Common shares of the Company.
- (e) Non-fulfillment of the vesting conditions: Where an employee has failed to fulfill the vesting conditions, the shares granted to him/her will be recalled at the issue price and canceled by the Company. Any other matters will be subject to the regulations established by the Company to govern the issuance of the shares.

C. Qualifications of employees, the number of shares to be allotted and the review process for issuance:

(a) Qualification criteria for employees:

Limited to the full-time regular employees of the Company or employees of the affiliated companies who meet certain conditions (the certain conditions are determined by the board of directors), the actual number of employees who can be granted and the number of shares allocated to them will be determined by the chairman of the board of directors, taking into account factors such as years of service, grades, work performance, overall contribution, special achievements or other conditions that need to be referred to in management, after submitting to the board of directors for approval, but those who are directors or managers of the Company should first obtain the approval of the remuneration committee, and those who are not directors or managers of the Company should first obtain the approval of the audit committee.

(b) Number of grantable shares:

The Company issues employee stock option certificates in accordance with Article 56-1 Item 1 of the Offering and Issuance Regulations, and the cumulative number of shares that can be subscribed by a single employee is given and the total number of new shares with restricted employee rights acquired by a single employee shall not exceed 3‰ of the total number of issued shares of the Company, and the total number of subscribed shares granted to a single employee by the Company's issuance of employee stock option certificates in accordance with Article 56, Paragraph 1 of the Offering and Issuance Regulations shall not exceed 1% of the total number of issued shares of the Company.

D. Reasons necessary for issuance of restricted stock awards for employees:

The Company aims to attract and retain technology and professional talents, and enhance employees' solidarity and sense of belonging to the Company, so as to jointly create the interests of the company and shareholders, and ensure that the interests of the company's employees and shareholders are combined.

E. Calculated expense amounts, dilution of earnings per share (EPS), and other matters affecting the interest of shareholders:

(a) Calculated expense amounts:

The Company shall measure the fair value of the stock on the grant date (issue date), and recognize the related expenses in each year during the vested period. Based on the closing price of NT\$131.5 of the Company's common stock on February 8, 2023, if all the vested conditions are met, the total possible expensing amount is NT\$197,250 thousand, and the tentatively estimated expensing amounts from 2023 to 2026 are NT\$45,663 thousand, NT\$113,846 thousand, NT\$35,308 thousand, and NT\$2,433 thousand, respectively.

(b) Dilution of EPS and other matters affecting the interest of shareholders:

Calculated based on the Company's current number of ordinary shares in circulation and new shares with restricted employee rights that do not exceed the amount issued this time, it is estimated that the possible reduction in earnings per share from 2023 to 2026 is NT\$0.03, NT\$0.075, NT\$0.023, and NT\$0.002, respectively, which will be no significant impact on shareholders' equity.

- 3) After the case is approved by the shareholders' meeting, the case shall be filed and handled in one or several times.
- 4) Pursuant to Article 7-2 of the Articles of Incorporation, the new shares with restricted employee rights issued by the Company shall be issued to employees of subordinate companies who meet certain conditions, and the certain conditions shall be determined by the board of directors.
- 5) Regarding matters related to the issuance of new shares restricting employees' rights, it is proposed to request the shareholders' meeting to authorize the board of directors to have full authority to formulate or amend the issuance of new shares restricting employees' rights and all related matters. In the future, if the relevant content is revised or adjusted by the competent authority, the board of directors is also authorized to deal with it.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 1,187,897,666 shares were represented at the time of voting (including 768,362,414 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 993,675,688 votes (including 578,148,899 shares voted via electronic transmission)	83.64%
Votes against : 25,241,169 votes (including 25,241,169 shares voted via electronic transmission)	2.12%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 168,980,809 votes (including 164,972,346 shares voted via electronic transmission)	14.22%

(2) To release the Company's 12th term of Directors from non-competition restrictions

- 1) According to Item 1 of Article 209, Company Act, if directors' activities for personal or others' interests are related to the Company's business scope, directors shall explain the content of their activities and ask the approval from shareholders at the meeting.
- 2) The following Company's 12th term of director has invested, managed or has been a director for companies of which business scope is similar to the Company's. It will be proposed to release such directors from non-competition restrictions.

Title	Name	Region	Position of other company
Chairman	Tzyy-Jang Tseng	China	Director of Unimicron-Carrier Technology (Kunshan) Inc.
		Thailand	Director of Unimicron (Thailand) Co., Ltd.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 1,187,897,666 shares were represented at the time of voting (including 768,362,414 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 968,925,865 votes (including 553,399,076 shares voted via electronic transmission)	81.56%
Votes against : 1,822,060 votes (including 1,822,060 shares voted via electronic transmission)	0.15%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 217,149,741 votes (including 213,141,278 shares voted via electronic transmission)	18.28%

(3) To release the newly elected Directors from non-competition restrictions

- 1) According to Item 1 of Article 209, Company Act, if directors' activities for personal or others' interests are related to the Company's business scope, directors shall explain the content of their activities and ask the approval from shareholders at the meeting.
- 2) The Company's director has invested, managed or has been a director for companies of which business scope is similar to the Company's. It will be proposed to release such directors from non-competition restrictions.
- 3) Newly elected directors' competitive activities are listed below:

Title	Name	Region	Position of other company
Director	Tzyy-Jang Tseng	Taiwan	Chairman of Subtron Technology Co., Ltd.
		Taiwan	Chairman of Uniflex Technology Inc.
		Taiwan	Chairman of Qun Hong Technology Inc.
		China	Director of Unimicron Technology (Kunshan) Corp.
		China	Director of Unimicron-FPC Technology (Kunshan) Inc.
		China	Director of Unimicron Technology (Suzhou) Corp.
		China	Director of Unimicron Technology (Huangshi) Corp.
		China	Director of Suzhou AMC Technology Co., Ltd.
		China	Director of Unimicron-Carrier Technology (Huangshi) Inc.
		China	Director of Unimicron Electronics (Kunshan) Corp.



Title	Name	Region	Position of other company
		China	Director of Unimicron-Carrier Technology (Kunshan) Inc.
		SAMOA	Director of BEST OPTION INVESTMENTS LIMITED
		SAMOA	Director of UNIMICRON HOLDING LIMITED
		SAMOA	Director of UNIMICRON (KS) TRADING LTD
		SAMOA	Director of UNIMICRON (SZ) TRADING LTD
		Thailand	Director of UNIMICRON (THAILAND) CO., LTD.
Director	Timothy Lan	China	Director and representative of Unimicron -Carrier Technology (Huangshi) Inc.
		China	Director of Unimicron Technology (Shenzhen) Corp.
		China	Director of Unimicron Technology (Kunshan) Corp.
		China	Director and representative of Unimicron Technology (Huangshi) Corp.
		China	Director of Unimicron Electronics (Kunshan) Corp.
		China	Director and representative of Unimicron Technology (Suzhou) Corp.
		China	Director and representative of Unimicron-Carrier Technology (Kunshan) Inc.
		USA	Director of NEOCONIX, INC.
		Thailand	Director and representative of UNIMICRON (THAILAND) CO., LTD.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 1,187,897,666 shares were represented at the time of voting (including 768,362,414 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 968,888,875 votes (including 553,362,086 shares voted via electronic transmission)	81.56%
Votes against : 1,861,999 votes (including 1,861,999 shares voted via electronic transmission)	0.15%
Votes invalid: 0 votes (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 217,146,792 votes (including 213,138,329 shares voted via electronic transmission)	18.27%

7. Extraordinary Motions: None

8. Adjournment: Meeting ended at 10:08 am.

There were no questions from shareholders at the shareholders meeting.

## Unimicron Technology Corp. 2022 Annual Business Report

Benefiting from the strong growing demand for different applications, new technologies and products rolling out, however, under the impact of COVID-19, Russia Ukraine War, global inflation, inventory correction, and geopolitical tension, market situation became slower. The total PCB market in 2022 reached about USD833 million, slightly increased 2.9% compared to 2021.

In 2022, due to prosperous development of 5G, AIoT, high performance computing, etc., the Company's substrate product portfolio optimization and yield continued to improve, and operational performance improved significantly with the cooperation with customers in the field of high-end substrate technology expansion and the development of long-term relationships have improved the future and stability of the Company; Other product line such as substrate-like, HDI and PCB, actively develop new clients and improve the yield. Therefore, 2022 Unimicron sales and profit increased significantly. The individual revenue was NT\$100.178 billion around 44% growth compared with 2021 NT\$69.338 billion, the individual net profit was NT\$29.619 billion, a significant increase around 124% from NT\$13.222 billion in 2021; the consolidated revenue and net profit were respectively NT\$140.489 billion and NT\$31.226 billion, far better than 2021 NT\$104.563 billion and NT\$13.525 billion, increased around 34% and 131%.

