

Sino-American Silicon Products Inc. and Subsidiaries

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2024 and 2023**

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

Table of contents

| Contents | Page |
|---|----------|
| 1. Cover Page | 1 |
| 2. Table of Contents | 2 |
| 3. Independent Auditors' Review Report | 3 |
| 4. Consolidated Balance Sheets | 4 |
| 5. Consolidated Statements of Comprehensive Income | 5 |
| 6. Consolidated Statements of Changes in Equity | 6 |
| 7. Consolidated Statements of Cash Flows | 7 |
| 8. Notes to the Consolidated Financial Statements | |
| (1) Company history | 8 |
| (2) Approval date and procedures of the consolidated financial statements | 8 |
| (3) New standards, amendments and interpretations adopted | 8~10 |
| (4) Summary of material accounting policies | 10~15 |
| (5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty | 16 |
| (6) Explanation of significant accounts | 16~57 |
| (7) Related-party transactions | 57~61 |
| (8) Pledged assets | 61~62 |
| (9) Commitments and contingencies | 62~64 |
| (10) Losses due to major disasters | 64 |
| (11) Subsequent Events | 64 |
| (12) Other | 64 |
| (13) Other disclosures | |
| (a) Information on significant transactions | 65、68~82 |
| (b) Information on investees | 65、83~87 |
| (c) Information on investment in mainland China | 65、88~89 |
| (d) Major shareholders | 66 |
| (14) Segment information | 66~67 |



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Independent Auditors' Review Report

To the Board of Directors
Sino-American Silicon Products Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Sino-American Silicon Products Inc. and its subsidiaries as of June 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2024 and 2023, as well as the changes in equity and cash flows for the six months ended June 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard (“IASs”) 34, “Interim Financial Reporting”, endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$5,779,908 thousand and \$4,532,711 thousand, constituting 2% and 2% of consolidated total assets at June 30, 2024 and 2023, respectively, total liabilities amounting to \$2,411,713 thousand and \$1,718,240 thousand, constituting 1% and 1% of consolidated total liabilities at June 30, 2024 and 2023, respectively, and total comprehensive income (loss) amounting to \$(96,275) thousand, \$(1,586) thousand, \$93,350 thousand and \$(71,980) thousand, constituting (1)%, 0%, 1% and (1)% of consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2024 and 2023, respectively.

Furthermore, as stated in Note 6(7), the other equity-method accounted investments of the Sino-American Silicon Products Inc. and its subsidiaries amounting to \$1,573,268 thousand and \$55,589 thousand at June 30, 2024 and 2023, respectively, and its equity in net earnings on these investee companies of \$26,033 thousand, \$(440) thousand, \$61,997 thousand and \$718 thousand for the three months and six months ended June 30, 2024 and 2023, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.



Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity-method-accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Sino-American Silicon Products Inc. and its subsidiaries as of June 30, 2024 and 2023, and of its consolidated financial performance for the three months and six months ended June 30, 2024 and 2023, as well as its consolidated cash flows for the six months ended June 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting”, endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ report are Yung-Hua Huang and Chun-Yuan Wu.

KPMG

Taipei, Taiwan (Republic of China)
August 9, 2024

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Balance Sheets

June 30, 2024, December 31, 2023, and June 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

| | | <u>June 30, 2024</u> | | <u>December 31, 2023</u> | | <u>June 30, 2023 (Restatement)</u> | | | | <u>June 30, 2024</u> | | <u>December 31, 2023</u> | | <u>June 30, 2023 (Restatement)</u> | |
|----------------------------|---|------------------------------|-------------------|---------------------------|-------------------|--|-------------------|---------------------------------|--|------------------------------|-------------------|---------------------------|-------------------|--|-------------------|
| Assets | | Amount | % | Amount | % | Amount | % | | | Amount | % | Amount | % | Amount | % |
| Current assets: | | | | | | | | | | | | | | | |
| 1100 | Cash and cash equivalents (notes 6(1) and 9) | \$ 50,360,143 | 18 | 30,827,503 | 14 | 54,691,839 | 27 | 2100 | Short-term borrowings (notes 6(13) and 8) | \$ 42,576,754 | 16 | 31,811,162 | 14 | 14,734,669 | 7 |
| 1110 | Financial assets at fair value through profit or loss—current (note 6(2)) | 99 | - | 9,995 | - | 5,999 | - | 2120 | Financial liabilities at fair value through profit or loss—current (notes 6(2) and (15)) | 32,439 | - | 204,322 | - | 345,224 | - |
| 1170 | Notes and accounts receivable, net (notes 6(5) and (23)) | 12,519,542 | 5 | 12,228,049 | 5 | 11,481,377 | 6 | 2130 | Contract liabilities—current (note 6(23)) | 10,238,645 | 4 | 10,493,887 | 5 | 9,578,045 | 5 |
| 1180 | Accounts receivable due from related parties, net (notes 6(23) and 7) | - | - | - | - | 62,566 | - | 2170 | Notes and accounts payable | 5,247,257 | 2 | 5,958,638 | 3 | 4,797,991 | 2 |
| 130X | Inventories (note 6(6)) | 13,944,878 | 5 | 12,556,397 | 6 | 10,894,470 | 5 | 2180 | Accounts payable to related parties (note 7) | 1,739 | - | - | - | 25,134 | - |
| 1476 | Other financial assets—current (notes 6(1) and 8) | 42,784,014 | 16 | 43,551,516 | 19 | 25,965,464 | 14 | 2201 | Payroll and bonus payable | 5,071,636 | 2 | 5,310,525 | 2 | 5,113,421 | 3 |
| 1479 | Other current assets (note 6(12)) | <u>2,320,016</u> | <u>1</u> | <u>2,204,462</u> | <u>1</u> | <u>1,980,632</u> | <u>1</u> | 2216 | Dividends payable | 6,610,811 | 2 | 3,756,469 | 2 | 5,484,804 | 3 |
| | | <u>121,928,692</u> | <u>45</u> | <u>101,377,922</u> | <u>45</u> | <u>105,082,347</u> | <u>53</u> | 2250 | Provisions—current (note 6(17)) | 299,019 | - | 293,127 | - | 442,050 | - |
| Non-current assets: | | | | | | | | 2230 | Current tax liabilities | 2,933,395 | 1 | 4,070,647 | 2 | 3,716,630 | 2 |
| 1513 | Financial assets at fair value through profit or loss—non-current (note 6(2)) | 10,573,499 | 4 | 12,567,498 | 6 | 9,920,204 | 5 | 2270 | Convertible bonds, current portion (note 6(15)) | - | - | 6,647,050 | 3 | 11,430,933 | 6 |
| 1517 | Financial assets at fair value through other comprehensive income—non-current (note 6(3)) | 3,372,996 | 1 | 3,464,865 | 1 | 2,255,290 | 1 | 2321 | Bonds payable, current portion (note 6(15)) | 7,099,666 | 3 | 7,098,400 | 3 | - | - |
| 1535 | Financial assets at amortized cost—non-current (notes 6(4) and 7) | 6,457,550 | 2 | - | - | - | - | 2322 | Long-term borrowings, current portion (note 6(14)) | 2,111,065 | 1 | 1,870,689 | 1 | 683,176 | - |
| 1550 | Investments accounted for using equity method (note 6(7)) | 1,573,268 | 1 | 1,494,831 | 1 | 2,924,675 | 1 | 2399 | Other current liabilities (notes 6(16), 7 and 9) | <u>11,793,294</u> | <u>4</u> | <u>9,977,315</u> | <u>4</u> | <u>6,995,065</u> | <u>4</u> |
| 1600 | Property, plant and equipment (notes 6(9), 7 and 8) | 111,439,751 | 41 | 89,667,689 | 40 | 61,667,212 | 31 | | | <u>94,015,720</u> | <u>35</u> | <u>87,492,231</u> | <u>39</u> | <u>63,347,142</u> | <u>32</u> |
| 1755 | Right-of-use assets (note 6(10)) | 1,438,218 | 1 | 1,459,674 | 1 | 1,184,943 | 1 | Non-Current liabilities: | | | | | | | |
| 1780 | Intangible assets (note 6(11)) | 5,662,322 | 2 | 5,695,213 | 2 | 6,950,738 | 4 | 2527 | Contract liabilities—non-current (notes 6(23) and 9) | 24,582,444 | 9 | 24,970,383 | 11 | 28,679,150 | 14 |
| 1840 | Deferred tax assets | 3,577,575 | 1 | 3,652,099 | 2 | 2,784,167 | 1 | 2500 | Non-current financial liabilities at fair value through profit or loss (notes 6(2) and (15)) | 667,391 | - | - | - | - | - |
| 1980 | Other financial assets—non-current (notes 8 and 9) | 858,880 | - | 845,746 | - | 211,854 | - | 2530 | Convertible bonds (note 6(15)) | 769,099 | - | 762,039 | - | - | - |
| 1990 | Other non-current assets (note 6(12)) | <u>6,338,238</u> | <u>2</u> | <u>5,269,688</u> | <u>2</u> | <u>6,772,535</u> | <u>3</u> | 2531 | Bonds payable (note 6(15)) | 16,888,750 | 6 | 11,893,051 | 5 | 18,988,780 | 10 |
| | | <u>151,292,297</u> | <u>55</u> | <u>124,117,303</u> | <u>55</u> | <u>94,671,618</u> | <u>47</u> | 2532 | Exchangeable bonds with warrants (notes 6(15)) | 10,251,158 | 4 | - | - | - | - |
| | | | | | | | | 2540 | Long-term borrowings (notes 6(14) and 8) | 4,955,287 | 2 | 4,514,138 | 2 | 4,681,773 | 2 |
| | | | | | | | | 2550 | Provisions—non-current (note 6(17)) | 2,979,180 | 1 | 3,202,855 | 1 | 3,139,830 | 2 |
| | | | | | | | | 2570 | Deferred tax liabilities | 6,814,000 | 2 | 6,034,723 | 3 | 5,441,905 | 3 |
| | | | | | | | | 2670 | Other non-current liabilities (notes 6(16), 7 and 9) | 2,895,991 | 1 | 3,022,729 | 1 | 2,578,846 | 1 |
| | | | | | | | | 2640 | Net defined benefit liabilities | <u>1,554,182</u> | <u>1</u> | <u>1,608,901</u> | <u>1</u> | <u>1,464,950</u> | <u>1</u> |
| | | | | | | | | | | <u>72,357,482</u> | <u>26</u> | <u>56,008,819</u> | <u>24</u> | <u>64,975,234</u> | <u>33</u> |
| | | | | | | | | | Total liabilities | <u>166,373,202</u> | <u>61</u> | <u>143,501,050</u> | <u>63</u> | <u>128,322,376</u> | <u>65</u> |
| | | | | | | | | | Equity (note 6(20)): | | | | | | |
| | | | | | | | | 3110 | Ordinary shares | <u>5,862,217</u> | <u>2</u> | <u>5,862,217</u> | <u>3</u> | <u>5,862,217</u> | <u>3</u> |
| | | | | | | | | 3200 | Capital surplus | <u>23,985,217</u> | <u>9</u> | <u>16,955,211</u> | <u>8</u> | <u>16,853,274</u> | <u>8</u> |
| | | | | | | | | 3300 | Retained earnings | <u>20,413,862</u> | <u>8</u> | <u>19,764,133</u> | <u>9</u> | <u>16,642,263</u> | <u>8</u> |
| | | | | | | | | 3400 | Other equity interest | <u>(5,702,332)</u> | <u>(2)</u> | <u>(6,457,122)</u> | <u>(3)</u> | <u>(6,188,163)</u> | <u>(3)</u> |
| | | | | | | | | 3500 | Treasury shares | <u>(4,382,100)</u> | <u>(2)</u> | <u>(4,382,100)</u> | <u>(2)</u> | <u>-</u> | <u>-</u> |
| | | | | | | | | | Total equity attributable to shareholders of the Company | <u>40,176,864</u> | <u>15</u> | <u>31,742,339</u> | <u>15</u> | <u>33,169,591</u> | <u>16</u> |
| | | | | | | | | 36XX | Non-controlling interests (note 6(8)) | <u>66,670,923</u> | <u>24</u> | <u>50,251,836</u> | <u>22</u> | <u>38,261,998</u> | <u>19</u> |
| | | | | | | | | | Total equity | <u>106,847,787</u> | <u>39</u> | <u>81,994,175</u> | <u>37</u> | <u>71,431,589</u> | <u>35</u> |
| Total assets | | \$ <u>273,220,989</u> | <u>100</u> | <u>225,495,225</u> | <u>100</u> | <u>199,753,965</u> | <u>100</u> | | Total liabilities and equity | \$ <u>273,220,989</u> | <u>100</u> | <u>225,495,225</u> | <u>100</u> | <u>199,753,965</u> | <u>100</u> |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Comprehensive Income

For the three months and six months ended June 30, 2024 and 2023

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

| | | For the three months ended June 30, | | | | For the six months ended June 30, | | | |
|------|--|--|-----|------------|-----|--------------------------------------|-----|-------------|-----|
| | | 2024 | | 2023 | | 2024 | | 2023 | |
| | | Amount | % | Amount | % | Amount | % | Amount | % |
| 4000 | Operating revenue (notes 6(23) and 7) | \$ 19,896,382 | 100 | 20,318,305 | 100 | 39,588,537 | 100 | 41,221,854 | 100 |
| 5000 | Operating costs (notes 6(6), (18), (24) and 7) | 13,538,113 | 68 | 13,346,165 | 66 | 27,035,469 | 68 | 26,657,285 | 65 |
| | Gross profit from operations | 6,358,269 | 32 | 6,972,140 | 34 | 12,553,068 | 32 | 14,564,569 | 35 |
| | Operating expenses (notes 6(18), (24) and 7): | | | | | | | | |
| 6100 | Selling expenses | 386,604 | 2 | 416,820 | 2 | 762,778 | 2 | 847,147 | 2 |
| 6200 | Administrative expenses | 747,576 | 4 | 775,852 | 4 | 1,403,500 | 4 | 1,499,943 | 4 |
| 6300 | Research and development expenses | 885,929 | 5 | 692,574 | 3 | 1,697,860 | 4 | 1,309,057 | 3 |
| 6450 | Expected credit losses (reversal gains) (note 6(5)) | (302) | - | (2,111) | - | (5,011) | - | 21,123 | - |
| | Total operating expenses | 2,019,807 | 11 | 1,883,135 | 9 | 3,859,127 | 10 | 3,677,270 | 9 |
| | Net operating income | 4,338,462 | 21 | 5,089,005 | 25 | 8,693,941 | 22 | 10,887,299 | 26 |
| | Non-operating income and expenses: | | | | | | | | |
| 7100 | Interest income | 1,152,603 | 6 | 884,935 | 4 | 1,910,067 | 4 | 1,634,841 | 4 |
| 7020 | Other gains and losses (note 6(26)) | (683,013) | (3) | 858,962 | 4 | (508,798) | (1) | 1,050,053 | 3 |
| 7050 | Finance costs (note 6(25) and 7) | (263,474) | (1) | (194,672) | (1) | (520,581) | (1) | (377,458) | (1) |
| 7060 | Share of profit (loss) of associates accounted for using equity method | 26,033 | - | 78,341 | - | 61,997 | - | 130,023 | - |
| | | 232,149 | 2 | 1,627,566 | 7 | 942,685 | 2 | 2,437,459 | 6 |
| | Income before income tax | 4,570,611 | 23 | 6,716,571 | 32 | 9,636,626 | 24 | 13,324,758 | 32 |
| 7950 | Less: Income tax expense (note 6(19)) | 1,030,501 | 5 | 1,988,695 | 10 | 2,140,003 | 5 | 3,882,401 | 9 |
| | Net income | 3,540,110 | 18 | 4,727,876 | 22 | 7,496,623 | 19 | 9,442,357 | 23 |
| 8300 | Other comprehensive income: | | | | | | | | |
| 8310 | Items that will not be reclassified subsequently to profit or loss | | | | | | | | |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 103,673 | 1 | 52,012 | - | 853,806 | 2 | 99,600 | - |
| 8320 | Share of other comprehensive income of associates accounted for using equity method | - | - | 129,331 | 1 | - | - | 280,074 | 1 |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 61,350 | - | 15,944 | - | 19,111 | - | 52,664 | - |
| | Total items that will not be reclassified subsequently to profit or loss | 165,023 | 1 | 197,287 | 1 | 872,917 | 2 | 432,338 | 1 |
| 8360 | Items that may be reclassified subsequently to profit or loss | | | | | | | | |
| 8361 | Exchange differences on translation of foreign operations | (289,861) | (1) | 248,351 | 1 | 1,419,927 | 4 | (1,343,179) | (3) |
| 8370 | Share of other comprehensive income of associates accounted for using equity method | - | - | (3,284) | - | - | - | (2,780) | - |
| 8399 | Income tax related to components of other comprehensive income that may be reclassified to profit or loss | 58,849 | - | (49,985) | - | (282,143) | 1 | 238,754 | (1) |
| | Total items that may be reclassified subsequently to profit or loss | (231,012) | (1) | 195,082 | 1 | 1,137,784 | 3 | (1,107,205) | (2) |
| 8300 | Other comprehensive income (after tax) | (65,989) | - | 392,369 | 2 | 2,010,701 | 5 | (674,867) | (1) |
| | Total comprehensive income | \$ 3,474,121 | 18 | 5,120,245 | 24 | 9,507,324 | 24 | 8,767,490 | 22 |
| | Net income attributable to: | | | | | | | | |
| | Shareholders of Sino-American Silicon Products Inc. | \$ 1,646,281 | 8 | 2,432,202 | 11 | 3,548,291 | 9 | 4,901,661 | 12 |
| | Non-controlling interests | 1,893,829 | 10 | 2,295,674 | 11 | 3,948,332 | 10 | 4,540,696 | 11 |
| | | \$ 3,540,110 | 18 | 4,727,876 | 22 | 7,496,623 | 19 | 9,442,357 | 23 |
| | Total comprehensive income attributable to: | | | | | | | | |
| | Shareholders of Sino-American Silicon Products Inc. | \$ 1,689,092 | 9 | 2,721,885 | 13 | 4,512,834 | 11 | 4,687,495 | 12 |
| | Non-controlling interests | 1,785,029 | 9 | 2,398,360 | 11 | 4,994,490 | 13 | 4,079,995 | 10 |
| | | \$ 3,474,121 | 18 | 5,120,245 | 24 | 9,507,324 | 24 | 8,767,490 | 22 |
| | Earnings per share (NT dollars) (note 6(22)) | | | | | | | | |
| 9750 | Basic earnings per share | \$ 2.94 | | 4.15 | | 6.35 | | 8.36 | |
| 9850 | Diluted earnings per share | \$ 2.94 | | 4.14 | | 6.33 | | 8.31 | |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

| | Equity attributable to owners of parent | | | | | | | | | | | | | |
|---|---|--------------------|------------------|--------------------|--|----------------------------|--|---|----------------|--------------------------------|--------------------|-------------------|----------------------------------|--------------------|
| | | | | | | | Other equity interest | | | | | | | |
| | | | | | | | Exchange differences on translation of foreign financial statements | Gains (losses) on equity instrument measured at fair value through other comprehensive income | Others | Total other equity interest | Treasury shares | Total | Non- controlling interests | Total equity |
| | | | | | | | | | | | | | | |
| | Ordinary shares | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Total retained earnings | | | | | | | | |
| Balance at January 1, 2023 | \$ 5,862,217 | 16,846,163 | 2,031,108 | 5,439,008 | 7,668,073 | 15,138,189 | (4,616,247) | (1,354,989) | (2,761) | (5,973,997) | - | 31,872,572 | 36,258,972 | 68,131,544 |
| Net income for the period | - | - | - | - | 4,901,661 | 4,901,661 | - | - | - | - | - | 4,901,661 | 4,540,696 | 9,442,357 |
| Other comprehensive income for the period | - | - | - | - | - | - | (554,824) | 340,658 | - | (214,166) | - | (214,166) | (460,701) | (674,867) |
| Total comprehensive income for the period | - | - | - | - | 4,901,661 | 4,901,661 | (554,824) | 340,658 | - | (214,166) | - | 4,687,495 | 4,079,995 | 8,767,490 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | | | | |
| Legal reserve | - | - | 874,160 | - | (874,160) | - | - | - | - | - | - | - | - | - |
| Special reserve | - | - | - | 534,990 | (534,990) | - | - | - | - | - | - | - | - | - |
| Cash dividends on ordinary shares | - | - | - | - | (3,400,085) | (3,400,085) | - | - | - | - | - | (3,400,085) | (2,084,719) | (5,484,804) |
| Changes in equity of subsidiaries and associates accounted for using equity method | - | 7,111 | - | - | 2,498 | 2,498 | - | - | - | - | - | 9,609 | - | 9,609 |
| Changes in non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | - | 7,750 | 7,750 |
| Balance at June 30, 2023 | \$ 5,862,217 | 16,853,274 | 2,905,268 | 5,973,998 | 7,762,997 | 16,642,263 | (5,171,071) | (1,014,331) | (2,761) | (6,188,163) | - | 33,169,591 | 38,261,998 | 71,431,589 |
| Balance at January 1, 2024 | \$ 5,862,217 | 16,955,211 | 3,395,684 | 6,188,164 | 10,180,285 | 19,764,133 | (5,343,697) | (1,109,138) | (4,287) | (6,457,122) | (4,382,100) | 31,742,339 | 50,251,836 | 81,994,175 |
| Net income for the period | - | - | - | - | 3,548,291 | 3,548,291 | - | - | - | - | - | 3,548,291 | 3,948,332 | 7,496,623 |
| Other comprehensive income for the period | - | - | - | - | - | - | 622,141 | 342,402 | - | 964,543 | - | 964,543 | 1,046,158 | 2,010,701 |
| Total comprehensive income for the period | - | - | - | - | 3,548,291 | 3,548,291 | 622,141 | 342,402 | - | 964,543 | - | 4,512,834 | 4,994,490 | 9,507,324 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | | | | |
| Legal reserve | - | - | 517,362 | - | (517,362) | - | - | - | - | - | - | - | - | - |
| Special reserve | - | - | - | 264,671 | (264,671) | - | - | - | - | - | - | - | - | - |
| Cash dividends on ordinary shares | - | - | - | - | (3,106,975) | (3,106,975) | - | - | - | - | - | (3,106,975) | (3,503,817) | (6,610,792) |
| Share-based payment transaction | - | 5,996 | - | - | - | - | - | - | 70 | 70 | - | 6,066 | 25,839 | 31,905 |
| Subsidiary's capital increase by cash to non- controlling interests | - | 6,991,851 | - | - | - | - | - | - | - | - | - | 6,991,851 | 14,899,583 | 21,891,434 |
| Changes in equity of subsidiaries and associates accounted for using equity method | - | (23,026) | - | - | (1,386) | (1,386) | - | - | - | - | - | (24,412) | - | (24,412) |
| Others | - | - | - | - | (24) | (24) | - | - | - | - | - | (24) | - | (24) |
| Changes in non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | - | 2,992 | 2,992 |
| Cash dividends received by subsidiaries from the parent company | - | 55,185 | - | - | - | - | - | - | - | - | - | 55,185 | - | 55,185 |
| Disposal of investments in equity instruments at fair value through other comprehensive income | - | - | - | - | 209,823 | 209,823 | - | (209,823) | - | (209,823) | - | - | - | - |
| Balance at June 30, 2024 | \$ 5,862,217 | 23,985,217 | 3,913,046 | 6,452,835 | 10,047,981 | 20,413,862 | (4,721,556) | (976,559) | (4,217) | (5,702,332) | (4,382,100) | 40,176,864 | 66,670,923 | 106,847,787 |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Cash Flows

