



**2024 Annual Shareholders' Meeting**

# **Agenda Book**

**WINSTAR Display Co., Ltd.**

**Publication date: May 9, 2024**



Stock Code:6916

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# **Winstar Display Co., Ltd.**

## **Procedures for 2024 General Meeting of Shareholders**

1. Meeting Called to Order
2. Chairman's Remarks
3. Reported Matters
4. Ratification Matters
5. Extraordinary Motions
6. Adjournment

# **Winstar Display Co., Ltd.**

## **2024 General Meeting of Shareholders Agenda**

**Time:** 10:00 a.m. (Friday), May 31, 2024

**Location:** National Chung Hsing University Promotion Campus, No. 19,  
Keyuan Road, Xitun District, Taichung City

**Convening method:** In-person

### **Meeting procedures:**

#### **1. Meeting Called to Order**

#### **2. Chairman's Remarks**

#### **3. Reported Matters**

- (1) 2023 Business Report.
- (2) 2023 Audit Committee's Report
- (3) Report on the 2023 Remuneration Distribution for Employees and Directors.

#### **4. Ratification Matters**

- (1) 2023 Business Report and financial statements.
- (2) 2023 earnings distribution proposal.

#### **5. Extraordinary Motions**

#### **6. Adjournment**

## **Reported matters**

### **Report 1**

Proposal: 2023 Business Report submitted for approval.

Explanation: Please refer to Attachment 1 on p. 5 of this Handbook for the 2023 Business Report.

### **Report 2**

Proposal: 2023 Audit Committee's Report submitted for approval.

Explanation: Please refer to Attachment 2 on p. 8 of this Handbook for the 2023 Audit Committee's Report.

### **Report 3**

Proposal: Report on the 2023 Remuneration Distribution for Employees and Directors submitted for approval.

Explanation: According to the Company Act and the Company's Articles of Incorporation, the remuneration to employees is NTD 4,186,000, all distributed in cash, and the remuneration to directors of NTD 5,000,000 is distributed in cash, which is not different from the estimated amount.

## **Ratification Matters**

### **Motion for ratification 1**

### **Proposed by the Board of Directors**

Proposal: 2023 Business Report and financial statements submitted for ratification.

Note: (1) The Company has completed the preparation of the Business Report and financial statements (including consolidated financial statements and parent company only financial statements) for 2023, which have been audited by Amy Chiang and Eddy Su, CPAs of Deloitte Taiwan. An audit report was issued and it was submitted to the Audit Committee for review together with the Business Report.

- (2) For the aforementioned Business Report and financial statements, please refer to Attachment 1 on page 5 and Attachments 3 to 7 on p. 9 to 20 of this Handbook, submitted for ratification.

Resolution:

## Motion for ratification 2

## Proposed by the Board of Directors

Proposal: 2023 earnings distribution proposal submitted for ratification.

Explanation: (1) The 2023 earnings distribution proposal of the Company was approved by the 15th meeting of the 11th Board of Directors and reviewed by the Audit Committee.

(2) The Company proposes to distribute cash dividend of NTD 1.05 per share, with the amount of NTD 70,875,000 rounded down to the nearest NTD, and the Board of Directors is authorized to determine the ex-dividend record date as soon as it is approved by the shareholders' meeting. 2023 earnings distributions are shown in the table below.

(3) When there is a change in the number of outstanding shares of the Company, the Board of Directors is authorized to adjust the amount to be distributed per share based on the actual number of shares outstanding on the ex-dividend record date, and the total amount of odd amounts due to cash dividend distribution that is less than NT\$1 is recognized by the Company in "other income."

(4) Submitted for ratification

Winstar Display Co., Ltd.

Earnings Distribution Table

2023

Unit: NTD

Item	Amount	
Undistributed earnings at the beginning of the period		163,631,570
2023 net profit after tax	80,808,849	
Add: Remeasurement of defined benefit plan (2023)	1,973,359	
Subtotal		82,782,208
Less: Legal reserve (10%)		-8,278,221
Less: Special reserve appropriated in accordance with the law		-11,784,812
Total earnings available for distribution		226,350,745
Less: distributed cash dividends	-70,875,000	
Total of distributed items		-70,875,000
Total earnings available for distribution at the end of the period		155,475,745
Chairman: Yu-Pin Liao      President: Yu-Pin Liao      Accounting supervisor: Hsin-Fu Huang		

Resolution:

## Extraordinary Motions

## Adjournment

## Attachment 1

### Winstar Display Co., Ltd. 2023 Business Report

#### I. Foreword

##### Dear Shareholders of Winstar Display,

Thank you for your support and trust in Winstar in the past year. Since its listing in December 2023, Winstar has reached a new milestone. However, in the past year, the global economy has been affected by factors including high inflation, rising interest rates, tightening monetary policies in various countries, geopolitical tensions. This was coupled with the explosion of customer orders during the pandemic, and the economic recovery after the pandemic has not been as good as expected. Demand was weak, and customer end inventory disposal was not as good as expected. Under such a weak global macroeconomic environment, the Company continues to adjust its business strategy in response to market changes. However, due to the influence of cautious market demand, our revenue in 2023 was NTD 2.229 billion, which was lower than that in 2022. It has dropped by 25.67% year on year.

Looking to the future, the Company will maintain a steady pace, pay attention to changes in the international situation, and quickly adjust its business strategies in response to market changes. We will continue to optimize our product portfolio and strive to develop new technologies to enhance product competitiveness. At the same time, we will provide customers with high value-added services to meet the needs of market diversification and emerging industries. At the same time, we will continue to strengthen our human capital, recruit more world-class professionals, strengthen our global business presence, and increase brand awareness, in order to increase the Company's revenue performance.

Once again, we would like to thank all shareholders for their support and trust. In the future, the Company will make unremitting efforts to create stable and profitable operations for shareholders, customers and all stakeholders. Following are the Company's operational reports for 2023.

#### II. Business Report

##### (I) 2023 Operating Results

###### 1. Business plan implementation results

The Company's 2023 operating revenues were NTD 2,229,230 thousand, a decrease of NTD 770,032 thousand, or 25.67%, from 2022 operating revenues; the Company's 2023 net income was NTD 81,031 thousand, and the earnings per share was NTD 1.33. This is less than the net profit after tax of NTD 289,856 thousand and earnings per share of NTD 5.02 in 2022.

###### 2. Budget implementation

The Company did not disclose financial forecasts for 2023, so there is no need to disclose budget implementation.

