



Topsil GlobalWafers A/S

Siliciumvej 1
3600 Frederikssund
CVR no. 37 84 22 22

Annual report for 2021

Adopted at the annual general meeting on 28 June 2022

Hans Peder Skytte Mikkelsen
chairman of the General Meeting

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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 2021.

The annual report is prepared in accordance with 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 28 June 2022

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 2021, 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 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, 28 June 2022

LPOG ApS

Statsautoriserede Revisorer
CVR no. 33 16 72 88

Morten Gøtttsche
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 2021

Incorporated: 1 juli 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:

	2021	2020	2019	2018	2017
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	315.483	228.912	272.059	216.024	209.134
Gross profit	134.964	103.517	113.233	93.497	47.174
Profit/loss before net financials	30.741	9.731	20.144	11.108	-16.957
Net financials	-284	1.619	21.839	-870	21.350
Profit/loss for the year	23.560	8.723	37.534	16.266	5.816
Balance sheet					
Balance sheet total	462.572	423.320	412.065	371.586	342.359
Investment in property, plant and equipment	10.626	33.338	33.825	22.761	4.045
Equity	376.040	352.480	343.758	306.224	289.958
Number of employees	140	130	128	110	82
Financial ratios					
Gross margin	42,8%	45,2%	41,6%	43,3%	22,6%
EBIT margin	9,7%	4,3%	7,4%	5,1%	-8,1%
Return on assets	6,9%	2,3%	5,1%	3,1%	-5,0%
Solvency ratio	81,3%	83,3%	83,4%	82,4%	84,7%

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

Revenue for the year 2021 amounted to 315.5m, which is in line with the expectations for the year.

The result for the year ended up with a profit of 23.6m compared to a profit of 8.7m in 2020. The result from ordinary operation was in line with the expectations for the year.

The balance sheet amounts to a total of 462.6m, which was an increase of 39.3m compared to 2020. The main reason for the increase in 2021 compared to 2020 was an increase in short term assets of 50.7m. The intangible and tangible assets amounted to 52.6% of the total assets compared to 58.9% in 2020. Inventories amounted to 94.2m, which was a decrease of 16.8m compared to 2020.

Equity amounts to 376.0m of the balance sheet total. This is equal to 81.3% of the total balance sheet amount.

No loans have been granted by external parties as per 31.12.2021.

Products

Topsil is a leading supplier of ultrapure float zone silicon for the global semiconductor industry. Topsil has specialized in producing and selling high-quality silicon for production of critical high- and medium-power devices which places high demands on the devices' electrical properties and performance.

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

Czochralski (CZ) Silicon covers the lower voltage levels – with some overlap in selected areas of applications - and are produced on sister sites for sale to Topsil's customers.

Topsil's five main product types are available in different diameters. Three of the products are float zone-based, and the other two are Czochralski-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).

CZ – Czochralski silicon is used for less technically sophisticated products, including consumer electronics.

CZ-EPI – is a special variant of the CZ product, in which a special crystalline coating is applied to the CZ wafer, thus improving its conducting properties, making the wafer suitable for rather more complex products, for example in wind technology.

Management's review

Customers and markets

Topsil has a sizeable share of the FZ-NTD market, especially in Europe, and we are determined to grow the share of the NTD-PFZ market. The European market has for a long time been characterized by political focus on climate solutions and electrification of society.

Topsil has successfully built a solid position in Europe. After GlobalWafers' acquisition of the company, it has been determined that other sales channels in the Group are considerably more powerful on the US and Asian markets than Topsil's, and consequently the responsibility for sales and service of Topsil's customers on these markets has been assigned to local sales offices in the GlobalWafers Group in China, Japan, Korea and the US.

As predicted in 2016 GWC, Topsil's parent company, GlobalWafers, has bought a significant part of the FZ ingots manufactured in 2021.

Production

A silicon wafer goes through more than 100 processing steps before delivery to the customer. It is a long and complex flow that requires close monitoring to achieve the required purity. The raw material, which has different technical characteristics, is received in solid form and is melted at induction heat in a specially designed float zone puller. A uniform crystal is formed to which dopants can be added in order to obtain the required electrical properties.

The silicon crystal is subsequently cut into wafers, which again are post-processed according to product type and given the right surface treatment according to customer specification.

Quality control

Topsil must continuously provide world-class products to its customers. Professionalism, quality control and quality management are therefore fundamental elements in the production flow from receipt of the raw material to delivery of the finished wafers to the customers.

It is necessary to monitor each step in the production flow carefully to live up to the demanded quality standards. Topsil has implemented a finely meshed quality management system which complies with the strict requirements of the IATF 16949 Standard. IATF 16949 is particularly known from the automotive industry and characterized by making significant demands on company methods, processes and documentation.

At the same time, Topsil makes use of various lean tools for a methodical and data-driven improvement of production and processes. The electrical parameters of silicon are measured to make sure that they comply with the international SEMI standards and other relevant specifications.

