



## **Topsil GlobalWafers A/S**

Siliciumvej 1  
3600 Frederikssund  
CVR no. 37 84 22 22

# Annual report for 2022

Adopted at the annual general meeting on 27 June 2023

---

Hans Peder Skytte Mikkelsen  
chairman

## **Table of contents**

|  | <b>Page</b> |
|--|-------------|
| <b>Statements</b>                            |             |
| Statement by management on the annual report | 1           |
| Independent auditor's report                 | 2           |
| <br>   |             |
| <b>Management's review</b>                   |             |
| Company details                              | 5           |
| Financial highlights                         | 6           |
| Management's review                          | 7           |
| <br>   |             |
| <b>Financial statements</b>                  |             |
| Accounting policies                          | 11          |
| Income statement 1 January - 31 December     | 17          |
| Balance sheet 31 December                    | 18          |
| Statement of changes in equity               | 20          |
| Notes  | 21          |

## **Statement by management on the annual report**

The supervisory board and Management board have today discussed and approved the annual report of Topsil GlobalWafers A/S for the financial year 1 January - 31 December 2022.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements gives a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Frederikssund, 27 June 2023

### **Management board**

Hans Peder Skytte Mikkelsen  
President

### **Supervisory board**

Hsiu-Lan Hsu  
chairman

Wei-Wen Chen  
deputy chairman

Mauro Pedrotti

Liang Shi

Hans Peder Skytte Mikkelsen

## **Independent auditor's report**

*To the shareholders of Topsil GlobalWafers A/S*

### **Opinion**

We have audited the financial statements of Topsil GlobalWafers A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the 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 in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's 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 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 ISAs and the additional requirements applicable in Denmark 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.

## **Independent auditor's report**

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements 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 auditor's 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

### **Statement on management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

## **Independent auditor's report**

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Frederikssund, 27 June 2023

**LPOG ApS**

Statsautoriserede Revisorer

CVR no. 33 16 72 88

Morten Gøttsche

State Authorised Public Accountant

MNE no. mne28605

## **Company details**

### **The company**

Topsil GlobalWafers A/S  
Siliciumvej 1  
3600 Frederikssund

CVR no.: 37 84 22 22

Reporting period: 1 January - 31 December 2022

Incorporated: 1 July 2016

Domicile: Frederikssund

### **Supervisory board**

Hsiu-Lan Hsu, chairman  
Wei-Wen Chen, deputy chairman  
Mauro Pedrotti  
Liang Shi  
Hans Peder Skytte Mikkelsen

### **Management board**

Hans Peder Skytte Mikkelsen

### **Auditors**

LPOG ApS  
Statsautoriserede Revisorer  
Kilde Alle 22, 3. sal  
3600 Frederikssund

## Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

|   | 2022    | 2021    | 2020    | 2019    | 2018    |
|---|---------|---------|---------|---------|---------|
|   | TDKK    | TDKK    | TDKK    | TDKK    | TDKK    |
| <b>Key figures</b>                          |         |         |         |         |         |
| <b>Profit/loss</b>                          |         |         |         |         |         |
| Revenue                                     | 534.797 | 315.483 | 228.912 | 272.059 | 216.024 |
| Gross profit                                | 269.726 | 134.964 | 103.517 | 113.233 | 93.497  |
| Profit/loss before net financials           | 139.975 | 30.741  | 9.731   | 20.144  | 11.108  |
| Net financials                              | -9.872  | -284    | 1.619   | 21.839  | -870    |
| Profit/loss for the year                    | 100.116 | 23.560  | 8.723   | 37.534  | 16.266  |
| <b>Balance sheet</b>                        |         |         |         |         |         |
| Balance sheet total                         | 578.141 | 462.572 | 423.320 | 412.065 | 371.586 |
| Investment in property, plant and equipment | 77.975  | 10.626  | 33.338  | 33.825  | 22.761  |
| Equity                                      | 446.156 | 376.040 | 352.480 | 343.758 | 306.224 |
| Number of employees                         | 167     | 140     | 130     | 128     | 110     |
| <b>Financial ratios</b>                     |         |         |         |         |         |
| Gross margin                                | 50,4%   | 42,8%   | 45,2%   | 41,6%   | 43,3%   |
| EBIT margin                                 | 26,2%   | 9,7%    | 4,3%    | 7,4%    | 5,1%    |
| Return on assets                            | 26,9%   | 6,9%    | 2,3%    | 5,1%    | 3,1%    |
| Solvency ratio                              | 77,2%   | 81,3%   | 83,3%   | 83,4%   | 82,4%   |

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.



