

Wistron Information Technology and Services Corporation

2024 ANNUAL SHAREHOLDERS MEETING MINUTES

(Translation)

Time: 9:00 a.m., May 27, 2024

Venue: Multi-Purpose Auditorium

(1F., No.15, Ln. 168, Xingshan Rd., Neihu Dist., Taipei City)

Shareholders meeting was held by means of physical shareholders meeting.

Total share represented by shareholders present in person or by proxy are 48,574,633 shares (including 26,429,969 shares through e-voting), which is 67.14% of the total 72,343,739 outstanding shares (excluding treasury shares 484,000 shares.)

Attended Directors:

Ching Hsiao (the Chairman of Board of Directors), and Frank Lin

Attended Independent Directors:

Yen Ling Fang (the Convener of Audit Committee), Jennifer Hwang,
Mark Fan, and Allen Tsai

Chairman: Ching Hsiao

Recorder: Yuri Lin

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

Chairman's Address: (Omitted)

I. Report Items

1. The Business Report of 2023. (Please refer to Attachment.)
2. Audit Committee's Review Report. (Please refer to Attachment.)
3. To report distribution of employees' profit sharing bonus and directors' remuneration. (Please refer to the Company's Meeting Agenda for Shareholders Meeting)

II. Ratification and Discussion Items

ITEM 1: Ratification of the Business Report and Financial Statements of 2023.

Proposal: Submission (by the Board of Directors) of the Company's 2023 Business Report and Financial Statements for ratification.

Details: 1. The Company's Financial Statements for 2023, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Mr. Ming-Hung Huang, and Mr. Chia-Chien Tang, of KPMG.

2. Please refer to Attachment for the Company's Business Report, and Independent Auditors' Report, and the aforementioned Financial Statements.

3. Submission for ratification.

Resolution:

Voting Result: Shares present at the time of voting: 48,574,633

| Approval votes | % | Disapproval votes | % | Invalid votes | % | Abstention votes/ no votes | % |
|---|-------|---|------|---------------|---|---|------|
| 48,478,435 (including 26,369,829 votes through e-voting) | 99.80 | 23,235 (including 23,235 votes through e-voting) | 0.04 | 0 | 0 | 72,963 (including 36,905 votes through e-voting) | 0.15 |

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

ITEM 2: Ratification of the proposal for distribution of 2023 profits.

Proposal: Submission (by the Board of Directors) of the proposal for 2023 profits distribution for ratification.

Details: 1. Net income after tax is NT\$587,973,278, after adding up remeasurements of the defined benefit obligation of NT\$2,462,000, then deducting legal reserve of NT\$59,043,528 and special reserve of NT\$65,147,618, and adding up unappropriate retained earnings in prior years of NT\$761,008,842, therefore the total amount of retained earnings available for distribution is NT\$1,227,252,974. The dividends and

- bonuses proposed to be distributed to the shareholders amount to NT\$361,718,695 in cash (NT\$5 per share).
2. After the adoption of the resolution at the Annual Shareholders Meeting, the Chairman is authorized to carry out the matter regarding the setting of the ex-dividend record date and other relevant matters.
 3. In the event that, before the ex-dividend record date, the proposed earnings distribution plan is affected due to the revisions to relevant laws or regulations, or upon the request of the competent authorities, or the change to the Company's common shares (i.e. repurchasing the Company's shares for transfer or cancellation, issuance of new shares to its employees as a result of their exercise of stock options, unsecured convertible bonds converting into common shares, capital increase by cash, capital increase by issuance of GDR, cancellation of part of Employee Restricted Stock Awards, and capitalization of employees' profit sharing bonus through issuance of new shares, etc.), which results in changes in shareholder's allotment of dividend-payout ratio, the Chairman is authorized to make necessary adjustments at its full discretion.
 4. Please refer to Attachment for the Profit Appropriation Statement for 2023.
 5. Submission for ratification.

Resolution:

Voting Result: Shares present at the time of voting: 48,574,633

| Approval votes | % | Disapproval votes | % | Invalid votes | % | Abstention votes/ no votes | % |
|---|-------|---|------|---------------|---|---|------|
| 48,447,409 (including 26,338,803 votes through e-voting) | 99.73 | 55,105 (including 55,105 votes through e-voting) | 0.11 | 0 | 0 | 72,119 (including 36,061 votes through e-voting) | 0.14 |

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

ITEM 3: Approval of amendments to the “Articles of Incorporation.”

Proposal: Submission (by the Board of Directors) of a proposal to amend certain parts of the Company's “Articles of Incorporation.”

- Details: 1. In response to the operational needs of the Company, it is proposed to make amendments to the “Articles of Incorporation.” (Please refer to Attachment for the comparison between the original and the amendments).
2. Please discuss.

Resolution:

Voting Result: Shares present at the time of voting: 48,574,633

| Approval votes | % | Disapproval votes | % | Invalid votes | % | Abstention votes/ no votes | % |
|---|-------|---|------|---------------|---|--|------|
| 48,414,079 (including 26,305,473 votes through e-voting) | 99.66 | 25,067 (including 25,067 votes through e-voting) | 0.05 | 0 | 0 | 135,487 (including 99,429 votes through e-voting) | 0.27 |

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

III.Extemporary Motion: None.

IV.Meeting Adjourned: 09:29 a.m., May 27, 2024

(There were no shareholders raised questions at the meeting.)

Note: This document is extracted from the meeting; the details are subject to the audio and video recording.

Wistron Information Technology and Services Corporation

Business Report

A. Review of 2023

(A) Economic & Industrial Environment and Business Focuses

In 2023, in the face of a slowing global economy, weaker-than-expected post-pandemic recovery in China, and rising geopolitical risks, market uncertainty became a major challenge to operations. In addition to carefully evaluating market trends, WITS (Wistron ITS) continues to make adjustments to respond to market changes with agility and deepen partnerships. This strategy resulted in outstanding operating performance in 2023, helping the company reach new highs.