Topsil has published a supplier handbook outlining the principles for selection of suppliers and Topsil's requirements for these suppliers.

Management's review

Topsil continually works to minimize the consumption of resources and reduce its environmental impact. The measures introduced include, for example, development or upgrading of production equipment, recycling of resources and continual monitoring of developments in consumption in order to identify additional improvement potential. The work to mitigate Topsil's environmental and energy impact complies with the ISO 14001 environmental standard and ISO 50001 energy standard.

Development

Development of Topsil's 8" platform continued in 2021, with special focus on stabilizing and optimizing the production processes. The demand for 8" products has increased, and great effort has been made at group level to strengthen the customer base. A number of potential customers are still qualifying Topsil's 8" FZ products.

Furthermore, Topsil received some inquiries for FZ products with diameters below 8" with capabilities outside Topsil's normal standard specifications which has resulted in a series of tests in order to strengthen Topsil's capabilities for these products as well.

Knowledge resources

Topsil relies heavily on its knowledge resources of highly skilled and motivated silicon specialists. It is the Management's job to ensure that the organization always possesses the right skills, and a number of HR tools 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 2021, the total number of employees was increased by 10 compared to 2020.

Events after the balance sheet date

There have been no events after the balance sheet date, which could have had an impact of the result for the year 2021.

Outlook for 2022

In 2022, revenue is expected to be at the level of DKK 400m–450m. EBIT is expected in a range between DKK 55-65m.

Accounting policies

The annual report of Topsil GlobalWafers A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized 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

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.

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.

Accounting policies

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. The item is net of refunds made by public authorities.

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:

	Useful life
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.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Accounting policies

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.

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.

Accounting policies

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.

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.

Accounting policies

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	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets at year-end}}$

Income statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK
Revenue		315.483	228.912
Expenses for raw materials and consumables		-152.773	-97.171
Other external costs		-27.746	-28.224
Gross profit		134.964	103.517
Staff costs	1	-83.552	-74.210
Depreciation, amortisation and impairment losses	2	-20.671	-19.576
Profit/loss before net financials		30.741	9.731
Financial income	3	786	2.332
Impairment losses on financial assets		-841	-526
Financial costs	4	-229	-187
Profit/loss before tax		30.457	11.350
Tax on profit/loss for the year	5	-6.897	-2.627
Profit/loss for the year		23.560	8.723
Distribution of profit	6		

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK
Assets			
Completed development projects		19.456	23.105
Acquired patents		<u>0</u>	<u>0</u>
Intangible assets	7	<u>19.456</u>	<u>23.105</u>
Land and buildings		112.370	115.076
Plant and machinery		98.429	108.334
Other fixtures and fittings, tools and equipment		1.141	1.013
Prepayments for tangible fixed assets		<u>11.688</u>	<u>6.997</u>
Tangible assets	8	<u>223.628</u>	<u>231.420</u>
Other receivables	10	<u>0</u>	<u>547</u>
Fixed asset investments		<u>0</u>	<u>547</u>
Total non-current assets		<u>243.084</u>	<u>255.072</u>
Raw materials and consumables		13.908	22.450
Work in progress		70.944	84.572
Finished goods and goods for resale		<u>9.389</u>	<u>4.019</u>
Stocks		<u>94.241</u>	<u>111.041</u>
Trade receivables		29.433	15.085
Receivables from group enterprises		46.632	15.726
Other receivables		14.352	8.471
Prepayments	11	<u>643</u>	<u>1.027</u>
Receivables		<u>91.060</u>	<u>40.309</u>
Cash at bank and in hand		<u>34.187</u>	<u>16.898</u>
Total current assets		<u>219.488</u>	<u>168.248</u>
Total assets		<u><u>462.572</u></u>	<u><u>423.320</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK
Equity and liabilities			
Share capital		1.000	1.000
Retained earnings		345.040	351.480
Proposed dividend for the year		<u>30.000</u>	<u>0</u>
Equity	12	<u>376.040</u>	<u>352.480</u>
Provision for deferred tax	13	15.520	10.692
Provisions relating to investments in subsidiaries		<u>500</u>	<u>500</u>
Total provisions		<u>16.020</u>	<u>11.192</u>
Other payables		<u>0</u>	<u>7.231</u>
Total non-current liabilities	14	<u>0</u>	<u>7.231</u>
Prepayments received from customers		359	7.802
Trade payables		29.303	13.964
Payables to group enterprises		18.577	12.962
Corporation tax		69	0
Other payables		21.752	17.689
Deferred income		<u>452</u>	<u>0</u>
Total current liabilities		<u>70.512</u>	<u>52.417</u>
Total liabilities		<u>70.512</u>	<u>59.648</u>
Total equity and liabilities		<u><u>462.572</u></u>	<u><u>423.320</u></u>
Contingent liabilities	15		
Mortgages and collateral	16		
Related parties and ownership structure	17		