## **Management's review**

### **Business review**

Topsil is a world leading manufacture of ultra-pure silicon to the global semiconductor industry, founded 1959.

Topsil provides tailor-made silicon wafers to enable customers manufacture energy efficient electronic components. The components are used e.g., for energy transmission, in wind turbines, frequency converters for motors, and electricity generation in high-speed trains in general providing solutions for electrification of society enabling fossilfuel free energy.

Customers include large semiconductor companies as well as research institutions worldwide. End products are applied especially in the transport, energy, and the industrial sectors.

Topsil is situated in Frederikssund in Denmark. At the headquarter You find R&D, Sales, Production, and administration.

In 2016, the semiconductor activities of Topsil were acquired by the global silicon manufacturer GlobalWafers Ltd., Co (GWC) based in Taiwan one of the three largest suppliers in the world.

### **Products**

Topsil's silicon is produced by the Float Zone (FZ) method in Denmark, and the products can operate at the highest voltage levels.

Topsil's three main product types, produced in Frederikssund, are available in different diameters. All three below mentioned products are float-zone based.

FZ-NTD – Neutron Transformation Doped silicon is a high-voltage product primarily used in sophisticated power components in large-scale energy and infrastructure projects.

FZ-PFZ – Preferred Float Zone silicon is a medium-voltage product used for, for example, wind turbines and passenger transport in the consumer segment.

FZ-HPS – Hyper Pure Silicon is a specialty product used in optoelectronics (X-ray and detectors).

## **Management's review**

### **Financial review**

Revenue for the year 2022 amounted to DKK 534.8m, which is 20,5% above the expectations for the year.

The result for the year ended up with a profit of DKK 100.1m compared to a profit of 23.6m in 2021. The result from ordinary operation was significantly higher than the expectations for the year, which was at the level of DKK 55-65m.

Business performance for 2022 was stronger than expected, due to strong demands from customers and improved performance of our processes.

The balance sheet amounts to a total of DKK 578.1m, which was an increase of DKK 115.6m compared to 2021. The main reason for the increase in 2022 compared to 2021 was an increase in Fixed assets of 112.6m. The Fixed assets amounted to 61.5% of the total assets compared to 52.6% in 2021. Inventories amounted to 75.6m, which was a decrease of 18.6m compared to 2021.

Equity amounts to 446.2m of the balance sheet total. This is equal to 77.2% of the total balance sheet amount.

No loans have been granted by external parties as per 31.12.2022.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

### **Target expectations for the year ahead**

Demand for Topsil's products among customers remains high and revenue is expected to grow further in 2023. To meet customer demand in the future Topsil will continue to expand production capacity in the coming years.

The total revenue in 2023 is expected to be in the range of 650-700m, and the profit level for 2023 is expected to be in the range of 80-100m.

### **Risks**

Topsil is looking into a year with cost price increases, due to global inflation and higher energy prices at suppliers in general.

Most of the sales in the company is affected by foreign currency, and especially the development of the USD influences sales and earnings.

Topsil is monitoring above closely and act accordingly to minimize the risk.

## **Management's review**

### **Knowledge resources**

Topsil relies heavily on its knowledge resources of highly skilled specialists and has great focus on being an attractive workplace with highly motivated employees. To ensure this several HR efforts have been implemented for this purpose, including regular performance interviews to align job and skills requirements. In addition, regular employee surveys are conducted across the organization to gauge the general level of job satisfaction and job motivation. In 2022, the total average number of employees was increased by 27, from 140 employees in 2021 to 167 employees in 2022.

### **Research and Development**

In 2022 Topsil optimized the production process for 200 mm PFZ within the existing process room. Thereby increasing the internal yield to follow increasing demands. Development of the next version of 200 mm PFZ with improved product characteristic has been ongoing and continues in 2023. This product will ensure the sales potential for further expansion of the production volume.