For the six months ended June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

| | For the six months ended June 30, | |
|--|--|-------------------------------|
| | 2024 | 2023 (Restatement) |
| Cash flows from operating activities: | | |
| Income before income tax | \$ 9,636,626 | 13,324,758 |
| Adjustments: | | |
| Adjustments to reconcile profit (loss): | | |
| Depreciation expenses | 4,715,452 | 3,953,964 |
| Amortization expenses | 92,826 | 183,701 |
| Expected credit losses (reversal gain) | (5,011) | 21,123 |
| Net (gain) loss on financial assets or liabilities at fair value through profit or loss | 1,229,842 | (261,911) |
| Finance costs | 520,581 | 377,458 |
| Interest income | (1,910,067) | (1,634,841) |
| Dividend income | (172,794) | (415,401) |
| Share-based compensation cost | 31,905 | - |
| Shares of profit of associates accounted for using equity method | (61,997) | (130,023) |
| Gain on disposal of property, plant and equipment | (38,657) | (37,635) |
| Recognition of write-down of inventory | 136,236 | 157,235 |
| Reversal of provisions | (220,335) | (183,359) |
| Lease modification gain | (2,917) | (1,550) |
| Total adjustments | 4,315,064 | 2,028,761 |
| Changes in operating assets and liabilities: | | |
| Notes and accounts receivable (including related parties) | (286,786) | (114,147) |
| Inventories | (1,464,987) | (180,916) |
| Prepayments for purchase of materials | 16,182 | 109,794 |
| Other assets | (54,586) | (235,724) |
| Contract liabilities | (1,587,456) | (1,697,462) |
| Notes and accounts payable (including related parties) | (742,897) | (2,589,325) |
| Net defined benefit liabilities | (54,719) | (74,378) |
| Other operating liabilities | (391,337) | 557,795 |
| Total changes in operating assets and liabilities | (4,566,586) | (4,224,363) |
| Total adjustments | (251,522) | (2,195,602) |
| Cash inflow generated from operations | 9,385,104 | 11,129,156 |
| Interest received | 1,958,672 | 1,273,871 |
| Dividends received | 172,794 | 415,401 |
| Interest paid | (918,505) | (207,137) |
| Income taxes paid | (2,580,830) | (3,931,950) |
| Net cash flows generated from operating activities | 8,017,235 | 8,679,341 |

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the six months ended June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

| | For the six months ended June 30, | |
|--|--|-------------------------------|
| | 2024 | 2023 (Restatement) |
| Cash flows from investing activities: | | |
| Acquisition of financial assets at fair value through other comprehensive income and prepayments for investments | (55,793) | (655,865) |
| Proceeds from capital reduction of financial assets at fair value through other comprehensive income | 3,031 | 9,672 |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | 1,009,772 | - |
| Proceeds from disposal of financial assets at amortized cost | - | 330,000 |
| Proceeds from capital reduction of financial assets at fair value through profit or loss | 7,708 | 11,077 |
| Acquisition of financial assets at amortized cost | (6,349,394) | - |
| Acquisition of financial assets at fair value through profit or loss | (19,687) | - |
| Acquisition of investments accounted for using equity method | (16,000) | - |
| Acquisition of property, plant and equipment, and prepayments of equipment | (24,396,337) | (14,627,626) |
| Proceeds from disposal of property, plant and equipment | 180,624 | 126,426 |
| Acquisition of intangible assets | (4,284) | (5,043) |
| Net cash outflows from business combination | - | (436,440) |
| Decrease (increase) in other financial assets | 738,317 | (17,136,305) |
| Net cash flows used in investing activities | (28,902,043) | (32,384,104) |
| Cash flows from financing activities: | | |
| Increase in short-term loans | 10,765,593 | 4,923,423 |
| Issuing bonds | 16,903,383 | - |
| Repayments of bonds | (6,937,021) | (12,669,975) |
| Proceeds from long-term borrowings | 1,878,023 | 4,707,567 |
| Repayments of long-term borrowings | (1,258,460) | (60,200) |
| Increase in guarantee deposits received | (25,567) | 39,203 |
| Payment of lease liabilities | (125,825) | (104,229) |
| Cash dividends and capital surplus distribution | (3,756,469) | (3,257,330) |
| Change in non-controlling interests | 21,848,112 | 1,162 |
| Net cash flows generated from (used in) financing activities | 39,291,769 | (6,420,379) |
| Effect of exchange rate changes on cash and cash equivalents | 1,125,679 | 1,569,127 |
| Increase (decrease) in cash and cash equivalents | 19,532,640 | (28,556,015) |
| Cash and cash equivalents at beginning of period | 30,827,503 | 83,247,854 |
| Cash and cash equivalents at end of period | \$ 50,360,143 | 54,691,839 |

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Notes to the Consolidated Financial Statements

June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company history

Sino-American Silicon Products Inc. (“SAS” or “the Company”) was incorporated in accordance with the Company Act of the Republic of China in January 1981. The registered address is No.8, Industrial East Road 2, Science Based Industrial Park, Hsinchu, Taiwan, R.O.C. The Company, as well as its subsidiaries (together referred to as the “Group”), mainly engages in the design, production, and sale of semiconductor silicon materials and components, rheostat, optical and communications wafer materials; also the related technology, management consulting business, and technical services of the photo-voltaic power system generation and installation.

The Company’s common stocks have been officially listed and traded on Taipei Exchange since March 2001.

2. Approval date and procedures of the consolidated financial statements:

The consolidated financial statements were authorized for issue by the Board of Directors on August 9, 2024.

3. New standards, amendments and interpretations adopted:

- (1) The impact of the International Financial Reporting Standards (“IFRSs”) Endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

- (2) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 21 “Lack of Exchangeability”

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

- (3) The impact of IFRS issued by International Accounting Standards Board (the “IASB”) but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the IASB, but have yet to be endorsed by the FSC:

| Standards or Interpretations | Content of amendment | Effective date per IASB |
|---|---|--------------------------------|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. | January 1, 2027 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| Standards or Interpretations | Content of amendment | Effective date per IASB |
|---|--|--------------------------------|
| IFRS 18 “Presentation and Disclosure in Financial Statements” | <ul style="list-style-type: none"> Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. | January 1, 2027 |

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards— Volume 11

4. Summary of material accounting policies:

(1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2023.

(2) Basis of consolidation

The principle of preparation of the consolidated financial statements is consistent with those of the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note 4(3) of the consolidated financial statements for the year ended December 31, 2023.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

A. List of subsidiaries in the consolidated financial statements

The list of subsidiaries is included in the consolidated financial statements:

| Name of Investor | Name of subsidiary | Business | Percentage of Ownership | | | Note |
|-------------------------------------|---|---|-------------------------|-------------------|---------------|--------------|
| | | | June 30, 2024 | December 31, 2023 | June 30, 2023 | |
| Sino-American Silicon Products Inc. | Sino Silicon Technology Inc. (SSTI) | Investment and triangular trade center with subsidiaries in China | 100% | 100% | 100% | Note 6 |
| Sino-American Silicon Products Inc. | GlobalWafers Co., Ltd. (GlobalWafers) | Manufacturing and trading of semiconductor silicon materials and components | 46.64% | 51.14% | 51.17% | |
| Sino-American Silicon Products Inc. | Aleo Solar GmbH (Aleo Solar) | Solar cell manufacturing and sale and wholesale of electronic materials | 100% | 100% | 100% | Note 6 |
| Sino-American Silicon Products Inc. | SAS Sunrise Inc. | Investment activities | 100% | 100% | 100% | Note 6 |
| Sino-American Silicon Products Inc. | Sunrise PV Three Co., Ltd. (Sunrise PV Three) | Electricity activities | 100% | 100% | 100% | Note 6 |
| Sino-American Silicon Products Inc. | SAS Capital Co., Ltd. (SSH) | Investment activities | 100% | 100% | 100% | Note 6 |
| Sino-American Silicon Products Inc. | Sustainable Energy Solution Co., Ltd. (SES) | Energy technology service business | 100% | 100% | 100% | Note 6 |
| Sino-American Silicon Products Inc. | Taiwan Speciality Chemicals Corporation (Taiwan Speciality Chemicals) | Semiconductor special gas and chemical materials | 30.09% | 30.09% | 30.09% | |
| Sino-American Silicon Products Inc. | Advanced Wireless Semiconductor Company (Advanced Wireless) | Manufacturing and trading of GaAs Wafers | 27.80% | 27.62% | 27.62% | |
| Sino-American Silicon Products Inc. | Actron Technology Corporation (Actron) | Manufacturing and trading of automotive semiconductors | 24.58% | 24.58% | - | Note 4 |
| Sino-American Silicon Products Inc. | Mosel Vitekic Inc. | Semiconductor holding company | - | - | - | |
| SAS Sunrise Inc. | Sulu Electric Power and Light Inc. (Sulu) | Electricity activities | 40% | 40% | 40% | Note 1 and 6 |
| SAS Sunrise Inc. | AMLED International Systems Inc. (AMLED) | Investment activities | - | - | - | Note 2 and 6 |
| AMLED | Sulu | Electricity activities | 45% | 45% | 45% | Note 6 |
| Aleo Solar | Aleo Solar Distribuzione Italia S.r.l | Solar cell manufacturing and sale and wholesale of electronic materials | 100% | 100% | 100% | Note 6 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| Name of Investor | Name of subsidiary | Business | Percentage of Ownership | | | Note |
|------------------|--|---|-------------------------|-------------------|---------------|-----------------|
| | | | June 30, 2024 | December 31, 2023 | June 30, 2023 | |
| SSH | Sustainable Hydropower Energy Co., Ltd. (SHE) | Energy technology service business | 51% | 51% | - | Note 3(3) and 6 |
| GlobalWafers | GlobalSemiconductor Inc. (GSI) | Investment activities | 100% | 100% | 100% | |
| GlobalWafers | GlobalWafers Japan Co., Ltd. (GWJ) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| GlobalWafers | GlobalWafers Singapore Pte. Ltd. (GWS) | Investment activities | 100% | 100% | 100% | |
| GlobalWafers | Sunrise PV Four Co., Ltd. (Sunrise PV Four) | Electricity activities | 100% | 100% | 100% | |
| GlobalWafers | Sunrise PV Electric Power Five Co., Ltd. (Sunrise PV Five) | Electricity activities | 100% | 100% | 100% | |
| GlobalWafers | GWC Capital Co., Ltd (GWH) | Investment activities | 100% | 100% | 100% | |
| GlobalWafers | GlobalWafers GmbH (GW GmbH) | Investment activities | 100% | 100% | 100% | |
| GlobalWafers | GlobalWafers B.V. (GWBV) | Investment activities | 100% | 100% | 100% | |
| GlobalWafers | Crystalwise Technology Inc. (CWT) | Manufacturing and trading of optoelectronic wafers and substrate material | 100% | 100% | - | Note 3(1) |
| GlobalWafers | GlobalWafers Capital Co., Ltd. (GWCC) | Investment activities | 100% | - | - | Note 3(2) |
| GlobalWafers | Hongwang Investment Co., Ltd. (Hongwang) | Investment activities | 30.98% | 30.98% | - | Note 5 |
| GSI | Kunshan Sino Silicon Technology Co., Ltd. (SST) | Processing and trading of ingots and wafers | 100% | 100% | 100% | |
| GWJ | MEMC Japan Ltd. (MEMC Japan) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| SST | MEMC Electronic Materials, Sdn Bhd (MEMC Sdn Bhd) | Research and development, manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| SST | Kunshan SST Trading Co., Ltd. (KST) | Sales, marketing and trading activities | 100% | 100% | 100% | |
| SST | Shanghai Sawyer Shenkai Technology Material Co., Ltd. (SSKT) | Manufacturing and sales of lithium tantalate and lithium niobate wafers | 100% | 100% | 100% | |
| CWT | Crystalwise Technology (HK) Limited (Crystalwise (HK)) | Investment activities | 100% | 100% | - | Note 3(1) |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| Name of Investor | Name of subsidiary | Business | Percentage of Ownership | | | Note |
|--|--|---|-------------------------|-------------------|---------------|--------------|
| | | | June 30, 2024 | December 31, 2023 | June 30, 2023 | |
| CWT | Yuan Hong (SHANDONG) Technical Materials Ltd. (YHTM) | Manufacturing and trading of optoelectronic wafers and substrate material | 19.96% | 19.06% | - | Note 3(1) |
| GWBV | MEMC Electronic Materials, SpA (MEMC SpA) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| MEMC SpA | MEMC Electronic Materials France SarL (MEMC SarL) | Trading | 100% | 100% | 100% | |
| GWBV | MEMC Korea Company (MEMC Korea) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| GWBV | MEMC Ipoh Sdn Bhd (MEMC Ipoh) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| GWBV | GlobiTech Incorporated (GTI) | Manufacturing and trading of epitaxial wafers and silicon wafers | 100% | 100% | 100% | |
| GWBV | Topsil GlobalWafers A/S (Topsil A/S) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| Crystalwise (HK) | YHTM | Manufacturing and trading of optoelectronic wafers and substrate material | 80.31% | 80.94% | - | Note 3(1) |
| GTI | MEMC LLC | Research and development, manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| GTI | GlobalWafers America, LLC (GWA) | Manufacturing and trading of silicon wafers | 100% | 100% | 100% | |
| SSKT | Yuan Hong Technical Materials Ltd. (MHTM) | Manufacturing and sales of lithium tantalate and lithium niobate wafers | 90% | 90% | 90% | |
| Actron | DING-WEI Technology Co., Ltd. | Manufacture of electronic components and motor parts | 100% | 100% | - | Note 4 and 6 |
| Actron | Smooth International Limited Corporation | Investment activities | 100% | 100% | - | Note 4 and 6 |
| Smooth International Limited Corporation | Smooth Autocomponent Limited | Investment activities | 100% | 100% | - | Note 4 and 6 |
| Smooth Autocomponent Limited | Smooth Auto Parts (Qingdao) Co., Ltd. | Manufacture of motor parts | 100% | 100% | - | Note 4 and 6 |
| Actron | REC Technology Corporation | Manufacture of motor parts | 49% | 49% | - | Note 4 and 6 |
| Actron | Bigbest solution, Inc. | Manufacture of motors | 28% | 28% | - | Note 4 and 6 |
| Actron | Mosel Vitekic Inc. | Semiconductor holding company | 29% | 29% | - | Note 4 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| Name of Investor | Name of subsidiary | Business | Percentage of Ownership | | | Note |
|-----------------------------------|--------------------------------------|---|-------------------------|-------------------|---------------|-----------------|
| | | | June 30, 2024 | December 31, 2023 | June 30, 2023 | |
| Actron | Hongwang | Investment activities | 30% | 30% | - | Note 5 |
| Mosel Vitekie Inc. | Giant Haven Investments Ltd. (B.V.I) | Holding company | 100% | 100% | - | Note 4 |
| Mosel Vitekie Inc. | Mou Fu Investment Consultant Ltd. | Leasing, manpower dispatch and various services | 100% | 100% | - | Note 4 |
| Mosel Vitekie Inc. | Bou-Der Investment, Ltd. | Investment activities | 47% | 47% | - | Note 3(4) and 4 |
| Mosel Vitekie Inc. | DenMOS Technology Inc. | R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs | 80% | 80% | - | Note 4 and 6 |
| Mou Fu Investment Consultant Ltd. | Bou-Der Investment, Ltd. | Investment activities | 50% | 50% | - | Note 3(4) and 4 |
| Mou Fu Investment Consultant Ltd. | DenMOS Technology Inc. | R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs | 4% | 4% | - | Note 4 and 6 |

Note 1: The Group can control the financial and operating strategies of Sulu through effective agreements with its other investors, so Sulu is considered as a subsidiary.

Note 2: The Group does not have equity interests in of AMLED. However, the Group controls the financial and operating strategies of AMLED and receives all benefits of its operations and net assets based on terms of the agreement. AMLED is considered a subsidiary.

Note 3: The Group's organizational changes were as follows:

- (1) On November 1, 2023, GlobalWafers issued new shares to acquire entire equity interest in CWT in order to expand its product line and increase its operational advantages. The swap ratio is each share of CWT for 0.02 newly issued shares of GlobalWafers.
- (2) GWCC was established in April 2024.
- (3) SHE was established on July 21, 2023, as a tripartite joint venture between SSH, Principles of Hydropower Deployment Co., LTD. and Bono Investment Ltd.
- (4) Bou-Der Investment, Ltd. is currently undergoing liquidation procedures.

Note 4: The Group holds 24.58% of the voting shares of Actron, and it's made the Group the single largest shareholder of the investee. As of October 2, 2023, the Group obtained the support from other shareholders. Considering the Company's power over the investee, exposure or rights to variable returns, and the ability to use its power over the entity to affect the amount of the investee's returns, the Group obtained control over Actron.

Note 5: The Group via its subsidiaries, namely Actron and GlobalWafers, holds 60.98% of Hongwang's shares. Thus, Hongwang was included in the consolidated financial statements.

Note 6: The abovementioned subsidiaries are all non-significant subsidiaries, and the financial statements of which have not been reviewed by independent auditors.

B. Subsidiaries excluded from the consolidated financial statements: None.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(3) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

- A. It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- B. It holds the asset primarily for the purpose of trading;
- C. It expects to realize the asset within twelve months after the reporting period; or
- D. The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

- A. It expects to settle the liability in its normal operating cycle;
- B. It holds the liability primarily for the purpose of trading;
- C. The liability is due to be settled within twelve months after the reporting period; or
- D. It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(4) Income tax

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(5) Employee Benefits

The pension cost of defined benefit plans in the interim period was calculated and disclosed on a period-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In the preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2023.

6. Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2023 consolidated financial statements. Please refer to note 6 to the 2023 annual consolidated financial statements.

(1) Cash and cash equivalents

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|----------------------|-----------------------------|------------------------------|--------------------------|
| Cash on hand | \$ 4,572 | 8,709 | 8,247 |
| Demand deposits | 17,402,271 | 17,341,914 | 22,230,980 |
| Time deposits | 27,276,672 | 12,375,339 | 32,165,179 |
| Repurchase agreement | <u>5,676,628</u> | <u>1,101,541</u> | <u>287,433</u> |
| | <u>\$ 50,360,143</u> | <u>30,827,503</u> | <u>54,691,839</u> |

As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group considered liquidity and reclassified time deposits to other financial assets—current, amounting to \$24,583,540 thousand, \$30,483,644 thousand and \$25,448,773 thousand, respectively.

