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GlobalWafers and the U.S. Department of Commerce Announce Proposed CHIPS and Science Act Funding for Key Semiconductor Wafer Manufacturing Facilities

The \$400 million CHIPS incentive award would support the building of America's only advanced node semiconductor silicon wafer fabrication and Silicon-On-Insulator facilities to undergird the resurgence of U.S. chip production and bolster the United States' semiconductor supply chain resilience.

SHERMAN, Texas and HSINCHU, Taiwan – GlobalWafers Co., Ltd. (GWC) (6488:TT) today announced that GWC subsidiaries, GlobalWafers America (GWA) and MEMC LLC, have signed a non-binding preliminary memorandum of terms (PMT) with the U.S. Department of Commerce for **up to \$400 million in direct funding under the CHIPS and Science Act to support GWC's construction of advanced silicon wafer manufacturing facilities in Sherman, Texas and St. Peters, Missouri.**

When complete, the Sherman, Texas complex will be the first fully integrated advanced silicon wafer production line built in the United States in over 20 years. GWA President Mark England remarked, "With the support of the Biden Administration, we are honored to be bringing to American shores the world's most cutting-edge 300mm semiconductor wafer technology, filling what the White House has called a "key vulnerability" within the U.S. semiconductor supply chain. GlobalWafers is fully committed to the U.S. market, and we are excited to be playing a defining role in the nation's semiconductor rebirth."

With this proposed investment, GWA will also become a key node in Texas's rapidly developing Silicon Prairie ecosystem. England added, "The state of Texas and the North Texas Texoma region have welcomed GWA with open arms and investment incentives. **We are proud to reciprocate their hospitality by bringing to Sherman 1200 construction jobs and 750 high paying manufacturing jobs ranging from production operators to technicians and engineers between now and 2026.**" **As the only confirmed advanced node wafer manufacturer now investing in the United States, GWA will reduce the United States' complete dependence on overseas manufacturing facilities to provide wafers for advanced chips.**

Already home to semiconductor pioneer Texas Instruments (TI), the GlobalWafers investment will help make North Texas the most unique semiconductor ecosystem in the country as headquarters to the nation's leading analogue and embedded semiconductor company AND home to the country's only 300-mm silicon wafer manufacturer for advanced chips. TI Vice President of Worldwide Procurement and Logistics Rob Simpson congratulated both GlobalWafers and the U.S. Department of Commerce on this announcement, noting: "TI welcomes the investment in GlobalWafers America in North Texas, as it will be a very meaningful addition to the growing semiconductor ecosystem here."

"Texas continues to lead the country as the Best State for Business," said Governor Greg Abbott. "Companies like GlobalWafers America – the only advanced node wafer manufacturer in the U.S. – are investing in Texas because of our world-class business climate, business-friendly regulations, and young, growing, and highly skilled workforce. GlobalWafers is a crucial partner in our efforts to remain the nation's No. 1 state for semiconductor manufacturing, and I thank them for choosing North Texas for their new facility."

In support of national economic and resilience objectives, GWC is committed to developing in the United States a broad range of next-generation wafer technology. This includes establishing a Research and Development Center of Excellence in Sherman as well as building **the United States' only 300-mm manufacturing facility for advanced Silicon-On-Insulator (SOI) wafers at GWC's MEMC LLC subsidiary in St. Peters, Missouri where the project brings an additional 500 construction jobs and 130 high quality manufacturing jobs.**

As the only U.S. source of 300-mm SOI wafers, the MEMC investment will add a new level of resilience to the U.S. supply chain. On this point, Ashlie Wallace, Senior Vice President of Global Supply Chain at GlobalFoundries observed, "GlobalFoundries applauds the proposed CHIPS direct funding to GlobalWafers, a longstanding strategic partner of ours which provides an important domestic supply of silicon wafers critical for the essential semiconductors we manufacture." Wallace added, "Federal investments across the U.S. semiconductor ecosystem are strengthening our industry and the supply chains that are vital to our customers and the economy."

Noting the significance of this proposed funding to U.S. supply chain resilience efforts, U.S. Secretary of Commerce Gina Raimondo said, "President Biden is restoring our leadership in the entire semiconductor supply chain – from materials to manufacturing, to R&D. With this proposed investment, GlobalWafers will play a crucial role in bolstering America's semiconductor supply chain by providing a domestic source of silicon wafers that are the backbone of advanced chips. As a result of this proposed investment, the Biden-Harris Administration is helping to secure our supply chains, which will create over 2,000 jobs across Texas and Missouri and ultimately lower costs and improve economic and national security for Americans."

In addition to the direct grant funding announced today, GWC plans to **apply for the U.S. Treasury Department's Advanced Manufacturing Investment Credit (AMIC) of up to 25% of qualified expenditures at the GWA and MEMC LLC facilities.**

From Hsinchu, Taiwan, GlobalWafers Chairwoman and CEO Doris Hsu expressed her personal thanks to the U.S. Congress, the Department of Commerce, and the Department of Treasury for CHIPS Act support: "Thanks to U.S. Government support, GlobalWafers is pleased to be a key node in the U.S. semiconductor supply chain. I'd like to particularly thank Secretary Raimondo for her partnership and vision throughout this journey. From day one, her encouragement gave me confidence that U.S. Government support for our investment would be significant and strategic to U.S. objectives."

As a key ESG imperative, GlobalWafers companies across the globe practice green manufacturing and constantly seek to improve energy efficiency, water conservation, waste management and air pollution control. **When at full ramp, GWC's new and expansion facilities in Sherman and St. Peters will recycle up to half of the water used in production and have forward plans to utilize 100% renewable energy to manufacture the world's most advanced silicon wafers.** The GlobalWafers family of companies is committed to reducing our environmental footprint to the fullest extent possible.

GlobalWafers Co., Ltd., the world's third largest supplier of semiconductor wafers, maintains 18 manufacturing and operational sites spanning three continents and nine countries. The company is a global leader in semiconductor technology, providing innovative and advanced technology solutions to leading chip manufacturers to transform lives around the world.

GlobalWafers Co., Ltd.

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