### **Policy for financial risks**

Almost all the sales in the company are affected in foreign currencies, and especially the development of the USD influences sales and earnings. TGW minimize the risk by balancing the flow of USD.

### **Influence on the external environment**

Topsil continuously strives to reduce the energy consumption per produced unit. As the main energysource is electrical energy, and the main product is single crystal silicon the energy consumption is calculated as kWh/kg ingot.

Topsil commits to:

- Comply with all applicable legal requirements and other requirements accepted by Topsil related to energy use, consumption and efficiency
- Set clear energy objectives and targets
- Allocate resources to meet energy objectives and targets
- Priorities energy-efficiency when designing new units, and when purchasing products and services
- Topsil is committed to RE100 by latest 2040

## **Management's review**

### **Statutory corporate social responsibility report**

We refer to Global Wafers Co. Ltd. 2022 annual report.

The Company established the "Corporate Social Responsibility Best-Practice Principles" according to the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies," which is available on the MOPS or the Company's official website:

(<https://www.sas-globalwafers.com/corporate>)

ESG | GlobalWafers Co., Ltd. All rights reserved. (sas-globalwafers.com)

### **Statement of the company's diversity policies**

As being part of a global company, Topsil regards a diverse workforce as an asset. We hire on the basis of talent and personality and offer the same possibilities to all employees, regardless of their background, religion, political conviction, gender or age. We encourage that everybody reach their full potential in accordance with personal ambitions and goals.

We promote a work environment of respect and inclusion and expect our employees to act politically and religiously neutral, when acting on the behalf of the company. We acknowledge the right to organise and bargain collectively and do everything in our power to avoid discrimination.

The company does not have guidelines on the gender composition. Topsil strive to hire based on qualifications.

The Supervisory Board consists of 5 members. The Chairman is a woman, whereas the remaining Board Members are men.

### **Statement of policy for data ethics**

Topsil has a written IT security policy. The policy complies with both Danish and EU law on data and privacy protection (GDPR). The policy describes the rules and principles for handling personal and other data. All employees must sign this policy in connection with the employment contract.

## **Accounting policies**

The annual report of Topsil GlobalWafers A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Pursuant to sections §86, line 4, of the Danish Financial Statements Act, the company has not prepared cash flow statement, as this is contained in the cash flow statement for GlobalWafers Co., Ltd.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income statement**

#### **Segment information**

Information is provided on business segments and geographical markets. The segment information is provided in consideration of the company's accounting policies, risks and management control.

#### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

## **Accounting policies**

### **Expenses for raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

### **Other external costs**

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### **Staff costs**

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses and realised and unrealised capital/exchange gains and losses on foreign currency transactions.

### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

## **Accounting policies**

### **Balance sheet**

#### **Intangible assets**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives between 10-20 years. The determined useful lives are based on a specific assessment of each development project.

#### **Tangible assets**

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

|  | <b>Useful life</b> |
|--|--------------------|
| Buildings  | 20-50 years        |
| Plant and machinery                              | 10-20 years        |
| Other fixtures and fittings, tools and equipment | 3-6 years          |

Estimated useful lives and residual values are reassessed annually.

## **Accounting policies**

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

### **Investments in subsidiaries**

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, less or plus unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill made up according to the purchase method.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Topsil GlobalWafers A/S is adopted are not taken to the net revaluation reserve.

### **Impairment of fixed assets**

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.



## **Accounting policies**

### **Stocks**

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

Production overheads include the indirect cost of materials, wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

### **Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

### **Equity**

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

## Accounting policies

### Provisions

Provisions consist of the parent companys legal or constructive obligation to cover a deficit in the subsidiaries.