On November 28, 2019 and February 21, 2020, GlobalWafers applied to the National Taxation Bureau for the application of the Overseas Fund Repatriation Management, Utilization and Taxation Regulations. After approval, the funds were repatriated. 5% of the repatriated funds can be used freely, and the remaining 95% can only be used for special investment plans approved by the Ministry of Economic Affairs. Funds are deposited in a special account and cannot be used randomly for expenditure within five years. GlobalWafers has applied to the Ministry of Economic Affairs for substantial investment, and the funds are expected to be used for capital expenditures on factory expansion and the purchase of machinery, equipment and related assets. As of June 30, 2024, December 31, 2023 and June 30, 2023, the balances of the special accounts were \$2,939,535 thousand, \$2,698,377 thousand and \$3,026,739 thousand recorded in cash and cash equivalents, respectively.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

In accordance with the IFRSs Q&A updated by the Financial Supervisory Commission and the Securities and Futures Bureau on January 5, 2024, the repatriated offshore funds should be reclassified from other financial assets – current to cash and cash equivalents. As of June 30, 2023, \$3,026,739 thousand of the funds have been reclassified to cash and cash equivalents by the Group. In addition, the "decrease in other financial assets" under consolidated statement of cash flows – investing activities from January 1 to June 30, 2023, was reduced by \$3,026,739 thousand.

Please refer to note 6(27) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

(2) Financial Assets and Liabilities at Fair Value through Profit or Loss (“FVTPL”)

| | <u>June 30, 2024</u> | <u>December 31, 2023</u> | <u>June 30, 2023</u> |
|---|--------------------------|------------------------------|--------------------------|
| Financial assets measured at fair value through profit or loss – current: | | | |
| Forward exchange contracts | \$ <u>99</u> | <u>9,995</u> | <u>5,999</u> |
| Financial assets measured at fair value through profit or loss – non-current: | | | |
| Overseas securities held | \$ 10,306,978 | 12,324,634 | 9,712,412 |
| Privately offered funds | <u>266,521</u> | <u>242,864</u> | <u>207,792</u> |
| | <u>\$ 10,573,499</u> | <u>12,567,498</u> | <u>9,920,204</u> |
| Financial liabilities designated as at fair value through profit or loss – current: | | | |
| Forward exchange contracts | \$ 32,439 | 289 | 4,712 |
| Swap exchange contract | - | - | 1,905 |
| Embedded derivatives of convertible bonds | <u>-</u> | <u>204,033</u> | <u>338,607</u> |
| | <u>\$ 32,439</u> | <u>204,322</u> | <u>345,224</u> |
| Financial liabilities designated as at fair value through profit or loss – non-current: | | | |
| Embedded derivatives of exchangeable bonds with warrants | <u>\$ 667,391</u> | <u>-</u> | <u>-</u> |

A. The amount of gains or losses recognized for the financial assets at fair value through profit or loss of the Group; please refer to note 6(26).

B. For the six months ended June 30, 2024 and 2023, the dividends of \$172,794 thousand and \$415,401 thousand were recognized from investments in financial assets measured at fair value through profit or loss, respectively.

C. The Group issued exchangeable bonds with warrants in January 2024. When warrants are exercised, shares of Siltronic AG will be delivered to the holders. In addition, the Group lent the shares of Siltronic AG which were recognized as financial assets at fair value through profit or loss to a custodian, please refer to note 6(15) for details.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

D. The Group uses derivative instruments to hedge certain currency risk arising from the Group's operating activities. The Group held the following derivative instruments, which were not qualified for hedging accounting and accounted them as financial assets and financial liabilities mandatorily measured at fair value through profit or loss as of June 30, 2024, December 31, 2023 and June 30, 2023:

| June 30, 2024 | | | | |
|-----------------------------------|---|--|-----------------|---------------------------------------|
| | Contract amount (in thousands) | | Currency | Maturity date |
| Forward exchange contracts: | | | | |
| Forward exchange contracts sold | USD 235,000 | | USD to NTD | July 22, 2024~ July 29, 2024 |
| Forward exchange contracts sold | USD 25,000 | | USD to EUR | July 26, 2024~ September 27, 2024 |
| Forward exchange contracts bought | USD 1,390 | | USD to NTD | July 12, 2024~ July 25, 2024 |
| December 31, 2023 | | | | |
| | Contract amount (in thousands) | | Currency | Maturity date |
| Forward exchange contracts: | | | | |
| Forward exchange contracts sold | USD 21,050 | | USD to EUR | January 6, 2024~ February 27, 2024 |
| June 30, 2023 | | | | |
| | Contract amount (in thousands) | | Currency | Maturity date |
| Forward exchange contracts: | | | | |
| Forward exchange contracts sold | USD 33,750 | | USD to EUR | September 28, 2023 |
| Swap exchange contract: | | | | |
| Currency exchange | EUR 2,000 | | EUR to NTD | July 12, 2023 |

E. For the disclosure of market risk of the financial assets, please refer to note 6(27).

F. The financial assets measured at fair value through profit or loss were pledged as collateral, please refer to note 8.

(3) Financial assets at fair value through other comprehensive income—non-current

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|--|--------------------------|------------------------------|--------------------------|
| Equity investments at fair value through other comprehensive income: | | | |
| Equity investment in foreign entities | \$ 950,834 | 1,335,211 | 1,048,615 |
| Equity investment in domestic entities | 2,422,162 | 2,129,654 | 1,206,675 |
| Total | <u>\$ 3,372,996</u> | <u>3,464,865</u> | <u>2,255,290</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The Group designated the equity investments shown above as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.

From January 1, 2024 to June 30, 2024, the Group sold its equity investments at fair value through other comprehensive income as a result of the change in the Group's operational planning. The fair value of the shares at the time of disposal was \$1,009,772 thousand, and the accumulated disposal gains amounted to \$289,354 thousand. Therefore, the aforementioned accumulated disposal gains attributable to the parent company amounting to \$209,823 thousand was reclassified from other equity to retained earnings.

No strategic investments were disposed for the six months ended June 30, 2023, and there was no transfers of any cumulative gain or loss within equity relating to these investments.

For the disclosure of market risk, please refer to note 6(27).

The financial assets mentioned above were not pledged as collateral.

(4) Financial assets measured at amortized cost

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|---------------|----------------------------|------------------------------|--------------------------|
| Foreign Bonds | \$ <u>6,457,550</u> | <u>-</u> | <u>-</u> |

A. GlobalWafers invested in foreign bonds, with the face value of US\$199,000 thousand and a coupon rate ranging from 4.71% to 5.15%, as well as the maturity dates from October 8, 2026 to June 13, 2029. GlobalWafers has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

B. The financial assets mentioned above were not pledged as collateral.

(5) Notes and accounts receivable, net

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|---------------------------------------|-----------------------------|------------------------------|--------------------------|
| Notes receivable | \$ 289,029 | 242,784 | 188,023 |
| Accounts receivable | 12,250,980 | 12,010,476 | 11,320,314 |
| Less: Allowance for doubtful accounts | <u>(20,467)</u> | <u>(25,211)</u> | <u>(26,960)</u> |
| | <u>\$ 12,519,542</u> | <u>12,228,049</u> | <u>11,481,377</u> |

The Group applied the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The loss allowance provision of notes and accounts receivable (including related parties) from renewable energy segment was determined as follows:

| June 30, 2024 | | | |
|-----------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 607,552 | 0% | - |
| 1 to 30 days past due | 59,338 | 0% | - |
| Total | <u>\$ 666,890</u> | | <u>-</u> |

| December 31, 2023 | | | |
|-----------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 598,512 | 0% | - |
| 1 to 30 days past due | 59,684 | 0% | 102 |
| More than 181 days past due | 3,577 | 100% | 3,577 |
| Total | <u>\$ 661,773</u> | | <u>3,679</u> |

| June 30, 2023 | | | |
|-----------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 545,635 | 0% | - |
| 1 to 30 days past due | 27,284 | 0% | - |
| More than 181 days past due | 3,559 | 100% | 3,559 |
| Total | <u>\$ 576,478</u> | | <u>3,559</u> |

The loss allowance provision of notes and accounts receivable (including related parties) from semiconductor segment was determined as follows:

| June 30, 2024 | | | |
|-----------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 9,804,493 | 0% | - |
| 1 to 30 days past due | 697,139 | 0% | - |
| 31 to 60 days past due | 127,332 | 0%~6% | 1,457 |
| 61 to 90 days past due | 3,162 | 30% | 949 |
| 91 to 120 days past due | 2,004 | 43% | 866 |
| 151 to 180 days past due | 191 | 90% | 172 |
| More than 181 days past due | 14,926 | 100% | 14,926 |
| Total | <u>\$ 10,649,247</u> | | <u>18,370</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | December 31, 2023 | | |
|-----------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 10,425,678 | 0% | - |
| 1 to 30 days past due | 173,036 | 0% | - |
| 31 to 60 days past due | 25,511 | 0%~5% | 1,267 |
| 61 to 90 days past due | 1,705 | 21%~30% | 512 |
| 91 to 120 days past due | 2,639 | 50%~99% | 1,319 |
| More than 181 days past due | 16,169 | 100% | 16,169 |
| Total | <u><u>\$ 10,644,738</u></u> | | <u><u>19,267</u></u> |

| | June 30, 2023 | | |
|-----------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 10,648,452 | 0% | - |
| 1 to 30 days past due | 302,288 | 0% | - |
| 31 to 60 days past due | 12,894 | 11% | 1,463 |
| 61 to 90 days past due | 7,160 | 20% | 1,411 |
| 91 to 120 days past due | 2,819 | 100% | 2,819 |
| 121 to 150 days past due | 1,701 | 100% | 1,701 |
| More than 181 days past due | 16,007 | 100% | 16,007 |
| Total | <u><u>\$ 10,991,321</u></u> | | <u><u>23,401</u></u> |

The loss allowance provision of notes and accounts receivable (including related parties) from automotive components segment was determined as follows:

| | June 30, 2024 | | |
|------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 1,161,102 | 0% | - |
| 1 to 30 days past due | 42,513 | 4% | 1,803 |
| 31 to 60 days past due | 18,047 | 1% | 234 |
| 61 to 90 days past due | 2,210 | 3% | 60 |
| Total | <u><u>\$ 1,223,872</u></u> | | <u><u>2,097</u></u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | December 31, 2023 | | |
|--------------------------|--|---------------------------------------|----------------------------------|
| | Gross amount of notes and accounts receivable | Weighted-average loss rate | Credit loss allowance |
| Current | \$ 901,437 | 0% | 564 |
| 1 to 30 days past due | 41,077 | 0% | 72 |
| 61 to 90 days past due | 719 | 49% | 135 |
| 91 to 120 days past due | 3,057 | 44% | 1,347 |
| 121 to 150 days past due | 459 | 32% | 147 |
| Total | <u><u>\$ 946,749</u></u> | | <u><u>2,265</u></u> |

The movement of the credit loss allowance for notes and accounts receivable (including related parties) was as follows:

| | For the six months ended June 30, | |
|---|--|----------------------|
| | 2024 | 2023 |
| Balance on January 1 | \$ 25,211 | 23,317 |
| Expected credit loss recognized (reversal of gains) | (5,011) | 21,123 |
| Amount written off which was considered uncollectible in the current period | (234) | (20,214) |
| Acquired through business acquisition | - | 2,710 |
| Foreign exchange gains (losses) | 501 | 24 |
| Balance on June 30 | <u><u>\$ 20,467</u></u> | <u><u>26,960</u></u> |

The Group's notes and accounts receivable were not pledged as collateral.

The Group's accounts receivable factoring was as follows:

(Unit: currency in thousands)

| Counterparty | Sale amount | | Amount available for advance payment | | Amount advanced | | Annual interest rate on the amount advanced |
|-------------------|-------------|-------|---|---|--------------------|-------|---|
| | | | | | | | (%) |
| June 30, 2024 | | | | | | | |
| Citibank | USD | 7,543 | USD | - | USD | 7,543 | 6.62~7.27 |
| | EUR | 7,725 | EUR | - | EUR | 7,725 | 4.74~4.99 |
| December 31, 2023 | | | | | | | |
| Citibank | USD | 6,191 | USD | - | USD | 6,191 | 6.54~7.19 |
| | EUR | 5,171 | EUR | - | EUR | 5,171 | 4.97~5.22 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The Group will sell its trade receivables at fair value through profit or loss to banks without recourse, and the risk and return associated to these trade receivables are mostly transferred to banks upon the sale resulting in the derecognition of these trade receivables from the balance sheets. Pursuant to the Group's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Group, while losses from credit risk are borne by the banks.

(6) Inventories

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|------------------|-----------------------------|------------------------------|--------------------------|
| Finished goods | \$ 3,238,553 | 2,857,518 | 2,937,911 |
| Work in progress | 4,798,577 | 3,656,576 | 2,927,529 |
| Raw materials | 5,907,748 | 6,042,303 | 5,029,030 |
| | <u><u>\$ 13,944,878</u></u> | <u><u>12,556,397</u></u> | <u><u>10,894,470</u></u> |

Components of operating costs were as follows:

| | For the three months ended June 30, | | For the six months ended June 30, | |
|---|--|--------------------------|--|--------------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Cost of goods sold | \$ 13,298,204 | 13,143,623 | 26,827,909 | 26,153,585 |
| Recognition (reversal) of provisions for inventory valuation loss | 199,587 | 43,862 | 136,236 | 157,235 |
| Unallocated fixed manufacturing expense | 131,197 | 236,689 | 249,158 | 508,659 |
| Reversal of provision loss | (90,875) | (78,009) | (177,834) | (162,194) |
| | <u><u>\$ 13,538,113</u></u> | <u><u>13,346,165</u></u> | <u><u>27,035,469</u></u> | <u><u>26,657,285</u></u> |

The Group's inventories mentioned above were not pledged as collateral.

(7) Investments accounted for using equity method

| Names of associates | Relationship with the Group | Main location/ country registered in | Percentage of equity ownership interests and voting rights | | |
|--------------------------------|---|---|---|------------------------------|--------------------------|
| | | | June 30, 2024 | December 31, 2023 | June 30, 2023 |
| Actron | Mainly engages in the manufacturing of electronic component | Taiwan | note 4(2) | note 4(2) | 22.75 % |
| CWT | Mainly engages in the manufacturing and trading of optoelectronic wafers and substrate material | Taiwan | note 4(2) | note 4(2) | 31.61 % |
| Hongwang | The main business is general trading and investment | Taiwan | note 4(2) | note 4(2) | 30.98 % |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| Names of associates | Relationship with the Group | Main location/ country registered in | Percentage of equity ownership interests and voting rights | | |
|--|--|--|---|----------------------|------------------|
| | | | June 30, 2024 | December 31, 2023 | June 30, 2023 |
| Accu Solar Corporation (ASC) | The main business is providing solar modules | Taiwan | 24.70 % | 24.70 % | 24.7 % |
| Excelliance MOS Corporation | Mainly engages in the manufacturing of semiconductor | Taiwan | 29.00 % | 29.00 % | - % |
| Sunrise Intelligent Energy CO., LTD. (SIE) | Electricity activities | Taiwan | 40 % | - % | - % |

A summary of financial information for investments accounted for using equity method that are individually insignificant at the reporting date was as follows:

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|--|---------------------|----------------------|------------------|
| Carrying amount of individually insignificant associates' equity | \$ <u>1,573,268</u> | <u>1,494,831</u> | <u>2,924,675</u> |

A. Collateral

The Group did not provide any investment accounted for using equity method as collateral.

B. The unreviewed financial statements of equity method investments

As of June 30, 2024, investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed. As of June 30, 2023, except for Crystalwise, Actron, Hongwang, investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

(8) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

| Name of subsidiary | Main business place / company registered country | % of ownership interests under non-controlling interests as well as the voting rights | | |
|--------------------|--|---|----------------------|------------------|
| | | June 30, 2024 | December 31, 2023 | June 30, 2023 |
| GlobalWafers | Taiwan | 53.36 % | 48.86 % | 48.83 % |
| Actron | Taiwan | 75.42 % | 75.42 % | note 4(2) |
| Advanced Wireless | Taiwan | 72.20 % | 72.38 % | 72.38 % |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The following information of the aforementioned subsidiary was prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The financial information included the fair value adjustments made at the acquisition date. Intragroup transactions between the Group were not eliminated in this information.

A. The following summarizes the financial information of GlobalWafers:

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|--|-----------------------------|------------------------------|--------------------------|
| Current assets | \$ 109,193,041 | 90,101,089 | 99,609,436 |
| Non-current assets | 125,631,751 | 98,886,912 | 73,501,440 |
| Current liabilities | (80,613,871) | (74,274,283) | (54,613,488) |
| Non-current liabilities | (63,422,254) | (48,260,093) | (59,452,914) |
| Net assets | <u><u>\$ 90,788,667</u></u> | <u><u>66,453,625</u></u> | <u><u>59,044,474</u></u> |
| Net assets attributable to non-controlling interests | <u><u>\$ 48,444,833</u></u> | <u><u>32,469,241</u></u> | <u><u>28,831,417</u></u> |

| | For the three months ended June 30, | | For the six months ended June 30, | |
|---|--|--------------------------|--|----------------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Sales revenue | <u><u>\$ 15,325,629</u></u> | <u><u>17,896,260</u></u> | <u><u>30,412,692</u></u> | <u><u>36,512,414</u></u> |
| Net income | \$ 2,878,579 | 4,788,915 | 6,411,660 | 9,789,143 |
| Other comprehensive income | (243,547) | 215,042 | 1,291,199 | (940,511) |
| Net profit attributable to non-controlling interests | <u><u>\$ 2,635,032</u></u> | <u><u>5,003,957</u></u> | <u><u>7,702,859</u></u> | <u><u>8,848,632</u></u> |
| Net income, attributable to non-controlling interests | <u><u>\$ 1,694,999</u></u> | <u><u>2,338,645</u></u> | <u><u>3,421,262</u></u> | <u><u>4,780,256</u></u> |
| Comprehensive income, attributable to non-controlling interests | <u><u>\$ 1,634,232</u></u> | <u><u>2,443,753</u></u> | <u><u>4,110,246</u></u> | <u><u>4,321,108</u></u> |
| Net cash flows from operating activities | | | \$ 6,325,132 | 8,097,787 |
| Net cash flows used in investing activities | | | (28,802,593) | (31,542,839) |
| Net cash flows from (used in) financing activities | | | 39,323,272 | (6,756,719) |
| Effects of changes in foreign exchange rates | | | 1,167,428 | 1,564,871 |
| Net increase (decrease) in cash and cash equivalents | | | <u><u>\$ 18,013,239</u></u> | <u><u>(28,636,900)</u></u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

B. The following summarizes the financial information of Actron

| | June 30, 2024 | December 31, 2023 |
|---|---|---|
| Current assets | \$ 5,256,670 | 5,211,771 |
| Non-current assets | 10,877,832 | 10,201,865 |
| Current liabilities | (3,765,632) | (3,279,653) |
| Non-current liabilities | (2,075,176) | (2,099,733) |
| Net assets | <u><u>\$ 10,293,694</u></u> | <u><u>10,034,250</u></u> |
| Net assets attributable to non-controlling interests | <u><u>\$ 7,763,504</u></u> | <u><u>7,567,831</u></u> |
| | For the three months ended June 30, 2024 | For the six months ended June 30, 2024 |
| Sales revenue | <u><u>\$ 1,924,250</u></u> | <u><u>3,684,374</u></u> |
| Net income | \$ 233,721 | 448,178 |
| Other comprehensive income | (20,000) | 283,228 |
| Net profit attributable to non-controlling interests | <u><u>\$ 213,721</u></u> | <u><u>731,406</u></u> |
| Net income, attributable to non-controlling interests | <u><u>\$ 176,273</u></u> | <u><u>338,016</u></u> |
| Comprehensive income, attributable to non-controlling interests | <u><u>\$ 161,188</u></u> | <u><u>551,626</u></u> |
| Net cash flows from operating activities | | \$ 563,439 |
| Net cash flows used in investing activities | | (231,147) |
| Net cash flows used in financing activities | | (233,571) |
| Effects of changes in foreign exchange rates | | 2,822 |
| Net increase in cash and cash equivalents | | <u><u>\$ 101,543</u></u> |

C. The following summarizes the financial information of Advanced Wireless:

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|--|----------------------------|------------------------------|--------------------------|
| Current assets | \$ 4,185,086 | 3,572,983 | 2,735,970 |
| Non-current assets | 5,429,051 | 5,228,068 | 5,305,567 |
| Current liabilities | (1,120,196) | (828,039) | (531,795) |
| Non-current liabilities | (785,338) | (490,896) | (304,001) |
| Net assets | <u><u>\$ 7,708,603</u></u> | <u><u>7,482,116</u></u> | <u><u>7,205,741</u></u> |
| Net assets attributable to non-controlling interests | <u><u>\$ 5,565,611</u></u> | <u><u>5,415,556</u></u> | <u><u>5,215,515</u></u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | For the three months ended June 30, | | For the six months ended June 30, | |
|---|--|----------------|--|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Sales revenue | <u>\$ 1,307,332</u> | <u>527,238</u> | <u>2,593,552</u> | <u>868,914</u> |
| Net income (loss) | <u>\$ 208,982</u> | <u>1,961</u> | <u>423,002</u> | <u>(193,649)</u> |
| Net profit attributable to non-controlling interests | <u>\$ 208,982</u> | <u>1,961</u> | <u>423,002</u> | <u>(193,649)</u> |
| Net income (loss), attributable to non-controlling interests | <u>\$ 150,499</u> | <u>1,420</u> | <u>305,407</u> | <u>(140,163)</u> |
| Comprehensive income, attributable to non-controlling interests | <u>\$ 150,499</u> | <u>1,420</u> | <u>305,407</u> | <u>(140,163)</u> |

| | For the six months ended June 30, | |
|---|--|---------------|
| | 2024 | 2023 |
| Net cash flows from operating activities | \$ 264,357 | 127,782 |
| Net cash flows used in investing activities | (497,356) | (286,226) |
| Net cash flows from financing activities | 369,413 | 208,216 |
| Net increase in cash and cash equivalents | <u>\$ 136,414</u> | <u>49,772</u> |