Facing the global wave of artificial intelligence in 2023, WITS continues to deepen its developments in the AI field and participate in the application of AI technology by clients in various industries, including smart driving, smart customer service, smart cloud, AI recommendation algorithms, AI auditing and lending, etc. AI-related applications will become one of the driving forces for business growth in the future. In order to stimulate innovative AI applications internally, the WITS team also successfully introduced generative AI into the employee service platform, named “Chat8855.”

In the face of the scarcity of talent in the market, WITS has continued to build a diversified talent recruitment pipeline. As of the end of 2023, we have signed industry-academia partnerships with more than 10 tertiary education institutions across Taiwan to promote joint training programs, helping to nurture more outstanding and capable cross-discipline technology talents by providing innovative application scenarios and industry experience. At the same time, we have collaborated with more than five external training organizations to share resources and promote talent transformation, so as to build an efficient and competitive workforce and enhance delivery capacity and service quality.

Furthermore, WITS changed its trademark from “Wistron ITS” to “WITS” in 2023 to convey the value of its services with a brand-new image, demonstrating the Company’s focus on a corporate culture of diversity, inclusivity, and friendly communication, as well as reinforcing the concept and spirit of corporate sustainability.

(B) Financial Performance and Operating Highlights

In 2023, WITS demonstrated its operational resilience and continued to create growth in the face of adversity. In 2023, consolidated revenue was NT\$8.84 billion, showing an annual increase of 11%, net profit was NT\$588 million, showing an annual increase of 6%, and basic earnings per share was NT\$8.49. Both revenue and profits once again reached record highs, which is a remarkable achievement. Gross margin,

operating margin, and net profit margin were 20%, 6.9%, and 6.7%, respectively, maintaining stable performance.

In 2023, business performance showed a steady upward trend, with double-digit revenue growth for the third consecutive year. Revenue performance in the Greater China market continued to be strong, with leading Internet clients continuing to play a major role in driving revenue growth based on a strong foundation of collaboration. Driven by the trend of green energy and the development of smart applications, key smart car clients maintained stable and rapid growth, which provided strong momentum for revenue. In addition, the continued development of Taiwan's financial industry also drove revenue growth. Through continuous operational optimization, operating income and net profit increased quarter by quarter, resulting in a remarkable profit performance. Profits and basic earnings per share have simultaneously reached a record high.

(C) Corporate Sustainability and Qualification Honors

WITS' commitment to sustainability has earned it the Bronze Award for SDG8 - Decent Work and Economic Growth of the third annual TSAA Taiwan Sustainability Action Award in 2023. At the same time, WITS has been recognized for its environmental, social, and corporate governance practices. WITS has obtained ISO 14064 greenhouse gas emissions certification, moving us closer to the goal of net zero carbon emissions. WITS has built a corporate culture of diversity and inclusion, career empowerment, and talent sustainability, winning the Best IT Employer award in the first "IT Matters Awards." WITS ranked among the top 5% of TPEx listed companies in Corporate Governance Evaluation for three consecutive years, and top 5% of small mid-cap companies again in this year, demonstrating how WITS has continued to improve and implement corporate governance.

B. Outlook for 2024

As WITS looks ahead to 2024, the global economic market continues to fluctuate at its lowest point, which will create numerous challenges. Although the economic outlook for China is highly uncertain, WITS has been cultivating the Internet market in China for several years and has established long-term partnerships with a number of leading companies. WITS expects to maintain steady growth. At the same time, WITS, as an early entrant into the smart car industry, has successfully seized the first opportunity to establish a solid market foundation.

Based on the development of these two fields of business, WITS' forward-looking strategy reflects insight into market trends. In addition to deepening the development of core clients, WITS will also continue to explore the markets for new technologies. It will actively explore the areas of innovation and ESG, and improve the technological ecosystem to achieve the collaboration and resource integration in partnerships, in order to provide reliable AI applications and professional cloud services to help clients continue to take the lead in the digital wave. WITS will also realize the comprehensive deployment of digital innovations through the introduction of smart tools in the internal operating process. As the ESG trend gradually gains global attention, WITS will apply our software technology service capabilities to assist clients in realizing sustainable corporate resource

management and digital transformations, in order to seize a share of the growing ESG business opportunities.

In addition, WITS is actively promoting the “WITS 3.0” for 5-year development plan, which upholds the spirit of “Delivering Excellence for Client Success.” With a focus on clients, WITS continues to establish a value ecosystem with partners, talents, and employees. In addition to understanding the needs of clients and establishing long-term and trustworthy partnerships, WITS will also actively focus on the cultivation of software talents, promote the establishment of an international talent ecosystem, and expand the area of contact with outstanding talents around the world. In the future, WITS will continue to enhance the value of services, strengthen the long-term competitiveness of the Company, and join hands with top clients around the world to create an innovative vision of the future and realize a better world.

Chairman: Ching Hsiao

President: Ching Hsiao

Controller: YuFen Sun

Attachment

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and proposal for allocation of profits. The CPA firm of KPMG was retained to audit Wistron Information Technology and Services Corporation's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee of Wistron Information Technology and Services Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this report.

Wistron Information Technology and Services Corporation.

Convener of the Audit Committee : Yen Ling Fang

March 5, 2024

Independent Auditors' Report

To the Board of Directors of Wistron Information Technology and Services Corporation:

Opinion

We have audited the consolidated financial statements of Wistron Information Technology and Services Corporation and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of notes and accounts receivable

Please refer to Note 4(g) "Financial Instruments" for accounting policy, Note 5 for accounting assumptions, judgments and estimation uncertainty of notes and accounts receivable and Note 6(b) for the disclosure of the valuation of notes and accounts receivable to the consolidated financial statements.