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Financial Highlights

Definitions of financial ratios.

|                    |   |
|--------------------|---|
| Gross margin ratio | $\frac{\text{Gross Profit} \times 100}{\text{Revenue}}$                               |
| EBIT margin        | $\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$              |
| Return on assets   | $\frac{\text{Profit/loss before financials} \times 100}{\text{Average total assets}}$ |
| Solvency ratio     | $\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$                    |

## Income statement 1 January - 31 December

|  | <u>Note</u> | <u>2022</u><br>TDKK | <u>2021</u><br>TDKK |
|--|-------------|---------------------|---------------------|
| <b>Revenue</b>                                   | 1           | <b>534.797</b>      | <b>315.483</b>      |
| Expenses for raw materials and consumables       |             | -228.247            | -152.773            |
| Other external costs                             |             | -36.824             | -27.746             |
| <b>Gross profit</b>                              |             | <b>269.726</b>      | <b>134.964</b>      |
| Staff costs                                      | 2           | -105.845            | -83.552             |
| Depreciation, amortisation and impairment losses | 3           | -23.906             | -20.671             |
| <b>Profit/loss before net financials</b>         |             | <b>139.975</b>      | <b>30.741</b>       |
| Financial income                                 | 4           | 300                 | 1.019               |
| Impairment losses on financial assets            |             | -6.590              | -841                |
| Financial costs                                  | 5           | -3.582              | -462                |
| <b>Profit/loss before tax</b>                    |             | <b>130.103</b>      | <b>30.457</b>       |
| Tax on profit/loss for the year                  | 6           | -29.987             | -6.897              |
| <b>Profit/loss for the year</b>                  |             | <b>100.116</b>      | <b>23.560</b>       |
| Distribution of profit                           | 7           |                     |                     |

## Balance sheet 31 December

|  | <u>Note</u> | <u>2022</u><br>TDKK          | <u>2021</u><br>TDKK          |
|--|-------------|------------------------------|------------------------------|
| <b>Assets</b>                                    |             |                              |                              |
| Completed development projects                   |             | 15.944                       | 19.456                       |
| Acquired patents                                 |             | 0                            | 0                            |
| <b>Intangible assets</b>                         | <b>8</b>    | <b><u>15.944</u></b>         | <b><u>19.456</u></b>         |
| Land and buildings                               | 9           | 109.731                      | 112.370                      |
| Plant and machinery                              | 9           | 97.182                       | 98.429                       |
| Other fixtures and fittings, tools and equipment | 9           | 945                          | 1.141                        |
| Prepayments for tangible fixed assets            | 9           | 71.783                       | 11.688                       |
| Right-of-use assets                              | 9           | 0                            | 0                            |
| <b>Tangible assets</b>                           |             | <b><u>279.641</u></b>        | <b><u>223.628</u></b>        |
| Investments in subsidiaries                      | 10          | 0                            | 0                            |
| Other receivables                                | 11          | 60.054                       | 0                            |
| <b>Fixed asset investments</b>                   |             | <b><u>60.054</u></b>         | <b><u>0</u></b>              |
| <b>Total non-current assets</b>                  |             | <b><u>355.639</u></b>        | <b><u>243.084</u></b>        |
| Raw materials and consumables                    |             | 12.970                       | 13.908                       |
| Work in progress                                 |             | 57.157                       | 70.944                       |
| Finished goods and goods for resale              |             | 5.516                        | 9.389                        |
| <b>Stocks</b>                                    |             | <b><u>75.643</u></b>         | <b><u>94.241</u></b>         |
| Trade receivables                                |             | 42.114                       | 29.433                       |
| Receivables from group enterprises               |             | 56.536                       | 46.632                       |
| Other receivables                                |             | 15.262                       | 14.352                       |
| Prepayments                                      | 12          | 17.287                       | 643                          |
| <b>Receivables</b>                               |             | <b><u>131.199</u></b>        | <b><u>91.060</u></b>         |
| <b>Cash at bank and in hand</b>                  |             | <b><u>15.660</u></b>         | <b><u>34.187</u></b>         |
| <b>Current assets total</b>                      |             | <b><u>222.502</u></b>        | <b><u>219.488</u></b>        |
| <b>Assets total</b>                              |             | <b><u><u>578.141</u></u></b> | <b><u><u>462.572</u></u></b> |