###### 3. Analysis of financial revenues, expenses, and profitability

Item		2023	2022
Financial structure	Debt to total assets ratio (%)	49.28%	59.49%
Solvency	Current ratio (%)	164.88%	128.71%
	Quick ratio (%)	124.53%	77.48%

Profitability	Return on assets (%)	3.93%	13.60%
	Return on shareholders' equity (%)	7.64%	36.46%
	Earnings per share (NTD)	1.33 元	5.02 元

#### 4. Research and development status

In order to further enhance the competitiveness of the Company's products and ensure the sustainable development of the Company, we are not only committed to the R&D and innovation of existing products and manufacturing optimization, but also continue to invest in research and innovation. Every year, we will continue to allocate 3-5% of the operating revenue as the R&D budget, and we will continue to drive the Company's growth through technological innovation. Winstar is committed to becoming the best partner of display solutions for global customers, and continues to provide customers with market-leading innovative products. The Company attaches great importance to the development trend of ESG and is committed to strengthening the research and development of environmentally friendly and energy-saving display products in order to develop more green products. We firmly believe that this can not only reduce waste of resources, but also provide customers with more environmentally friendly and energy-saving options, in line with our commitment to sustainable development and make a positive contribution to the society and the environment.

### (II) 2023 Business Plan Summary

#### 1. Operating guidelines and important policies

- (1) Grasp the market information, developing new technologies and new products to continuously meet the market demand.
- (2) Provide customers with solution and system integration services to create higher added value.
- (3) Introduce automated production and optimize product lines and processes to improve production and operating efficiency.
- (4) Implement the ISO quality management spirit and continue to improve the skills of employees and product quality.
- (5) Continue to improve customer service to meet customer needs and enhance satisfaction.
- (6) Introduce and cultivate professional talent to continuously improve the Company's competitiveness and operational performance.
- (7) Enhance e-commerce and digital applications and continue to develop innovative digital products.
- (8) Actively evaluate joint ventures with external resources or re-investment models to improve competitiveness.
- (9) Plan a comprehensive greenhouse gas inventory, and adopt various carbon reduction measures to move towards the goal of net zero emissions by 2050.
- (10) Implement corporate social responsibility initiatives, enhance employee benefits, and continue to care for the society and the environment.

#### 2. Important production and sales policies

- (1) Optimize product portfolio and strengthen customized service capabilities to meet



- customers' diversified product needs.
- (2) Provide system integration solutions, combine hardware, software and firmware, and provide customers with high value-added services.
  - (3) Optimize the production process to improve efficiency, and expand the OLED production line to meet the future production capacity demand.
  - (4) Establish subsidiary in Europe to provide customers with local and immediate services and develop new customers.
  - (5) Continue to develop and optimize touch modules to meet the increasing market demand for touch products.
  - (6) Actively strive for opportunities to cooperate with big international firms and consolidate the cooperative relationship with existing customers.

Finally, I would like to thank all shareholders for their support and trust. The Company will strive to provide global customers with excellent quality products and high value-added services, and actively explore new markets and businesses. A prudent management attitude creates greater value for all stakeholders and the Company.

Best regards

Healthy, safe, and prosperous business

## **Attachment 2**

### **Winstar Display Co., Ltd. Audit Committee's Report**

The Board of Directors has prepared the Company's business report, financial statements and earnings distribution proposal for 2023, in which the financial statements have been audited by Chaing, Shu-Chin and Su, Ting-Chien, CPAs of Deloitte Taiwan, and have issued an independent auditor's report. the Company's financial statements and earnings distribution proposal have been reviewed by the Audit Committee and found no nonconformity. We hereby submit the above report for approval in accordance with the Securities and Exchange Act and the Company Act.

Sincerely,

2024 General Meeting of Shareholders of Winstar Display Co., Ltd.

Audit Committee Convener: Hsiang-Tsai Chiang

March 12, 2024

## **Attachment 3**

### **Independent Auditors' Report**

To the Board of Directors and Shareholders of Winstar Display Co., Ltd.:

#### **Opinion**

We have completed our audit of Winstar Display Co., Ltd. and its subsidiaries (collectively referred to as Winstar Group) Consolidated Balance Sheet for December 31, 2023 and 2022; and Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) for January 1 – December 31, 2023 and 2022.

In our opinion, the consolidated financial statements referred to above have been prepared, in all material respects, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards(IFRS), International Accounting Standards(IAS), IFRIC Interpretations(IFRIC) and SIC Interpretation(SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and fairly present the consolidated financial position of Winstar Group as of December 31, 2023 and 2022, and the consolidated financial performance and consolidated cash flow from January 1 to December 31, 2023 and 2022.

#### **Basis for Opinion**

We have performed entrusted audit work in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our

report. Our personnel subject to standards of independence have maintained detached independence from Winstar Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and have performed other responsibilities under that Norm. We believe that sufficient and appropriate audit evidence has been obtained to serve as a basis for expressing an audit opinion.

### **Key Audit Matter**

Key audit matters refer to the most important matters for the audit of Winstar Group's 2023 consolidated financial statements based on our professional judgment. The matter was 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 the matter.

The key audit matter for the Group's 2023 consolidated financial statements is stated as follows:

#### Authenticity of revenue recognition from specific customers

Winstar Group's operating revenue mainly comes from the production and sales of LCD modules and OLED display modules. The operating revenue in 2023 decreased from the previous year due to changes in market demand. As transaction amount of a specific customer is material to operating revenue as a whole, authenticity of revenue recognition for specific customers is listed as a key audit matter. Please refer to Note 4 to the financial statements for the relevant accounting policies for revenue recognition.

In response to this key audit matter, we perform the following audit procedures:

1. Understand and evaluate the effectiveness of the design and execution of internal control related to audit risks in the sales and collection cycle.
2. We select a sample of the operating revenue of specific customers, and review the relevant documents and payment vouchers for the operating revenue recognized to confirm the authenticity of the operating revenue recognized.

### **Other Matters**

Winstar Display Co., Ltd. has prepared parent company only financial statements for 2023 and 2022, and the audit reports with unmodified opinions that we have issued are on file for reference.

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

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

When compiling the consolidated financial statements, management's responsibilities also include disclosing the evaluation of Winstar Group's ability to continue as a going concern and related matters, and the adoption of a going concern basis of accounting unless management intends to liquidate Winstar Group or to cease operations or there is no practical alternative to liquidation or closure.