(9) Property, plant and equipment

A. The movements of cost, depreciation and impairment of the property, plant and equipment of the Group were as follows:

| | Land | Buildings | Machinery and equipment | Other equipment | Construction in progress and equipment awaiting inspection | Total |
|-------------------------------------|---------------------|-------------------|--|----------------------------|---|--------------------|
| Cost: | | | | | | |
| Balance at January 1, 2024 | \$ 5,804,320 | 32,112,614 | 77,638,895 | 13,008,662 | 34,760,600 | 163,325,091 |
| Additions | - | 57,516 | 243,574 | 186,442 | 25,891,861 | 26,379,393 |
| Disposals | - | (8,067) | (2,727,427) | (209,291) | (27,129) | (2,971,914) |
| Reclassification and transfer | - | 673,613 | 5,459,951 | 29,647 | (6,426,139) | (262,928) |
| Effect of changes in exchange rates | (10,473) | (526,036) | (1,643,916) | 138,983 | 1,418,978 | (622,464) |
| Balance at June 30, 2024 | <u>\$ 5,793,847</u> | <u>32,309,640</u> | <u>78,971,077</u> | <u>13,154,443</u> | <u>55,618,171</u> | <u>185,847,178</u> |
| Balance at January 1, 2023 | \$ 4,075,968 | 21,157,254 | 54,827,539 | 10,996,666 | 9,096,604 | 100,154,031 |
| Acquisition in business combination | - | - | 392,994 | 29,846 | 7,163 | 430,003 |
| Additions | 14,939 | 14,179 | 46,728 | 682,322 | 13,128,128 | 13,886,296 |
| Disposals | - | (22,394) | (426,837) | (207,755) | (5,161) | (662,147) |
| Reclassification and transfer | 1,183 | 2,326,044 | 1,971,774 | 492,660 | (4,574,326) | 217,335 |
| Effect of changes in exchange rates | (88,659) | (622,450) | (2,251,653) | (54,921) | 70,573 | (2,947,110) |
| Balance at June 30, 2023 | <u>\$ 4,003,431</u> | <u>22,852,633</u> | <u>54,560,545</u> | <u>11,938,818</u> | <u>17,722,981</u> | <u>111,078,408</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | | | | | Construction in progress and equipment awaiting inspection | |
|-------------------------------------|---------------------|-------------------|-------------------------------|--------------------|---|--------------------|
| | Land | Buildings | Machinery and equipment | Other equipment | | Total |
| Depreciation and impairment loss: | | | | | | |
| Balance at January 1, 2024 | \$ 24,476 | 14,839,645 | 52,048,814 | 6,703,633 | 40,834 | 73,657,402 |
| Depreciation for the period | - | 575,631 | 3,561,981 | 463,404 | - | 4,601,016 |
| Disposals | - | (8,004) | (2,683,513) | (207,956) | - | (2,899,473) |
| Reclassification and transfer | - | 5,438 | 500,144 | (1,630) | - | 503,952 |
| Effect of changes in exchange rates | - | (254,858) | (1,235,284) | 34,438 | 234 | (1,455,470) |
| Balance at June 30, 2024 | <u>\$ 24,476</u> | <u>15,157,852</u> | <u>52,192,142</u> | <u>6,991,889</u> | <u>41,068</u> | <u>74,407,427</u> |
| Balance at January 1, 2023 | \$ - | 10,530,885 | 32,490,225 | 5,215,953 | 51,006 | 48,288,069 |
| Acquisition in business combination | - | - | 98,739 | 21,573 | - | 120,312 |
| Depreciation for the period | - | 406,592 | 3,042,476 | 407,417 | - | 3,856,485 |
| Disposals | - | (19,963) | (394,471) | (195,474) | - | (609,908) |
| Reclassification and transfer | - | 10 | 552 | 12,140 | (12,140) | 562 |
| Effect of changes in exchange rates | - | (395,209) | (1,824,421) | (25,238) | 544 | (2,244,324) |
| Balance at June 30, 2023 | <u>\$ -</u> | <u>10,522,315</u> | <u>33,413,100</u> | <u>5,436,371</u> | <u>39,410</u> | <u>49,411,196</u> |
| Carrying amounts: | | | | | | |
| Balance at January 1, 2024 | \$ 5,779,844 | 17,272,969 | 25,590,081 | 6,305,029 | 34,719,766 | 89,667,689 |
| Balance at June 30, 2024 | <u>\$ 5,769,371</u> | <u>17,151,788</u> | <u>26,778,935</u> | <u>6,162,554</u> | <u>55,577,103</u> | <u>111,439,751</u> |
| Balance at January 1, 2023 | \$ 4,075,968 | 10,626,369 | 22,337,314 | 5,780,713 | 9,045,598 | 51,865,962 |
| Balance at June 30, 2023 | <u>\$ 4,003,431</u> | <u>12,330,318</u> | <u>21,147,445</u> | <u>6,502,447</u> | <u>17,683,571</u> | <u>61,667,212</u> |

B. Collateral

The property, plant and equipment of the Group had been pledged as collateral for long-term and short-term loans and credit lines. Please refer to note 8.

C. Property, plant and equipment in construction

As of June 30, 2024 and 2023, for the Group's capital expenditure plan, the total amounts of expenditures incurred but the construction has not yet been completed are \$55,577,103 thousand and \$17,683,571, respectively, which include capitalized borrowing costs related to the acquisition of the construction of the property, plant and equipment of \$656,137 thousand and \$12,193 thousand, calculated using a capitalization interest rate of 0.09%-6.17% and 0.67%-5.03%, respectively.

(10) Right-of-use assets

| | Land | Buildings | Machinery and equipment | Other equipment | Total |
|----------------------------|-------------------|----------------|-------------------------------|--------------------|------------------|
| Carrying amount: | | | | | |
| Balance at January 1, 2024 | \$ 895,985 | 116,828 | - | 446,861 | 1,459,674 |
| Balance at June 30, 2024 | <u>\$ 875,806</u> | <u>127,116</u> | <u>739</u> | <u>434,557</u> | <u>1,438,218</u> |
| Balance at January 1, 2023 | \$ 623,144 | 117,958 | 112 | 74,748 | 815,962 |
| Balance at June 30, 2023 | <u>\$ 596,741</u> | <u>112,782</u> | <u>33</u> | <u>475,387</u> | <u>1,184,943</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

For the leased assets recognized by the Group, such as land, buildings machinery and equipment, there were no significant additions, impairment or reversals for the six months ended June 30, 2024 and 2023. For further information, please refer to note 6(11) of the consolidated financial statements for the year ended 2023.

(11) Intangible assets

There were no significant additions, disposals, impairments, or reversals of intangible assets by the Group for the six months ended June 30, 2024 and 2023. For further details, please refer to note 6(12) in the consolidated financial statements for the year ended 2023.

(12) Other assets — current and non-current

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|-------------------------|----------------------------|------------------------------|--------------------------|
| Prepayment of materials | \$ 1,025,742 | 1,041,924 | 1,058,958 |
| Tax refunds and credits | 1,247,794 | 1,314,909 | 880,991 |
| Prepayment of equipment | 5,431,832 | 4,265,005 | 5,904,142 |
| Others | 952,886 | 852,312 | 909,076 |
| | <u>\$ 8,658,254</u> | <u>7,474,150</u> | <u>8,753,167</u> |

(13) Short-term borrowings

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|--|-----------------------------|------------------------------|---------------------------|
| Unsecured bank loans | \$ 27,147,801 | 31,397,962 | 14,728,939 |
| Secured bank loans | 15,428,953 | 413,200 | 5,730 |
| | <u>\$ 42,576,754</u> | <u>31,811,162</u> | <u>14,734,669</u> |
| Range of interest rates at the end of period | <u>0.4%~6.02%</u> | <u>0.7%~6.07%</u> | <u>1.39%~5.85%</u> |

Please refer to note 8 for details of the related assets pledged as collateral.

(14) Long-term borrowings

The details of long-term borrowings were as follows:

| | June 30, 2024 | | |
|-----------------------|--------------------------|-----------------|----------------------------|
| | Interest | Maturity | Amount |
| Unsecured borrowings | 0.10%~6.0076% | 2026.1~2029.12 | \$ 7,066,352 |
| Less: current portion | | | (2,111,065) |
| Total | | | <u>\$ 4,955,287</u> |
| | December 31, 2023 | | |
| | | | |
| Unsecured borrowings | 0.10%~6.03% | 2026.1~2029.12 | \$ 6,384,827 |
| Less: current portion | | | (1,870,689) |
| Total | | | <u>\$ 4,514,138</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | June 30, 2023 | | |
|-----------------------|----------------------|-----------------|----------------------------|
| | Interest | Maturity | Amount |
| Unsecured borrowings | 0.16%~6.33% | 2026.1~2029.12 | \$ 5,364,949 |
| Less: current portion | | | (683,176) |
| Total | | | <u><u>\$ 4,681,773</u></u> |

(15) Bonds payable

The details of bonds payable were as follow:

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|---|-----------------------------|------------------------------|--------------------------|
| Unsecured bonds payable— GlobalWafers | \$ 23,988,416 | 18,991,451 | 18,988,780 |
| Unsecured convertible bonds— GlobalWafers | - | 6,647,050 | 11,430,933 |
| Exchangeable bonds with warrants— GlobalWafers | 10,251,158 | - | - |
| Unsecured convertible bonds— Actron | 769,099 | 762,039 | - |
| Less: current portion | (7,099,666) | (13,745,450) | (11,430,933) |
| Total | <u><u>\$ 27,909,007</u></u> | <u><u>12,655,090</u></u> | <u><u>18,988,780</u></u> |

A. The details of GlobalWafers' issued unsecured bonds as follows:

| | First issued of 2021 | Second issued of 2021 | | First issued of 2024 | |
|--------------|---------------------------------|------------------------------|-----------------|-----------------------------|----------------|
| | | Bonds A | Bonds B | Bonds A | Bonds B |
| Date | May 11, 2021 | August 19, 2021 | August 19, 2021 | March 19, 2024 | March 19, 2024 |
| Total amount | \$ 6,500,000 | 7,100,000 | 5,400,000 | 2,500,000 | 2,500,000 |
| Rate | 0.62 % | 0.50 % | 0.60 % | 1.70 % | 1.75 % |
| Period | Five years | Three years | Five years | Five years | Seven years |
| Due date | May 11, 2026 | August 19, 2024 | August 19, 2026 | March 19, 2029 | March 19, 2031 |

B. On April 21, 2021, GlobalWafers' Board of Directors resolved to issue the first unsecured overseas convertible bonds on the Singapore Exchange Limited, which had been approved by the Financial Supervisory Commission with approval No.1100342091 on May 19, 2021. The GlobalWafers issued the five-year unsecured convertible bonds, amounting to US\$1,000,000 thousand at zero coupon rate, with the maturity date on June 1, 2026.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The details of unsecured convertible bonds were as follows:

| | December 31, 2023 | June 30, 2023 |
|---|--|--|
| Total outstanding convertible bonds | \$ 6,841,854 | 11,836,793 |
| Unamortized discount | (194,804) | (405,860) |
| Cumulative converted amount | - | - |
| Convertible bonds balance at period-end | <u><u>\$ 6,647,050</u></u> | <u><u>11,430,933</u></u> |
| Embedded derivatives – call and put options, included in financial liabilities at fair value through profit or loss | <u><u>\$ 204,033</u></u> | <u><u>338,607</u></u> |
| | For the three months ended June 30, | For the six months ended June 30, |
| | 2024 | 2023 |
| | 2024 | 2023 |
| Embedded derivatives – gain and losses of re-measurement of calls and put options based on fair value (recorded under other gains and losses) | <u><u>\$ (45,546)</u></u> | <u><u>(80,063)</u></u> |
| | <u><u>(55,393)</u></u> | <u><u>77,120</u></u> |
| Interest expense | <u><u>\$ 5,626</u></u> | <u><u>51,858</u></u> |
| | <u><u>24,548</u></u> | <u><u>119,915</u></u> |

The convertible bonds may be redeemed in advance by the GlobalWafers from the day following the third anniversary of the issuance until the maturity date. If the closing price of GlobalWafers' common stock reaches 130% of the amount obtained by multiplying the amount of early redemption by the conversion price and dividing it by the face value for twenty trading days out of thirty consecutive business days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance, the GlobalWafers may redeem the amount in advance and redeem all or part of the convertible bonds.

Except for the early redemption, repurchase and cancellation or conversion of the convertible bonds, the holders may request the GlobalWafers to redeem entire or part of the convertible bonds according to the early redemption amount on the day of June 1, 2024. So, on June 1, 2023, the unsecured convertible bonds were reclassified to current liabilities. It does not mean that the holders will definitely demand repayment of the debt from the GlobalWafers within the next year.

Except for early redemptions, repurchases and cancellations, exercise of conversion rights by the bondholders, statutory requirements and the cessation of transfer period as otherwise provided in the Trust Deed, from the day following the three months after the issuance of the bonds to (1) ten days before the maturity date or (2) the fifth business day prior to the date of early redemption of the bonds (hereinafter referred to as the "conversion period"), the bondholders may request the issuing company to convert the bonds into shares of common stock newly issued by the issuing company in accordance with the provisions of the relevant laws and the Trust Deed.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

As of June 30, 2024, December 31, 2023 and June 30, 2023, the conversion price of the bonds was NT\$956.53, NT\$970.33 and NT\$988.86. After the issuance of the bonds, the conversion price were adjusted in accordance with the relevant antidilution provisions of the contract.

GlobalWafers redeemed the first unsecured overseas convertible bonds of US\$248,200 thousand and US\$469,800 thousand, respectively, during the six month period ended June 30, 2024 and 2023, resulting in the invalid conversion right of \$422,801 thousand and \$800,290 thousand to be reclassified from capital surplus – share options to capital surplus – others.

As of June 30, 2024, the above mentioned unsecured convertible bonds had been fully redeemed.

- C. GlobalWafers' subsidiary, GW GmbH issued a bond with 1.5% coupon rate, with interest payable annually on January 23, 2024. At the time of issuance of the bond, GlobalWafers separated the warrant, call and put options (collectively referred to as the "options") from the host contract in accordance with IFRS 9 and accounted for "financial liabilities at fair value through profit or loss". Financial liabilities at fair value through profit or loss (FVTPL) as of June 30, 2024 are summarized below:

The details of the GlobalWafers' exchangeable bonds with warrants are as follows:

| | June 30, 2024 | |
|---|---|---|
| Total exchangeable bonds with warrants | \$ 11,981,892 | |
| Unamortized discount | <u>(1,730,734)</u> | |
| Total exchangeable bonds with warrants at the end of period | <u>\$ 10,251,158</u> | |
| Embedded derivatives – options (recorded under financial liabilities measured at fair value through profit or loss – non-current) | <u>\$ 667,391</u> | |
| | For the three months ended June 30, 2024 | For the six months ended June 30, 2024 |
| Embedded derivatives - gain and losses of re-measurement of options based on fair value (recorded under other gains and losses) | <u>\$ 282,247</u> | <u>1,119,714</u> |
| Interest expense | <u>\$ 132,396</u> | <u>230,353</u> |

The principal terms of the above exchangeable bonds with warrants are set out below:

- (a) Total amount issued: EUR 345,200 thousand (EUR 100 thousand per sheet)
- (b) Issue period: five years
- (c) Maturity date: January 23, 2029

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(d) Important terms and conditions:

- i After three years from the issuance date, holders of exchangeable bonds with warrants may exercise the put right to sell back the bonds at par value.
- ii Warrants are to be exercised for 3,100,413 ordinary shares of Siltronic AG held by GW GmbH at a price of EUR 111.34 per share, which will be adjusted in subsequent years in accordance with the terms of the contract and the dividend payment of Siltronic AG. The exercise price was EUR 111.34 per share as of June 30, 2024. The warrants are exercisable immediately from the date of issuance of the exchangeable bonds with warrants.
- iii GlobalWafers is the guarantor of the exchangeable bonds with warrants.
- iv In the event of changes of control over the guarantor or stock-delisting in the market of Siltronic AG, the holders may request to redeem entire of the bonds by book value.

In addition, according to the above reasons, GW GmbH had signed a security leading contract with the issuance agent. As of June 30, 2024, GW GmbH had lent 1,500 thousand shares of Siltronic AG to the issuance agent.

D. The details of Actron's bonds payable were as follow:

| | June 30, 2024 | December 31, 2023 |
|--------------------------------------|--------------------------|------------------------------|
| Unsecured convertible bonds — Actron | \$ 799,900 | 799,900 |
| Less: unamortised discount | (30,801) | (37,861) |
| Total | \$ 769,099 | 762,039 |

On August 9, 2023, Actron issued 8 thousand NTD-denominated unsecured convertible bonds with a face value of NT\$100 thousand each and an interest rate of 0% at 100.5% of the face value. The principal amount totaled NT\$800,000 thousand. The issuance period is three years, starting on August 9, 2023 and ending on August 9, 2026. Yuanta Commercial Bank Co., Ltd. is the trustee of the bondholders of the convertible corporate bonds.

Unless the bondholders of the convertible bonds apply for conversion to the ordinary shares of Actron or the Actron repurchases the convertible bonds from securities agents for cancellation, Actron will repay the convertible bonds in cash on a lump sum basis within ten days after the maturity date thereof.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

From the day following the expiration of three months after the date of issuance of the convertible bonds (November 10, 2023) to the maturity date (August 9, 2026), the bondholders may request Actron to convert the convertible bonds to the ordinary shares at any time except (1) when the transfer of ordinary shares is suspended in accordance with the law; (2) during the period from 15th business day prior to the book closure date for stock grants, the book closure date for cash dividends, or the book closure date for cash capital increase subscription to the rights distribution record date; (3) from the record date for capital reduction to the day prior to the start date of the trading of new shares issued to replace old shares for the capital reduction; (4) from the start date of the cessation of conversion for the change of the face value of shares to the day prior to the start date of the trading of newly-issued shares.

The conversion prices on June 30, 2024 and December 31, 2023 were both NT\$208 per share. When there is a conversion price adjustment in accordance with the terms and conditions, such adjustment will be made by Actron based on a formula in accordance with the terms of issuance.

The convertible bonds included liability and equity components. The equity components are reported as capital surplus - share options. The effective interest rate initially recognized for the liability components was 1.8659%.

| | |
|---|--------------------------|
| Proceeds from issuance (less the transaction cost and the adjustments related to income tax effects) | \$ 800,740 |
| Equity components (less the transaction cost allocated to equity and the adjustments related to income tax effects) | (43,937) |
| Deferred tax assets | <u>36</u> |
| Liability components on the issuance date (less the transaction cost allocated to liabilities) | 756,839 |
| Interest calculated based on effective interest rate of 1.8659% | 5,296 |
| Conversion into ordinary shares | <u>(96)</u> |
| Components of liabilities as of December 31, 2023 | 762,039 |
| Interest calculated based on effective interest rate of 1.8659% | <u>7,060</u> |
| Components of liabilities as of June 30, 2024 | <u><u>\$ 769,099</u></u> |

(16) Lease liabilities

The carrying amounts of lease liabilities of the Group were as follows:

| | <u>June 30,</u> <u>2024</u> | <u>December 31,</u> <u>2023</u> | <u>June 30,</u> <u>2023</u> |
|--|--------------------------------|------------------------------------|--------------------------------|
| Current (recognized under other current liabilities) | <u>\$ 193,448</u> | <u>199,210</u> | <u>187,724</u> |
| Non-current (recognized under other non-current liabilities) | <u>\$ 1,247,426</u> | <u>1,264,422</u> | <u>1,007,519</u> |

For the maturity analysis, please refer to note 6(27) "Financial instruments".

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The amounts recognized in profit or loss were as follows:

| | For the three months ended June 30, | | For the six months ended June 30, | |
|--|--|--------------|--------------------------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| Interest on lease liabilities | \$ <u>6,909</u> | <u>4,750</u> | <u>13,840</u> | <u>9,426</u> |
| Variable lease payments not included in the measurement of lease liabilities | \$ <u>2,340</u> | <u>1,723</u> | <u>4,576</u> | <u>3,230</u> |
| Expenses relating to short-term leases | \$ <u>9,706</u> | <u>6,600</u> | <u>16,280</u> | <u>15,119</u> |
| Expenses relating to leases of low value assets, excluding short term leases of low value assets | \$ <u>3,304</u> | <u>2,690</u> | <u>6,411</u> | <u>5,158</u> |

The amounts recognized in the statements of cash flows were as follows:

| | For the six months ended June 30, | |
|-------------------------------|--------------------------------------|----------------|
| | 2024 | 2023 |
| Total cash outflow for leases | \$ <u>153,092</u> | <u>127,736</u> |

A. Land and Buildings lease

The Group leases land and buildings for its facility and office space. The leases of office space typically run for a period of 20 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Additional rent payments of land leases are calculated based on changes in local price indices and the public facilities construction costs re invested annually in each science park. Incremental payment will be adjusted after being assessed.