## Balance sheet 31 December

|  | <u>Note</u> | <u>2022</u><br>TDKK   | <u>2021</u><br>TDKK   |
|--|-------------|-----------------------|-----------------------|
| <b>Equity and liabilities</b>                      |             |                       |                       |
| Share capital                                      |             | 1.000                 | 1.000                 |
| Retained earnings                                  |             | 445.156               | 345.040               |
| Proposed dividend for the year                     |             | <u>0</u>              | <u>30.000</u>         |
| <b>Equity total</b>                                | 13          | <b><u>446.156</u></b> | <b><u>376.040</u></b> |
| Provision for deferred tax                         | 14          | 18.534                | 15.520                |
| Provisions relating to investments in subsidiaries | 15          | <u>4.648</u>          | <u>500</u>            |
| <b>Provisions total</b>                            |             | <b><u>23.182</u></b>  | <b><u>16.020</u></b>  |
| Prepayments received from customers                |             | 0                     | 359                   |
| Trade payables                                     |             | 58.632                | 29.303                |
| Payables to group enterprises                      |             | 27.596                | 18.577                |
| Corporation tax                                    |             | 1.967                 | 69                    |
| Other payables                                     |             | 20.608                | 21.752                |
| Deferred income                                    | 16          | <u>0</u>              | <u>452</u>            |
| <b>Total current liabilities</b>                   |             | <b><u>108.803</u></b> | <b><u>70.512</u></b>  |
| <b>Debt total</b>                                  |             | <b><u>108.803</u></b> | <b><u>70.512</u></b>  |
| <b>Liabilities and equity total</b>                |             | <b><u>578.141</u></b> | <b><u>462.572</u></b> |
| Contingent liabilities                             | 17          |                       |                       |
| Mortgages and collateral                           | 18          |                       |                       |
| Related parties and ownership structure            | 19          |                       |                       |
| Fee to auditors appointed at the general meeting   | 20          |                       |                       |

## Statement of changes in equity

|                                   | Share capital | Retained earnings | Proposed dividend for the year | Total          |
|-----------------------------------|---------------|-------------------|--------------------------------|----------------|
| Equity at 1 January 2022          | 1.000         | 345.040           | 30.000                         | 376.040        |
| Ordinary dividend paid            | 0             | 0                 | -30.000                        | -30.000        |
| Net profit/loss for the year      | 0             | 100.116           | 0                              | 100.116        |
| <b>Equity at 31 December 2022</b> | <b>1.000</b>  | <b>445.156</b>    | <b>0</b>                       | <b>446.156</b> |

|                                   | Share capital | Retained earnings | Proposed dividend for the year | Total          |
|-----------------------------------|---------------|-------------------|--------------------------------|----------------|
| Equity at 1 January 2021          | 1.000         | 351.480           | 0                              | 352.480        |
| Net profit/loss for the year      | 0             | -6.440            | 30.000                         | 23.560         |
| <b>Equity at 31 December 2021</b> | <b>1.000</b>  | <b>345.040</b>    | <b>30.000</b>                  | <b>376.040</b> |

## Notes

### 1 Information on segments

#### Activities - primary segment

|              | 2022           | 2021           |
|--------------|----------------|----------------|
| TDKK         |                |                |
| HPS          | 43.152         | 41.230         |
| NTD          | 128.301        | 87.197         |
| PFZ          | 336.620        | 158.896        |
| Other        | 26.724         | 28.160         |
| <b>Total</b> | <b>534.797</b> | <b>315.483</b> |

#### Geographical - secondary segment

|              | 2022           | 2021           |
|--------------|----------------|----------------|
| Asia         | 290.064        | 156.204        |
| Europe       | 217.228        | 137.500        |
| US           | 27.505         | 21.779         |
| <b>Total</b> | <b>534.797</b> | <b>315.483</b> |

### 2 Staff costs

|                                 |                |               |
|---------------------------------|----------------|---------------|
| Wages and salaries              | 97.468         | 76.558        |
| Pensions                        | 7.007          | 5.884         |
| Other social security costs     | 1.370          | 1.110         |
|                                 | <b>105.845</b> | <b>83.552</b> |
|                                 | <b>105.845</b> | <b>83.552</b> |
| <br>Average number of employees | <br>167        | <br>140       |

According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the executive board has not been disclosed.