The units charged with governance of Winstar Group (including the Audit Committee) are responsible for supervising the financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with auditing standards, we exercise professional judgment and 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 internal control of Winstar Group.
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 ability of Winstar Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or circumstances may result in Winstar Group no longer having the ability to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence for the financial information of the constituent entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of 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 Winstar Group's 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shu-Chin Chiang and Ting-Chien Su.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 12, 2024

## Attachment 4

### Winstar Display Co., Ltd. and Subsidiaries

#### Consolidated balance sheets

December 31, 2023 and 2022

Unit: NT\$ thousand

Code	Asset	December 31, 2023		December 31, 2022	
		Amount	%	Amount	%
	Current asset				
1100	Cash and cash equivalents (Note 4 and 6)	\$ 854,430	37	\$ 591,149	25
1136	Financial assets at amortized cost - current (Note 4, 7 and 29)	79,382	4	106,349	4
1150	Notes receivable (Note 4, 9, 21 and 27)	2,300	-	14,644	1
1170	Trade receivables (Note 4, 9, 21 and 28)	206,323	9	250,325	11
1200	Other receivables	2,057	-	1,066	-
1220	Current tax assets (Note 4 and 23)	106	-	10	-
130X	Inventories (Note 4 and 10)	326,831	14	581,938	25
1470	Other current assets (Note 16)	<u>45,037</u>	<u>2</u>	<u>59,274</u>	<u>2</u>
11XX	Total current assets	<u>1,516,466</u>	<u>66</u>	<u>1,604,755</u>	<u>68</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Note 4 and 8)	11,457	-	10,196	-
1535	Financial assets at amortized cost - non-current (Note 4, 7 and 29)	23,392	1	15,803	1
1550	Investments accounted for using the equity method (Note 4 and 12)	12,661	1	12,376	-
1600	Property, Plant and Equipment (Note 4, 13 and 29)	296,190	13	327,723	14
1755	Right-of-use assets (Note 4, 14, 28 and 29)	149,929	7	135,445	6
1760	Investment property (Note 4, 15 and 29)	83,259	4	83,538	4
1780	Intangible assets	1,112	-	976	-
1840	Deferred tax assets (Note 4 and 23)	79,157	3	67,576	3
1990	Other non-current assets (Note 16)	<u>125,061</u>	<u>5</u>	<u>99,390</u>	<u>4</u>
15XX	Total non-current assets	<u>782,218</u>	<u>34</u>	<u>753,023</u>	<u>32</u>
1XXX	Total assets	<u>\$ 2,298,684</u>	<u>100</u>	<u>\$ 2,357,778</u>	<u>100</u>
	Liabilities and Equity				
	Current liabilities				
2100	Short-term borrowings (Note 17 and 29)	\$ 336,786	15	\$ 417,174	18
2130	Contract liabilities - current (Note 4, 21 and 28)	75,601	3	75,529	3
2150	Notes payable	11,422	1	25,144	1
2170	Trade payables (Note 27)	240,696	11	393,412	17
2200	Other payables (Note 18)	166,246	7	203,799	8
2230	Current tax liabilities (Note 4 and 23)	17,811	1	39,750	2
2280	Lease liabilities - current (Note 4, 14 and 28)	32,538	1	25,660	1
2320	Current portion of long-term borrowings (Note 17 and 29)	33,202	1	63,767	3
2399	Other current liabilities	<u>5,449</u>	<u>-</u>	<u>2,539</u>	<u>-</u>
21XX	Total current liabilities	<u>919,751</u>	<u>40</u>	<u>1,246,774</u>	<u>53</u>
	Non-current liabilities				
2540	Long-term borrowings (Note 17 and 29)	45,280	2	24,693	1
2570	Deferred tax liabilities (Note 4 and 23)	62,350	3	33,367	1
2580	Lease liabilities - non-current (Note 4, 14 and 28)	94,226	4	83,862	3
2640	Net defined benefit liabilities - non-current (Note 4 and 19)	<u>11,255</u>	<u>-</u>	<u>14,038</u>	<u>1</u>
25XX	Total non-current liabilities	<u>213,111</u>	<u>9</u>	<u>155,960</u>	<u>6</u>
2XXX	Total liabilities	<u>1,132,862</u>	<u>49</u>	<u>1,402,734</u>	<u>59</u>
	Equity attributable to owners of the parent company				
3110	Ordinary shares	675,000	30	525,000	22
3200	Capital surplus	186,294	8	66,078	3
	Retained earnings				
3310	Legal reserve	66,981	3	37,695	2
3320	Special reserve	4,444	-	3,526	-
3350	Unappropriated earnings	246,414	11	325,086	14
3400	Other equity	<u>( 16,229 )</u>	<u>( 1 )</u>	<u>( 4,444 )</u>	<u>-</u>
31XX	Total equity attributable to owners of the parent company	<u>1,162,904</u>	<u>51</u>	<u>952,941</u>	<u>41</u>
36XX	Non-controlling interests	<u>2,918</u>	<u>-</u>	<u>2,103</u>	<u>-</u>
3XXX	Total equity	<u>1,165,822</u>	<u>51</u>	<u>955,044</u>	<u>41</u>
	Total liabilities and equity	<u>\$ 2,298,684</u>	<u>100</u>	<u>\$ 2,357,778</u>	<u>100</u>

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



## Attachment 5

### Winstar Display Co., Ltd. and Subsidiaries Consolidated statements of comprehensive income

For the years ended December 31, 2023 and 2022

Unit: In thousands of New Taiwan Dollars,  
except that Earnings Per Share are stated in NT\$

Code		2023		2022	
		Amount	%	Amount	%
4000	Operating revenue (Note 4, 21 and 28)	\$ 2,229,230	100	\$ 2,999,262	100
5000	Operating costs (Note 10 and 22)	<u>1,652,635</u>	<u>74</u>	<u>2,182,338</u>	<u>73</u>
5950	Gross profit	<u>576,595</u>	<u>26</u>	<u>816,924</u>	<u>27</u>
	Operating expenses (Note 22)				
6100	Selling and marketing expenses	128,458	6	113,454	4
6200	General and Administrative expenses	205,542	9	225,317	7
6300	Research and Development expenses	118,794	5	124,141	4
6450	Expected credit loss (gain) (Note 4 and 9)	( <u>2,805</u> )	<u>-</u>	<u>2,346</u>	<u>-</u>
6000	Total operating expenses	<u>449,989</u>	<u>20</u>	<u>465,258</u>	<u>15</u>
6900	Profit from operations	<u>126,606</u>	<u>6</u>	<u>351,666</u>	<u>12</u>
	Non-operating income and expenses				
7010	Other income	12,284	1	12,711	-
7020	Other gains and losses	( 4,324 )	-	( 621 )	-
7050	Financial costs (Note 4, 22 and 28)	( 13,007 )	( 1 )	( 19,042 )	( 1 )
7060	Share of profit and loss of associates (Note 4 and 12)	72	-	1,845	-
7100	Interest income	9,182	-	1,885	-
7230	Net gain (loss) on foreign currency exchange (Note 22)	<u>10,995</u>	<u>1</u>	<u>46,222</u>	<u>2</u>
7000	Total non-operating and expenses	<u>15,202</u>	<u>1</u>	<u>43,000</u>	<u>1</u>