B. Other leases

The Group leases vehicles and other equipment, with lease terms of two to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

(17) Provisions

The movements of the Group's provisions — current and non-current were as follows:

| | Site restoration | Onerous contracts | Others | Total |
|----------------------------|---------------------|----------------------|----------------|------------------|
| Balance of January 1, 2024 | \$ <u>60,580</u> | <u>3,299,865</u> | <u>135,537</u> | <u>3,495,982</u> |
| Balance of June 30, 2024 | \$ <u>60,187</u> | <u>3,122,032</u> | <u>95,980</u> | <u>3,278,199</u> |
| Balance of January 1, 2023 | \$ <u>59,888</u> | <u>3,583,065</u> | <u>121,055</u> | <u>3,764,008</u> |
| Balance of June 30, 2023 | \$ <u>58,753</u> | <u>3,420,873</u> | <u>102,254</u> | <u>3,581,880</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

There were not significant changes in Group's provision for liabilities during the six months ended June 30, 2024 and 2023. For relevant information, please refer to notes 6(18) of the consolidated financial statements for the fiscal year 2023.

(18) Employee benefits

A. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The expenses recognized in profit or loss for the Group were \$72,933 thousand, \$68,146 thousand, \$151,606 and \$134,921 thousand for the three months and six months ended June 30, 2024 and 2023, respectively.

B. Defined contribution plans

Domestic subsidiaries' pension costs incurred from contributions to the defined contribution plan were \$47,604 thousand, \$30,434 thousand, \$87,862 thousand and \$62,014 thousand for the three months and six months ended June 30, 2024 and 2023, respectively. Such contributions were made to the Bureau of the Labor Insurance.

The total periodic pension costs of other subsidiaries were recognized as current expenses in accordance with the local regulations of their respective jurisdictions where they are domiciled. The overseas subsidiaries of the Group recognized the pension costs of \$87,170 thousand, \$84,100 thousand, \$172,843 thousand and \$163,865 thousand for the three months and six months ended June 30, 2024 and 2023, respectively.

(19) Income tax

The income tax expense of the Group is calculated by the profit before tax of interim reporting period multiplied by the best estimated measurement of the expected effective tax rate by the management in all year.

A. The detailed income tax expense of the Group is as follows:

| | For the three months ended June 30, | | For the six months ended June 30, | |
|----------------------------|--|------------------|--------------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Current income tax expense | \$ <u>1,030,501</u> | <u>1,988,695</u> | <u>2,140,003</u> | <u>3,882,401</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

- B. The detailed income tax expense (benefit) recognized in other comprehensive income of the Group is as follows:

| | For the three months ended June 30, | | For the six months ended June 30, | |
|---|--|-----------------|--------------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Items not reclassified subsequently to profit or loss : | | | | |
| Unrealized gains or losses on equity investments measured at fair value through other comprehensive income | \$ <u>(61,350)</u> | <u>(15,944)</u> | <u>(19,111)</u> | <u>(52,664)</u> |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on the translation of financial statements of foreign operations | \$ <u>(58,849)</u> | <u>49,985</u> | <u>282,143</u> | <u>(238,754)</u> |

- C. Income tax assessment status

As of June 30, 2024, income tax returns of the Company for the years through 2021 were assessed by the tax authority.

The operations of the Group encompass tax matters in multiple countries. The tax treatment of each country shall be determined by the country in which the operation is situated. The tax laws of each country shall prevail, and all declarations shall be made on time in accordance with the regulations of the countries where subsidiaries are located. There may be adjustments arising from tax inspections conducted by various regions, and the Group has taken appropriate measures to address these matters.

- D. Global minimum top-up tax

The Group operates in Europe, Japan, Korea and Malaysia, which have enacted new legislation to implement the global minimum top-up tax. The Group expects to be subject to the top-up tax in relation to its operations in Korea, where the subsidiary in Korea receives government support through additional tax deductions that reduce its effective tax rate to below 15%. The newly enacted tax legislation in Korea is effective from January 1, 2024, the current tax impact had been estimated for the six month ended June 30, 2024.

(20) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to June 30, 2024 and 2023. For the related information, please refer to note 6(21) to the consolidated financial statements for the year ended December 31, 2023.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

A. Capital surplus

The balances of capital surplus were as follows:

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|---|--------------------------|------------------------------|--------------------------|
| Additional paid in capital | \$ 7,195,673 | 7,195,673 | 7,195,673 |
| Difference between the consideration and the carrying amount of subsidiaries' and associates' share acquired or disposed | 1,276,962 | 1,447,251 | 1,447,251 |
| Capital surplus recognized baesd on the equity method | 14,815,131 | 7,670,021 | 7,568,607 |
| Treasury stock transactions | 88,499 | 33,314 | 33,314 |
| Employee stock options and others | 608,952 | 608,952 | 608,429 |
| | \$ 23,985,217 | 16,955,211 | 16,853,274 |

According to the R.O.C. Company Act Section 241, the legal reserve and capital surplus may be distributed as cash dividends or stock dividends to the shareholders in proportion to the number of shares held. Distribution of legal reserve and capital surplus, by way of cash dividends, should be approved by the Board of Directors in a meeting attended by two thirds of the total number of directors, with half of the directors' agreement; thereafter, the Board resolution is to be reported in the shareholders' meeting. The distribution of legal reserve and capital surplus through issuance of new shares shall be resolved during the shareholders' meeting.

B. Earnings distribution and dividend policy

The proposal of earnings distribution or loss off-setting for the first half fiscal year, together with the business report and financial statements, shall be forwarded to the audit committee for auditing before the end of the second half of the fiscal year; thereafter, it is to be submitted to the Board of Directors for approval.

Distribution of earnings, by way of cash, shall be approved in the Board of Directors meeting. The distribution of earnings through issuance of new shares shall be resolved in the stockholders' meeting.

The Company's Article of Incorporation stipulates that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as a legal reserve, and subsequently any remaining profit together with any undistributed retained earnings shall be distributed, in form of cash dividends, according to the distribution plan approved by the Board of Directors with two-thirds of directors present and approved by one-half of the present directors and further submitted to the shareholders' meeting, in accordance with the R.O.C. Company Act Section 240(5). The distribution plan to issue new shares should be proposed by the Board of Directors and submitted to the shareholders' meeting for approval.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

After considering both the long-term development of the business and the goal of stable growth of earnings per share, the distribution of dividends to shareholders should not be less than 50% of the distributable earnings, which is calculated using the net income of the current year, minus, legal reserve and special reserve. The distribution of cash dividends should not be less than 50% of the total dividends.

The distribution of cash dividends for the second half of 2023 and the first half of 2023, were approved by the Board of Directors on May 10, 2024, and December 15, 2023, as follows:

| | 2023 | |
|---|--|------------------|
| | Dividends per share (NT dollar) | Amount |
| Dividends distributed to ordinary shareholders: | | |
| Appropriation of the first half of earnings | \$ 3.50 | 2,051,776 |
| Appropriation of the annual earnings | 5.30 | 3,106,975 |
| Total | \$ 8.80 | 5,158,751 |

The distribution of cash dividends for the second half of 2022 and the first half of 2022, were approved by the Board of Directors on May 5, 2023, and December 8, 2022, as follows:

| | 2022 | |
|---|--|------------------|
| | Dividends per share (NT dollar) | Amount |
| Dividends distributed to ordinary shareholders: | | |
| Appropriation of the first half of earnings | \$ 2.37 | 1,389,345 |
| Appropriation of the annual earnings | 5.80 | 3,400,086 |
| Total | \$ 8.17 | 4,789,431 |

The difference between the relevant earnings distribution amount for 2023 and 2022 and the Company's board of directors resolution are \$14 thousand and \$24 thousand due to rounding of less than \$1, respectively. The above-mentioned relevant information can be obtained through Market Observation Post System.

C. Treasury shares

Hongwang and Actron acquired 25,050 thousand and 2,000 thousand shares of the Company, respectively, based on their investment strategies. On October 2, 2023, the Group obtained control over Actron, therefore, the Company directly and indirectly holds more than half of the shares of Hongwang. Therefore, the Company recognized treasury stocks amounting to NT\$4,382,100 thousand which was measured at the market price of NT\$162 per share on October 2, 2023. On June 30, 2024, the market price of the Company was NT\$217.5 per share, while Hongwang and Actron owned 27,050 thousand shares of the Company.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(21) Share-based payment

A. The effective share-based payment agreement of Mosel Vitelic Inc. is as follows:

| <u>Type of agreement</u> | <u>Grant date</u> | <u>Fair value (NT\$)</u> | <u>Grant quantity</u> | <u>Agreed price</u> | <u>Contract period</u> | <u>Vesting condition</u> |
|-------------------------------|-------------------|--------------------------|-----------------------|---------------------|------------------------|--------------------------|
| Restricted share plan (Note1) | December 11, 2023 | \$ 34.65 | 1,000 thousand shares | - | 3 years | (Note 2) |
| Restricted share plan (Note1) | June 12, 2024 | 32.25 | 295 thousand shares | - | 3 years | (Note 2) |

Note 1: Restricted shares issued by Mosel Vitelic Inc. shall not be transferred during the vesting period. However, their voting rights are not restricted. If an employee resigns or passes away not due to an occupational disaster before the vested conditions are met, Mosel Vitelic Inc. will buy back his or her shares at the issue price and cancel them.

Note 2: 30% of the restricted shares will be vested immediately after one year and two years of service following the grant date, respectively, and the remaining 40% will be vested after three years of service. If an employee's performance in any of the three years from the grant date fails to meet Mosel Vitelic Inc.'s performance conditions, Mosel Vitelic Inc. will buy back the unvested shares from the employee at the issue price in the current year.

B. The details of the above share-based payment agreement are as follows:

| | Number of shares (in thousands) |
|-----------------------|---|
| | For the six months ended June 30, 2024 |
| Beginning balance | 1,000 |
| Current grant | 295 |
| Vested for the period | - |
| Ending balance | 1,295 |

C. Mosel Vitelic Inc.'s board of directors adopted a resolution on April 29, 2024 and March 7, 2023 to issue 295,000 and 1,000,000 restricted shares, respectively. The record date for the issuance were set on June 12, 2024 and December 11, 2023, respectively. The subscription price per share was NT\$10. Before meeting the vesting conditions, employees are not allowed to transfer the restricted shares and are not entitled to share allotment and dividends. All the other rights and obligations for this issuance of ordinary shares are the same as those for the other issued ordinary shares.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(22) Earnings per Share

A. Basic earnings per share

| | For the three months ended June 30, | | For the six months ended June 30, | |
|---|--|------------------|--------------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income attributable to the shareholders of the Company | \$ <u>1,646,281</u> | <u>2,432,202</u> | <u>3,548,291</u> | <u>4,901,661</u> |
| Weighted average number of ordinary shares outstanding (in thousands of shares) | 586,222 | 586,222 | 586,222 | 586,222 |
| Effect of treasury shares | (27,050) | - | (27,050) | - |
| Total | <u>559,172</u> | <u>586,222</u> | <u>559,172</u> | <u>586,222</u> |
| Basic earnings per share (NT dollar) | \$ <u>2.94</u> | <u>4.15</u> | <u>6.35</u> | <u>8.36</u> |

B. Diluted earnings per share

| | For the three months ended June 30, | | For the six months ended June 30, | |
|---|--|------------------|--------------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income attributable to the shareholders of the Company | \$ <u>1,646,281</u> | <u>2,432,202</u> | <u>3,548,291</u> | <u>4,901,661</u> |
| Weighted average number of ordinary shares outstanding (in thousands of shares) | 559,172 | 586,222 | 559,172 | 586,222 |
| Effect of dilutive potential ordinary shares (in thousands of shares) | 269 | 1,016 | 1,510 | 3,452 |
| Weighted-average number of ordinary shares outstanding (in thousands of shares) (diluted) | <u>559,441</u> | <u>587,238</u> | <u>560,682</u> | <u>589,674</u> |
| Diluted earnings per share (NT dollar) | \$ <u>2.94</u> | <u>4.14</u> | <u>6.33</u> | <u>8.31</u> |

(23) Revenue from contracts with customers

A. Details of revenues

| | | For the three months ended June 30, | | | | | | | |
|--|----|-------------------------------------|--------------------------------|-------------------------------------|-------------------|--------------------------|--------------------------------|-------------------------------------|-------------------|
| | | 2024 | | | | 2023 | | | |
| | | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total |
| Primary geographical markets: | | | | | | | | | |
| Taiwan | \$ | 3,157,136 | 598,254 | 365,238 | 4,120,628 | 3,412,184 | 775,663 | - | 4,187,847 |
| Northeast Asia (Japan and Korea) | | 3,542,780 | 129,454 | 319,632 | 3,991,866 | 4,153,500 | 4,372 | - | 4,157,872 |
| Asia-other | | 3,856,230 | 91,902 | 298,194 | 4,246,326 | 4,669,525 | 133,572 | - | 4,803,097 |
| America | | 2,417,443 | 295,064 | 348,370 | 3,060,877 | 2,283,218 | 422,463 | - | 2,705,681 |
| Europe | | 3,585,111 | 107,432 | 351,864 | 4,044,407 | 3,734,548 | 452,775 | - | 4,187,323 |
| Other areas | | 51,589 | 139,737 | 240,952 | 432,278 | 115,612 | 160,873 | - | 276,485 |
| | \$ | <u>16,610,289</u> | <u>1,361,843</u> | <u>1,924,250</u> | <u>19,896,382</u> | <u>18,368,587</u> | <u>1,949,718</u> | <u>-</u> | <u>20,318,305</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| For the three months ended June 30, | | | | | | | | |
|-------------------------------------|-----------------------|--------------------------|-------------------------------|-------------------|-----------------------|--------------------------|-------------------------------|-------------------|
| 2024 | | | | 2023 | | | | |
| | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total |
| Major product categories: | | | | | | | | |
| Renewable energy | \$ - | 942,063 | - | 942,063 | - | 1,850,714 | - | 1,850,714 |
| Semiconductor wafers | 16,045,981 | 4,336 | - | 16,050,317 | 17,865,134 | 10,863 | - | 17,875,997 |
| Semiconductor ingot | 329,151 | 561 | - | 329,712 | 315,586 | 735 | - | 316,321 |
| Automotive components | - | - | 1,924,250 | 1,924,250 | - | - | - | - |
| Others | 235,157 | 414,883 | - | 650,040 | 187,867 | 87,406 | - | 275,273 |
| | <u>\$ 16,610,289</u> | <u>1,361,843</u> | <u>1,924,250</u> | <u>19,896,382</u> | <u>18,368,587</u> | <u>1,949,718</u> | <u>-</u> | <u>20,318,305</u> |
| For the six months ended June 30, | | | | | | | | |
| 2024 | | | | 2023 | | | | |
| | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total |
| Primary geographical markets: | | | | | | | | |
| Taiwan | \$ 6,931,773 | 925,323 | 711,906 | 8,569,002 | 7,043,754 | 1,387,467 | - | 8,431,221 |
| Northeast Asia (Japan and Korea) | 7,389,705 | 145,103 | 659,325 | 8,194,133 | 9,325,199 | 18,620 | - | 9,343,819 |
| Asia-other | 7,034,150 | 782,405 | 562,155 | 8,378,710 | 8,982,028 | 341,511 | - | 9,323,539 |
| America | 4,890,838 | 510,709 | 634,288 | 6,035,835 | 4,397,362 | 951,205 | - | 5,348,567 |
| Europe | 6,727,368 | 245,725 | 623,832 | 7,596,925 | 7,396,075 | 868,304 | - | 8,264,379 |
| Other areas | 106,943 | 214,121 | 492,868 | 813,932 | 246,925 | 263,404 | - | 510,329 |
| | <u>\$ 33,080,777</u> | <u>2,823,386</u> | <u>3,684,374</u> | <u>39,588,537</u> | <u>37,391,343</u> | <u>3,830,511</u> | <u>-</u> | <u>41,221,854</u> |
| For the six months ended June 30, | | | | | | | | |
| 2024 | | | | 2023 | | | | |
| | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total | Semiconductor Segment | Renewable energy segment | Automotive components Segment | Total |
| Major product categories: | | | | | | | | |
| Renewable energy | \$ - | 1,814,275 | - | 1,814,275 | - | 3,607,085 | - | 3,607,085 |
| Semiconductor wafers | 31,848,071 | 8,763 | - | 31,856,834 | 36,477,323 | 22,395 | - | 36,499,718 |
| Semiconductor ingot | 719,394 | 1,025 | - | 720,419 | 599,256 | 1,338 | - | 600,594 |
| Automotive components | - | - | 3,684,374 | 3,684,374 | - | - | - | - |
| Others | 513,312 | 999,323 | - | 1,512,635 | 314,764 | 199,693 | - | 514,457 |
| | <u>\$ 33,080,777</u> | <u>2,823,386</u> | <u>3,684,374</u> | <u>39,588,537</u> | <u>37,391,343</u> | <u>3,830,511</u> | <u>-</u> | <u>41,221,854</u> |

B. Contract balances

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|---|----------------------|----------------------|-------------------|
| Notes and accounts receivable (including related parties) | <u>\$ 12,519,542</u> | <u>12,228,049</u> | <u>11,540,839</u> |
| Contract liabilities | <u>\$ 34,821,089</u> | <u>35,464,270</u> | <u>38,257,195</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The major change in the balance of contract liabilities is the advance consideration received from customers for the contracts, in which revenue is recognized when products are delivered to customers. Please refer to note 9 for guarantee letter issued for the customer. The amount of revenue recognized for the six months ended June 30, 2024 and 2023, which was included in the contract liability balance at the beginning of the period, was \$2,954,345 thousand and \$3,434,073 thousand, respectively.

(24) Remuneration to employees and directors

In accordance with the Articles of Incorporation of the Company, if there is profit in the year, the Company shall accrue 3% to 15% of the profit as employee's remuneration. The Board of Directors decides to distribute it by stock or cash to qualified employees ; and the Board of Directors decides to accrue up to 3% of the above profit as directors' remuneration. The distribution of remuneration of employees and directors should be submitted and reported to the shareholders' meeting. In case the Company has an accumulated loss, it should reserve amounts to make up the losses prior to distributing remuneration to the employees and directors pursuant to the percentage mentioned in the preceding paragraph.

For the three months and six months ended June 30, 2024 and 2023, the Company accrued and recognized its employee remuneration amounting to \$58,590 thousand, \$164,110 thousand, \$119,880 thousand and \$320,700 thousand and directors remuneration amounting to \$15,000 thousand, \$15,000 thousand, \$30,000 thousand and \$30,000 thousand, respectively. These amounts were calculated by using the Company's pre-tax net profit for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution ratio of the remuneration to employees and directors based on the Company's Articles of Incorporation, and expensed under operating costs or expenses. If, however, the shareholders determine that the employee remuneration is to be distributed through issuance of shares, the calculation of distributable shares shall be calculated using the stock price on the day before a resolution was made by the Board of Directors. If there would be any changes in accounting estimates the changes shall be accounted for as profit or loss in the following year.

The amounts recognized for employee remuneration were \$550,000 thousand and \$564,770 thousand, respectively, and for directors' remuneration were both \$55,000 thousand, in the 2023 and 2022 consolidated financial statements and were not significantly different from those approved in the Board of Directors meetings. The relevant information can be obtained through Market Observation Post System.

(25) Financial costs

| | For the three months ended June 30, | | For the six months ended June 30, | |
|--------------------------------------|--|----------------|--|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| Interest expense — borrowings | \$ 64,941 | 109,754 | 163,586 | 191,792 |
| Interest expense — bonds | 191,624 | 80,168 | 343,155 | 176,240 |
| Interest expense — lease liabilities | 6,909 | 4,750 | 13,840 | 9,426 |
| | \$ 263,474 | 194,672 | 520,581 | 377,458 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(26) Other gains and losses

| | For the three months ended June 30, | | For the six months ended June 30, | |
|--|--|----------------|--|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Foreign exchange gains, net | \$ 213,732 | 258,992 | 393,628 | 352,794 |
| Valuation gains (losses) on financial assets (liabilities) measured at fair value through profit or loss | (1,139,207) | 336,990 | (1,180,125) | 426,327 |
| Gain on disposal of property, plant and equipment | 14,417 | 50,420 | 38,657 | 37,635 |
| Dividend income | 170,215 | 413,320 | 172,794 | 415,401 |
| Others | 57,830 | (200,760) | 66,248 | (182,104) |
| | <u>\$ (683,013)</u> | <u>858,962</u> | <u>(508,798)</u> | <u>1,050,053</u> |

(27) Financial instruments

Except for the following, there has been no significant change in the fair value of the Group's financial instruments and the exposure to credit risk, liquidity risk and market risk due to financial instrument. For relevant information, please refer to note 6(28) of 2023 consolidated financial report.