### 3 Depreciation, amortisation and impairment losses

|                                |               |               |
|--------------------------------|---------------|---------------|
| Depreciation intangible assets | 3.511         | 3.649         |
| Depreciation tangible assets   | 20.395        | 17.022        |
|                                | <b>23.906</b> | <b>20.671</b> |
|                                | <b>23.906</b> | <b>20.671</b> |

## Notes

|   | <u>2022</u><br>TDKK   | <u>2021</u><br>TDKK  |
|---|-----------------------|----------------------|
| <b>4 Financial income</b>                   |                       |                      |
| Other financial income                      | 300                   | 1.019                |
|   | <b><u>300</u></b>     | <b><u>1.019</u></b>  |
| <b>5 Financial costs</b>                    |                       |                      |
| Other financial costs                       | 3.582                 | 462                  |
|   | <b><u>3.582</u></b>   | <b><u>462</u></b>    |
| <b>6 Tax on profit/loss for the year</b>    |                       |                      |
| Current tax for the year                    | 26.967                | 2.069                |
| Deferred tax for the year                   | 3.015                 | 4.828                |
| Adjustment of tax concerning previous years | 5                     | 0                    |
|   | <b><u>29.987</u></b>  | <b><u>6.897</u></b>  |
| <b>7 Distribution of profit</b>             |                       |                      |
| Proposed dividend for the year              | 0                     | 30.000               |
| Retained earnings                           | 100.116               | -6.440               |
|   | <b><u>100.116</u></b> | <b><u>23.560</u></b> |



## Notes

### 8 Intangible assets

|  | Completed<br>development<br>projects | Acquired<br>patents |
|--|--------------------------------------|---------------------|
| Cost at 1 January 2022                                 | 70.051                               | 56                  |
| Cost at 31 December 2022                               | 70.051                               | 56                  |
| Impairment losses and amortisation at 1 January 2022   | 50.596                               | 56                  |
| Amortisation for the year                              | 3.511                                | 0                   |
| Impairment losses and amortisation at 31 December 2022 | 54.107                               | 56                  |
| <b>Carrying amount at 31 December 2022</b>             | <b>15.944</b>                        | <b>0</b>            |

The Company's development projects relates to the optimization and improvement of its processes for manufacturing silicon crystals in current and new variants. The prerequisite for recognition is a continuing demand for new and existing products. Management expects the prerequisite to be fulfilled.

## Notes

### 9 Tangible assets

|  | Land and<br>buildings | Plant and<br>machinery | Other fixtures<br>and fittings,<br>tools and<br>equipment | Prepayments<br>for tangible<br>fixed assets |
|--|-----------------------|------------------------|---|---|
| Cost at 1 January 2022                                       | 134.274               | 206.144                | 11.637  | 11.688                                      |
| Additions for the year                                       | 285                   | 16.959                 | 636   | 60.095                                      |
| Disposals for the year                                       | 0                     | -45                    | -1.509  | 0   |
| Cost at 31 December 2022                                     | <u>134.559</u>        | <u>223.058</u>         | <u>10.764</u>   | <u>71.783</u>                               |
| Impairment losses and<br>depreciation at 1 January 2022      | 21.904                | 111.887                | 10.494  | 0   |
| Depreciation for the year                                    | 2.924                 | 14.028                 | 742   | 0   |
| Reversal of impairment and<br>depreciation of sold assets    | 0                     | -39                    | -1.417  | 0   |
| Impairment losses and<br>depreciation at 31 December<br>2022 | <u>24.828</u>         | <u>125.876</u>         | <u>9.819</u>  | <u>0</u>                                    |
| <b>Carrying amount at 31<br/>December 2022</b>               | <b><u>109.731</u></b> | <b><u>97.182</u></b>   | <b><u>945</u></b>   | <b><u>71.783</u></b>                        |

## Notes

|  | <u>2022</u><br>TDKK    | <u>2021</u><br>TDKK    |
|--|------------------------|------------------------|
| <b>10 Investments in subsidiaries</b>      |                        |                        |
| Cost at 1 January 2022                     | <u>9</u>               | <u>9</u>               |
| Cost at 31 December 2022                   | <u>9</u>               | <u>9</u>               |
| Revaluations at 1 January 2022             | <u>-9</u>              | <u>-9</u>              |
| Revaluations at 31 December 2022           | <u>-9</u>              | <u>-9</u>              |
| <b>Carrying amount at 31 December 2022</b> | <b><u><u>0</u></u></b> | <b><u><u>0</u></u></b> |