(to be continued)

(continued)

Code		2023		2022	
		Amount	%	Amount	%
7900	Profit before income tax	\$ 141,808	7	\$ 394,666	13
7950	Income tax expense (Note 4 and 23)	<u>60,777</u>	<u>3</u>	<u>104,810</u>	<u>3</u>
8200	Net profit for the year	<u>81,031</u>	<u>4</u>	<u>289,856</u>	<u>10</u>
	Other comprehensive income(loss)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plan (Note 19)	2,466	-	3,870	-
8316	Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	1,261	-	( 8,346 )	-
8349	Income tax relating to items that will not be reclassified (Note 23)	( 493 )	-	( 774 )	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange difference on translating foreign operations	( 16,311 )	( 1 )	13,977	-
8399	Income tax related to items that may be reclassified (Note 23)	<u>3,261</u>	<u>-</u>	( <u>2,785</u> )	<u>-</u>
8300	Other comprehensive income for the year, net of income tax	( <u>9,816</u> )	( <u>1</u> )	<u>5,942</u>	<u>-</u>
8500	Total comprehensive income for the year	<u>\$ 71,215</u>	<u>3</u>	<u>\$ 295,798</u>	<u>10</u>
8600	Net profit attributable to:				
8610	Owners of the company	\$ 80,809	4	\$ 289,757	10
8620	Non-controlling interests	<u>222</u>	<u>-</u>	<u>99</u>	<u>-</u>
		<u>\$ 81,031</u>	<u>4</u>	<u>\$ 289,856</u>	<u>10</u>
	Total comprehensive income attributable to:				
8710	Owners of the company	\$ 70,997	3	\$ 295,649	10
8720	Non-controlling interests	<u>218</u>	<u>-</u>	<u>149</u>	<u>-</u>
8700		<u>\$ 71,215</u>	<u>3</u>	<u>\$ 295,798</u>	<u>10</u>

(to be continued)

(continued)

Code		2023		2022	
		Amount	%	Amount	%
	Earnings per share (Note 24)				
9750	Basic	\$ <u>1.33</u>		\$ <u>5.02</u>	
9850	Diluted	\$ <u>1.33</u>		\$ <u>4.99</u>	

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

## Attachment 6

Winstar Display Co., Ltd. and Subsidiaries  
Consolidated statements of changes in equity  
For the years ended December 31, 2023 and 2022

Unit: NT\$ thousand

Equity attributable to owners of the parent company (Note 20)											
Code		Ordinary shares	Capital surplus	Retained earnings			Other equity		Total	Non-controlling interests	Total equity
				Legal reserve	Special reserve	Unappropriated earnings	Exchange difference on translating foreign operations	Unrealized gain (loss) of financial assets at fair value through other comprehensive income			
A1	Balance on January 1, 2022	\$ 500,000	\$ 35,471	\$ 31,541	\$ 3,526	\$ 70,387	( \$ 9,946 )	\$ 2,706	\$ 633,685	\$ 1,383	\$ 635,068
B1	Appropriation of 2021 earnings:										
	Legal reserve	-	-	6,154	-	( 6,154 )	-	-	-	-	-
B5	Cash dividend	-	-	-	-	( 32,000 )	-	-	( 32,000 )	-	( 32,000 )
D1	Net income for the year ended December 31, 2022	-	-	-	-	289,757	-	-	289,757	99	289,856
D3	Other comprehensive income for the year ended December 31, 2022	-	-	-	-	3,096	11,142	( 8,346 )	5,892	50	5,942
D5	Total comprehensive income for the year ended December 31, 2022	-	-	-	-	292,853	11,142	( 8,346 )	295,649	149	295,798
E1	Capital increase in cash	25,000	30,000	-	-	-	-	-	55,000	-	55,000
N1	Share-based Payment	-	607	-	-	-	-	-	607	571	1,178
Z1	Balance on December 31, 2022	525,000	66,078	37,695	3,526	325,086	1,196	( 5,640 )	952,941	2,103	955,044
B1	Appropriation of 2022 earnings:										
	Legal reserve	-	-	29,286	-	( 29,286 )	-	-	-	-	-
B3	Special reserve	-	-	-	918	( 918 )	-	-	-	-	-
B5	Cash dividend	-	-	-	-	( 56,250 )	-	-	( 56,250 )	-	( 56,250 )
B9	Stock dividends to shareholders of the Company	75,000	-	-	-	( 75,000 )	-	-	-	-	-
D1	Net income for the year ended December 31, 2023	-	-	-	-	80,809	-	-	80,809	222	81,031
D3	Other comprehensive income for the year ended December 31, 2023	-	-	-	-	1,973	( 13,046 )	1,261	( 9,812 )	( 4 )	( 9,816 )
D5	Total comprehensive income for the year ended December 31, 2023	-	-	-	-	82,782	( 13,046 )	1,261	70,997	218	71,215
E1	Capital increase in cash	75,000	117,327	-	-	-	-	-	192,327	-	192,327
N1	Share-based Payment	-	2,889	-	-	-	-	-	2,889	597	3,486
Z1	Balance on December 31, 2023	\$ 675,000	\$ 186,294	\$ 66,981	\$ 4,444	\$ 246,414	( \$ 11,850 )	( \$ 4,379 )	\$ 1,162,904	\$ 2,918	\$ 1,165,822

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

## Attachment 7

Winstar Display Co., Ltd. and Subsidiaries  
Consolidated Statements of Cash Flows  
For the years ended December 31, 2023 and 2022