Description of key audit matter

The Group engages in the information technology service industry. Resulting in significant judgment being applied in the management's assessment of the recoverability of notes and accounts receivable. Consequently, the valuation of notes and accounts receivable is identified as the key matter in our audit.

How the matter was addressed in our audit

Our principal audit procedures included testing the adequacy of the formula of the calculation for expected loss rate; testing the adequacy of aging report by tracing to related vouchers; evaluating the appropriateness of loss allowance and expected credit loss by testing if the loss allowance was made by expected loss rate; assessing if the evaluation document of loss allowance for notes and accounts receivable was compliance with the Group's accounting policy; evaluating the adequacy of the disclosure of loss allowance for notes and accounts receivable prepared by management.

Other Matter

Wistron Information Technology and Services Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 judgment 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Huang, Ming-Hung and Tang, Chia-Chien.

KPMG

Taipei, Taiwan (Republic of China)
March 5, 2024

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

| | | December 31, 2023 | | December 31, 2022 | | | | December 31, 2023 | | December 31, 2022 | |
|----------------------------|--|---------------------|------------|-------------------|------------|---------------------------------|---|---------------------|------------|-------------------|------------|
| Assets | | Amount | % | Amount | % | Liabilities and Equity | | Amount | % | Amount | % |
| Current assets: | | | | | | Current liabilities: | | | | | |
| 1100 | Cash and cash equivalents (note 6(a)) | \$ 1,376,164 | 26 | 1,184,815 | 26 | 2100 | Short-term borrowings (note 6(g)) | \$ 2,000 | - | 158,075 | 4 |
| 1140 | Current contract assets (note 6(o)) | 9,988 | - | 7,450 | - | 2130 | Current contract liabilities (note 6(o)) | 19,572 | - | 15,852 | - |
| 1170 | Notes and accounts receivable, net (notes 6(b) and (o)) | 2,856,586 | 54 | 2,369,028 | 52 | 2170 | Accounts payable | 70,346 | 2 | 77,865 | 2 |
| 1180 | Accounts receivable—related parties, net (notes 6(b), (o) and 7) | 36,969 | 1 | 55,725 | 1 | 2219 | Other payables (notes 6(h) and (p)) | 1,318,062 | 25 | 1,221,262 | 27 |
| 1200 | Other receivables | 375 | - | 602 | - | 2220 | Other payables—related parties (note 7) | 1,538 | - | 21 | - |
| 1210 | Other receivables—related parties (note 7) | 524 | - | - | - | 2230 | Current tax liabilities | 57,255 | 1 | 55,469 | 1 |
| 1220 | Current tax assets | 1,781 | - | 1,703 | - | 2399 | Other current liabilities | 51,267 | 1 | 48,962 | 1 |
| 1410 | Prepayments | 16,751 | - | 19,933 | 1 | 2280 | Current lease liabilities (note 6(i)) | 24,812 | 1 | 23,867 | 1 |
| 1470 | Other current assets (note 6(f)) | <u>25,354</u> | <u>1</u> | <u>17,418</u> | <u>-</u> | 2322 | Long-term borrowings, current portion (notes 6(c), (g) and 8) | <u>-</u> | <u>-</u> | <u>8,814</u> | <u>-</u> |
| | Total current assets | <u>4,324,492</u> | <u>82</u> | <u>3,656,674</u> | <u>80</u> | | Total current liabilities | <u>1,544,852</u> | <u>30</u> | <u>1,610,187</u> | <u>36</u> |
| Non-current assets: | | | | | | Non-Current liabilities: | | | | | |
| 1600 | Property, plant and equipment (notes 6(c), 7 and 8) | 736,498 | 14 | 782,090 | 17 | 2540 | Long-term loans (notes 6(c), (g) and 8) | - | - | 47,594 | 1 |
| 1755 | Right-of-use assets (note 6(d)) | 89,848 | 2 | 37,155 | 1 | 2570 | Deferred tax liabilities (note 6(k)) | 88,636 | 2 | 81,325 | 2 |
| 1780 | Intangible assets (notes 6(e) and 7) | 25,780 | 1 | 32,774 | 1 | 2580 | Non-current lease liabilities (note 6(i)) | 65,680 | 1 | 9,128 | - |
| 1840 | Deferred tax assets (note 6(k)) | 38,058 | 1 | 34,625 | 1 | 2640 | Net defined benefit liability, non-current (note 6(j)) | 11,313 | - | 12,789 | - |
| 1900 | Other non-current assets (notes 6(f) and 8) | <u>22,754</u> | <u>-</u> | <u>18,440</u> | <u>-</u> | 2670 | Other non-current liabilities | <u>2,214</u> | <u>-</u> | <u>2,355</u> | <u>-</u> |
| | Total non-current assets | <u>912,938</u> | <u>18</u> | <u>905,084</u> | <u>20</u> | | Total non-current liabilities | <u>167,843</u> | <u>3</u> | <u>153,191</u> | <u>3</u> |
| | | | | | | | Total liabilities | <u>1,712,695</u> | <u>33</u> | <u>1,763,378</u> | <u>39</u> |
| | | | | | | | Equity (notes (j), (l) and (m)): | | | | |
| | | | | | | 3100 | Capital stock | 728,277 | 14 | 671,523 | 15 |
| | | | | | | 3200 | Capital surplus | 1,269,314 | 24 | 791,658 | 17 |
| | | | | | | 3300 | Retained earnings | 1,706,530 | 33 | 1,449,437 | 32 |
| | | | | | | 3400 | Other equity | (142,252) | (3) | (77,104) | (2) |
| | | | | | | 3500 | Treasury shares | <u>(37,134)</u> | <u>(1)</u> | <u>(37,134)</u> | <u>(1)</u> |
| | | | | | | | Total equity | <u>3,524,735</u> | <u>67</u> | <u>2,798,380</u> | <u>61</u> |
| | Total assets | <u>\$ 5,237,430</u> | <u>100</u> | <u>4,561,758</u> | <u>100</u> | | Total liabilities and equity | <u>\$ 5,237,430</u> | <u>100</u> | <u>4,561,758</u> | <u>100</u> |