A. Credit risk

(a) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(b) Concentration of credit risk

The main customers of the Group are from the renewable energy, semiconductor and automotive components industries. The Group generally sets credit limits to its customers according to their credit evaluations. Therefore, the credit risk of the Group is mainly influenced by the renewable energy, semiconductor and automotive components industries. As of June 30, 2024, December 31, 2023, and June 30, 2023, 34%, 41% and 39%, respectively, of the Group's accounts receivable (including related parties) were from the top 10 customers. Although there is a potential for concentration of credit risk, the Group routinely assesses the collectability of the accounts receivable and makes a corresponding allowance for doubtful accounts.

(c) Credit risks of receivables and debt securities

For credit risk exposure of notes and trade receivables, please refer to note 6(5).

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

| | <u>Carrying amount</u> | <u>Contractual cash flows</u> | <u>Within 6 months</u> | <u>6-12 months</u> | <u>1-2 years</u> | <u>2-5 years or more</u> | <u>Over 5 years</u> |
|---|----------------------------|-----------------------------------|----------------------------|--------------------|---------------------|------------------------------|-------------------------|
| June 30, 2024 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Short-term borrowings | \$ 42,576,754 | (42,647,234) | (42,382,012) | (265,222) | - | - | - |
| Notes and accounts payable (including related parties) | 5,248,996 | (5,248,996) | (5,224,361) | (24,635) | - | - | - |
| Long-term borrowings (including current portion) | 7,066,352 | (7,471,545) | (1,066,348) | (1,147,941) | (2,490,189) | (2,152,977) | (614,090) |
| Lease liabilities - current and non-current | 1,440,874 | (1,632,564) | (117,464) | (99,622) | (162,558) | (362,337) | (890,583) |
| Bonds payable (including current portion) | 23,988,416 | (24,732,050) | (7,167,900) | (126,550) | (6,658,950) | (8,191,150) | (2,587,500) |
| Convertible bonds (including current portion) | 769,099 | (799,900) | - | - | - | (799,900) | - |
| Dividends payable | 6,610,811 | (6,610,811) | (6,610,811) | - | - | - | - |
| Accrued remuneration of directors (other current liabilities) | 233,590 | (233,590) | (141,195) | (75,250) | (17,145) | - | - |
| Payroll and bonus payable | 5,071,636 | (5,071,636) | (3,853,570) | (1,144,755) | (73,311) | - | - |
| Exchangeable bonds with warrants | 10,251,158 | (13,712,626) | (176,791) | (179,840) | (750,916) | (12,605,079) | - |
| Derivative financial contracts: | | | | | | | |
| Forward exchange contracts: | | | | | | | |
| Outflows | 32,439 | (8,449,633) | (8,449,633) | - | - | - | - |
| Inflows | (99) | 8,417,293 | 8,417,293 | - | - | - | - |
| | <u>\$ 103,290,026</u> | <u>(108,193,292)</u> | <u>(66,772,792)</u> | <u>(3,063,815)</u> | <u>(10,153,069)</u> | <u>(24,111,443)</u> | <u>(4,092,173)</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | <u>Carrying amount</u> | <u>Contractual cash flows</u> | <u>Within 6 months</u> | <u>6-12 months</u> | <u>1-2 years</u> | <u>2-5 years or more</u> | <u>Over 5 years</u> |
|---|----------------------------|-----------------------------------|----------------------------|---------------------|--------------------|------------------------------|-------------------------|
| December 31, 2023 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Short-term borrowings | \$ 31,811,162 | (31,948,238) | (31,948,238) | - | - | - | - |
| Notes and accounts payable (including related parties) | 5,958,638 | (5,958,638) | (5,553,165) | (403,462) | (2,011) | - | - |
| Long-term borrowings (including current portion) | 6,384,827 | (6,664,187) | (709,636) | (1,223,005) | (2,568,790) | (1,531,482) | (631,274) |
| Lease liabilities - current and non-current | 1,464,632 | (1,522,206) | (118,793) | (102,825) | (156,658) | (348,761) | (795,169) |
| Bonds payable | 18,991,451 | (19,253,600) | (40,300) | (7,167,900) | (72,700) | (11,972,700) | - |
| Convertible bonds | 7,409,089 | (7,603,891) | (6,841,854) | - | - | (762,037) | - |
| Dividends payable | 3,756,469 | (3,756,469) | (3,756,469) | - | - | - | - |
| Accrued remuneration of directors (other current liabilities) | 172,906 | (172,906) | (97,656) | (75,250) | - | - | - |
| Payroll and bonus payable | 5,310,525 | (5,310,525) | (5,310,525) | - | - | - | - |
| Derivative financial contracts: | | | | | | | |
| Outflows | - | (657,024) | (657,024) | - | - | - | - |
| Inflows | 9,706 | 666,730 | 666,730 | - | - | - | - |
| | <u>\$ 81,269,405</u> | <u>(82,180,954)</u> | <u>(54,366,930)</u> | <u>(8,972,442)</u> | <u>(2,800,159)</u> | <u>(14,614,980)</u> | <u>(1,426,443)</u> |
| June 30, 2023 | | | | | | | |
| Non-derivative financial liabilities | | | | | | | |
| Short-term borrowings | \$ 14,734,669 | (14,824,770) | (14,272,681) | (552,089) | - | - | - |
| Notes and accounts payable (including related parties) | 4,823,125 | (4,823,125) | (4,800,064) | (23,061) | - | - | - |
| Long-term borrowings (including current portion) | 5,364,949 | (5,717,574) | (141,649) | (612,346) | (2,196,341) | (2,028,751) | (738,487) |
| Lease liabilities - current and non-current | 1,195,243 | (1,262,890) | (103,231) | (96,417) | (165,186) | (294,188) | (603,868) |
| Bonds payable | 18,988,780 | (19,321,500) | (67,900) | (40,300) | (7,208,200) | (12,005,100) | - |
| Convertible bonds | 11,430,933 | (11,836,794) | - | (11,836,794) | - | - | - |
| Dividends payable | 5,484,804 | (5,484,804) | (5,484,804) | - | - | - | - |
| Accrued remuneration of directors (other current liabilities) | 181,180 | (181,180) | (142,260) | (38,920) | - | - | - |
| Payroll and bonus payable | 5,113,421 | (5,113,421) | (3,775,608) | (1,337,813) | - | - | - |
| Derivative financial contracts: | | | | | | | |
| Swap exchange contracts: | | | | | | | |
| Outflows | 1,905 | (69,525) | (69,525) | - | - | - | - |
| Inflows | - | 67,620 | 67,620 | - | - | - | - |
| Forward exchange contracts: | | | | | | | |
| Outflows | - | (1,049,590) | (1,049,590) | - | - | - | - |
| Inflows | 1,287 | 1,050,877 | 1,050,877 | - | - | - | - |
| | <u>\$ 67,320,296</u> | <u>(68,566,676)</u> | <u>(28,788,815)</u> | <u>(14,537,740)</u> | <u>(9,569,727)</u> | <u>(14,328,039)</u> | <u>(1,342,355)</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

C. Currency risk

(a) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

| June 30, 2024 | | | |
|------------------------------|-----------------------------|----------------------|------------|
| | Foreign currency | Exchange rate | NTD |
| <u>Financial assets</u> | | | |
| <u>Monetary Items</u> | | | |
| USD | \$ 813,657 | 32.450 | 26,403,170 |
| JPY | 11,786,205 | 0.2017 | 2,377,278 |
| EUR | 198,128 | 34.71 | 6,877,023 |
| CNY | 59,281 | 4.445 | 263,504 |
| <u>Non-monetary items</u> | | | |
| USD | 2,100 | 32.450 | Note |
| <u>Financial liabilities</u> | | | |
| <u>Monetary Items</u> | | | |
| USD | 422,794 | 32.450 | 13,719,665 |
| JPY | 14,914,563 | 0.2017 | 3,008,267 |
| EUR | 67,711 | 34.71 | 2,350,249 |
| CNY | 44,285 | 4.445 | 196,847 |
| <u>Non-monetary items</u> | | | |
| USD | 259,290 | 32.450 | Note |
| December 31, 2023 | | | |
| | Foreign currency | Exchange rate | NTD |
| <u>Financial assets</u> | | | |
| <u>Monetary Items</u> | | | |
| USD | \$ 547,074 | 30.705 | 16,797,907 |
| JPY | 13,938,825 | 0.2172 | 3,027,513 |
| EUR | 195,425 | 33.98 | 6,640,544 |
| CNY | 55,719 | 4.327 | 241,096 |
| <u>Non-monetary items</u> | | | |
| USD | 18,850 | 30.705 | Note |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| December 31, 2023 | | | |
|------------------------------|-----------------------------|----------------------|------------|
| | Foreign currency | Exchange rate | NTD |
| <u>Financial liabilities</u> | | | |
| <u>Monetary Items</u> | | | |
| USD | 443,356 | 30.705 | 13,613,246 |
| JPY | 15,301,304 | 0.2172 | 3,323,443 |
| EUR | 59,218 | 33.98 | 2,012,228 |
| CNY | 51,989 | 4.327 | 224,956 |
| <u>Non-monetary items</u> | | | |
| USD | 2,200 | 30.705 | Note |
| June 30, 2023 | | | |
| | Foreign currency | Exchange rate | NTD |
| <u>Financial assets</u> | | | |
| <u>Monetary Items</u> | | | |
| USD | \$ 544,082 | 31.14 | 16,942,713 |
| JPY | 12,566,721 | 0.2150 | 2,701,845 |
| EUR | 204,541 | 33.81 | 6,915,531 |
| CNY | 29,356 | 4.282 | 125,702 |
| <u>Non-monetary items</u> | | | |
| USD | 17,550 | 31.14 | Note |
| <u>Financial liabilities</u> | | | |
| <u>Monetary Items</u> | | | |
| USD | 303,622 | 31.14 | 9,454,789 |
| JPY | 15,010,821 | 0.2150 | 3,227,327 |
| EUR | 70,184 | 33.81 | 2,372,921 |
| CNY | 52,363 | 4.282 | 224,218 |
| <u>Non-monetary items</u> | | | |
| USD | 16,200 | 31.14 | Note |
| EUR | 2,000 | 33.81 | Note |

Note: The fair value of forward exchange contracts was measured at the reporting date. For related information, please refer to note 6(2).

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(b) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, notes and accounts receivable, long and short-term loans, and notes and accounts payables that are denominated in foreign currency. A weakening (strengthening) of 1% of the NTD against the USD, JPY, EUR and CNY as of June 30, 2024 and 2023, would have increased or decreased the net income before income tax by \$166,459 thousand and increased or decreased by \$114,065 thousand for the six months ended June 30, 2024 and 2023, respectively. The analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables remain constant and was performed on the same basis for both periods.

(c) Foreign exchange gain and losses on monetary exchange

Since the Group has many kinds of functional currencies, the information on foreign exchange gain (losses) on monetary items is disclosed by an aggregate amount. For the three months and six months ended June 30, 2024 and 2023, foreign exchange gains (including realized and unrealized portions) amounted to \$213,732 thousand, \$258,992 thousand, \$393,628 thousand and \$352,794 thousand, respectively.

D. Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and financial liabilities.

The following sensitivity analysis is based on the exposure to interest rates. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the period.

If the interest rate had increased or decreased by 0.25%, the Group's net income before income tax would have decreased or increased by \$40,296 thousand and increased or decreased \$2,674 thousand, for the six months ended June 30, 2024 and 2023, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's bank deposits and borrowings with variable rates.

E. Other price risk

The sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

| | For the six months ended June 30, | | | |
|--|---------------------------------------|------------|---------------------------------------|------------|
| | 2024 | | 2023 | |
| | Other comprehensive income before tax | Net income | Other comprehensive income before tax | Net income |
| Prices of securities at the reporting date | | | | |
| Increasing 5% | \$ 168,650 | 515,349 | 112,765 | 485,621 |
| Decreasing 5% | (168,650) | (515,349) | (112,765) | (485,621) |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

F. Fair value of financial instruments

(a) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

| | Carrying amount | June 30, 2024 | | | |
|--|--------------------|---------------|---------|-----------|------------|
| | | Fair value | | | Total |
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets at fair value through profit or loss - current | | | | | |
| Forward exchange contract | \$ 99 | - | 99 | - | 99 |
| Financial assets at fair value through profit or loss — non-current | | | | | |
| Privately offered fund | \$ 266,521 | - | - | 266,521 | 266,521 |
| Overseas securities held | 10,306,978 | 10,306,978 | - | - | 10,306,978 |
| Subtotal | \$ 10,573,499 | 10,306,978 | - | 266,521 | 10,573,499 |
| Financial assets at fair value through other comprehensive income | | | | | |
| Stocks listed on domestic markets | \$ 2,076,823 | 2,076,823 | - | - | 2,076,823 |
| Overseas securities held | 3,334 | 3,334 | - | - | 3,334 |
| Emerging stock | 221,344 | - | 221,344 | - | 221,344 |
| Non-public offer equity instrument measured at fair value | 1,071,495 | - | - | 1,071,495 | 1,071,495 |
| Subtotal | \$ 3,372,996 | 2,080,157 | 221,344 | 1,071,495 | 3,372,996 |
| Financial assets measured at amortized cost: | | | | | |
| Cash and cash equivalents | \$ 50,360,143 | - | - | - | - |
| Notes and accounts receivable (including related parties) | 12,519,542 | - | - | - | - |
| Other financial assets — current and non-current | 43,642,894 | - | - | - | - |
| Subtotal | \$ 106,522,579 | - | - | - | - |
| Financial liabilities at fair value through profit or loss: | | | | | |
| Forward exchange contract | \$ 32,439 | - | 32,439 | - | 32,439 |
| Embedded derivatives of exchangeable bonds with warrants | 667,391 | - | 667,391 | - | 667,391 |
| Subtotal | \$ 699,830 | - | 699,830 | - | 699,830 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | | June 30, 2024 | | | | |
|--|----|--------------------|-------------------|--------------|------------------|-------------------|
| | | Carrying amount | Fair value | | | |
| | | | Level 1 | Level 2 | Level 3 | Total |
| Financial liabilities measured at amortized cost: | | | | | | |
| Short-term borrowings | \$ | 42,576,754 | - | - | - | - |
| Notes and accounts payable (including related parties) | | 5,248,996 | - | - | - | - |
| Long-term borrowings (including current portion) | | 7,066,352 | - | - | - | - |
| Dividends payable | | 6,610,811 | - | - | - | - |
| Accrued remuneration of directors (other current liabilities) | | 233,590 | - | - | - | - |
| Payroll and bonus payable | | 5,071,636 | - | - | - | - |
| Bonds payable (including current portion) | | 23,988,416 | - | - | - | - |
| Convertible bonds | | 769,099 | - | - | - | - |
| Exchangeable bonds with warrants | | 10,251,158 | - | - | - | - |
| Lease liabilities — current and non-current | | 1,440,874 | - | - | - | - |
| Subtotal | \$ | <u>103,257,686</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| December 31, 2023 | | | | | | |
| | | Carrying amount | Fair value | | | |
| | | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at fair value through profit or loss - current | | | | | | |
| Forward exchange contract | \$ | <u>9,995</u> | <u>-</u> | <u>9,995</u> | <u>-</u> | <u>9,995</u> |
| Financial assets at fair value through profit or loss — non-current | | | | | | |
| Privately offered fund | \$ | 242,864 | - | - | 242,864 | 242,864 |
| Overseas securities held | | 12,324,634 | 12,324,634 | - | - | 12,324,634 |
| Subtotal | \$ | <u>12,567,498</u> | <u>12,324,634</u> | <u>-</u> | <u>242,864</u> | <u>12,567,498</u> |
| Financial assets at fair value through other comprehensive income | | | | | | |
| Stocks listed on domestic markets | \$ | 1,725,448 | 1,725,448 | - | - | 1,725,448 |
| Overseas securities held | | 536,919 | 536,919 | - | - | 536,919 |
| Non-public equity instrument measured at fair value | | 1,202,498 | - | - | 1,202,498 | 1,202,498 |
| Subtotal | \$ | <u>3,464,865</u> | <u>2,262,367</u> | <u>-</u> | <u>1,202,498</u> | <u>3,464,865</u> |
| Financial assets measured at amortized cost | | | | | | |
| Cash and cash equivalents | \$ | 30,827,503 | - | - | - | - |
| Notes and accounts receivable (including related parties) | | 12,228,049 | - | - | - | - |
| Other financial assets — current and non-current | | 44,397,262 | - | - | - | - |
| Subtotal | \$ | <u>87,452,814</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| December 31, 2023 | | | | | |
|---|----------------------------|-------------------|----------------|----------------|------------------|
| | Carrying amount | Fair value | | | Total |
| | | Level 1 | Level 2 | Level 3 | |
| Financial liabilities at fair value through profit or loss | | | | | |
| Forward exchange contract | 289 | - | 289 | - | 289 |
| Embedded derivative of convertible bonds | 204,033 | - | 204,033 | - | 204,033 |
| Subtotal | \$ 204,322 | - | 204,322 | - | 204,322 |
| Financial liabilities measured at amortized cost | | | | | |
| Short-term borrowings | 31,811,162 | - | - | - | - |
| Notes and accounts payable (including related parties) | 5,958,638 | - | - | - | - |
| Long-term borrowings (including current portion) | 6,384,827 | - | - | - | - |
| Dividends payable | 3,756,469 | - | - | - | - |
| Accrued remuneration of directors (other current liabilities) | 172,906 | - | - | - | - |
| Payroll and bonus payable | 5,310,525 | - | - | - | - |
| Convertible bonds | 7,409,089 | - | - | - | - |
| Bonds payable (including current portion) | 18,991,451 | - | - | - | - |
| Lease liabilities — current and non-current | 1,464,632 | - | - | - | - |
| Subtotal | \$ 81,259,699 | - | - | - | - |
| June 30, 2023 | | | | | |
| | Carrying amount | Fair value | | | Total |
| | | Level 1 | Level 2 | Level 3 | |
| Financial assets at fair value through profit or loss-current | | | | | |
| Forward exchange contract | \$ 5,999 | - | 5,999 | - | 5,999 |
| Financial assets at fair value through profit or loss — non-current | | | | | |
| Privately offered fund | \$ 207,792 | - | - | 207,792 | 207,792 |
| Overseas securities held | 9,712,412 | 9,712,412 | - | - | 9,712,412 |
| Subtotal | \$ 9,920,204 | 9,712,412 | - | 207,792 | 9,920,204 |
| Financial assets measured at fair value through other comprehensive income | | | | | |
| Stocks listed on domestic markets | \$ 1,029,944 | 1,029,944 | - | - | 1,029,944 |
| Overseas securities held | 507,973 | 507,973 | - | - | 507,973 |
| Emerging stock | 54,651 | - | 54,651 | - | 54,651 |
| Non-public offer equity instrument measured at fair value | 662,722 | - | - | 662,722 | 662,722 |
| Subtotal | \$ 2,255,290 | 1,537,917 | 54,651 | 662,722 | 2,255,290 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| | | June 30, 2023 | | | |
|--|----------------------|--------------------|----------------|----------|----------------|
| | | Carrying amount | Fair value | | |
| | | | Level 1 | Level 2 | Level 3 |
| | | | | | Total |
| Financial assets measured at amortized cost | | | | | |
| Cash and cash equivalents | 54,691,839 | - | - | - | - |
| Notes and accounts receivable (including related parties) | 11,543,943 | - | - | - | - |
| Other financial assets — current and non-current | 26,177,318 | - | - | - | - |
| Subtotal | <u>\$ 92,413,100</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Financial liabilities at fair value through profit or loss: | | | | | |
| Forward exchange contract | \$ 4,712 | - | 4,712 | - | 4,712 |
| Swap exchange contract | 1,905 | - | 1,905 | - | 1,905 |
| Embedded derivative of convertible bonds | 338,607 | - | 338,607 | - | 338,607 |
| | <u>\$ 345,224</u> | <u>-</u> | <u>345,224</u> | <u>-</u> | <u>345,224</u> |
| Financial liabilities measured at amortized cost: | | | | | |
| Short-term borrowings | 14,734,669 | - | - | - | - |
| Notes and accounts payable (including related parties) | 4,823,125 | - | - | - | - |
| Long-term borrowings (including current portion) | 5,364,949 | - | - | - | - |
| Dividends payable | 5,484,804 | - | - | - | - |
| Accrued remuneration of directors (other current liabilities) | 181,180 | - | - | - | - |
| Payroll and bonus payable | 5,113,421 | - | - | - | - |
| Convertible bonds | 11,430,933 | - | - | - | - |
| Bonds payable | 18,988,780 | - | - | - | - |
| Lease liabilities - current and non- current | 1,195,243 | - | - | - | - |
| Subtotal | <u>\$ 67,317,104</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

(b) Valuation technique of fair value of financial instruments measured at fair value

i. Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well established, only small volumes are traded, or bid ask spreads are very wide. Determining whether a market is active involves judgment.