Looking forward to 2023, due to the ongoing impact of high interested rates, inventory correction, Russia Ukraine War, global inflation, and geopolitical tension, uncertainties in the global economy still remain, market situation may not recover completely. However, the huge business opportunities of 5G, AIoT, high-frequency, high-speed demand, and high-performance computing in the future, will diversify and broaden the application of PCB industry, especially high-end substrate. With long-term strategic cooperation with customers, Unimicron will continue to strive to meet customer needs, develop blue ocean products, optimize product portfolios, lean digital management, pursue best quality and benefit, enhance the group's competitiveness, and press ahead with ESG, energy conservation, carbon reduction and disaster prevention.

Unimicron upholds honest management and compliances with laws and regulations, enhance service orientation to maximize customers' benefit, takes good care of employees and public welfare, co-existence and prosperity with environment, fulfills corporate social responsibility, and achieves long-term sustainable performance. Unimicron has received "Gold Award for Taiwan Corporate Sustainability Report of IC&IT Manufacturing" for six consecutive years since 2016, and even received "Platinum Award for Taiwan Corporate Sustainability Report of IC&IT Manufacturing" in 2022.

Sincerely appreciate the strong support and high recognition from all the stockholders, customers, and suppliers. Unimicron's management team and all colleagues will continue devote to serve customer and improve group's operating performance and seek greatest welfare to feedback to our employees, stockholders, and all stakeholders for a sustainable and robust future.

Chairman: Tzyy-Jang Tseng    Manager: Chia-Pin Lee & Jerry Kuo    Head of accounting: Denise Hsu

## Audit Committee Review Report

The Board of Directors shall send the Company's operating report, consolidated financial statements (including individual financial statements) and surplus distribution proposals, etc., for 2022, and the consolidated financial statements (including individual financial statements) have been audited by PWC Taiwan who issued an audit report. The above operating report consolidated financial statements (including individual financial statements) and earnings distribution proposals have been reviewed by the Audit Committee and it is considered that there is no discrepancy. The report is based on Article 14.4 of the Securities and Exchange Act and Article 219 of the Company Act for review.

Thereby,

The Annual General Meeting for 2023 Unimicron Technology Corp.

Unimicron Technology Corp.  
Convener of the Audit Committee: Grace Li

February 21, 2023

## Report of Independent Accountants

PWCR22000294

To the Board of Directors and Shareholders of Unimicron Technology Corp.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Unimicron Technology Corp. and its subsidiaries (the “Group”) as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter – Scope of the Audit section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission

### ***Basis for opinion***

We conducted our audits of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the reports of other auditors are sufficient and appropriate to provide a basis for our opinion.

### ***Emphasis of matter***

As described in Notes 6(7) and (35), on March 30, 2022, the Company obtained the equity interests in Subtron Technology Co., Ltd. (Subtron Technology) through shares swap as approved by the Board of Directors. After the shares swap, Subtron Technology will become a wholly owned subsidiary of the Company. Additionally, the authority approved to set the effective date for the share swap on January 6, 2023, and the Company applies IFRS 3, ‘Business combinations’ for the related accounting treatments.

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the Group's 2022 consolidated financial statements were as follows:

## **Valuation of inventory**

### Description

Refer to Note 4(14) for accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for description of allowance for inventory valuation losses. As at December 31, 2022, the Group's inventory and allowance for valuation loss amounted to NT\$15,854,381 thousand and NT\$3,019,762 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of various kinds of electronic components. Due to short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. The Group's inventories are measured at the lower of cost and net realizable value. Inventory that is over certain age and individually identified obsolete or damaged inventory is measured at net realizable value.

Since the industry technology is rapidly changing, and the calculation of net realizable value used for obsolete inventories or inventories which are over a certain period involves subjective judgement, we identified the allowance for inventory valuation losses as a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Ascertained whether the policies on allowance for inventory valuation losses were reasonable and consistently applied in all the periods.
2. Assessed the reasonableness and evidences of management in identifying individual obsolete or damaged inventory.
3. Verified the accuracy of aging report, and sampled the last movement of inventories before the balance sheet date in order to verify the accuracy of aging range.
4. Checked the inventory clearance on inventories which have been provided for loss on market value decline and obsolete and slow-moving inventories. Assessed the reasonableness of current allowance for inventory valuation losses and loss for obsolete and slow-moving inventories by comparing with prior years.
5. Checked the method in calculating the net realizable value of inventory and assessing the reasonableness of allowance for valuation loss.

## **Impairment assessment of investments accounted for using equity method**

## Description

Refer to Note 4(20) for accounting policy on impairment assessment of investments accounted for using equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for using equity method, and Note 6(7) for details of investments accounted for using equity method. As at December 31, 2022, the Group held investments accounted for using equity method amounting to NT\$2,533,541 thousand.

Considering that the impairment assessment of investments accounted for using equity method involves subjective judgement, including estimated future cash flows, estimated growth rate, gross rate and discount rate which have high uncertainty, we determined the impairment of investments accounted for using equity method as a key audit matter.

## How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of procedures used by management to estimate the future cash flows of investment accounted for using equity method.
2. Interviewed management regarding estimated future cash flows, estimated growth rate and gross rate, and compared with historical results to determine whether the estimates are reasonable.
3. Checked the reasonableness of the related parameters of discount rate, including risk-free interest rate of cost of equity capital, industrial risk coefficient and rate of return in similar markets. Verified the result of impairment assessment of investments accounted for using equity method.

## ***Other matter – Scope of the Audit***

We did not audit the financial statements of a wholly-owned consolidated subsidiary and investees accounted for under the equity method. Total assets (including investments accounted for using equity method) amounted to NT\$2,624,976 thousand and NT\$3,955,113 thousand, constituting 1% and 2% of consolidated total assets as at December 31, 2022 and 2021, respectively. Operating income amounted to NT\$1,821,388 thousand and NT\$1,954,296 thousand, constituting 1% and 2% of consolidated total operating income for the years ended December 31, 2022 and 2021, respectively, and comprehensive income accounted for using equity method of NT\$15,555 thousand and NT\$313,408 thousand, constituting 0% and 2% of consolidated total comprehensive income for the years ended December 31, 2022 and 2021, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it related to the amounts included in the financial statements relative to the consolidated subsidiary and investees, is based solely on the reports of the other auditors.

## ***Other matter – Parent company only financial reports***

We have audited and expressed an unqualified opinion on the parent company only financial statements

of Unimicron Technology Corp. as at and for the years ended December 31, 2022 and 2021.

### ***Responsibilities of management and those charged with governance for the consolidated financial statements***

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

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

Those charged with governance, including supervisors (or audit committee), are responsible for overseeing the Group’s financial reporting process.

### ***Auditor’s responsibilities for the audit of the consolidated financial statements***

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and 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 auditor's 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 auditor's 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Ya-Hui

Wu, Han-Chi

For and on behalf of PricewaterhouseCoopers, Taiwan

February 21, 2023



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

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

# Report of Independent Accountants

PWCR22003444

To the Board of Directors and Shareholders of Unimicron Technology Corp.

## ***Opinion***

We have audited the accompanying parent company only balance sheets of Unimicron Technology Corp. ("Unimicron Corp.") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and parent company only notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the "Other Matter-Scope of the Audit" section of our report), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of Unimicron Corp. as at December 31, 2022 and 2021, 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 and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

## ***Basis for opinion***

We conducted our audits of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ***Emphasis of matter***

As described in Note 6(7) and (35), on March 30, 2022, the Company obtained the equity interests in Subtron Technology Co., Ltd. (Subtron Technology) through shares swap as approved by the Board of Directors. After the shares swap, Subtron Technology will become a wholly owned subsidiary of the Company. Additionally, the authority approved to set the effective date on January 6, 2023, and the Company applies IFRS 3, 'Business combinations' for the related accounting treatments.

## ***Key audit matters***

Key audit matters are those matters that, in our professional judgement, 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, we do not provide a separate opinion on these matters.