Statement of changes in equity

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

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	1.000	342.757	343.757
Net profit/loss for the year	<u>0</u>	<u>8.723</u>	<u>8.723</u>
Equity at 31 December 2020	<u>1.000</u>	<u>351.480</u>	<u>352.480</u>

Notes

	<u>2021</u>	<u>2020</u>
	TDKK	TDKK
1 Staff costs		
Wages and salaries	76.558	67.637
Pensions	5.884	5.564
Other social security costs	<u>1.110</u>	<u>1.009</u>
	<u>83.552</u>	<u>74.210</u>
Average number of employees	<u>140</u>	<u>130</u>
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the executive board has not been disclosed.		
2 Depreciation, amortisation and impairment losses		
Depreciation intangible assets	3.649	3.768
Depreciation tangible assets	<u>17.022</u>	<u>15.808</u>
	<u>20.671</u>	<u>19.576</u>
3 Financial income		
Other financial income	<u>786</u>	<u>2.332</u>
	<u>786</u>	<u>2.332</u>
4 Financial costs		
Other financial costs	<u>229</u>	<u>187</u>
	<u>229</u>	<u>187</u>

Notes

	<u>2021</u>	<u>2020</u>
	TDKK	TDKK
5 Tax on profit/loss for the year		
Current tax for the year	2.069	0
Deferred tax for the year	<u>4.828</u>	<u>2.627</u>
	<u>6.897</u>	<u>2.627</u>
6 Distribution of profit		
Proposed dividend for the year	30.000	0
Retained earnings	<u>-6.440</u>	<u>8.723</u>
	<u>23.560</u>	<u>8.723</u>

Notes

7 Intangible assets

	Completed development projects	Acquired patents
Cost at 1 January 2021	70.051	56
Cost at 31 December 2021	70.051	56
Impairment losses and amortisation at 1 January 2021	46.946	56
Amortisation for the year	3.649	0
Impairment losses and amortisation at 31 December 2021	50.595	56
Carrying amount at 31 December 2021	19.456	0

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

8 Tangible assets

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Prepayments for tangible fixed assets
Cost at 1 January 2021	134.068	207.070	11.164	6.997
Additions for the year	206	4.940	789	4.691
Disposals for the year	0	-1.694	-316	0
Cost at 31 December 2021	<u>134.274</u>	<u>210.316</u>	<u>11.637</u>	<u>11.688</u>
Impairment losses and depreciation at 1 January 2021	18.992	98.736	10.154	0
Depreciation for the year	2.912	13.452	658	0
Reversal of impairment and depreciation of sold assets	0	-301	-316	0
Impairment losses and depreciation at 31 December 2021	<u>21.904</u>	<u>111.887</u>	<u>10.496</u>	<u>0</u>
Carrying amount at 31 December 2021	<u><u>112.370</u></u>	<u><u>98.429</u></u>	<u><u>1.141</u></u>	<u><u>11.688</u></u>

Notes

	<u>2021</u> TDKK	<u>2020</u> TDKK
9 Investments in subsidiaries		
Cost at 1 January 2021	<u>9</u>	<u>9</u>
Cost at 31 December 2021	<u>9</u>	<u>9</u>
Revaluations at 1 January 2021	<u>-9</u>	<u>-9</u>
Revaluations at 31 December 2021	<u>-9</u>	<u>-9</u>
Carrying amount at 31 December 2021	<u><u>0</u></u>	<u><u>0</u></u>

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%

10 Fixed asset investments

	<u>Other receiv- ables</u>
Cost at 1 January 2021	547
Disposals for the year	<u>-547</u>
Cost at 31 December 2021	<u>0</u>
Impairment losses at 31 December 2021	<u>0</u>
Carrying amount at 31 December 2021	<u><u>0</u></u>

Notes

11 Prepayments

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

12 Equity

The share capital consists of:

	Nominal value
1.000.000 shares of TDKK 1	1.000.000
	1.000.000

13 Provision for deferred tax

Provision for deferred tax at 1 January 2021

Applied in the year

Provision for deferred tax at 31 December 2021

2021 TDKK	2020 TDKK
10.692	8.065
4.828	2.627
15.520	10.692
15.520	10.692

14 Long term debt

	Debt at 1 January 2021	Debt at 31 December 2021	Instalment next year	Debt outstanding after 5 years
Other payables	7.231	0	0	0
	7.231	0	0	0

Notes

15 Contingent liabilities

Unrecognised rental and lease commitments

Liabilities under rental or lease agreements until maturity amounts in total to 320 DKK'000.

16 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 112.370 DKK'000. The mortgages haven been lodged as collateral for bank loans.

17 Related parties and ownership structure

Controlling interest

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

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

17 Related parties and ownership structure (continued)

The consolidated financial statement for the largest group can be obtained at:

https://www.saswafer.com/en/investor/financial-information_en/

The consolidated financial statement for the smallest group can be obtained at:

<https://doc.twse.com.tw/server-java/t57sb01?>

[step=1&colorchg=1&co_id=6488&year=109&seamon=&mtype=A&](https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=6488&year=109&seamon=&mtype=A&)