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
**WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION AND
SUBSIDIARIES**

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

| | | 2023 | | 2022 | |
|------|--|--------------------|-------------|--------------------|-------------|
| | | Amount | % | Amount | % |
| 4000 | Net revenue (notes 6(o) and 7) | \$ 8,841,258 | 100 | 7,948,886 | 100 |
| 5000 | Cost of Sales (notes 6(c), (d), (e), (i), (j) and 12) | <u>(7,076,983)</u> | <u>(80)</u> | <u>(6,274,972)</u> | <u>(79)</u> |
| | Gross profit | <u>1,764,275</u> | <u>20</u> | <u>1,673,914</u> | <u>21</u> |
| | Operating expenses (notes 6(b), (c), (d), (e), (i), (j), (l), (m), (o), (p), 7 and 12) | | | | |
| 6100 | Selling expenses | (240,598) | (3) | (210,293) | (3) |
| 6200 | Administrative expenses | (864,910) | (10) | (862,659) | (11) |
| 6300 | Research and development expenses | (45,749) | - | (40,234) | - |
| 6450 | Expected credit (losses) gains | <u>(6,389)</u> | <u>-</u> | <u>2,089</u> | <u>-</u> |
| | Total operating expenses | <u>(1,157,646)</u> | <u>(13)</u> | <u>(1,111,097)</u> | <u>(14)</u> |
| | Net operating income | <u>606,629</u> | <u>7</u> | <u>562,817</u> | <u>7</u> |
| | Non-operating income and expenses (notes 6(i) and (q)): | | | | |
| 7100 | Interest income | 8,811 | - | 5,235 | - |
| 7010 | Other income | 47,032 | 1 | 66,632 | 1 |
| 7020 | Other gains and losses | 2,101 | - | 5,238 | - |
| 7050 | Finance costs | <u>(4,047)</u> | <u>-</u> | <u>(6,789)</u> | <u>-</u> |
| | Total non-operating income and expenses | <u>53,897</u> | <u>1</u> | <u>70,316</u> | <u>1</u> |
| | Profit before tax | 660,526 | 8 | 633,133 | 8 |
| 7950 | Income tax expenses (note 6(k)) | <u>(72,553)</u> | <u>(1)</u> | <u>(78,931)</u> | <u>(1)</u> |
| | Net profit | <u>587,973</u> | <u>7</u> | <u>554,202</u> | <u>7</u> |
| 8300 | Other comprehensive income (notes 6(j), (k) and (l)): | | | | |
| 8310 | Items that will not be reclassified subsequently to profit or loss | | | | |
| 8311 | Gains on remeasurements of defined benefit plans | 2,462 | - | 1,821 | - |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | Total items that will not be reclassified subsequently to profit or loss | <u>2,462</u> | <u>-</u> | <u>1,821</u> | <u>-</u> |
| 8360 | Items that may be reclassified subsequently to profit or loss | | | | |
| 8361 | Exchange differences on translation of foreign financial statements | (65,148) | (1) | 29,949 | - |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | Total items that may be reclassified subsequently to profit or loss | <u>(65,148)</u> | <u>(1)</u> | <u>29,949</u> | <u>-</u> |
| 8300 | Other comprehensive (loss) income | <u>(62,686)</u> | <u>(1)</u> | <u>31,770</u> | <u>-</u> |
| | Total comprehensive income | <u>\$ 525,287</u> | <u>6</u> | <u>585,972</u> | <u>7</u> |
| | Earnings per share (in New Taiwan dollars) (note 6(n)) | | | | |
| 9750 | Basic earnings per share | <u>\$ 8.49</u> | | <u>8.33</u> | |
| 9850 | Diluted earnings per share | <u>\$ 8.40</u> | | <u>8.19</u> | |

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

| | Equity attributable to owners of parent | | | | | | | | |
|---|---|-------------------|----------------|-----------------|----------------------------------|------------------|---|-----------------|------------------|
| | Capital stock | Retained earnings | | | | | Other equity | | |
| | Common stock | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Total | Exchange differences on translation of foreign financial statements | Treasury shares | Total equity |
| Balance at January 1, 2022 | \$ 669,211 | 770,877 | 176,669 | 81,212 | 940,306 | 1,198,187 | (107,053) | (73,500) | 2,457,722 |
| Net profit | - | - | - | - | 554,202 | 554,202 | - | - | 554,202 |
| Other comprehensive income | - | - | - | - | 1,821 | 1,821 | 29,949 | - | 31,770 |
| Total comprehensive income | - | - | - | - | 556,023 | 556,023 | 29,949 | - | 585,972 |
| Appropriation and distribution of retained earnings: | | | | | | | | | |
| Legal reserve | - | - | 45,710 | - | (45,710) | - | - | - | - |
| Special reserve | - | - | - | 25,841 | (25,841) | - | - | - | - |
| Cash dividends | - | - | - | - | (304,773) | (304,773) | - | - | (304,773) |
| Compensation cost of treasury shares transferred to employees | - | 3,487 | - | - | - | - | - | - | 3,487 |
| Treasury shares transferred to employees | - | (394) | - | - | - | - | - | 36,366 | 35,972 |
| New share issued through employees' profit sharing bonus | 2,312 | 17,688 | - | - | - | - | - | - | 20,000 |
| Balance at December 31, 2022 | 671,523 | 791,658 | 222,379 | 107,053 | 1,120,005 | 1,449,437 | (77,104) | (37,134) | 2,798,380 |
| Net profit | - | - | - | - | 587,973 | 587,973 | - | - | 587,973 |
| Other comprehensive income | - | - | - | - | 2,462 | 2,462 | (65,148) | - | (62,686) |
| Total comprehensive income | - | - | - | - | 590,435 | 590,435 | (65,148) | - | 525,287 |
| Appropriation and distribution of retained earnings: | | | | | | | | | |
| Legal reserve | - | - | 55,602 | - | (55,602) | - | - | - | - |
| Cash dividends | - | - | - | - | (333,342) | (333,342) | - | - | (333,342) |
| Reversal of special reserve | - | - | - | (29,949) | 29,949 | - | - | - | - |
| Cash Capital increase | 55,000 | 448,410 | - | - | - | - | - | - | 503,410 |
| Remuneration cost incurred from share option | - | 11,000 | - | - | - | - | - | - | 11,000 |
| New share issued through employees' profit sharing bonus | 1,754 | 18,246 | - | - | - | - | - | - | 20,000 |
| Balance at December 31, 2023 | <u>\$ 728,277</u> | <u>1,269,314</u> | <u>277,981</u> | <u>77,104</u> | <u>1,351,445</u> | <u>1,706,530</u> | <u>(142,252)</u> | <u>(37,134)</u> | <u>3,524,735</u> |