As at December 31, 2022, Hemingway Int'l Limited、UniBest Holding Limited and UMTC Holdings Limited, subsidiaries owned by Unimicron Corp., are the major operating entities of Unimicron Corp., and were included in investments accounted for using equity method. Refer to Note 6(7) of these financial statements for detailed information. Because the financial condition and performance of the aforementioned subsidiaries have a material impact on the financial statements of Unimicron Corp., the key audit matters of the subsidiaries pertaining to inventory valuation and impairment assessment of investments accounted for under the equity method were also considered key audit matters of Unimicron Corp.

The key audit matters of the financial statements of Unimicron Corp. for the year ended December 31, 2022 were as follows:

### **Valuation of inventory**

#### Description

Refer to Note 4(12) for accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for description of allowance for inventory valuation losses.

Unimicron Corp. is primarily engaged in the manufacturing and sales of various kinds of electronic components. Due to the short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due from market value decline or obsolescence. Inventories are measured at the lower of cost and net realizable value. Inventory that is over certain age and individually identified obsolete or damaged inventory is measured at net realizable value.

Since the industry technology is rapidly changing, and the calculation of the net realizable value used in obsolete inventories or inventories which are over a certain period involves subjective judgement, we identified the valuation of inventory a key audit matter.

#### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Ascertained whether the policies on allowance for inventory valuation losses were reasonable and consistently applied in all the periods.
2. Assessed the reasonableness and evidences of management in identifying individual obsolete or damaged inventory.

3. Verified the accuracy of aging report, and sampled the last movement of inventories before the balance sheet date in order to calculate the accuracy of aging range.
4. Checked the inventory clearance on inventories which have been provided for loss on market value decline and obsolete and slow-moving inventories. Assessed the reasonableness of current allowance for inventory valuation losses and loss on obsolete and slow-moving inventories by comparing with prior years.
5. Checked the method in calculating the net realizable value of inventory and assessing the reasonableness of allowance for valuation loss.

### **Investments accounted for using equity method - impairment assessment of associates**

#### Description

Refer to Note 4(18) for accounting policy on impairment assessment of investments accounted for using equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for using equity method, and Note 6(7) for details of investments accounted for using equity method - associates.

Considering that the impairment of investments accounted for using equity method involves subjective judgement, and the estimation of future cash flows, growth rate, gross rate and discount rate have high uncertainty, we determined the impairment assessment of investments accounted for using equity method as a key audit matter.

#### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of procedures used by management to estimate the future cash flows of investment accounted for using equity method.
2. Interviewed management to discuss estimated future cash flows, estimated growth rate and gross rate, and compared with historical results to ascertain whether they are reasonable.
3. Checked the reasonableness of the related parameters of discount rate, including risk-free interest rate of cost of equity capital, industrial risk coefficient and the rate of return in the similar markets. Verified the result of impairment assessment of investments accounted for using equity method.

### ***Other matter – Scope of the Audit***

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these investments, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT\$364,355 thousand and NT\$2,093,551 thousand, constituting 0% and 2% of the parent company only total assets as at December 31, 2022 and 2021, respectively, and the comprehensive loss recognized from investments accounted for under the equity method amounted to (NT\$314,154) thousand and (NT\$25,157) thousand,

constituting (1%) and 0% of the parent company only total comprehensive income for the years then ended, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements relative to these investees, is based solely on the reports of the other auditors.

### ***Responsibilities of management and those charged with governance for the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Unimicron Corp.'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 Unimicron Corp. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including audit committee), are responsible for overseeing Unimicron Corp.'s financial reporting process.

### ***Auditor's responsibilities for the audit of the 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 generally accepted auditing standards 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 the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 Unimicron Corp.'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 Unimicron Corp.'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 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 Unimicron Corp. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Unimicron Corp. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Lin, Ya-Hui

Wu, Han-Chi

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 21, 2023

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## Attachment 4

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 61,459,296	28	\$ 39,401,609	23
1110	Financial assets at fair value through profit or loss - current	6(2)	18,509	-	96,302	-
1150	Notes receivable, net	6(3)	7,429	-	41,293	-
1170	Accounts receivable, net	6(3) and 8	28,719,508	13	23,567,451	14
1180	Accounts receivable - related parties	7	19,401	-	30,462	-
1200	Other receivables	6(4)(8)(10) and 7	1,768,038	1	2,081,728	1
130X	Inventory	6(5)	12,834,619	6	12,151,603	7
1410	Prepayments	6(6)	2,743,023	1	2,488,837	2
1470	Other current assets	6(1) and 8	17,864	-	17,847	-
11XX	<b>Total current assets</b>		<u>107,587,687</u>	<u>49</u>	<u>79,877,132</u>	<u>47</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - noncurrent	6(2)	5,989,153	3	8,098,255	5
1517	Non-current financial assets at fair value through other comprehensive income		29,327	-	39,933	-
1535	Non-current financial assets at amortised cost	6(1) and 8	3,226,895	2	1,598,701	1
1550	Investments accounted for under equity method	6(7)	2,533,541	1	2,572,383	2
1600	Property, plant and equipment	6(8), 7 and 8	94,122,130	43	72,020,994	42
1755	Right-of-use assets	6(9) and 7	2,733,556	1	3,140,808	2
1760	Investment property - net	6(11)	387,378	-	575,138	-
1780	Intangible assets	6(12)	644,467	-	580,124	-
1840	Deferred income tax assets	6(33)	1,194,695	1	1,298,125	1
1900	Other non-current assets	6(10)	214,600	-	253,660	-
15XX	<b>Total non-current assets</b>		<u>111,075,742</u>	<u>51</u>	<u>90,178,121</u>	<u>53</u>
1XXX	<b>Total assets</b>		<u>\$ 218,663,429</u>	<u>100</u>	<u>\$ 170,055,253</u>	<u>100</u>

(Continued)



**UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>						
2100	Short-term borrowings	6(13) and 8	\$ 7,645,409	4	\$ 10,176,216	6
2110	Short-term notes and bills payable	6(14)	300,000	-	399,900	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)(15)	10,455	-	-	-
2130	Current contract liabilities	6(26)	5,551,699	3	2,559,805	1
2150	Notes payable		1,595	-	149,184	-
2170	Accounts payable		11,432,803	5	13,139,238	8
2180	Accounts payable - related parties	7	193,406	-	206,771	-
2200	Other payables	6(16) and 7	21,791,021	10	16,432,729	10
2230	Current tax liabilities	6(33)	5,062,569	2	2,657,472	2
2320	Long-term liabilities, current portion	6(19) and 8	2,411,085	1	2,594,726	2
2399	Other current liabilities, others	6(17) and 7	492,521	-	744,286	-
21XX	<b>Total current liabilities</b>		<u>54,892,563</u>	<u>25</u>	<u>49,060,327</u>	<u>29</u>
<b>Non-current liabilities</b>						
2527	Non-current contract liabilities	6(26)	42,318,477	19	29,349,607	17
2530	Bonds payable	6(18)	10,990,807	5	7,991,923	5
2540	Long-term borrowings	6(19) and 8	13,572,145	6	14,250,576	8
2570	Deferred income tax liabilities	6(33)	932,618	1	239,532	-
2600	Other non-current liabilities	6(7)(8)(9)(20)(21), 7 and 9	3,298,463	2	3,647,112	2
25XX	<b>Total non-current liabilities</b>		<u>71,112,510</u>	<u>33</u>	<u>55,478,750</u>	<u>32</u>
2XXX	<b>Total liabilities</b>		<u>126,005,073</u>	<u>58</u>	<u>104,539,077</u>	<u>61</u>
<b>Equity attributable to owners of parent</b>						
Share capital						
3110	Common stock	6(23)	14,783,653	7	14,752,603	9
Capital surplus						
3200	Capital surplus	6(24)	9,956,882	4	9,396,676	6
Retained earnings						
3310	Legal reserve	6(25)	6,861,800	3	5,537,329	3
3320	Special reserve		332,855	-	550,543	-
3350	Unappropriated retained earnings		54,437,070	25	30,809,266	18
Other equity interest						
3400	Other equity interest		( 637,741)	-	( 332,855)	-
Treasury stocks						
3500	Treasury stocks	6(23)	-	-	-	-
31XX	<b>Equity attributable to owners of the parent</b>		<u>85,734,519</u>	<u>39</u>	<u>60,713,562</u>	<u>36</u>
36XX	Non-controlling interest		<u>6,923,837</u>	<u>3</u>	<u>4,802,614</u>	<u>3</u>
3XXX	<b>Total equity</b>		<u>92,658,356</u>	<u>42</u>	<u>65,516,176</u>	<u>39</u>
Significant contingent liabilities and unrecognized contract commitments						
Significant disaster loss						
Significant events after the balance sheet date						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 218,663,429</u>	<u>100</u>	<u>\$ 170,055,253</u>	<u>100</u>