Unit: NT\$ thousand

Code		2023	2022
	Cash flows from operating activities		
A10000	Income before tax for the year	\$ 141,808	\$ 394,666
A20000	Adjustment for:		
A20100	Depreciation expenses	104,393	114,735
A20200	Amortization expenses	1,064	1,261
A20300	Expected credit loss recognized (reversed) on trade receivables	( 2,805 )	2,346
A20900	Finance costs	13,007	19,042
A21200	Interest income	( 9,182 )	( 1,885 )
A21300	Dividend income	( 55 )	( 45 )
A21900	Compensation cost related to share-based payment	3,486	1,178
A22400	Share of profits of associates accounted for using equity method	( 72 )	( 1,845 )
A22500	Loss on disposal of property, plant and equipment	16	355
A23800	Inventory valuation losses	35,925	25,881
A24100	Unrealized net loss (gain) in foreign currency exchange	837	( 3,859 )
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	12,217	( 4,916 )
A31150	Trade receivables	28,883	55,099
A31180	Other receivables	( 1,151 )	( 102 )
A31200	Inventory	207,509	( 53,012 )
A31240	Other current assets	13,724	15,664
A32130	Notes payable	( 13,262 )	16,135
A32150	Trade payables	( 135,230 )	( 75,872 )
A32180	Other payables	( 37,453 )	36,104
A32230	Other current liabilities	3,118	2,586
A32240	Net defined benefit liabilities	( 317 )	( 426 )
A33000	Cash generated from operations	366,460	543,090
A33100	Interest received	9,182	1,885
A33200	Dividend received	55	1,151
A33300	Interest paid	( 11,362 )	( 17,283 )
A33500	Income tax paid	( 62,943 )	( 25,069 )
AAAA	Net cash generated from operating activities	<u>301,392</u>	<u>503,774</u>

(to be continued)

(continued)

Code		2023	2022
	Cash flows from investing activities		
B00040	Payments for financial assets at amortized cost	( \$ 22,585 )	( \$ 32,881 )
B00050	Proceeds from disposal of financial assets at amortized cost	41,454	-
B02700	Payments for property, plant and equipment	( 30,667 )	( 23,627 )
B02800	Proceeds from disposal of property, plant and equipment	106	631
B03700	Increase in refundable deposits	( 744 )	( 3,767 )
B03800	Decrease in refundable deposits	3,992	1,159
B04500	Payments for intangible assets	( 1,200 )	( 670 )
B07100	Increase in prepayments for equipment	( 37,850 )	( 22,225 )
BBBB	Net cash used in investing activities	( 47,494 )	( 81,380 )
	Cash flows from financing activities		
C00100	Proceeds from short-term borrowings	459,667	567,784
C00200	Repayments of short-term borrowings	( 537,993 )	( 640,495 )
C01600	Proceeds from long-term loans	63,000	55,000
C01700	Repayments of long-term borrowings	( 72,978 )	( 93,046 )
C04020	Repayments of the principal portion of lease liabilities	( 31,113 )	( 34,617 )
C04500	Dividends paid to owners of the company	( 56,250 )	( 32,000 )
C04600	Capital increase in cash	192,327	55,000
CCCC	Net cash generated from (used in) financing activities	16,660	( 122,374 )
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	( 7,277 )	6,544
EEEE	Net increase in cash and cash equivalents	263,281	306,564
E00100	Cash and cash equivalents at the beginning of the year	591,149	284,585
E00200	Cash and cash equivalents at the end of the year	\$ 854,430	\$ 591,149

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

## Appendix 1

# Articles of Incorporation of Winstar Display Co., Ltd.

### Chapter 1 General Provisions

Article 1: The Company is incorporated in accordance with the Company Act, and its name is Winstar Display Co., Ltd.

The English name is **WINSTAR DISPLAY CO., LTD.**

Article 2: Businesses of the Company are as follows:

Research, development, manufacturing, and sale of the following products:

1. Organic electroluminescence (OLED) display modules.
2. E-Paper display modules.
3. Liquid crystal display modules.

The industries and codes of the above products are as follows:

1. CC01080 Electronics Components Manufacturing.
2. CC01050 Data Storage Media Units Manufacturing.

The following business operations are limited to outside the Science Park:

3. F113050 Wholesale of Office Machinery and Equipment.
4. F119010 Wholesale of Electronic Materials.
5. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company has its head office in the Central Taiwan Science Park and may establish branches domestically and internationally upon the resolution of the Board of Directors if necessary.

Article 4: In response to the needs of business transactions, the Company may provide guarantees to external parties after a resolution by the Board of Directors, which shall be handled in accordance with the Company's Operational Procedures for Endorsements and Guarantees.

Article 5: The total amount of the Company's reinvestments is not subject to the restrictions on reinvestment in Article 13 of the Company Act.

Article 6: Announcements made by the Company shall be made based on the requirements of Article 28 of the Company Act.

### Chapter 2 Shares of Stock

Article 7: The total capital of the Company shall be NTD 800,000,000, divided into 80,000,000 shares, with a par value of NTD 10 per share. All are registered common shares, and they are issued in batches, and some authorized shares are not issued. The Board of Directors is authorized to issue the shares in installments.

Of the aforementioned total capital, NTD 80,000,000 in total, divided into 8,000,000 shares at par value of NTD 10, may be retained for the execution of employee stock option certificates.

If the Company transfers shares to employees at a price lower than the average price actually repurchased, or issues shares that are not subject to the restrictions set forth in Article 53 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", such shares shall be submitted to the shareholders' meeting for approval. In addition, the motion must be attended by shareholders representing more than half of the total number of issued shares, and more than two-thirds of the voting rights of the attending shareholders shall be present.

Article 8: The shares issued by the Company shall be registered and numbered, and shall be signed or sealed by the director representing the Company, and shall be certified by the competent authority and its approved issuing registrar before issuance. The shares issued by the Company may be issued without printing share certificates, but shall be registered with a centralized securities depository.

Article 9: No change may be made to the Company's shareholders' register within 60 days prior to a general shareholders' meeting, or 30 days prior to a special shareholders' meeting, or within 5 days prior to the record date for the distribution of dividends, bonuses, or other benefits by the Company.

The Company's stock affairs shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies."

### Chapter 3 Shareholders' Meeting

Article 10: The Company's shareholders' meeting is divided into the following two types:

1. The general shareholders' meeting shall be convened by the Board of Directors within six months after the end of each fiscal year.
2. Special shareholders' meetings, if necessary, shall be convened in accordance with the relevant laws and regulations.

Shareholders' meetings are convened in accordance with Article 172 of the Company Act. Notice of a shareholders' meeting may be given by electronic means with the consent of the counterparties.

The Company may convene shareholder meetings by way of video conference or using other methods as announced by the competent authority.

Article 11: When a shareholders' meeting is convened by the Board of Directors, the Chairman shall preside over the meeting. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, he/she appoints a director to act as the chair. When convened by a party with convening power other than the Board of Directors, such convening party shall chair the meeting. If there are two or more convening parties, they shall mutually select a chair from among themselves.

Article 12: The Shareholders of the Company shall be notified 30 days before the convention of the Shareholders Meeting and the date, venue and motions of the Special Shareholders Meeting shall be notified 15 days before the meeting.

Article 13: If a shareholder is unable to attend the shareholders' meeting for any reason, he or she may appoint a proxy to attend the meeting by specifying the scope of authorization in a power of attorney printed by the company with his/her signature and seal.