If the financial instruments held by the Group belong to an active market, the fair value is booked as follows by category and attribute:

For financial assets and financial liabilities of the listed company's stocks, notes of exchange and corporate bonds, which are subject to standard terms and conditions and are traded in the active market, the fair value is determined by reference to market quotations.

In addition to the above-mentioned financial instruments with active markets, the fair value of the remaining financial instruments is obtained by means of evaluation technologies or reference to counterparty quotes. The fair value obtained through the evaluation technology can be based on the current fair value of other financial instruments with similar characteristics and characteristics, the discounted cash flow method or other evaluation technology, including the calculation with the model and the market information available on the consolidated balance sheet date (such as the reference yield curve of Taiwan Stock Exchange, Reuters commercial promissory interest rate average offer).

If the financial instruments held by the Group are in the non-active market, the fair value is booked as follows by category and attribute:

Equity instruments without public quotation: Estimates of fair value using the market comparable company method, the main assumptions are based on the earnings multiplier derived from the investee's net worth per share and the EV/EBIT comparable listed companies' quotes. The estimate has adjusted the depreciation impact of the lack of market liquidity of the equity securities

ii. Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants, such as the discounted cash flow or option pricing models. The fair value of forward currency is usually determined based on the forward currency exchange rate.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(c) Reconciliation of Level 3 fair value

The Group's financial instruments which belong to Level 3 fair value were financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss. The movements were as follows:

| | Financial assets at fair value through profit or loss | Financial assets at fair value through other comprehensive income |
|--|--|--|
| Balance at January 1, 2024 | \$ 242,864 | 1,202,498 |
| Addition in investment | 19,687 | - |
| Recognized in profit or loss | 11,678 | - |
| Recognized in other comprehensive income | - | 69,547 |
| Capital reduction of investment | (7,708) | - |
| Reclassification | - | (221,344) |
| Effect of changes in exchange rate | - | 20,794 |
| Balance at June 30, 2024 | <u><u>\$ 266,521</u></u> | <u><u>1,071,495</u></u> |
| Balance at January 1, 2023 | \$ 185,793 | 584,254 |
| Addition in investment | - | 94,250 |
| Recognized in profit or loss | 33,076 | - |
| Recognized in other comprehensive income | - | 9,866 |
| Capital reduction of investment | (11,077) | - |
| Reclassification | - | (21,000) |
| Refund of investment | - | (9,672) |
| Effect of changes in exchange rate | - | 5,024 |
| Balance at June 30, 2023 | <u><u>\$ 207,792</u></u> | <u><u>662,722</u></u> |

(d) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include financial assets at fair value through other comprehensive income – equity investments.

Most of the fair value measurements categorized within Level 3 use a single significant unobservable input. Equity investments without an active market contain multiple significant unobservable inputs. The significant unobservable inputs of equity investments without an active market are individually independent, and there is no correlation between them.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Quantified information of significant unobservable inputs was as follows:

| Item | Valuation technique | Significant unobservable inputs | Relationship between significant unobservable inputs and fair value |
|---|--------------------------------------|---|---|
| Financial assets at fair value through other comprehensive income-equity investments without an active market | Comparable listed companies approach | <ul style="list-style-type: none"> Equity value multiplier (as of June 30, 2024, December 31, 2023 and June 30, 2023 were 1.83%~5.4%, 2.10%~8.24% and 2.29%~2.85%, respectively) Lack of Market liquidity discount rate (June 30, 2024, December 31, 2023 and June 30, 2023 were 28%, 15.70%~30% and 28%, respectively) | <ul style="list-style-type: none"> The higher the multiplier, the higher the fair value The higher the lack of market liquidity, the lower the fair value |

- (e) The fair value of the Group's financial instruments that use Level 3 inputs to measure fair value was based on the price of the third party. The Group did not disclose quantified information and sensitivity analysis on significant unobservable inputs because the unobservable inputs used in fair value measurement were not established by the Group.

(28) Financial risk management

The Group's financial risk management objectives and policies have not changed significantly from those disclosed in note 6(29) of consolidated financial report of 2023.

(29) Capital management

The capital management objectives, policies, and procedures of the Group are consistent with the report from 2023; there is no significant change in the aggregated quantitative data of capital management items from those disclosed in the report from 2023. For relevant information, please refer to note 6(30) of consolidated report from 2023.

(30) Cash flow information

The Group's investing and financing activities which did not affect the current cash flow for the six months ended June 30, 2024 and 2023 were as follows:

For acquiring right of use assets by leasing, please refer to note 6(16).

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Reconciliations of liabilities arising from financing activities were as follows:

| | January 1, 2024 | Cash flows | Foreign exchange movement and others | June 30, 2024 |
|---|-----------------------------|--------------------------|---|--------------------------|
| Short-term borrowings | \$ 31,811,162 | 10,765,592 | - | 42,576,754 |
| Long-term borrowings (including current portion) | 6,384,827 | 619,563 | 61,962 | 7,066,352 |
| Lease liabilities | 1,463,632 | (125,825) | 103,067 | 1,440,874 |
| Bonds payable | 26,400,540 | 9,966,362 | (1,358,229) | 35,008,673 |
| Guarantee deposit received | 1,598,473 | (25,567) | - | 1,572,906 |
| Total liabilities from financing activities | <u><u>\$ 67,658,634</u></u> | <u><u>21,200,125</u></u> | <u><u>(1,193,200)</u></u> | <u><u>87,665,559</u></u> |

| | January 1, 2023 | Cash flows | Foreign exchange movement and others | June 30, 2023 |
|---|-----------------------------|---------------------------|---|--------------------------|
| Short-term borrowings | \$ 9,796,000 | 4,923,423 | 15,246 | 14,734,669 |
| Long-term borrowings (including current portion) | 903,641 | 4,647,367 | (186,059) | 5,364,949 |
| Lease liabilities | 825,028 | (104,229) | 474,444 | 1,195,243 |
| Bonds payable | 42,779,945 | (12,669,975) | 309,743 | 30,419,713 |
| Guarantee deposit received | 1,558,715 | 39,203 | - | 1,597,918 |
| Total liabilities from financing activities | <u><u>\$ 55,863,329</u></u> | <u><u>(3,164,211)</u></u> | <u><u>613,374</u></u> | <u><u>53,312,492</u></u> |

7. Related-party transactions:

(1) Names and relationships of related parties

The followings are entities that have had transactions with the Group during the periods covered in the consolidated financial statements:

| <u>Names of related parties</u> | <u>Relationship with the Group</u> |
|---|------------------------------------|
| Actron | Subsidiary of the Group (Note 3) |
| CWT | Subsidiary of the Group (Note 2) |
| YuanHong (ShanDong) Technical Materials Ltd. (“YHTM”) | Subsidiary of the Group (Note 2) |
| YuanHong Technical Materials Ltd. (“MHTM”) | Subsidiary of the Group (Note 1) |
| SIE | Associate |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| <u>Names of related parties</u> | <u>Relationship with the Group</u> |
|--|------------------------------------|
| Principles of Hydropower Deployment Co., Ltd.(PHD) | Other related party (Note 4) |

Note 1: The Group obtained entire equity interests of SSKT from Crystalwise, and obtained control of MHTM through SSKT which was merged into the consolidated financial statements from April 23, 2023.

Note 2: CWT was an affiliated company. CWT became a subsidiary on November 1, 2023.

Note 3: Actron was an affiliated company. Actron became a subsidiary on October 2, 2023.

Note 4: PHD is one of SHE's board members and it was treated as a related party.

(2) Significant transactions with related parties

A. Sales

The amounts of significant sales transactions and construction contract revenue between the Group and related parties were as follows:

| | <u>For the three months ended June 30,</u> | | <u>For the six months ended June 30,</u> | |
|------------|--|-------------|--|-------------|
| | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| Associates | \$ - | 68,544 | - | 147,896 |

The sales price for sales to the related parties was determined by market price and adjusted according to the sales area and sales volume.

As of June 30, 2024 and 2023, the credit terms for third parties were 0 to 120 days after month-end, while those of related parties were 30 to 90 days after month-end.

B. Purchase and process outsourcing

The amounts of purchases and process outsourcing by the Group from related parties were as follows:

| | <u>For the three months ended June 30,</u> | | <u>For the six months ended June 30,</u> | |
|------------|--|-------------|--|-------------|
| | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| Associates | \$ - | 1,054 | - | 1,115 |

The prices of purchases and process outsourcing were determined by market rates.

The payment terms to third parties were 0 to 150 days after month-end both in the period ended June 30, 2024 and 2023, while those of related parties were 30 to 90 days after the following month-end both in the period ended June 30, 2024 and 2023.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

C. Receivables from related parties

The receivables from related parties were as follows:

| Items | Categories | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|----------------------------------|-------------------|--------------------------|------------------------------|--------------------------|
| Receivables from related parties | Associate | \$ <u>-</u> | <u>-</u> | <u>59,462</u> |

D. Payables to related parties

The payables to related parties were as follows:

| Items | Categories | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|----------------------------|-------------------|--------------------------|------------------------------|--------------------------|
| Payable to related parties | Associate | \$ <u>-</u> | <u>-</u> | <u>1,049</u> |

E. Borrowings from related parties

For the period ended June 30, 2024 and 2023, the financing loans from related parties during the period were as follow:

| Related parties | June 30, 2023 | | |
|------------------------|-----------------------|---------------------------------|-----------------------------|
| | Ending balance | Interest rate period | Interest expense |
| Other related parties | \$ <u>18,498</u> | <u>3.7%</u> | <u>339</u> |

As of June 30, 2023, the outstanding amount of interest unpaid was \$339 thousand.

F. Transactions of property, plant and equipment

(a) Disposition of property, plant and equipment

The disposals of property, plant and equipment to related parties were summarized as follows:

| | For the six months ended June 30, | | | |
|-----------------------|--|--|---------------------------|--|
| | 2024 | | 2023 | |
| | Disposal price | Receivable from related parties | Disposal price | Receivable from related parties |
| Associate | \$ - | - | 213 | - |
| Other related parties | - | - | 2,364 | - |
| | <u>\$ -</u> | <u>-</u> | <u>2,577</u> | <u>-</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(b) Acquisition of property, plant and equipment

The acquisitions of property, plant and equipment to related parties were summarized as follows:

| | For the six months ended June 30, | | | |
|------------|-----------------------------------|----------------------------|--------|----------------------------|
| | 2024 | | 2023 | |
| | Amount | Payable to related parties | Amount | Payable to related parties |
| Associates | \$ - | - | 350 | 368 |

- (c) On May 1, 2023, the Group acquired 100% of the shares and voting interests in SSKT at the price of \$443,300 thousand, which was fully paid.

G. Investments

The Group invested corporate bonds issued by CWT and was recorded in financial assets measured at amortized cost. The investment was fully received on June 30, 2023. For the three months and six months ended June 30, 2023, the interest income amounted to \$1,104 thousand and \$2,731 thousand, respectively.

H. Lease

The details of the lease rental contract between the Group and its related parties were as follows:

| | For the three months ended June 30, | | For the six months ended June 30, | |
|------------|-------------------------------------|-------|-----------------------------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$ | | | |
| Associates | - | 6,609 | - | 14,274 |

The Group leased its plant to associates. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had lease receivables of \$0 thousand, \$0 thousand and \$1,108 thousand, respectively.

I. Payment and advances from other transactions

- (a) The receivables from related parties and payables to related parties generated from other material purchases on behalf of related parties, insurance and utilities payments and manpower support of related parties as of June 30, 2024, December 31, 2023 and June 30, 2023 were as follows:

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|-----------------------|-------------------|-------------------|----------------|
| Associates | \$ - | - | 1,996 |
| Associates | - | - | (4,880) |
| Other related parties | (1,739) | - | - |
| | <u>\$ (1,739)</u> | <u>-</u> | <u>(2,884)</u> |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(b) As of June 30, 2024, December 31, 2023, and June 30, 2023, the related parties entered into offshore wind power purchase contracts for the implementation of the sustainable green energy performance plan and deposited a guaranteed amount to \$0 thousand, \$0 thousand and \$10,000 thousand, respectively and were recorded under other liabilities — non-current.

(c) The Group signed an agreement with its associates to purchase electricity with a fixed price. As of June 30, 2024, the agreement hasn't been executed.

(3) Key management personnel compensation

Key management personnel compensation comprised of:

| | For the three months ended June 30, | | For the six months ended June 30, | |
|------------------------------|--|----------------|--------------------------------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| Short-term employee benefits | \$ 137,857 | 189,891 | 290,534 | 359,162 |
| Post-employment benefits | 515 | 519 | 1,045 | 1,002 |
| Share-based payments | 6,640 | - | 13,280 | - |
| | <u>\$ 145,012</u> | <u>190,410</u> | <u>304,859</u> | <u>360,164</u> |

8. Pledged assets:

The carrying values of pledged assets were as follows:

| Asset name | Pledge or Mortgage underlying subject | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|--|---|------------------|----------------------|------------------|
| Property, plant and equipment | Long-term and short-term borrowings and credit lines | \$ 3,117,192 | 3,391,086 | 3,198,312 |
| Time deposits (recognized in other financial assets — current) | Performance bond | 9,331 | 9,322 | 10,695 |
| Time deposits (recognized in other financial assets — non-current) | Guarantee for the lease contract with the Hsinchu Science Park Bureau | 51,860 | 51,841 | 51,840 |
| Time deposits (recognized in other financial assets — non-current) | Guarantee for gas consumption from CPC Corporation | 2,000 | 2,000 | 2,000 |
| Time deposits (recognized in other financial assets — non-current) | Guarantee payment for import VAT | 14,000 | 16,280 | 14,000 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| <u>Asset name</u> | <u>Pledge or Mortgage underlying subject</u> | <u>June 30, 2024</u> | <u>December 31, 2023</u> | <u>June 30, 2023</u> |
|---|---|--------------------------|------------------------------|--------------------------|
| Time deposits/deposit guarantee (recognized in other financial assets — non-current) | Court litigation | - | 11,181 | 19,638 |
| Time deposits (recognized in other financial assets — non- current) | Bureau of energy subsidy plan | - | 18,362 | 7,749 |
| Time deposits (recognized in other financial assets — non- current) | Guarantee for bank financing projects | - | - | 8,000 |
| Time deposits (recognized in other financial assets — non- current) | Grants of SMECF | 5,963 | 3,000 | - |
| Time deposits (recognized in other financial assets non- current) | Guarantee for bank financing projects | 16,289,900 | 10,746,750 | - |
| Time deposits (recognized in other financial assets — non- current) | Pledged certificates of deposit | 18,412 | 30,662 | - |
| Financial assets at fair value through profit or loss — non-current | Provision of Siltronic AG shares to trustee as guarantee | 7,791,961 | - | - |
| | | <u>\$ 27,300,619</u> | <u>14,280,484</u> | <u>3,312,234</u> |

9. Commitments and contingencies:

The significant contingent liabilities and unrecognized contractual commitments were as follows:

(1) Significant unrecognized contractual commitments

- A. As of June 30, 2024, December 31, 2023, and June 30, 2023, the purchase amounts for future procurement from suppliers under the existing agreements were \$33,710,837 thousand, \$29,690,722 thousand and \$36,019,227 thousand, respectively.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

- B. The Company has silicon wafer long-term sales contracts signed with the customers since the year 2005. These companies agree to pay the non-refundable funds to the Company. The two parties agreed to have silicon wafers sold in accordance with the agreed quantity and price. If the delivery has not been made in compliance with the contract signed, a sales discount or an amount equivalent to 1.5-4 times of the advance sales receipts from customers as remuneration should be granted. If the delay of shipment has not been resolved for more than three months, the outstanding pre-payment should be refunded. In addition, in response to the price decline arising from the falling demand, solar energy battery customers and the Company will negotiate the selling price and adjusting the average selling price in accordance with market conditions.

The amount of delivery according to the existing contracts and current market conditions is as follows:

(Unit: currency in thousands)

| | June 30, 2024 | December 31, 2023 | June 30, 2023 |
|-----|--------------------------|------------------------------|--------------------------|
| USD | \$ <u>18,916</u> | <u>19,165</u> | <u>19,294</u> |
| EUR | \$ <u>12,545</u> | <u>13,889</u> | <u>14,065</u> |

- C. As of June 30, 2024, December 31, 2023, and June 30, 2023, the significant outstanding commitments for construction and purchase of property, plant and equipment amounted to \$61,266,732 thousand, \$55,764,343 thousand and \$64,311,260 thousand, respectively.
- D. As of June 30, 2024, December 31, 2023, and June 30, 2023, the total amount of promissory notes deposited by the Group at the bank for acquiring bank financing is \$106,666,275 thousand, \$81,057,352 thousand and \$63,951,822 thousand, respectively.
- E. As of June 30, 2024, December 31, 2023, and June 30, 2023, a guarantee letter for the Customs Administration and Research and Development which the Group requested a bank to issue amounted to \$114,484 thousand, \$125,200 thousand and \$130,500 thousand, respectively.
- F. As of June 30, 2024, December 31, 2023, and June 30, 2023, the Group's outstanding standby letters of credit that were issued amounted to \$323,969 thousand, \$257,707 thousand and \$272,572 thousand, respectively.
- G. The Group signed a long-term sales contract with some customers and received the advance payment. The customer is required to order minimum quantity according to the contract. As of June 30, 2024, December 31, 2023, and June 30, 2023, a guarantee letter for the customer issued by the bank amounted to \$4,469,860 thousand, \$4,452,951 thousand and \$4,593,345 thousand, respectively.
- H. The Group entered into an offshore wind power contract with a customer under the sustainable Green Energy Performance plan and received a guarantee deposit of \$131,200 thousand, \$131,200 thousand and \$141,200 thousand. As of June 30, 2024, December 31, 2023, and June 30, 2023, the above-mentioned guarantee deposit were recorded as other liabilities — non-current.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

- I. The Group signed an agreement with its associates and other suppliers to purchase installed capacity amounted to 32MW with a fixed price. The contract period is 5-10 years from the date of power generation, and the minimum wattage consumption must be fulfilled according to the agreement.

10. Losses due to major disasters: None.

11. Subsequent Events:

- (1) GlobalWafers entered into a non-binding preliminary memorandum of terms with the United States Department of Commerce, with the maximum amount of US\$400,000 thousand, to support the construction of advanced silicon wafer manufacturing facilities in Texas and Missouri, under the CHIPS and Science Act .
- (2) To expand the Group's business operation, the subsidiary, MEMC Electronic Material Sdn. Bhd., signed a letter of acceptance for purchasing land and building, at a total amount of MYR\$146,000 thousand.

12. Other:

A summary of the employee benefits, depreciation, and amortization expenses, by function were as follows:

| By function | For the three months ended June 30, | | | | | |
|-----------------------------------|-------------------------------------|--------------------|-----------|--------------------|--------------------|-----------|
| | 2024 | | | 2023 | | |
| | Cost of goods sold | Operating expenses | Total | Cost of goods sold | Operating expenses | Total |
| By item | | | | | | |
| Employee benefits | | | | | | |
| Salary | 2,412,176 | 761,095 | 3,173,271 | 2,377,114 | 890,515 | 3,267,629 |
| Labor and health insurance | 292,115 | 95,761 | 387,876 | 300,013 | 68,879 | 368,892 |
| Pension | 167,504 | 40,203 | 207,707 | 152,096 | 30,584 | 182,680 |
| Others employee benefits expenses | 51,107 | 51,867 | 102,974 | 71,242 | 22,205 | 93,447 |
| Depreciation | 2,277,213 | 147,046 | 2,424,259 | 1,904,733 | 90,696 | 1,995,429 |
| Amortization | 41,055 | 5,179 | 46,234 | 86,673 | 5,621 | 92,294 |

| By function | For the six months ended June 30, | | | | | |
|-----------------------------------|-----------------------------------|--------------------|-----------|--------------------|--------------------|-----------|
| | 2024 | | | 2023 | | |
| | Cost of goods sold | Operating expenses | Total | Cost of goods sold | Operating expenses | Total |
| By item | | | | | | |
| Employee benefits | | | | | | |
| Salary | 4,827,406 | 1,449,466 | 6,276,872 | 4,803,384 | 1,751,824 | 6,555,208 |
| Labor and health insurance | 623,868 | 190,605 | 814,473 | 584,188 | 138,498 | 722,686 |
| Pension | 333,409 | 78,902 | 412,311 | 302,311 | 58,489 | 360,800 |
| Others employee benefits expenses | 143,383 | 105,966 | 249,349 | 146,835 | 45,159 | 191,994 |
| Depreciation | 4,407,682 | 307,770 | 4,715,452 | 3,782,353 | 171,611 | 3,953,964 |
| Amortization | 82,011 | 10,815 | 92,826 | 172,505 | 11,196 | 183,701 |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

13. Other disclosures:

(1) Information on significant transactions:

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

- A. Loans to other parties: Please refer to Table 1.
- B. Guarantees and endorsements for other parties: Please refer to Table 2.
- C. Securities held as of June 30, 2024 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 3.
- D. Individual securities acquired or disposed of with accumulated amounts exceeding the lower of NT\$300 million or 20% of the capital stock: Please refer to Table 4.
- E. Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- F. Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- G. Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 5.
- H. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 6.
- I. Trading in derivative instruments: Please refer to note 6(2).
- J. Business relationships and significant intercompany transactions: Please refer to Table 7.