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

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(26) and 7	\$ 140,489,172	100	\$ 104,562,747	100
5000	Operating costs	6(5)(31)(32) and 7	( 90,056,066)	( 64)	( 80,899,930)	( 77)
5900	Net operating margin		50,433,106	36	23,662,817	23
	Operating expenses	6(31)(32) and 7				
6100	Selling expenses		( 1,660,534)	( 1)	( 1,534,399)	( 1)
6200	General and administrative expenses		( 4,817,878)	( 4)	( 4,378,759)	( 4)
6300	Research and development expenses		( 5,887,256)	( 4)	( 4,715,883)	( 5)
6000	Total operating expenses		( 12,365,668)	( 9)	( 10,629,041)	( 10)
	Net operating income		38,067,438	27	13,033,776	13
6500	Other (losses)/gains - net	6(27) and 7	104,488	-	136,515	-
6900	Operating profit		38,171,926	27	13,170,291	13
	Non-operating income and expenses					
7100	Interest income		659,000	-	164,834	-
7010	Other income	6(28) and 7	918,107	1	1,321,152	1
7020	Other gains and losses	6(29) and 7	603,500	-	2,108,660	2
7050	Finance costs	6(30) and 7	( 446,892)	-	( 324,762)	-
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(7)	( 30,832)	-	188,877	-
7000	Total non-operating revenue and expenses		1,702,883	1	3,458,761	3
7900	<b>Profit before income tax</b>		39,874,809	28	16,629,052	16
7950	Income tax expense	6(33)	( 8,649,092)	( 6)	( 3,104,494)	( 3)
8200	<b>Profit for the year</b>		\$ 31,225,717	22	\$ 13,524,558	13

(Continued)

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31			
		2022		2021	
		AMOUNT	%	AMOUNT	%
<b>Other comprehensive income</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
8311	Actuarial gains on defined benefit plans	\$ 135,822	-	\$ 67,173	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	93,171	-	142,238	-
8310	Other comprehensive income that will not be reclassified to profit or loss	228,993	-	209,411	-
<b>Components of other comprehensive (loss) income that will be reclassified to profit or loss</b>					
8361	Financial statements translation differences of foreign operations	( 868,124)	-	230,435	-
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method	5,034	-	( 1,363)	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss	( 863,090)	-	229,072	-
8300	<b>Total other comprehensive (loss) income for the year</b>	<b>(\$ 634,097)</b>	<b>-</b>	<b>\$ 438,483</b>	<b>-</b>
8500	<b>Total comprehensive income for the year</b>	<b>\$ 30,591,620</b>	<b>22</b>	<b>\$ 13,963,041</b>	<b>13</b>
Profit attributable to:					
8610	Owners of the parent	\$ 29,618,505	21	\$ 13,222,256	13
8620	Non-controlling interest	1,607,212	1	302,302	-
		<u>\$ 31,225,717</u>	<u>22</u>	<u>\$ 13,524,558</u>	<u>13</u>
Comprehensive income attributable to:					
8710	Owners of the parent	\$ 29,620,703	21	\$ 13,508,702	13
8720	Non-controlling interest	970,917	1	454,339	-
		<u>\$ 30,591,620</u>	<u>22</u>	<u>\$ 13,963,041</u>	<u>13</u>
Earnings per share (in dollars)					
9750	Basic earnings per share	6(34)	<u>20.08</u>	<u>8.98</u>	
9850	Diluted earnings per share	6(34)	<u>19.29</u>	<u>8.91</u>	

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

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent													
Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Retained Earnings			Other Equity Interest				Treasury stocks	Total	Non-controlling interest	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Other equity, others					
<b>Year ended December 31, 2021</b>													
		\$ 15,047,323	\$ 8,831,415	\$ 4,994,171	\$ 861,619	\$ 19,851,219	(\$ 382,335)	(\$ 168,208)	\$ -	(\$ 608,194)	\$ 48,427,010	\$ 4,673,548	\$ 53,100,558
		-	-	-	-	13,222,256	-	-	-	-	13,222,256	302,302	13,524,558
		-	-	-	-	68,758	77,533	140,155	-	-	286,446	152,037	438,483
		-	-	-	-	13,291,014	77,533	140,155	-	-	13,508,702	454,339	13,963,041
	6(25)												
		-	-	543,158	-	( 543,158 )	-	-	-	-	-	-	-
		-	-	-	( 311,076 )	311,076	-	-	-	-	-	-	-
		-	-	-	-	( 2,054,577 )	-	-	-	-	( 2,054,577 )	-	( 2,054,577 )
	6(24)	-	17,086	-	-	-	-	-	-	-	17,086	-	17,086
	6(24)	-	257	-	-	( 1,913 )	-	-	-	-	( 1,656 )	-	( 1,656 )
	6(22)(24)	-	518,562	-	-	-	-	-	-	-	518,562	-	518,562
	6(23)(24)	-	172,524	-	-	-	-	-	-	126,049	298,573	-	298,573
		-	-	-	-	-	-	-	-	-	-	( 325,273 )	( 325,273 )
	6(24)	-	( 138 )	-	-	-	-	-	-	-	( 138 )	-	( 138 )
	6(23)(24)	( 294,720 )	( 143,030 )	-	-	( 44,395 )	-	-	-	482,145	-	-	-
		\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802)	(\$ 28,053)	\$ -	\$ -	\$ 60,713,562	\$ 4,802,614	\$ 65,516,176
<b>Year ended December 31, 2022</b>													
		\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802)	(\$ 28,053)	\$ -	\$ -	\$ 60,713,562	\$ 4,802,614	\$ 65,516,176
		-	-	-	-	29,618,505	-	-	-	-	29,618,505	1,607,212	31,225,717
		-	-	-	-	139,079	( 224,777 )	87,896	-	-	2,198	( 636,295 )	( 634,097 )
		-	-	-	-	29,757,584	( 224,777 )	87,896	-	-	29,620,703	970,917	30,591,620
	6(25)												
		-	-	1,324,471	-	( 1,324,471 )	-	-	-	-	-	-	-
		-	-	-	( 217,688 )	217,688	-	-	-	-	-	-	-
		-	-	-	-	( 5,015,885 )	-	-	-	-	( 5,015,885 )	-	( 5,015,885 )
	6(24)	-	165,395	-	-	-	-	-	( 58,268 )	-	107,127	-	107,127
	6(24)	-	38	-	-	( 7,112 )	-	5,998	-	-	( 1,076 )	-	( 1,076 )
	6(22)(23)(24)	31,050	394,999	-	-	-	-	-	( 141,717 )	-	284,332	604,605	888,937
	6(22)	-	-	-	-	-	-	-	25,982	-	25,982	-	25,982
		-	-	-	-	-	-	-	-	-	-	545,701	545,701
	6(24)	-	( 277 )	-	-	-	-	-	-	-	( 277 )	-	( 277 )
	6(24)	-	51	-	-	-	-	-	-	-	51	-	51
		\$ 14,783,653	\$ 9,956,882	\$ 6,861,800	\$ 332,855	\$ 54,437,070	(\$ 529,579)	\$ 65,841	(\$ 174,003)	\$ -	\$ 85,734,519	\$ 6,923,837	\$ 92,658,356