The proxy attendance of shareholders shall be governed by the relevant laws and regulations of the competent authority.

Except as otherwise provided by the Company Act, the Company shall comply with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 14: Shareholders of the Company shall have one voting right per share, except under circumstances specified in the Company Act and other relevant laws and regulations.

Article 15: Unless otherwise specified in the Company Act, resolutions at a shareholders' meeting shall be attended by shareholders who represent more than half of the total number of issued shares, and a majority vote of the shareholders in attendance shall approve.

When the Company holds a shareholders' meeting, it shall include electronic means as one of the channels for exercising voting rights, and the method of exercise shall be specified in the shareholders' meeting notice.



#### Chapter 4 Directors and supervisors

- Article 16: The Company shall appoint between five and nine directors who shall be elected by the shareholders' meeting from among the persons with disposing capacity for a three-year term and may be re-elected after the term. In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended in accordance with the law until the time new directors have been elected and assumed their office.
- Article 16-1: In compliance with Article 14-2 of the Securities and Exchange Act, among the above-mentioned number of directors, the number of independent directors shall not be less than three, and shall not be less than one-fifth of the total number of directors. The independent director nomination system is adopted, and the shareholders' meeting elects the independent director candidates from the list of candidates. Professional qualifications, shareholdings, concurrent job restrictions, nominations, means of election as well as other issues should all be handled accordance with the regulations of the competent authority.
- The Company's directors shall be elected in accordance with the candidate nomination system stipulated in Article 192-1 of the Company Act. Shareholders shall elect directors from the list of candidates announced by the Company.
- Article 17: The Chairman of the Board of Directors shall be elected by more than two-thirds of the directors present at the meeting and approved by more than half of the directors present. The chairman of the Board of Directors represents the Company externally.
- Article 18: The reason for convening the Board of Directors shall be stated, and notified to each director and supervisor in accordance with the Company Act or after the public offering of the Company's shares and in accordance with the Securities and Exchange Act. However, in case of an emergency, they may be convened at any time.
- The Board of Directors may be convened in writing, by fax or by E-mail.
- Unless otherwise provided for in the Company Act, the Board of Directors shall be convened by the Chairman of the Board of Directors, and unless otherwise provided in the Company Act, a resolution of the Board of Directors shall be made with the attendance of a majority of the directors, and the consent of a majority of the directors present.
- Article 19: When a board meeting is convened by the chairman, the chairman shall be the chairman of the Board of Directors. When the chairman is on leave or for any reason unable to exercise the powers of the meeting, the chairman shall designate a director to act as deputy. The director shall attend the board meeting in person. If a director is unable to attend the meeting for some reason he or she may appoint another director to act as agent, and the preceding paragraph shall be limited to one person.
- Article 20: The directors and supervisors shall be entitled to remuneration from the company for performing its business duties, regardless of the company's operating profits or losses. The criteria for such payment shall be determined by the Board of Directors based on the degree of their participation to the Company's operations and value of their contributions as well as the standard rate in the industry. The Company may purchase liability insurance for the directors and supervisors of the Company in respect of their legal liabilities for carrying out the scope of business during their term of office.
- Article 21: The Board of Directors of the Company may set up functional committees due to the needs of business operations. The establishment and powers of relevant committees shall be conducted in accordance with the regulations set by the competent authorities.
- The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for carrying out the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act, and other laws and regulations. The Audit Committee shall consist of all independent directors. The number of the audit committee shall not be less than three. At least one person shall have accounting or financial expertise.

## Chapter 5 Managers

Article 22: The Company may appoint managers whose appointment, discharge and remuneration shall be handled in accordance with Article 29 of the Company Act.

## Chapter 6 Accounting

Article 23: The Company shall prepare the following reports at the end of each fiscal year in accordance with Article 228 of the Company Act, and submit them to the Audit Committee for review 30 days before the general shareholders' meeting, and the Audit Committee shall issue a report at the annual general meeting for its ratification.

1. Business Report.
2. Financial statements.
3. Proposals concerning profit distributions or covering of losses.

Article 24: If the Company makes a profit in the current year, it shall appropriate as remuneration to employees and directors, and the proportions are as follows. However, if the Company still has accumulated losses, an amount shall be reserved in advance to offset the losses.

1. Remuneration to employees shall not be less than 1%.
2. Remuneration to directors shall not exceed 5%.

Employee remuneration is to be paid in the form of shares or cash. Remuneration of directors shall be distributed in the form of cash. The distribution of employees' and directors' remuneration shall be made by a resolution adopted by the Board of Directors with at least two-thirds of the directors present and with the consent of at least half of the directors present at the meeting, and shall be reported to a shareholders' meeting.

The recipients of the payment of employee treasury stock, employee stock option certificates, new employee shares, restricted shares, and employee remuneration may include employees of controlling companies or subsidiaries of the Company who meet certain conditions as determined by the Board of Directors.

Article 25: If there is a surplus in the Company's annual final accounts, taxes should first be paid and accumulated losses covered. Thereupon, another 10% should be set aside as legal reserve. However, this does not apply when legal reserve has reached the amount of paid-in capital. The remainder shall be set aside or reversed as special reserve in accordance with laws and regulations. If there is any remaining surplus, then it shall be combined with cumulative undistributed earnings and an earnings distribution proposal drafted by the Board of Directors for submission to the shareholders' meeting for resolution on the distribution of shareholder dividends.

The Company adopts a prudent and balanced dividend policy and appropriates 10% - 90% of the distributable earnings for the year as dividends to shareholders, taking into account factors such as profitability, financial structure and the Company's future development, of which the total amount of cash dividends shall not be less than 10%. However, if the dividend per share obtained by the aforementioned distribution method is less than NTD 0.1, the Board of Directors may propose to the Board of Directors not to distribute the dividend and submit it to the shareholders' meeting for approval.

Chapter 7      Supplementary Provisions

Article 26: Matters not covered in these Articles of Incorporation shall be handled in accordance with the Company Act and the regulations of the competent authorities.

Article 27: The Articles of Incorporation were established on June 8, 1998.

The first amendment was made on August 5, 1999

The second amendment was made on September 20, 2001

The third amendment was made on November 20, 2003

The fourth amendment was made on August 11, 2004

The fifth amendment was made on June 25, 2005

The sixth amendment was made on June 24, 2006

The seventh amendment was made on June 21, 2007

The eighth amendment was made on June 30, 2011

The ninth amendment was made on June 20, 2016

The tenth amendment was made on June 30, 2020

The eleventh amendment was made on June 28, 2022

The twelfth amendment was made on September 29, 2022

The thirteenth amendment was made on May 26, 2023

Winstar Display Co., Ltd.