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

| | 2023 | 2022 |
|---|--------------|-------------|
| Cash flows generated from (used in) operating activities: | | |
| Profit before tax | \$ 660,526 | 633,133 |
| Adjustments: | | |
| Adjustments to reconcile profit: | | |
| Depreciation expense | 80,132 | 83,582 |
| Amortization expense | 8,420 | 12,900 |
| Expected credit losses (gains) | 6,389 | (2,089) |
| Interest expense | 4,047 | 6,789 |
| Interest income | (8,811) | (5,235) |
| Remuneration cost arising from share-based payments | 11,000 | 3,487 |
| Loss on disposal of property, plant and equipment | 679 | 878 |
| Property, plant and equipment transferred to expenses | 165 | - |
| Gain on disposal of investments | - | (2,959) |
| Gain on lease modification | (79) | - |
| Rent concession | - | (266) |
| Other | - | 106 |
| Total adjustments to reconcile profit | 101,942 | 97,193 |
| Changes in operating assets and liabilities: | | |
| Changes in operating assets: | | |
| (Increase) decrease in contract assets | (2,724) | 5,045 |
| Increase in notes and accounts receivable, net | (550,162) | (243,693) |
| Decrease (increase) in accounts receivable – related parties | 18,740 | (17,564) |
| Decrease in other receivables | 564 | 1,662 |
| Increase in other receivables – related parties | (533) | - |
| Decrease (increase) in prepayments | 2,824 | (2,478) |
| Decrease in other current assets | 838 | 26 |
| Total changes in operating assets | (530,453) | (257,002) |
| Changes in operating liabilities: | | |
| Increase in contract liabilities | 3,877 | 1,209 |
| Decrease in accounts payable | (4,809) | (16,621) |
| Increase in other payables | 121,924 | 165,824 |
| Increase (decrease) in other payables – related parties | 1,517 | (175) |
| Increase in other current liabilities | 3,360 | 19,526 |
| Increase (decrease) in net defined benefit liability | 986 | (563) |
| Total changes in operating liabilities | 126,855 | 169,200 |
| Net changes in operating assets and liabilities | (403,598) | (87,802) |
| Total adjustments | (301,656) | 9,391 |
| Cash generated from operations | 358,870 | 642,524 |
| Interest received | 8,479 | 5,214 |
| Interest paid | (4,160) | (6,736) |
| Income taxes paid | (66,161) | (75,189) |
| Net cash flows generated from operating activities | 297,028 | 565,813 |
| Cash flows generated from (used in) investing activities: | | |
| Acquisition of property, plant and equipment | (12,890) | (18,885) |
| Proceeds from disposal of property, plant and equipment | 1,154 | 515 |
| Increase in refundable deposits | (7,652) | (1,506) |
| Acquisition of intangible assets | (2,541) | (7,323) |
| Increase in other non-current assets | (6,527) | - |
| Net cash flows used in investing activities | (28,456) | (27,199) |
| Cash flows generated from (used in) financing activities: | | |
| Increase in short-term loans | 1,594,686 | 2,527,501 |
| Repayments of short-term loans | (1,750,851) | (2,477,446) |
| Repayments of long-term loans | (56,709) | (8,486) |
| Repayments of the principal portion of lease liabilities | (24,521) | (29,292) |
| Cash dividends paid | (333,342) | (304,773) |
| Capital increase by cash, less issuance costs | 503,410 | - |
| Treasury shares transferred to employees | - | 35,972 |
| Net cash flows used in financing activities | (67,327) | (256,524) |
| Effect on exchange rate changes on cash and cash equivalents | (9,896) | 25,480 |
| Net increase in cash and cash equivalents | 191,349 | 307,570 |
| Cash and cash equivalents at beginning of year | 1,184,815 | 877,245 |
| Cash and cash equivalents at end of year | \$ 1,376,164 | 1,184,815 |

See accompanying notes to financial statements.

Independent Auditors' Report

To the Board of Directors of Wistron Information Technology and Services Corporation:

Opinion

We have audited the financial statements of Wistron Information Technology and Services Corporation (“the Company”), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of accounts receivable

Please refer to Note 4(f) “Financial Instruments” for accounting policy, Note 5 for accounting assumptions, judgments and estimation uncertainty of accounts receivable and Note 6(b) for the disclosure of the valuation of accounts receivable to the parent company only financial statements.