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

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 39,874,809	\$ 16,629,052
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use asset)	6(8)(9)(11)(27)(31)	11,391,051	9,505,548
Amortisation	6(12)(31)	335,711	268,599
Expected impairment loss (gain) (including related parties)	12(2)	112,026	( 7,404 )
Net loss (gain) on financial asseets and liabilities at fair value through profit or loss	6(2)(29)	2,639,006	( 2,889,653 )
Gain on disposal of investments	6(7)(29)	( 24,186 )	-
Interest expense	6(30)	423,639	298,266
Interest income		( 659,000 )	( 164,834 )
Dividend income	6(28)	( 193,627 )	( 167,211 )
Share-based payments	6(22)	65,054	519,927
Share of loss (gain) of associates accounted for under equity method	6(7)	30,832	( 188,877 )
Cash dividends received from investments accounted for using equity method		102,226	33,886
(Gain) loss on disposal and scrap of property, plant and equipment (including investment property)	6(29)	( 559,459 )	40,593
Impairment loss on property, plant and equipment	6(8)(29)	27,053	391,274
Exchange loss on valuation of long-term foreign borrowings	6(37)	309,881	28,418
Deferred credits - realised transfer income		( 17,812 )	( 17,457 )
Gain from lease modification	6(9)(29)	( 1,880 )	( 8 )
Gain by fire	6(8)(28)	( 14,342 )	( 211,071 )
Amortization of discount on bonds payable	6(30)(37)	2,634	1,498
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		33,885	( 23,346 )
Accounts receivable		( 5,260,266 )	( 6,335,580 )
Accounts receivable due from related parties		11,059	( 18,202 )
Other receivables		686,880	818,973
Inventories		( 683,016 )	( 3,189,522 )
Prepayments		( 252,856 )	( 499,592 )
Other non-current assets		( 126 )	( 1,285 )
Changes in operating liabilities			
Notes payable		( 80,589 )	72,656
Accounts payable		( 1,706,435 )	1,320,197
Accounts payable to related parties		( 13,365 )	( 15,713 )
Other payables		4,236,101	2,612,888
Other current liabilities		( 217,520 )	( 3,163,821 )
Accrued pension liabilities		( 25,376 )	( 40,667 )
Contract liabilities		15,908,509	28,501,688
Other non-current liabilities		2,668	( 1,601 )
Cash inflow generated from operations		66,483,169	44,107,619
Interest received		619,583	166,469
Dividends received		193,627	167,211
Interest paid		( 367,428 )	( 272,750 )
Income tax paid		( 5,846,930 )	( 1,211,921 )
Net cash flows from operating activities		61,082,021	42,956,628

(Continued)

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		( \$ 441,480 )	( \$ 260 )
Acquisition of financial assets at fair value through other comprehensive income		-	( 16,250 )
Proceeds from disposal of financial assets at fair value through profit or loss		2,917	142,348
Proceeds from capital reduction of financial assets mandatorily measured at fair value through profit or loss		3,200	5,814
Proceeds from disposal of investments accounted for using equity method	6(7)	3,439	-
Acquisition of financial assets at amortized cost		( 1,585,728 )	( 1,179,873 )
Proceeds from capital reduction of investments accounted for using equity method		17,788	-
Acquisition of property, plant and equipment	6(36)	( 32,072,759 )	( 23,167,189 )
Proceeds from disposal of property, plant and equipment (including investment property)		1,047,907	100,338
Acquisition of right-of-use assets		-	( 97,763 )
Acquisition of intangible assets	6(12)	( 389,860 )	( 487,406 )
Increase in restricted assets		( 21,099 )	( 132 )
Decrease in refundable deposits		39,757	4,970
Advance receipts for relocation	9	-	239,321
Net cash flows used in investing activities		( 33,395,918 )	( 24,456,082 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings	6(37)	( 2,575,251 )	1,636,916
(Decrease) increase in short-term notes and bills payable	6(37)	( 99,900 )	199,928
Proceeds from issuance of bonds	6(18)(37)	3,000,000	8,000,000
Issuance cost of bonds payable	6(37)	( 3,750 )	( 9,575 )
Proceeds from long-term borrowings	6(37)	5,549,102	9,140,061
Repayments of long-term borrowings	6(37)	( 6,788,275 )	( 20,179,473 )
Decrease in guarantee deposits received		( 1,984 )	( 9,729 )
Payments for lease liabilities	6(37)	( 418,338 )	( 508,547 )
Treasury shares sold to employees		-	126,049
Change in non-controlling interests		545,701	( 325,273 )
Cash dividends paid	6(25)	( 5,015,885 )	( 2,054,577 )
Issuance of restricted shares to employees		977,382	-
Reversal of capital surplus - dividends not received by shareholders	6(24)	( 277 )	( 138 )
Net cash flows used in financing activities		( 4,831,475 )	( 3,984,358 )
Effect of foreign exchange translations		( 796,941 )	690,958
Net increase in cash and cash equivalents		22,057,687	15,207,146
Cash and cash equivalents at beginning of year	6(1)	39,401,609	24,194,463
Cash and cash equivalents at end of year	6(1)	<u>\$ 61,459,296</u>	<u>\$ 39,401,609</u>

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

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022 AMOUNT	December 31, 2021 AMOUNT
<b>Current assets</b>			
1100	Cash and cash equivalents	\$ 33,056,618	\$ 24,863,684
1110	Financial assets at fair value through profit or loss - current	17,100	95,886
1150	Notes receivable, net	210	210
1170	Accounts receivable, net	21,792,092	16,091,646
1180	Accounts receivable - related parties	159,761	260,995
1200	Other receivables	5,231,362	7,824,249
130X	Inventory	7,814,797	6,630,753
1410	Prepayments	1,790,270	1,535,469
11XX	<b>Total current assets</b>	<u>69,862,210</u>	<u>57,302,892</u>
<b>Non-current assets</b>			
1510	Financial assets at fair value through profit or loss - non-current	5,856,301	7,917,707
1535	Non-current financial assets at amortised cost	86,646	65,564
1550	Investments accounted for under equity method	30,092,177	18,516,505
1600	Property, plant and equipment	64,883,667	48,097,639
1755	Right-of-use assets	801,672	1,094,443
1760	Investment property - net	487,297	682,636
1780	Intangible assets	456,089	373,972
1840	Deferred income tax assets	561,234	705,587
1900	Other non-current assets	404,786	471,728
15XX	<b>Total non-current assets</b>	<u>103,629,869</u>	<u>77,925,781</u>
1XXX	<b>Total assets</b>	<u>\$ 173,492,079</u>	<u>\$ 135,228,673</u>

(Continued)

**UNIMICRON TECHNOLOGY CORP.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2022 AMOUNT	December 31, 2021 AMOUNT
<b>Current liabilities</b>				
2100	Short-term borrowings	6(13) and 8	\$ 2,148,409	\$ 5,692,786
2110	Short-term notes and bills payable	6(14)	300,000	299,926
2120	Financial liabilities at fair value through profit or loss - current	6(2)(15)	11,584	-
2130	Current contract liabilities	6(26)	4,574,899	2,180,865
2150	Notes payable		1,504	149,020
2170	Accounts payable		5,493,239	6,265,234
2180	Accounts payable - related parties	7	2,996,255	1,788,041
2200	Other payables	6(16) and 7	18,191,701	12,474,706
2230	Current income tax liabilities	6(33)	4,956,359	2,177,611
2320	Long-term liabilities, current portion	6(19) and 8	1,071,667	590,000
2399	Other current liabilities	6(17) and 7	353,449	706,906
21XX	<b>Total current liabilities</b>		<u>40,099,066</u>	<u>32,325,095</u>
<b>Non-current liabilities</b>				
2527	Non-current contract liabilities	6(26)	25,912,127	21,827,633
2530	Bonds payable	6(18)	10,990,807	7,991,923
2540	Long-term borrowings	6(19) and 8	8,467,500	10,538,771
2570	Deferred income tax liabilities	6(33)	765,079	50,116
2600	Other non-current liabilities	6(7)(20)(21) and 7	1,522,981	1,781,573
25XX	<b>Total non-current liabilities</b>		<u>47,658,494</u>	<u>42,190,016</u>
2XXX	<b>Total liabilities</b>		<u>87,757,560</u>	<u>74,515,111</u>
<b>Equity</b>				
Share capital				
3110	Common stock	6(23)	14,783,653	14,752,603
Capital surplus				
3200	Capital surplus	6(24)	9,956,882	9,396,676
Retained earnings				
3310	Legal reserve	6(25)	6,861,800	5,537,329
3320	Special reserve		332,855	550,543
3350	Unappropriated retained earnings		54,437,070	30,809,266
Other equity interest				
3400	Other equity interest		( 637,741)	( 332,855)
Treasury stocks				
3500	Treasury stocks	6(23)	-	-
3XXX	<b>Total equity</b>		<u>85,734,519</u>	<u>60,713,562</u>
Significant contingent liabilities and unrecognized contract commitments				
	Significant disaster loss	9		
	Significant events after the balance sheet date	10		
		11		
3X2X	<b>Total liabilities and equity</b>		<u>\$ 173,492,079</u>	<u>\$ 135,228,673</u>