Chairman: Yu-Pin Liao

## Appendix 2

# Winstar Display Co., Ltd. Rules of Procedure for Shareholder Meetings

### Article 1 Applicable laws and regulations

Except as otherwise provided by laws and regulations or the Articles of Incorporation, the rules of procedure for shareholders' meetings of the Company shall be governed by these Rules.

### Article 2 Shareholders' Meeting Convening and Meeting Notice

Shareholders' meetings of the Company shall be convened by the Board of Directors, unless otherwise provided in the law.

Unless otherwise stipulated in the Regulations Governing the Administration of Shareholder Services of Public Companies, convening of the Company's shareholders' meeting by videoconference shall be specified in the Articles of Incorporation and by a resolution of the Board of Directors. Furthermore, the videoconference of the shareholders' meeting shall be implemented by a resolution of the Board of Directors with more than two-thirds of the directors in attendance and approved by more than half of the directors present.

Changes to the method of convening a shareholders' meeting of the Company shall be subject to a resolution of the Board of Directors and no later than the dispatch of the notice of the shareholders' meeting. The Company shall submit the notice of meeting, the proxy form, the motions for ratification, matters for discussion, election or dismissal of directors, etc. The handbook and supplemental information for the shareholders' meeting should be prepared and transmitted to the Market Observation Post System (MOPS) in electronic format, and then submitted to the MOPS no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. Before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda book and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the shareholder services agent designated thereby.

The Company shall make the meeting agenda book and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

Notices and announcements shall specify the reason for the convening and may be effected by means of electronic transmission with the prior consent of the recipients.

Election or dismissal of directors, amendments to the articles of incorporation, capital reduction, application to halt public offering, director's business licenses, a capitalization of surplus, capital surplus transferred to common stock, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

The convening of the shareholders' meeting shall state the full re-election of directors and the date of appointment. After the re-election at the shareholders' meeting is completed, the same meeting shall not change its appointment date by an extraordinary motion or other means.

Pursuant to Article 172-1 of the Company Act, A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may make a proposal to urge the company to promote public interest or to fulfill its social responsibilities. Procedurally, such proposal shall be limited to one item in accordance with the relevant provisions of Article 172-1 of the Company Act and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, whether or not it shall be via written or electronic acceptance, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening handling results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

### Article 3 Attendance and authorization of proxy at shareholders' meetings

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail. However, this does not apply to proxies declared before a revocation of the statement.

After a proxy statement delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights in writing or electronically, a written notice of proxy cancellation shall be submitted to the Company two days prior to the meeting date. If the cancellation is overdue, the voting rights performed by the authorized proxy shall prevail.

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### Article 4 Place and time of shareholders' meetings

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. The location and time of the meeting shall fully consider the opinions of independent directors.

The preceding paragraph's restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.

#### Article 5 Preparation of signature books and other documents

The Company shall specify in the meeting notice the time and place where the registration will be accepted by shareholders, requesting parties and proxies (hereinafter referred to as "shareholders") and other matters to be noted.

The check-in time shall be at least 30 minutes before the commencement of the meeting; the check-in location shall be clearly marked and sufficient qualified personnel shall be assigned to handle the registration. The videoconference of the shareholders' meeting shall be registered on the videoconference platform of the shareholders' meeting 30 minutes before the start of the meeting. Shareholders who have completed the registration are deemed to have attended the shareholders' meeting in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The attending shareholders shall hand in the sign-in cards in lieu of signing in.

The Company shall submit the shareholders' meeting handbook, annual report, attendance certificates, speech notes, votes, and other meeting materials for delivery to shareholders attending the shareholders' meeting. If there are directors to be elected, a separate election ballot shall be attached.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person appoints a proxy to attend, it may designate only one person to represent it at the meeting.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders' meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 5-1 To convene a virtual shareholders' meeting, this Corporation shall include the following particulars in the shareholders' meeting notice:

The Company shall specify the following in the shareholder meeting notice when convening a shareholder meeting via videoconference:

1. How shareholders attend the virtual meeting and exercise their rights
2. Actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other *force majeure* events shall include at least the following:
  - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
  - (2) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
  - (3) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.
  - (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. With the exception of circumstances specified in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall be provided with connection equipment and necessary assistance at a minimum, and specification should be made of the period during which shareholders can apply to the Company and of other related matters requiring attention.

Article 6 Chairperson of Shareholders' Meeting and persons in attendance in the meeting

If the shareholders' meeting is convened by the Board of Directors, the chairperson shall be the presiding chair. When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the directors to act as chair. If no such designation is made by the chairperson, the directors shall select one person from among themselves to serve as chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairperson of the board in person and attended by a majority of the directors and at least one member of each functional committee. The attendance shall be recorded in the meeting minutes.

If the shareholders' meeting is convened by a convening party other than the Board of Directors, the convener shall be the presiding chair. When there are two or more such conveners, they shall choose from among themselves.

The Company may appoint its appointed lawyers, certified public accountants or related personnel to attend the shareholders' meeting in a non-voting capacity.

#### Article 7 Documentation of a shareholders' meeting by audio or video

The Company shall keep uninterrupted audio and video recordings of the entire shareholders' meeting and retain the record for at least one year. However, if a shareholder institutes legal proceedings in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall be retained until the legal proceedings are concluded.

Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

#### Article 8 Calculation of the number of shares attending the shareholders' meeting and the convening of the meeting

Attendance at a shareholders' meeting shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

When meeting time has arrived, the presiding chair shall immediately announce the opening of the meeting. At the same time, the number of non-voting rights and the number of shares present will be announced.

However, shareholders are not present representing more than half of the total issued shares, the presiding chair may announce a postponement of the meeting. The number of postponements is limited to two, and the total postponement time shall not exceed one hour. If the quorum is not met after two postponements and the attending shareholders represent one third or more of the total number of issued shares, the meeting shall be dismissed by the chair. If the shareholders' meeting is held via video conference, the company shall also announce the meeting on the video conference platform of the shareholders' meeting.

Under the preceding paragraph, if the quorum is not met after two postponements but the attending shareholders represent one third or more of the total number of issued shares, then notification shall be given to all shareholders of a tentative resolution to convene another shareholders' meeting within one month in accordance with Article 175, Paragraph 1 of the Company Act. If the shareholders' meeting is held via video conference, shareholders who wish to attend via video conference must re-register with the company in accordance with Article 5.



By the end of such meeting, if number of shares represented by the attending shareholders has already constituted more than one half of the outstanding shares, the presiding chair may put the tentative resolution to the vote at the general meeting again in accordance with Article 174 of Taiwan's Company Act.