Description of key audit matters

The Company engages in the information technology service industry. Resulting in significant judgment being applied in the management's assessment of the recoverability of accounts receivable. Consequently, the valuation of accounts receivable is identified as the key matter in our audit.

How the matter was addressed in our audit

Our principal audit procedures included testing the adequacy of the formula of the calculation for expected loss rate; testing the adequacy of aging report by tracing to related vouchers; evaluating the appropriateness of loss allowance and expected credit loss by testing if the loss allowance was made by expected loss rate; assessing if the evaluation document of loss allowance for accounts receivable was compliance with the Company's accounting policy; evaluating the adequacy of the disclosure of loss allowance for accounts receivable prepared by management.

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

Management is responsible for the preparation and fair presentation of the 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Huang, Ming-Hung and Tang, Chia-Chien.

KPMG

Taipei, Taiwan (Republic of China)

March 5, 2024

Notes to Readers

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

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION

Parent Company Only Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

| Assets | | December 31, 2023 | | December 31, 2022 | | Liabilities and Equity | | December 31, 2023 | | December 31, 2022 | |
|----------------------------|---|---------------------|------------|-------------------|------------|--|--|---------------------|------------|-------------------|------------|
| | | Amount | % | Amount | % | | | Amount | % | Amount | % |
| Current assets: | | | | | | Current liabilities: | | | | | |
| 1100 | Cash and cash equivalents (note 6(a)) | \$ 362,557 | 9 | 136,048 | 4 | 2100 | Short-term borrowings (note 6(g)) | \$ - | - | 150,000 | 5 |
| 1140 | Current contract assets (note 6(o)) | 651 | - | 522 | - | 2130 | Current contract liabilities (note 6(o)) | 11,957 | - | 13,115 | - |
| 1170 | Accounts receivable, net (notes 6(b) and (o)) | 320,813 | 8 | 288,137 | 8 | 2170 | Accounts payable | 2,775 | - | 2,536 | - |
| 1180 | Accounts receivable—related parties, net (notes 6(b), (o) and 7) | 38,539 | 1 | 58,342 | 2 | 2180 | Accounts payable—related parties (note 7) | 295 | - | - | - |
| 1200 | Other receivables | 304 | - | 10 | - | 2200 | Other payables (notes 6(h) and (p)) | 429,172 | 11 | 408,290 | 12 |
| 1210 | Other receivables—related parties (note 7) | 1,097 | - | 3,725 | - | 2220 | Other payables—related parties (note 7) | 1,538 | - | 21 | - |
| 1410 | Prepayments | 2,759 | - | 2,501 | - | 2230 | Current tax liabilities | 30,232 | 1 | 28,642 | 1 |
| 1470 | Other current assets | 715 | - | 2,380 | - | 2280 | Current lease liabilities (note 6(i)) | 628 | - | 746 | - |
| | Total current assets | <u>727,435</u> | <u>18</u> | <u>491,665</u> | <u>14</u> | 2399 | Other current liabilities | 8,594 | - | 15,232 | - |
| | | | | | | | Total current liabilities | <u>485,191</u> | <u>12</u> | <u>618,582</u> | <u>18</u> |
| Non-current assets: | | | | | | Non-Current liabilities: | | | | | |
| 1550 | Investments accounted for using equity method (notes 6(c), (m) and 7) | 2,860,078 | 70 | 2,481,916 | 71 | 2570 | Deferred tax liabilities (note 6(k)) | 66,700 | 2 | 63,399 | 2 |
| 1600 | Property, plant and equipment (notes 6(d) and 7) | 487,335 | 12 | 500,179 | 15 | 2640 | Net defined benefit liability, non-current (note 6(j)) | 11,313 | - | 12,789 | - |
| 1755 | Right-of-use assets (note 6(e)) | 940 | - | 1,714 | - | 2580 | Non-current lease liabilities (note 6(i)) | 267 | - | 920 | - |
| 1780 | Intangible assets (notes 6(f) and 7) | 4,013 | - | 8,362 | - | | Total non-current liabilities | <u>78,280</u> | <u>2</u> | <u>77,108</u> | <u>2</u> |
| 1840 | Deferred tax assets (note 6(k)) | 7,039 | - | 9,656 | - | | Total liabilities | <u>563,471</u> | <u>14</u> | <u>695,690</u> | <u>20</u> |
| 1920 | Guarantee deposits paid (note 8) | 1,366 | - | 578 | - | Equity (notes 6(j), (l) and (m)): | | | | | |
| | Total non-current assets | <u>3,360,771</u> | <u>82</u> | <u>3,002,405</u> | <u>86</u> | 3100 | Capital stock | 728,277 | 18 | 671,523 | 19 |
| | | | | | | 3200 | Capital surplus | 1,269,314 | 31 | 791,658 | 23 |
| | | | | | | 3300 | Retained earnings | 1,706,530 | 42 | 1,449,437 | 41 |
| | | | | | | 3400 | Other equity | (142,252) | (4) | (77,104) | (2) |
| | | | | | | 3500 | Treasury shares | (37,134) | (1) | (37,134) | (1) |
| | | | | | | | Total equity | <u>3,524,735</u> | <u>86</u> | <u>2,798,380</u> | <u>80</u> |
| Total assets | | <u>\$ 4,088,206</u> | <u>100</u> | <u>3,494,070</u> | <u>100</u> | Total liabilities and equity | | <u>\$ 4,088,206</u> | <u>100</u> | <u>3,494,070</u> | <u>100</u> |