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



UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Items	Notes	Year ended December 31	
			2022	2021
			AMOUNT	AMOUNT
4000	Sales revenue	6(26) and 7	\$ 100,177,866	\$ 69,337,839
5000	Operating costs	6(5)(31)(32) and 7	( 62,399,741)	( 49,309,731)
5900	Net operating margin		37,778,125	20,028,108
5910	Unrealized profit from sales	6(7)	( 5)	( 391)
5920	Realized profit (loss) from sales		391	( 4,960)
5950	Net operating margin		37,778,511	20,022,757
	Operating expenses	6(31)(32) and 7		
6100	Selling expenses		( 838,029)	( 619,970)
6200	General and administrative expenses		( 2,863,856)	( 2,483,967)
6300	Research and development expenses		( 4,641,454)	( 3,564,809)
6000	Total operating expenses		( 8,343,339)	( 6,668,746)
	Net operating income		29,435,172	13,354,011
6500	Other (losses)/gains - net	6(27) and 7	10,672	82,481
6900	Operating profit		29,445,844	13,436,492
	Non-operating income and expenses			
7100	Interest income	7	310,072	141,487
7010	Other income	6(28) and 7	881,424	524,722
7020	Other gains and losses	6(29) and 7	490,709	2,655,230
7050	Finance costs	6(30) and 7	( 196,628)	( 204,120)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	6(7)	5,828,885	( 627,388)
7000	Total non-operating income and expenses		7,314,462	2,489,931
7900	<b>Profit before income tax</b>		36,760,306	15,926,423
7950	Income tax expense	6(33)	( 7,141,801)	( 2,704,167)
8200	<b>Profit for the year</b>		\$ 29,618,505	\$ 13,222,256

(Continued)

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Items	Notes	Year ended December 31	
		2022	2021
		AMOUNT	AMOUNT
<b>Other comprehensive income</b>			
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>			
8311	Actuarial gains on defined benefit plans	6(21)	
		\$ 127,844	\$ 44,734
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method		
		99,131	164,179
8310	Other comprehensive income that will not be reclassified to profit or loss		
		226,975	208,913
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>			
8361	Exchange differences on translation		
		1,740,746 (	365,418)
8380	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method		
		( 1,965,523)	442,951
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		
		( 224,777)	77,533
8300	<b>Other comprehensive income for the year</b>	\$ 2,198	\$ 286,446
8500	<b>Total comprehensive income for the year</b>	\$ 29,620,703	\$ 13,508,702
Earnings per share (in dollars)			
9750	Basic earnings per share	6(34)	
		\$ 20.08	\$ 8.98
9850	Diluted earnings per share	6(34)	
		\$ 19.29	\$ 8.91

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

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings				Other Equity Interest					Total equity
		Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Other equity - others	Treasury stocks	
<u>Year ended December 31, 2021</u>											
Balance at January 1, 2021		\$ 15,047,323	\$ 8,831,415	\$ 4,994,171	\$ 861,619	\$ 19,851,219	(\$ 382,335 )	(\$ 168,208 )	\$ -	(\$ 608,194 )	\$ 48,427,010
Profit for the year		-	-	-	-	13,222,256	-	-	-	-	13,222,256
Other comprehensive income for the year		-	-	-	-	68,758	77,533	140,155	-	-	286,446
Total comprehensive income		-	-	-	-	13,291,014	77,533	140,155	-	-	13,508,702
Appropriations of 2021 earnings	6(25)										
Legal reserve		-	-	543,158	-	( 543,158 )	-	-	-	-	-
Reversal of special reserve		-	-	-	( 311,076 )	311,076	-	-	-	-	-
Cash dividends		-	-	-	-	( 2,054,577 )	-	-	-	-	( 2,054,577 )
Changes in ownership interests in subsidiaries	6(24)	-	17,086	-	-	-	-	-	-	-	17,086
Changes in equity of associates and joint ventures accounted for using equity method	6(24)	-	257	-	-	( 1,913 )	-	-	-	-	( 1,656 )
Share-based payment	6(22)(24)	-	518,562	-	-	-	-	-	-	-	518,562
Treasury shares sold to employees	6(23)(24)	-	172,524	-	-	-	-	-	-	126,049	298,573
Reversal of capital surplus - dividends not received by shareholders	6(24)	-	( 138 )	-	-	-	-	-	-	-	( 138 )
Retirement of treasury share	6(23)(24)	( 294,720 )	( 143,030 )	-	-	( 44,395 )	-	-	-	482,145	-
Balance at December 31, 2021		\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802 )	(\$ 28,053 )	\$ -	\$ -	\$ 60,713,562
<u>Year ended December 31, 2022</u>											
Balance at January 1, 2022		\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802 )	(\$ 28,053 )	\$ -	\$ -	\$ 60,713,562
Profit for the year		-	-	-	-	29,618,505	-	-	-	-	29,618,505
Other comprehensive income for the year		-	-	-	-	139,079	( 224,777 )	87,896	-	-	2,198
Total comprehensive income		-	-	-	-	29,757,584	( 224,777 )	87,896	-	-	29,620,703
Appropriations of 2022 earnings	6(25)										
Legal reserve		-	-	1,324,471	-	( 1,324,471 )	-	-	-	-	-
Reversal of special reserve		-	-	-	( 217,688 )	217,688	-	-	-	-	-
Cash dividends		-	-	-	-	( 5,015,885 )	-	-	-	-	( 5,015,885 )
Changes in ownership interests in subsidiaries	6(24)	-	165,395	-	-	-	-	-	( 58,268 )	-	107,127
Changes in equity of associates and joint ventures accounted for using equity method	6(24)	-	38	-	-	( 7,112 )	-	5,998	-	-	( 1,076 )
Issuance of restricted shares to employees	6(22)(23)(24)	31,050	394,999	-	-	-	-	-	( 141,717 )	-	284,332
Compensation costs of employee restricted stock	6(22)	-	-	-	-	-	-	-	25,982	-	25,982
Reversal of capital surplus - dividends not received by shareholders	6(24)	-	( 277 )	-	-	-	-	-	-	-	( 277 )
Other	6(24)	-	51	-	-	-	-	-	-	-	51
Balance at December 31, 2022		\$ 14,783,653	\$ 9,956,882	\$ 6,861,800	\$ 332,855	\$ 54,437,070	(\$ 529,579 )	\$ 65,841	(\$ 174,003 )	\$ -	\$ 85,734,519

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

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 36,760,306	\$ 15,926,423
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use assets)	6(8)(9)(11)(27)(31)	7,711,619	5,764,873
Amortisation	6(12)(31)	264,330	198,233
Expected impairment loss (reversal) (including related parties)	12(2)	78,353	( 11,333 )
Net loss (gain) on financial assets and liabilities at fair value	6(2)(29)	2,589,592	( 2,903,509 )
Interest expense	6(30)	173,644	178,019
Interest income		( 310,072 )	( 141,487 )
Dividend income	6(28)	( 189,318 )	( 164,709 )
Share-based payments	6(22)	25,982	518,562
Cash dividends received from investments accounted for using equity method		93,217	32,242
Share of (gain) loss of associates accounted for using equity method	6(7)	( 5,828,885 )	627,388
(Gain) loss on disposal of property, plant and equipment (including investment property)	6(29)	( 599,972 )	8,540
Loss from subleasing right-of-use assets	6(9)	704	680
Gain from lease modifications	6(9)(29)	-	( 876 )
Exchange gain on valuation of long-term foreign borrowings	6(37)	-	( 124,164 )
Realised (gain) loss from inter-affiliate accounts		( 386 )	5,351
Gain by fire	6(28)	-	( 135,820 )
Amortisation of discount on bonds payable	6(30)(37)	2,634	1,498
Loss on liquidation of investments accounted for using the equity method	6(7)	11,236	-
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		( 5,776,540 )	( 5,981,788 )
Accounts receivable - related parties		101,234	202,530
Other receivables		267,845	155,682
Inventories		( 1,184,044 )	( 2,142,730 )
Prepayments		( 254,801 )	( 579,822 )
Changes in operating liabilities			
Notes payable		( 80,516 )	139,801
Accounts payable		( 771,995 )	985,970
Accounts payable - related parties		1,208,214	305,796
Other payables		4,712,858	3,681,790
Other advance receipts		( 7,765 )	( 349 )
Other current liabilities		( 270,643 )	( 3,166,300 )
Accrued pension liabilities		( 17,714 )	( 19,061 )
Contract liabilities		6,478,528	21,092,092
Cash inflow generated from operations		45,187,645	34,453,522
Interest received		291,135	153,820
Dividends received		189,318	164,709
Interest paid		( 172,483 )	( 186,554 )
Income tax paid		( 3,503,737 )	( 891,399 )
Net cash flows from operating activities		41,991,878	33,694,098