Investments in subsidiaries are specified as follows:

| <u>Name</u>                     | <u>Registered office</u> | <u>Ownership interest</u> |
|---------------------------------|--------------------------|---------------------------|
| Topsil Semiconductors sp. z.o.o | Warsaw, Polen            | 100%                      |

## 11 Fixed asset investments

|  | <u>Other receivables</u>    |
|--|-----------------------------|
| Cost at 1 January 2022                     | 0                           |
| Additions for the year                     | <u>60.054</u>               |
| Cost at 31 December 2022                   | <u>60.054</u>               |
| <b>Carrying amount at 31 December 2022</b> | <b><u><u>60.054</u></u></b> |

## Notes

### 12 Prepayments

Prepayments consists of prepaid insurance, heating, and other prepaid expenses.

### 13 Equity

The share capital consists of:

|                            |                  |
|----------------------------|------------------|
|                            | Nominal<br>value |
| 1.000.000 shares of TDKK 1 | 1.000.000        |
|                            | <u>1.000.000</u> |

### 14 Provision for deferred tax

Provision for deferred tax at 1 January 2022

Applied in the year

**Provision for deferred tax at 31 December 2022**

| 2022<br>TDKK         | 2021<br>TDKK         |
|----------------------|----------------------|
| 15.520               | 10.692               |
| <u>3.014</u>         | <u>4.828</u>         |
| <u><b>18.534</b></u> | <u><b>15.520</b></u> |
| <u><b>18.534</b></u> | <u><b>15.520</b></u> |

### 15 Provisions relating to investments in subsidiaries

Balance at 1 January 2022

Applied in the year

**Balance at 31 December 2022**

|                     |                   |
|---------------------|-------------------|
| 500                 | 500               |
| <u>4.148</u>        | <u>0</u>          |
| <u><b>4.648</b></u> | <u><b>500</b></u> |

Expected maturities:

Between 1 and 5 years

**Total**

|                     |                   |
|---------------------|-------------------|
| <u>4.648</u>        | <u>500</u>        |
| <u><b>4.648</b></u> | <u><b>500</b></u> |

Provisions relating to investments in Topsil Semiconductors sp. z.o.o. The provision relates to closing cost of Topsil Semiconductors sp. z.o.o.

## Notes

### 16 Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

### 17 Contingent liabilities

#### **Unrecognised rental and lease commitments**

Liabilities under rental or lease agreements until maturity amounts in total to 192 DKK'000.

### 18 Mortgages and collateral

The Company has issued mortgages registered 100.000 DKK'000 which is secured by land and buildings, with a carrying amount of 109.731 DKK'000. The mortgages have been lodged as collateral for bank loans.

### 19 Related parties and ownership structure

#### **Controlling interest**

GlobalWafers B.V., A tower, 7 floor, Laan van Langerhuize 1, 1186 DS Amstelveen, Holland

The basis for controlling interest is due to possession of the majority of the share capital.

#### **Transactions**

Only transactions with related parties that are not carried out on market terms are stated in the annual report. No such operations have been conducted for the year.

#### **Consolidated financial statements**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Sino-American Silicon Products Inc. No. 8. Industrial East Road 2 Science-Based Industrial Park, Hsinchu, Taiwan

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

GlobalWafers Co., Ltd. No. 8. Industrial East Road 2 Science-Based Industrial Park, Hsinchu, Taiwan

## Notes

|  | <u>2022</u>       | <u>2021</u>       |
|--|-------------------|-------------------|
|  | TDKK              | TDKK              |
| <b>20 Fee to auditors appointed at the general meeting</b> |                   |                   |
| LPOG ApS:  |                   |                   |
| Audit fee  | 260               | 224               |
| Other assurance engagements                                | 30                | 39                |
| Non-audit services   | <u>130</u>        | <u>79</u>         |
|  | <u><b>420</b></u> | <u><b>342</b></u> |