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION

Parent Company Only Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

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

| | | 2023 | | 2022 | |
|------|--|--------------|------|-----------|------|
| | | Amount | % | Amount | % |
| 4000 | Net revenue (notes 6(o) and 7) | \$ 1,546,767 | 100 | 1,439,375 | 100 |
| 5000 | Cost of sales (notes 6(d), (f), (j), 7 and 12) | (995,651) | (64) | (899,125) | (62) |
| | Gross profit | 551,116 | 36 | 540,250 | 38 |
| | Operating expenses (notes 6(d), (e), (f), (i), (j), (l), (m), (o), (p), 7 and 12): | | | | |
| 6100 | Selling expenses | (42,816) | (3) | (32,875) | (2) |
| 6200 | Administrative expenses | (306,036) | (20) | (322,353) | (22) |
| 6300 | Research and development expenses | (12,108) | (1) | (6,642) | (1) |
| 6450 | Expected credit (gains) losses | (4) | - | 138 | - |
| | Total operating expenses | (360,964) | (24) | (361,732) | (25) |
| | Net operating income | 190,152 | 12 | 178,518 | 13 |
| | Non-operating income and expenses (notes 6(c), (i), (q) and 7): | | | | |
| 7100 | Interest income | 1,269 | - | 55 | - |
| 7010 | Other income | 240 | - | 54 | - |
| 7020 | Other gains and losses | 30,326 | 2 | 39,090 | 2 |
| 7070 | Recognized share of subsidiaries, associates and joint ventures accounted for using equity method | 423,991 | 28 | 384,872 | 27 |
| 7050 | Finance costs | (2,009) | - | (1,366) | - |
| | Total non-operating income and expenses | 453,817 | 30 | 422,705 | 29 |
| | Profit before tax | 643,969 | 42 | 601,223 | 42 |
| 7951 | Income tax expenses (note 6(k)) | (55,996) | (4) | (47,021) | (3) |
| | Net profit | 587,973 | 38 | 554,202 | 39 |
| 8300 | Other comprehensive income (notes 6(j), (k) and (l)): | | | | |
| 8310 | Items that will not be reclassified subsequently to profit or loss | | | | |
| 8311 | Gains on remeasurements of defined benefit plans | 2,462 | - | 1,821 | - |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | - | - | - | - |
| | Total items that will not be reclassified subsequently to profit or loss | 2,462 | - | 1,821 | - |
| 8360 | Items that may be reclassified subsequently to profit or loss | | | | |
| 8361 | Exchange differences on translation of foreign financial statements | (9,159) | - | 3,330 | - |
| 8380 | Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method | (55,989) | (4) | 26,619 | 2 |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | - | - | - | - |
| | Total items that may be reclassified subsequently to profit or loss | (65,148) | (4) | 29,949 | 2 |
| 8300 | Other comprehensive (loss) income | (62,686) | (4) | 31,770 | 2 |
| | Total comprehensive income | \$ 525,287 | 34 | 585,972 | 41 |
| | Earnings per share (in New Taiwan dollars) (note 6(n)) | | | | |
| 9750 | Basic earnings per share | \$ 8.49 | | 8.33 | |
| 9850 | Diluted earnings per share | \$ 8.40 | | 8.19 | |

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION

Parent Company Only Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

| | Capital stock | | Retained earnings | | | | Other equity | | Total equity |
|---|---------------|-----------------|-------------------|-----------------|----------------------------------|-----------|---|-----------------|--------------|
| | Common stock | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Total | Exchange differences on translation of foreign financial statements | Treasury shares | |
| Balance at January 1, 2022 | \$ 669,211 | 770,877 | 176,669 | 81,212 | 940,306 | 1,198,187 | (107,053) | (73,500) | 2,457,722 |
| Net profit | - | - | - | - | 554,202 | 554,202 | - | - | 554,202 |
| Other comprehensive income | - | - | - | - | 1,821 | 1,821 | 29,949 | - | 31,770 |
| Total comprehensive income | - | - | - | - | 556,023 | 556,023 | 29,949 | - | 585,972 |
| Appropriation and distribution of retained earnings: | | | | | | | | | |
| Legal reserve | - | - | 45,710 | - | (45,710) | - | - | - | - |
| Special reserve | - | - | - | 25,841 | (25,841) | - | - | - | - |
| Cash dividends | - | - | - | - | (304,773) | (304,773) | - | - | (304,773) |
| Compensation cost of treasury shares transferred to employees | - | 3,487 | - | - | - | - | - | - | 3,487 |
| Treasury shares transferred to employees | - | (394) | - | - | - | - | - | 36,366 | 35,972 |
| New share issued through employees' profit sharing bonus | 2,312 | 17,688 | - | - | - | - | - | - | 20,000 |
| Balance at December 31, 2022 | 671,523 | 791,658 | 222,379 | 107,053 | 1,120,005 | 1,449,437 | (77,104) | (37,134) | 2,798,380 |
| Net profit | - | - | - | - | 587,973 | 587,973 | - | - | 587,973 |
| Other comprehensive income | - | - | - | - | 2,462 | 2,462 | (65,148) | - | (62,686) |
| Total comprehensive income | - | - | - | - | 590,435 | 590,435 | (65,148) | - | 525,287 |
| Appropriation and distribution of retained earnings: | | | | | | | | | |
| Legal reserve | - | - | 55,602 | - | (55,602) | - | - | - | - |
| Cash dividends | - | - | - | - | (333,342) | (333,342) | - | - | (333,342) |
| Reversal of special reserve | - | - | - | (29,949) | 29,949 | - | - | - | - |
| Cash capital increase | 55,000 | 448,410 | - | - | - | - | - | - | 503,410 |
| Remuneration costs incurred from share option | - | 11,000 | - | - | - | - | - | - | 11,000 |
| New share issued through employees' profit sharing bonus | 1,754 | 18,246 | - | - | - | - | - | - | 20,000 |
| Balance at December 31, 2023 | \$ 728,277 | 1,269,314 | 277,981 | 77,104 | 1,351,445 | 1,706,530 | (142,252) | (37,134) | 3,524,735 |