(Continued)

UNIMICRON TECHNOLOGY CORP.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease in other receivables		\$ 2,460,233	\$ 798,828
Acquisition of property, plant and equipment	6(36)	( 23,357,729 )	( 18,693,660 )
Proceeds from disposal of property, plant and equipment (including investment property)		852,637	25,315
Decrease in guarantee deposits received		27,902	5,388
Acquisition of intangible assets	6(12)	( 346,447 )	( 411,583 )
Acquisition of investments accounted for using equity method	7	( 5,865,721 )	( 1,323,449 )
Acquisition of financial assets at fair value through profit or loss		( 437,815 )	( 160 )
Changes in proceeds from disposal of financial assets at fair value through profit or loss		-	166,093
Acquisition of financial assets at amortized cost		( 21,082 )	( 84 )
Proceeds from liquidation of investments accounted for using the equity method	6(7)	1,765	-
Net cash flows used in investing activities		( 26,686,257 )	( 19,433,312 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(37)	( 3,544,377 )	( 150,025 )
Increase in short-term notes and bills payable	6(37)	74	299,926
Proceeds from long-term borrowings	6(37)	1,000,000	4,480,000
Repayment of long-term borrowings	6(37)	( 2,590,000 )	( 15,454,600 )
(Decrease) increase in refundable deposits		( 1,038 )	3,392
Cash dividends paid	6(25)	( 5,015,885 )	( 2,054,577 )
Payments for lease liabilities	6(37)	( 252,720 )	( 251,117 )
Proceeds from issuing bonds	6(18)(37)	3,000,000	8,000,000
Issuance cost of bonds payable	6(37)	( 3,750 )	( 9,575 )
Reversal of capital surplus - dividends not received by shareholders	6(24)	( 277 )	( 138 )
Issuance of restricted shares to employees		295,286	-
Treasury shares sold to employees		-	126,049
Net cash flows used in financing activities		( 7,112,687 )	( 5,010,665 )
Net increase in cash and cash equivalents		8,192,934	9,250,121
Cash and cash equivalents at beginning of year	6(1)	24,863,684	15,613,563
Cash and cash equivalents at end of year	6(1)	\$ 33,056,618	\$ 24,863,684

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

Unimicron Technology Corp.  
Earnings Distribution Sheet  
2022

Item	Amount
Net profit for 2022	29,618,505,158
Less: accrued legal reserve	-2,975,047,160
Distributable earnings for the current year	26,643,457,998
Add: undistributed earnings for the previous years	24,686,598,867
Add: retained earnings adjustments for 2022 - actuarial gains and losses	139,078,855
Less: long-term investment change adjustments	-7,112,415
Less: Appropriated for special reserve	-304,886,142
Distributable earnings	51,157,137,163
Distribution item (Note)	
Shareholder cash dividends	12,190,425,576
Total distribution	Estimated NT\$8 per share 12,190,425,576
Undistributed earnings at the end of the period	38,966,711,587

Note 1: It is the distribution of earnings for the year 2022.

Note 2: Number of shares: calculated on the basis of 1,523,803,197 ordinary shares at the time of the board meeting held on February 21, 2023. In the event of any change in the number of outstanding shares resulting from the buyback of the Company's common stock, transfer, conversion or cancellation of the treasury shares, the exercise of the employee stock options or the conversion of convertible bonds, issuance or withdrawal of restricted stock awards for employees and other factors such as transactions or statutes, the dividend ratio must be adjusted. It is proposed to fully authorize the board of directors to adjust the dividend ratio and to proceed on the relevant matters.

Note 3: The cash dividends will be calculated according to the distribution ratio per NT\$1, and an amount below NT\$1 will be rounded off. The total of the amounts less than NT\$1 will be allocated and transferred to the employee welfare committee of the Company.

Chairman: Tzyy-Jang Tseng    Manager: Chia-Pin Lee & Jerry Kuo    Head of accounting: Denise Hsu

## Attachment 6

## Unimicron Technology Corp. Director Candidate List

Title	Name	Education	Experience	Current Position	Holding Shares (Shares)(Note)
Director	United Microelectronics Co. Representative: Tzyy-Jang Tseng	M.S., Physics, National Tsing Hua University	Chairman and CEO, Unimicron Technology Corp.	Chairman and Group CSO, Unimicron Technology Corp.	198,878,046 8,390,234
Director	United Microelectronics Co. Representative: SC Chien	Bachelor in Chemical Engineering, National Taiwan University	President, United Microelectronics Corporation	● President, United Microelectronics Corporation ● Director, FORTUNE VENTURE CAPITAL CORP.	198,878,046 0
Director	United Microelectronics Co. Representative: Chi-Tung Liu	EMBA in Business Administration, National Taiwan University	Director, Unimicron Technology Corp.	● Director, Unimicron Technology Corp. ● Director, NOVATEK MICROELECTRONICS CORP. ● Director, Yann Yuan Investment Co., Ltd.	198,878,046 0
Director	Hsun Chieh Corp. Ltd. Representative: Timothy Lan	M.M.E., National Cheng Kung University	Executive President, Unimicron Technology Corp.	Executive President, Unimicron Technology Corp.	4,567,119 336,397
Director	Yann Yuan Investment Co., Ltd. Representative: Mike Ma	North Carolina State University ( Materials Science and Engineering ) -Doctor	Executive President, Unimicron Technology Corp.	Executive President, Unimicron Technology Corp.	23,000,000
Director	Ting-Yu Lin	Master of International Finance, Meiji University	Chairperson, Sunrox International Inc.	● Chairperson, Sunrox International Inc. ● Director, United Microelectronics Corporation	59,000
Independent Director	Grace Li	M.Acc., University of Missouri-Kansas City	Finance Controller of Cymer Southeast Asia Ltd.	Independent Director, Silicon Integrated Systems Corp.	0
Independent Director	Lai-Juh Chen	EMBA, Thunderbird School of Global Management, Arizona State University	CEO of Sunny Hills	● Chairman, TEN Life Health Technology Corporation ● Chairman, Green Life Technology Corporation ● Independent Director, Ardentec Corporation. ● Independent Director, Egis Technology Inc.; ● Chairman, Kingyoup Optronics Co., Ltd.	0
Independent Director	Terry Wang	MBA in State University of New York Buffalo	● Director of Finance Department, United Microelectronics Corporation ● Director, SIMPLO Technology Co., Ltd. ● Supervisor, Unimicron Technology Corp. ● Director, AWISE FIBER Technology Co., Ltd. ● Supervisor, Candmark Electronics Co., Ltd.	Director, Clientron Corp	0

Note: It is the number of shares held as of the date of the suspension of share transfer at shareholder's meeting. (April 1, 2023)

Unimicron Technology Corp.

2023 Regulations Governing the Issuance of Restricted Stock Awards for Employees

I. Purpose of Issuance

The Company aims to attract and retain technology and professional talents, and enhance employees' solidarity and sense of belonging to the Company, so as to jointly create the interests of the company and shareholders, and ensure that the interests of the company's employees and shareholders are combined. In accordance with Article 267, Paragraph 9 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" promulgated by the Financial Supervisory Commission, the Company establishes 2023 Regulations Governing the Issuance of Restricted Stock Awards for Employees.

II. Period of Issuance

The shares will, depending on the actual needs, be issued on a one-time basis or in series within two years following the arrival of notice from the competent authority indicating that registration has become effective. The actual date of issuance shall be set by the Chairman as authorized by the Board of Directors.

III. Qualifications of employees, the number of shares to be allotted and the review process for issuance

(I) Limited to the full-time regular employees of the Company or employees of the affiliated companies who meet certain conditions (the certain conditions are determined by the board of directors), the affiliated company is recognized in accordance with the standards of Article 369-2, Article 369-3, Article 369-9, Item 2, and Article 369-11 of the Company Act, and the actual number of employees who can be granted and the number of shares allocated to them will be determined by the chairman of the board of directors, taking into account factors such as years of service, grades, work performance, overall contribution, special achievements or other conditions that need to be referred to in management, after submitting to the board of directors for approval, but those who are directors or managers of the Company should first obtain the approval of the remuneration committee, and those who are not directors or managers of the Company should first obtain the approval of the audit committee.