#### Article 9 Discussion of proposals

If the shareholders' meeting is convened by the Board of Directors, its agenda shall be set by the Board of Directors, and the relevant proposals shall be voted. (Including temporary motions and amendments to the original motion.) The meeting shall be conducted according to the scheduled agenda, and shall not be changed without the resolution of the shareholders' meeting. If the shareholders' meeting is convened by a convening party other than the Board of Directors, the provisions of the preceding paragraph shall apply.

The agenda set out in the previous two items shall not be declared adjourned by the presiding chair without a resolution before the proceedings are over.

If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a chair to continue the meeting by a unanimous agreement of a majority of the votes represented by the attending shareholders in accordance with the law.

The presiding chair shall give the opportunity to fully explain and discuss the motions and amendments or temporary motions proposed by shareholders. When it is considered that the voteable level has been reached, the discussion may be announced to be stopped, the vote shall be put forward, and adequate voting time shall be arranged.

#### Article 10 Shareholder statements

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the presiding chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the contents of the speech do not correspond to the subject given on the speaker's slip, the content of the speech shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violations.

Unless otherwise permitted by the presiding chair, each shareholder shall not speak more than twice concerning the same item, and each instance shall not exceed five minutes. If a shareholder's speech violates the regulations or exceeds the scope of the topic, the presiding chair may stop the speech. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the presiding chair may respond in person or direct relevant personnel to make a response.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

If the question asked in the preceding paragraph does not violate the regulations or does not exceed the scope of the proposal, it is advised to disclose the question on the shareholders' meeting video conference platform for everyone to know.

#### Article 11 Calculation of voting shares and recusal system

Voting at a shareholders' meeting shall be calculated based on the number of shares. The shares held by any shareholder without voting rights shall not be included in the total number of outstanding shares while voting on resolutions at the shareholders' meeting. A shareholder shall abstain from exercise of voting rights for himself/herself or on behalf of another shareholder in respect of any proposed matter for consideration at a general meeting if he/she bears personal interest therein that may conflict with and impair the interest of the Company.

The shares represented by the voting rights contained in the preceding paragraph shall not be counted in the number of votes of the shareholders present at the said meeting.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

#### Article 12 Methods of voting on motions, examining votes, and counting votes

Shareholders have one vote per share; however, for those who are restricted or those without voting rights under Article 179, Paragraph 2 of the Company Act, this limitation shall not apply.

When the Company holds a shareholder meeting following its Emerging Market listing, voting rights should be exercised in by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. Any shareholder who exercises voting rights in writing or in electronic form shall be deemed to have attended the general meeting in person. However, they shall be deemed to have waived their votes in respect of any ad hoc motions and the amendments to the contents of the original proposals at such general meeting. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, this does not apply to those who express their intention before a declaration of the statement.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. In case of exercise of votes by way of a written ballot or by way of electronic transmission and attend a shareholders' meeting by proxy, the votes exercised by the proxy during the shareholders' meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

At the time of voting, the shareholders shall cast a ballot, and on the same day after the shareholders' meeting, the results for, against, and abstentions shall be entered into the Market Observation Post System.

When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

The examiners and counting staff of votes on motions shall be appointed by the presiding chair, but the examiners should have shareholder status.

Vote counting for shareholder meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 5 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

## Article 13 Election matters

The election of directors or supervisors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. However, if a shareholder institutes legal proceedings in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall be retained until the legal proceedings are concluded.

## Article 14 Meeting minutes and sign-in matters

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within 20 days after the close of the meeting. The production and distribution of the proceedings can be done electronically.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results. For an election of directors, the number of votes received by each candidate should be disclosed. The meeting minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other *force majeure* events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.

## Article 15 Public announcements

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event of a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

#### Article 16 Maintenance of order at the venue

Staff handling the administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband or identification card bearing the word "Proctor."

If the venue is equipped with amplifying equipment, the presiding chair may put a stop to a shareholder who is not using equipment provided by the Company to speak.

For shareholders violate the rules of procedure and do not obey presiding chair's instructions or for anyone who obstructs the progress of the meeting and refuses to comply after being stopped from such action, the presiding chair may direct proctors or security personnel to ask them to leave the venue.

#### Article 17 Breaks and continuations

While the meeting is in progress, presiding chair may decide the time to announce a break. When an uncontrollable event occurs, the presiding chair may rule that the meeting be suspended and announce the time for the continuation of the meeting according to the situation.

If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

In accordance with Article 182 of the Company Act, the shareholders' meeting may resolve to postpone or continue the meeting within five days.

#### Article 18 Information disclosure of video conference

In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

#### Article 19 Locations of the chair of the videoconference and the secretary

When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same domestic location.

## Article 20 Handling of interruptions

For shareholders' meetings that are held by teleconferencing, the chairperson should announce at the start of the meeting that except when there is no need to postpone or continue the meeting in accordance with Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the provisions of Article 182 of the Company Act is not applicable to the date of meeting postponement or resumption within 5 days for the interruption to the teleconferencing platform or the meeting lasting more than 30 minutes due to natural disasters, incidents or *force majeure*, before the chair announces the end of the meeting.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

If the teleconference shareholders' meeting cannot resume as described in Paragraph 1, and the total number of shares represented in attendance still meet the statutory quorum for the convening of the meeting after subtracting the number of shares that attended the meeting by teleconferencing, the meeting should still continue without needing a postponement or resumption in accordance with Paragraph 1.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to the first paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, Paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the first paragraph.

Article 21 Handling of digital gaps

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article 22 These Rules of Procedure shall be implemented after being approved by the shareholders' meeting. The same shall hold true of amendments.

## Appendix 3

### Winstar Display Co., Ltd. Shareholdings of All Directors

Closing date: April 1, 2024

Job Title	Name	Number of shares held	Shareholding ratio
Chairman	Yu-Pin Liao	6,005,672	8.90%
Director	Jastar Investment Co., Ltd.	8,527,909	12.63%
Director	Kenstar Investment Co., Ltd.	10,636,783	15.76%
Independent Director	Hsiang-Tsai Chiang	0	0.00%
Independent Director	Ming-Shih Chiu	0	0.00%
Independent Director	San-Shan Hung	0	0.00%
Independent Director	Yen-Jen Chang	0	0.00%
Total shareholdings of directors		25,170,364	37.29%

4. The Company's paid-in capital is NTD 675,000,000, and the number of issued shares is 67,500,000.
5. The minimum shareholding of all directors is 5,400,000 shares.
6. As of the last share transfer date of the shareholders' meeting (April 1, 2024), the total number of shares held by all directors is 25,170,364 shares.





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