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
WISTRON INFORMATION TECHNOLOGY AND SERVICES CORPORATION

Parent Company Only Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

| | 2023 | 2022 |
|---|-------------|-------------|
| Cash flows generated from (used in) operating activities: | | |
| Profit before tax | \$ 643,969 | 601,223 |
| Adjustments: | | |
| Adjustments to reconcile loss: | | |
| Depreciation expense | 20,491 | 20,711 |
| Amortization expense | 4,349 | 7,676 |
| Expected credit losses (gains) | 4 | (138) |
| Interest expense | 2,009 | 1,366 |
| Interest income | (1,269) | (55) |
| Remuneration cost arising from share-based payments | 5,860 | 2,162 |
| Recognized share of subsidiaries, associates and joint ventures accounted for using equity method | (423,991) | (384,872) |
| Gain on disposal of property, plant and equipment | (29) | (14) |
| Total adjustments to reconcile loss | (392,576) | (353,164) |
| Changes in operating assets and liabilities: | | |
| Changes in operating assets: | | |
| (Increase) decrease in contract assets | (133) | 4,606 |
| Increase in accounts receivable, net | (32,676) | (20,569) |
| Decrease (increase) in accounts receivable – related parties | 19,803 | (20,227) |
| Decrease in other receivables | 1 | - |
| Decrease (increase) in other receivables – related parties | 2,628 | (3,708) |
| Increase in prepayments | (258) | (938) |
| Decrease (increase) in other current assets | 916 | (13) |
| Total changes in operating assets | (9,719) | (40,849) |
| Changes in operating liabilities: | | |
| (Decrease) increase in contract liabilities | (1,158) | 8,281 |
| Increase (decrease) in accounts payable | 239 | (572) |
| Increase in accounts payable – related parties | 295 | - |
| Increase in other payables | 25,958 | 90,623 |
| Increase (decrease) in other payables – related parties | 1,517 | (176) |
| (Decrease) increase in other current liabilities | (6,638) | 8,677 |
| Increase (decrease) in net defined benefit liability | 986 | (563) |
| Total changes in operating liabilities | 21,199 | 106,270 |
| Net changes in operating assets and liabilities | 11,480 | 65,421 |
| Total adjustments | (381,096) | (287,743) |
| Cash generated from operations | 262,873 | 313,480 |
| Interest received | 974 | 46 |
| Interest paid | (2,085) | (1,303) |
| Income taxes paid | (48,488) | (57,762) |
| Net cash flows generated from operating activities | 213,274 | 254,461 |
| Cash flows generated from (used in) investing activities: | | |
| Acquisition of property, plant and equipment | (6,898) | (11,652) |
| Proceeds from disposal of property, plant and equipment | 29 | 214 |
| (Increase) decrease in refundable deposits | (39) | 701 |
| Acquisition of intangible assets | - | (4,749) |
| Dividends received | 821 | - |
| Net cash flows used in investing activities | (6,087) | (15,486) |
| Cash flows generated from (used in) financing activities: | | |
| Increase in short-term loans | 1,400,000 | 1,480,000 |
| Repayments of short-term loans | (1,550,000) | (1,430,000) |
| Repayments of the principal portion of lease liabilities | (746) | (757) |
| Cash dividends paid | (333,342) | (304,773) |
| Capital increase by cash, less issuance costs | 503,410 | - |
| Treasury shares transferred to employees | - | 35,972 |
| Net cash flows generated from (used in) financing activities | 19,322 | (219,558) |
| Net increase in cash and cash equivalents | 226,509 | 19,417 |
| Cash and cash equivalents at beginning of year | 136,048 | 116,631 |
| Cash and cash equivalents at end of year | \$ 362,557 | 136,048 |

See accompanying notes to parent company only financial statements.

Wistron Information Technology and Services Corporation
Profit Appropriation Statement for 2023

Unit: NT\$

| Item | Amount |
|--|----------------------|
| Net Income After Tax of 2023 | 587,973,278 |
| Plus (Less): | |
| Remeasurements of the defined benefit obligation | 2,462,000 |
| Legal Reserve | (59,043,528) |
| Special Reserve | (65,147,618) |
| Unappropriated retained earnings of 2023 | 466,244,132 |
| Plus (Less): | |
| Unappropriated retained earnings in prior years | 761,008,842 |
| Retained Earnings Available for Distribution | 1,227,252,974 |
| Distribution Items: | |
| Cash Dividends to Common Shareholders (Note) | (361,718,695) |
| | |
| Unappropriated retained earnings at the end of the year | 865,534,279 |

Note: 1. Cash dividend: NT\$5 per share, and the cash dividend is rounded down to the nearest NT dollars; the amount rounded off will be credited to other income of Wistron Information Technology and Services Corporation.

2. Dividend is calculated by the number of outstanding shares of 72,343,739, which is not including 484,000 treasury shares.

Chairman: Ching Hsiao

President: Ching Hsiao

Controller: YuFen Sun

**Wistron Information Technology and Services Corporation
Comparison between Original and Amendments to
“Articles of Incorporation”**

| Items | Original Version | Amended Version | Reason |
|------------|--|--|--|
| Article 1 | The Company is incorporated in accordance with the provisions under the Company Law by the name of Wistron Information Technology and Services Corporation. | The Company is incorporated in accordance with the provisions under the Company Law by the name of <u>WITS Corp.</u> | To further expand overseas markets and enhance the Company’s brand image, it is proposed to change the Company’s English name. |
| Article 23 | (omitting) The 37th amendment was made on May 26, 2022. | (omitting) The 37th amendment was made on May 26, 2022. <u>The 38th amendment was made on May 27, 2024.</u> | Correspondence to the amendment date. |