(II) The Company issues employee stock option certificates in accordance with Article 56-1 Item 1 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", and the cumulative number of shares that can be subscribed by a single employee is given and the total number of new shares with restricted employee rights acquired by a single employee shall not exceed 3‰ of the total number of issued shares of the Company, and the total number of subscribed shares granted to a single employee by the Company's issuance of employee stock option certificates in accordance with Article 56, Paragraph 1 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" shall not exceed 1% of the total number of issued shares of the Company.

IV. Total Amount of Issuance

The total issuance of new shares with restricted employee rights is NT\$ 50,000,000, with a par value of NT\$ 10 per share, and a total of 5,000,000 ordinary shares are issued.

V. Conditions for Issuance

(I) Issue price: 40% of the closing price of ordinary shares on the issue date of the board.

(II) Vesting conditions :

1. From the day when employees get restricted stock awards (the base date for capital increase), the employee is still working within the following schedule (in addition to serving in the Company, and being transferred to an affiliated company or the other company due to the appointment of the Company), and the last two performance appraisals of the following schedules have all reached "good +" or above, for whose title is general manager level (inclusive) or above, The Company's should also achieved operational goals at the same time, and the proportion of shares that can meet the vested conditions is as follows:

Vice president level (inclusive) or above

On the job for 15 months after granting: 50%

On the job for 30 months after granting: 50%

Director level



- On the job for 12 months after granting: 50%
- On the job for 24 months after granting: 50%
- Sr. Manager (inclusive) or below
- On the job for 9 months after granting: 50%
- On the job for 18 months after granting: 50%

2. The operational goals of the Company use the return on equity % (ROE%), earnings per share (EPS) as performance indicators. Listed below are the performance target and weight for the indicators. Targets are set for each indicator. Indicators that have achieved the target value, the number of vested shares in the year is calculated according to the corresponding weight ratio, otherwise, the corresponding weight ratio is 0%. Performance indicator year refers to the fiscal year of the most recent annual financial statement audited by a certified public accountant before the vesting date. Performance indicators are based on the consolidated financial statements audited and certified by the accountant corresponding to the period required by the indicators.

Indicator	Weighting	Target (Note)
Return on Equity (ROE%)	50%	Higher than the Company's average of the previous five years' 60%
Earnings Per Share (EPS)	50%	Higher than the Company's average of the previous five years' 60%

Note: Comparing the performance indicator year with the average of the five years' 60% preceding that year (exclusive)

(III) When an employee violates these regulations, employment contract, corporate governance best practice principles, ethical corporate management best practice principles, non-compete and non-disclosure agreement, work handbook or other regulations with the Company after receiving new shares that restrict employee rights granted by the Company, for the new shares with restricted employee rights that are allocated but have not yet fulfilled the vested conditions, the Company will buy back the shares at the issue price and cancel them.

(IV) Type(s) of shares issued: New Common shares of the Company.

(V) When the employee does not meet the vested conditions, it shall be dealt with in the following ways:

1. General resignation (Retirement/Severance/Dismissal/Voluntary) :

For the part of the new shares with restricted employee rights that were allocated but have not yet fulfilled the acquired conditions, the Company bought back and cancelled it at the issue price.

2. Leave without pay :

Restricted employees who have not fulfilled the vested conditions have rights to new shares, and their rights and interests will be restored from the date of reinstatement, but the vested period conditions should be deferred according to the period of leave without pay.

3. Ordinary death or death caused by an occupational accident:

For the part of the new shares with restricted employee rights that were allocated but have not yet fulfilled the acquired conditions, the Company bought back and cancelled it at the issue price.

4. Inability to continue the job due to physical disability caused by an occupational accident:

The restricted stock award shares that have yet to vest may vest on the date of separation.

5. Transfer:

If an employee is transferred to an affiliated company or other company (except a subsidiary), the new shares with restricted employee rights shall be handled in the same way as "general resignation" in the first paragraph of this subparagraph. However, due to the needs of the Company's operations, the employees who are assigned by the Company to be transferred to the Company's affiliated companies or other companies will not be affected by the transfer of new shares with restricted employee rights. Where the Company has undergone a reorganization in accordance with the Business Mergers and Acquisitions Act, the unvested restricted stock award shares will be deemed fully vested or will be deemed vested in proportion to the vesting periods, and those shall be determined by the Board of Directors.

6. In the event of any special circumstance such as where an employee has made an outstanding contribution to the Company, at the end of employment, the unvested restricted stock award

shares will be deemed fully vested or will be deemed vested in proportion to the vesting periods, and those shall be determined by the Chairman based on the actual circumstances as authorized. In case of an employee who is a director or an executive, the approval from the Remuneration Committee is required.

7. The employees shall receive the shares transferred by fulfilling the vested conditions in accordance with the trust agreement.

#### VI. Restricted rights after allotment of new shares but before the vested conditions are met

(I) The new shares with restricted employee rights issued by this method will be delivered to the stock trust in the name of the employee for safekeeping. After the employee is allotted new shares, the restricted rights before the vested conditions are met are as follows:

1. Before any employee who has been granted restricted stock award shares fulfills the vesting conditions, the restricted stock award shares may not be sold, pledged, transferred, gifted to others, created any encumbrance, or otherwise disposed of.
2. The rights to attendance, proposal, statement, voting and election at the Shareholders' Meeting shall be the same as those of the outstanding common shares of the Company, and shall be exercised according to a custodial trust agreement.

(II) In addition to the restrictions imposed by the trust agreement in the preceding paragraph, his/her other rights prior to fulfillment of the vesting conditions include, but are not limited to: the right to distribution of cash dividends, stock dividends, legal reserves and capital reserves, and employee stock option at cash capital increase. Such rights shall be the same as those of the outstanding common shares of the Company, and shall be exercised according to a custodial trust agreement.

#### VII. Procedures for allotment of new shares

(I) When an employee is allocated new shares with restricted employee rights, the Company will post the number of shares allocated to the employee in the Company's register of shareholders, and then deliver the Company's newly issued ordinary shares or new share rights certificate by means of book transfer, and in accordance with the trust contract, it will be delivered to the trust for custody within the limited period of the acquired conditions.

(II) The new shares with restricted employee rights issued by the Company in accordance with these regulations shall be subject to change registration in accordance with the law.

#### VIII. Other Important Matters Agreed

(I) After the issuance of new shares with restricted employee rights, before the vested conditions are met, an employee may not request the trustee to return the restricted stock award shares for any reason or in any way.

(II) During the period when the restricted stock award shares are placed under custodial trust, the Company or a person designated by it shall be fully authorized to act on behalf of the employee and the custodial trust organization to engage in the following (including but not limited to): the negotiation, signature, revision, extension, rescission or termination of the custodial trust agreement, and instructions on the delivery, use, and disposition of the property under custodial trust.

#### IX. Contracting and Confidentiality

(I) Any employee who has been granted restricted stock award shares may be deemed to have acquired such shares only after he/she has signed the "Agreement to Receive Restricted Stock Award Shares" and completed the processes relevant to the custodial trust pursuant to a notice from the responsible department of the Company. Where the employee has failed to sign the relevant document as required, he/she will be deemed to have renounced his/her restricted stock award shares.

(II) All employees and owners of restricted stock award shares and derivative rights acquired in accordance with these Regulations shall comply with the provisions of these Regulations and the "Agreement to Receive Restricted Stock Award Shares", and failure to do so will be deemed non-fulfillment of the vesting conditions. They shall also comply with the Company's pay secrecy requirements and may not inquire with others about or disclose the details and number of the restricted stock award shares granted or inform others of the details and personal rights relevant to this program. In the event of any violation of the aforesaid requirements, the Company may recall and cancel, without compensation, the restricted stock award shares that have yet to fulfill the vesting conditions.

X. Other Important Matters

- (I) These Regulations shall be approved by over half of the directors present at a meeting of the Board of Directors attended by at least two-thirds of all directors, and shall be submitted to the Shareholders' Meeting for approval and implemented after its registration with the competent authority has become effective. If subsequent amendment of these Regulations is required due to a change of law or pursuant to a review by the competent authority, the Chairman shall be authorized to amend these Regulations. Issuance of shares may commence only after such an amendment has been submitted to the Board of Directors for endorsement.
- (II) Except as otherwise specified by law, for any matter not provided for in these Regulations, the Board of Directors or any person authorized by it shall be fully authorized to revise or implement the matter in accordance with the applicable laws and regulations.

Note: This English translation is for reference purposes only. In the event of any discrepancy between the Chinese original and this English translation, the Chinese original shall prevail.