(2) Information on investees: Please refer to Table 8.

(3) Information on investment in mainland China:

- A. The names of investees in Mainland China, the main businesses and products and other information: Please refer to Table 9(1).
- B. Limitation on investment in Mainland China: Please refer to Table 9(2).
- C. Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in the “Information on significant transactions”.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(4) Major shareholders:

| Shareholder's Name | Shareholding | Shares | Percentage |
|--|---------------------|---------------|-------------------|
| Capital Tip Customized Taiwan Select High Dividend Exchange Traded Fund | | 44,357,000 | 7.56 % |
| Taipei Fubon Commercial Bank Co., Ltd. is entrusted with the custody of Fuhua Taiwan Technology Premium ETF Securities Investment Trust Fund Special Account | | 36,819,000 | 6.28 % |

14. Segment information:

(1) Operating segments

The Group's operating segment information and reconciliations were as follows:

| For the three months ended June 30, 2024 | | | | | |
|--|------------------------------|---------------------------------|---------------------------------------|---------------------------------------|---------------------|
| | Semiconductor segment | Renewable energy segment | Automotive components Segment | Reconciliation and elimination | Total |
| Revenues: | | | | | |
| External customers | \$ 16,610,289 | 1,361,843 | 1,924,250 | - | 19,896,382 |
| Intersegment | 168,380 | 425,212 | - | (593,592) | - |
| Total revenue | <u>\$ 16,778,669</u> | <u>1,787,055</u> | <u>1,924,250</u> | <u>(593,592)</u> | <u>19,896,382</u> |
| Reportable segment profit or loss | <u>\$ 3,120,274</u> | <u>191,731</u> | <u>202,072</u> | <u>-</u> | 3,514,077 |
| Share of profit (loss) of associates accounted for using equity method | | | | | 26,033 |
| | | | | | <u>\$ 3,540,110</u> |
| For the three months ended June 30, 2023 | | | | | |
| | Semiconductor segment | Renewable energy segment | Reconciliation and elimination | Total | |
| Revenues: | | | | | |
| External customers | \$ 18,368,587 | 1,949,718 | - | 20,318,305 | |
| Intersegment | 143,826 | 424,125 | (567,951) | - | |
| Total revenue | <u>\$ 18,512,413</u> | <u>2,373,843</u> | <u>(567,951)</u> | <u>20,318,305</u> | |
| Reportable segment profit or loss | <u>\$ 4,721,162</u> | <u>(71,627)</u> | <u>-</u> | 4,649,535 | |
| Share of profit (loss) of associates accounted for using equity method | | | | 78,341 | |
| | | | | <u>\$ 4,727,876</u> | |

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

| For the six months ended June 30, 2024 | | | | | |
|--|----------------------------------|---|--|---|-----------------------|
| | Semiconductor segment | Renewable energy segment | Automotive components Segment | Reconciliation and elimination | Total |
| Revenues: | | | | | |
| External customers | \$ 33,080,777 | 2,823,386 | 3,684,374 | - | 39,588,537 |
| Intersegment | 259,574 | 738,741 | - | (998,315) | - |
| Total revenue | <u>\$ 33,340,351</u> | <u>3,562,127</u> | <u>3,684,374</u> | <u>(998,315)</u> | <u>39,588,537</u> |
| Reportable segment profit or loss | <u>\$ 6,883,554</u> | <u>199,938</u> | <u>351,134</u> | <u>-</u> | 7,434,626 |
| Share of profit (loss) of associates accounted for using equity method | | | | | 61,997 |
| | | | | | <u>\$ 7,496,623</u> |
| Reportable segment assets | <u>\$ 245,569,293</u> | <u>10,792,513</u> | <u>15,593,624</u> | <u>(307,709)</u> | 271,647,721 |
| Investments accounted for using equity method | | | | | 1,573,268 |
| | | | | | <u>\$ 273,220,989</u> |
| Reportable segment liabilities | <u>\$ 145,942,127</u> | <u>14,839,240</u> | <u>5,899,544</u> | <u>(307,709)</u> | <u>166,373,202</u> |
| For the six months ended June 30, 2023 | | | | | |
| | Semiconductor segment | Renewable energy segment | Automotive components Segment | Reconciliation and elimination | Total |
| Revenues: | | | | | |
| External customers | \$ 37,391,343 | 3,830,511 | - | - | 41,221,854 |
| Intersegment | 155,722 | 772,643 | - | (928,365) | - |
| Total revenue | <u>\$ 37,547,065</u> | <u>4,603,154</u> | <u>-</u> | <u>(928,365)</u> | <u>41,221,854</u> |
| Reportable segment profit or loss | <u>\$ 9,424,870</u> | <u>(112,536)</u> | <u>-</u> | <u>-</u> | 9,312,334 |
| Share of profit (loss) of associates accounted for using equity method | | | | | 130,023 |
| | | | | | <u>\$ 9,442,357</u> |
| Reportable segment assets | <u>\$ 184,598,446</u> | <u>12,583,169</u> | <u>-</u> | <u>(352,325)</u> | 196,829,290 |
| Investments accounted for using equity method | | | | | 2,924,675 |
| | | | | | <u>\$ 199,753,965</u> |
| Reportable segment liabilities | <u>\$ 114,781,553</u> | <u>13,893,148</u> | <u>-</u> | <u>(352,325)</u> | <u>128,322,376</u> |

Sino-American Silicon Products Inc. and Subsidiaries

Loans to other parties

For the period ended June 30, 2024

Table 1

(In Thousands of New Taiwan Dollars)

| Number | Name of lender | Name of borrower | Account name | Related party | Highest balance of financing to other parties during the period | Ending balance | Actual usage amount during the period | Range of interest rates during the period | Purposes of fund financing for the borrower (Note 1) | Transaction amount for business between two parties | Reasons for short-term financing | Loss allowance | Collateral | | Individual funding loan limits (Note 2, 3) | Maximum limit of fund financing (Note 2, 3) |
|--------|-------------------------------------|------------------|---------------------------------|---------------|---|----------------|---------------------------------------|---|--|---|----------------------------------|----------------|------------|-------|--|---|
| | | | | | | | | | | | | | Item | Value | | |
| 0 | Sino-American Silicon Products Inc. | Sulu | Receivable from related parties | Yes | 1,720,950 | 649,000 | - | 6% | 2 | - | Operating capital | - | - | - | 16,070,746 | 16,070,746 |
| 0 | Sino-American Silicon Products Inc. | Sunrise PV Three | Receivable from related parties | Yes | 100,000 | 100,000 | - | 2.5% | 2 | - | Operating capital | - | - | - | 16,070,746 | 16,070,746 |
| 0 | Sino-American Silicon Products Inc. | SSH | Receivable from related parties | Yes | 1,000,000 | 600,000 | - | 1.8% | 2 | - | Operating capital | - | - | - | 16,070,746 | 16,070,746 |
| 0 | Sino-American Silicon Products Inc. | Sunrise PV Four | Receivable from related parties | Yes | 500,000 | 500,000 | - | 1.8% | 2 | - | Operating capital | - | - | - | 16,070,746 | 16,070,746 |
| 0 | Sino-American Silicon Products Inc. | Sunrise PV Five | Receivable from related parties | Yes | 200,000 | 200,000 | - | 1.8% | 2 | - | Operating capital | - | - | - | 16,070,746 | 16,070,746 |
| 0 | Sino-American Silicon Products Inc. | CWT | Receivable from related parties | Yes | 300,000 | 300,000 | - | 1.8% | 2 | - | Operating capital | - | - | - | 16,070,746 | 16,070,746 |
| 1 | SSTI | Sulu | Receivable from related parties | Yes | 465,719 | 464,360 | 464,360 | 0% | 2 | - | Operating capital | - | - | - | 2,425,322 | 2,425,322 |
| 1 | SSTI | AMLED | Receivable from related parties | Yes | 371,469 | 370,384 | 370,384 | 0% | 2 | - | Operating capital | - | - | - | 2,425,322 | 2,425,322 |
| 2 | SAS Sunrise Inc. | Sulu | Receivable from related parties | Yes | 346,604 | 345,593 | 345,593 | 0% | 2 | - | Operating capital | - | - | - | 509,796 | 509,796 |
| 3 | GlobalWafers | Sunrise PV Five | Receivable from related parties | Yes | 100,000 | 100,000 | 10,000 | 1.80% | 2 | - | Operating capital | - | - | - | 36,314,506 | 36,314,506 |

| Number | Name of lender | Name of borrower | Account name | Related party | Highest balance of financing to other parties during the period | Ending balance | Actual usage amount during the period | Range of interest rates during the period | Purposes of fund financing for the borrower (Note 1) | Transaction amount for business between two parties | Reasons for short-term financing | Loss allowance | Collateral | | Individual funding loan limits (Note 2, 3) | Maximum limit of fund financing (Note 2, 3) |
|--------|----------------|------------------|---------------------------------|---------------|---|----------------|---------------------------------------|---|--|---|----------------------------------|----------------|------------|-------|--|---|
| | | | | | | | | | | | | | Item | Value | | |
| 3 | Global Wafers | Sunrise PV Four | Receivable from related parties | Yes | 500,000 | 500,000 | 340,000 | 1.80% | 2 | - | Operating capital | - | - | - | 36,314,506 | 36,314,506 |
| 3 | Global Wafers | CWT | Receivable from related parties | Yes | 350,000 | 350,000 | 102,000 | 1.80% | 2 | - | Operating capital | - | - | - | 36,314,506 | 36,314,506 |
| 4 | GWJ | MEMC Japan | Receivable from related parties | Yes | 15,136,800 | 14,401,380 | 12,041,490 | 0.69818% | 2 | - | Operating capital | - | - | - | 17,327,748 | 17,327,748 |
| 5 | MEMC SpA | GWS | Receivable from related parties | Yes | 2,735,460 | 2,707,380 | 1,015,962 | 7.499% | 2 | - | Operating capital | - | - | - | 11,698,628 | 11,698,628 |
| 6 | GWS | GWBV | Receivable from related parties | Yes | 1,301,800 | 1,298,000 | 1,098,303 | 6.04% | 2 | - | Operating capital | - | - | - | 37,383,957 | 37,383,957 |
| 6 | GWS | GW GmbH | Receivable from related parties | Yes | 4,383,750 | 4,338,750 | 4,338,750 | 2.70% | 2 | - | Operating capital | - | - | - | 37,383,957 | 37,383,957 |
| 6 | GWS | GlobalWafers | Receivable from related parties | Yes | 9,763,500 | 9,735,000 | 8,631,700 | 5.59%~ 5.86% | 2 | - | Operating capital | - | - | - | 37,383,957 | 37,383,957 |
| 7 | GTI | MEMC LLC | Receivable from related parties | Yes | 5,632,200 | 1,622,500 | 1,148,730 | 5.72597% | 2 | - | Operating capital | - | - | - | 14,049,771 | 14,049,771 |
| 8 | GWBV | GW GmbH | Receivable from related parties | Yes | 2,104,200 | 2,082,600 | 1,110,720 | 2.70% | 2 | - | Operating capital | - | - | - | 51,314,370 | 51,314,370 |
| 8 | GWBV | Topsil A/S | Receivable from related parties | Yes | 631,260 | 624,780 | 624,780 | 4.492%~ 4.553% | 2 | - | Operating capital | - | - | - | 51,314,370 | 51,314,370 |
| 9 | SST | SSKT | Receivable from related parties | Yes | 105,445 | 64,453 | - | 3.45% | 2 | - | Operating capital | - | - | - | 3,136,747 | 3,136,747 |
| 10 | SSKT | MHTM | Receivable from related parties | Yes | 94,227 | 93,345 | 86,678 | 3.45% | 2 | - | Operating capital | - | - | - | 143,471 | 143,471 |
| 11 | YHTM | SSKT | Receivable from related parties | Yes | 37,919 | 37,783 | 37,783 | 3.45% | 2 | - | Operating capital | - | - | - | 41,599 | 41,599 |

Note 1: The nature of financing purposes:

- (1) Represents entities with business transaction with the Company.
- (2) Represents where an inter-company or inter firm short-term financing facility is necessary.

Note 2: (1) For the Company's loan of funds to those having business transactions, the individual loan is limited to the trade amount between the two parties in the most recent year; for the loan of funds to companies necessary for short-term financing, the individual loan is limited to 40% of the net worth of the company that lends loan; for loan of funds among foreign companies that the Company directly and indirectly holds 100% of the voting shares, the individual loan is limited to 40% of the net worth of the company that lends loan.

- (2) For GlobalWafers and its subsidiaries' loan of funds to those having business transactions with GlobalWafers, the amount of financing shall not exceed the amount of business transaction for the current year; for capital loans to companies that need short-term financing, individual loans shall not exceed 40% of GlobalWafers' net worth; for GlobalWafers directly and indirectly holds 100% of the voting shares of domestic companies engaged in capital lending, or GlobalWafers directly and indirectly holds 100% of the voting rights of domestic companies to engage in capital lending to GlobalWafers, and the amount does not exceed the net worth of the company that lent funds up to 40 percent; for GlobalWafers directly and indirectly holds 100% of the voting shares of foreign companies engaged in capital lending, or GlobalWafers directly and indirectly holds 100% of the voting shares of foreign companies engaged in capital lending to GlobalWafers, not subject to the provisions of the preceding paragraph. The restriction on net worth is not subject to the one-year term of capital loan in Paragraph 1 of Article 4, but the capital loan limit and time limit should still be determined in its internal operating procedures.

- Note 3: (1) For the Company's loan of funds to those having business transactions, the total loan is limited to 40% of the company that lends loan; for the loan of funds to companies necessary for short-term financing, the total loan is limited to 40% of the net worth of the company that lends loan; the fund lending between the foreign companies whose voting shares are 100% owned, directly or indirectly, by the Company, or from the foreign companies whose voting shares are 100% owned, directly or indirectly, by the Company to the Company are not subject to the previous provision of net worth and not subject to the one year limit of the term of funds in Article 4, Paragraph 1, but should still specify in its internal operating procedures for fund-lending limit and period.
- (2) For GlobalWafers and its subsidiaries lend funds to companies with business contacts, the total amount of the loan shall not exceed 40% of the net worth of the company that lent the funds; for fund loans to companies that need short-term financing, the total amount of the loan shall not exceed 40% of the company's net worth; for GlobalWafers directly and indirectly holds 100% of the voting shares in domestic companies engaged in inter-company capital lending, or GlobalWafers directly and indirectly holds 100% of the voting rights in domestic companies, the company's capital lending to GlobalWafers shall not exceed 40% of the company's net worth; for foreign companies that directly and indirectly hold 100% of the voting rights to engage in capital loans to GlobalWafers are not subject to the restrictions on net worth in the preceding paragraph and are not subject to the one-year limitation of the capital loan period in Paragraph 1 of Article 4, but they should still be The internal operating procedures set the limits and deadlines for capital loans.
- (3) For loan of funds of SSTI and SAS Sunrise Inc. to those having business transactions, the total loan is limited to 2 times of the company that lends loan; for the loan of funds to companies necessary for short-term financing, the total loan is limited to 2 times of the net worth of the company that lends loan; for loan of funds among foreign companies that the company that lends loan directly and indirectly holds 100% of the voting shares, the total loan is limited to 40% of the net worth of the company that lends loan.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Sino-American Silicon Products Inc. and Subsidiaries

Guarantees and endorsements for other parties

For the period ended June 30, 2024

Table 2

(In Thousands of New Taiwan Dollars)

| No. | Name of guarantor | Counter-party of guarantee and endorsement | | Limitation on amount of guarantees and endorsements for a specific enterprise | Highest balance for guarantees and endorsements during the period (Note 3, 7) | Balance of guarantees and endorsements as of reporting date | Actual usage amount during the period | Property pledged for guarantees and endorsements (Amount) | Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements | Maximum amount for guarantees and endorsements | Parent company endorsements/ guarantees to third parties on behalf of subsidiary (Note 3, 7) | Subsidiary endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|-----|-------------------------------------|--|--|---|---|---|---------------------------------------|---|---|--|--|--|--|
| | | Name | Relationship with the Company (Note 2) | | | | | | | | | | |
| 0 | Sino American Silicon Products Inc. | Sulu | 2 | 1,545,758 (Note 6) | 1,497,070 (Note 5) | 1,492,700 (Note 5) | 849,054 (Note 5) | - | 3.72 % | 1,545,758 (Note 6) | Y (Note 4) | N | N |
| 0 | Sino American Silicon Products Inc. | Sunrise PV Four | 2 | 40,176,864 | 170 | 170 | 170 | - | - | 40,176,864 | Y | N | N |
| 0 | Sino American Silicon Products Inc. | Sunrise PV Three | 2 | 40,176,864 | 35,421 | 35,421 | 28,421 | - | 0.09 % | 40,176,864 | Y | N | N |
| 0 | Sino American Silicon Products Inc. | SSH | 2 | 40,176,864 | 2,300,000 | 1,300,000 | 500,000 | - | 3.24 % | 40,176,864 | Y | N | N |
| 0 | Sino American Silicon Products Inc. | SES | 2 | 40,176,864 | 165,446 | 165,446 | 125,800 | - | 0.41 % | 40,176,864 | Y | N | N |
| 1 | GlobalWafers | GW GmbH | 2 | 272,358,792 | 22,399,000 | 15,619,500 | 11,981,892 | - | 17.20 % | 272,358,792 | N | N | N |
| 1 | GlobalWafers | GWH | 2 | 272,358,792 | 1,100,000 | 800,000 | - | - | 0.88 % | 272,358,792 | N | N | N |
| 1 | GlobalWafers | Sunrise PV Four | 2 | 272,358,792 | 535,000 | 535,000 | 63,600 | - | 0.59 % | 272,358,792 | N | N | N |
| 1 | GlobalWafers | Sunrise PV Five | 2 | 272,358,792 | 114,800 | 114,800 | 81,900 | - | 0.13 % | 272,358,792 | N | N | N |
| 1 | GlobalWafers | GWS | 2 | 272,358,792 | 5,530,070 | 5,512,795 | 5,415,445 | - | 6.07 % | 272,358,792 | N | N | N |
| 1 | GlobalWafers | MEMC SpA | 2 | 272,358,792 | 3,086,160 | 3,054,480 | 3,054,480 | - | 3.36 % | 272,358,792 | N | N | N |
| 1 | GlobalWafers | GWA | 2 | 272,358,792 | 1,134,370 | 1,079,256 | - | - | 1.19 % | 272,358,792 | N | N | N |

| No. | Name of guarantor | Counter-party of guarantee and endorsement | | Limitation on amount of guarantees and endorsements for a specific enterprise | Highest balance for guarantees and endorsements during the period (Note 3, 7) | Balance of guarantees and endorsements as of reporting date | Actual usage amount during the period | Property pledged for guarantees and endorsements (Amount) | Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements | Maximum amount for guarantees and endorsements | Parent company endorsements/ guarantees to third parties on behalf of subsidiary (Note 3, 7) | Subsidiary endorsements/ guarantees to third parties on behalf of parent company | Endorsements/ guarantees to third parties on behalf of companies in Mainland China |
|-----|-------------------|--|--|---|---|---|---------------------------------------|---|---|--|--|--|--|
| | | Name | Relationship with the Company (Note 2) | | | | | | | | | | |
| 1 | GlobalWafers | CWT | 2 | 272,358,792 | 1,083,675 | 1,083,675 | 35,000 | - | 1.19 % | 272,358,792 | N | N | N |
| 2 | GTI | MEMC LLC | 2 | 70,248,855 | 3,254,500 | 3,245,000 | 2,993,156 | - | 23.10 % | 70,248,855 | N | N | N |
| 3 | SST | KST | 2 | 15,683,735 | 1,428,754 | 1,415,380 | 1,415,380 | - | 45.12 % | 15,683,735 | N | N | Y |
| 4 | GWS | GWA | 2 | 186,919,785 | 16,272,500 | 16,225,000 | 14,910,937 | - | 43.40 % | 186,919,785 | N | N | N |

Note 1: The characters of guarantees and endorsements are coded as follows:

- (1) The issuer is coded "0".
- (2) The investee is coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The relation between guarantor and guarantee and their endorsement should be disclosed as one of the following:

- (1) Ordinary business relationship.
- (2) Subsidiary which owned more than 50 percent by the guarantor.
- (3) An investee owned more than 50 percent in total by both the guarantor and its subsidiary.
- (4) An investee owned more than 90 percent by the guarantor or its subsidiary.
- (5) Fulfillment of contractual obligations by providing mutual endorsements and guarantor for peer or joint builders in order to undertake a construction project.
- (6) An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- (7) The companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for per construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The amount of endorsements/guarantees provided by the endorsement guarantor company for a single enterprise is limited to 10% of the net worth of the company providing the endorsements/guarantees, but for the subsidiary company, limited to one time of the net worth of the company providing the endorsements/guarantees. The total amount of accumulated endorsements/guarantees shall not exceed the net worth of the Company. The total amount of the Company's endorsements/guarantees and that for a single enterprise shall not exceed five times the net worth of the company providing endorsements/guarantees. The aforesaid net worth is based on the financial statements recently audited or reviewed by an accountant. For endorsements/guarantees due to business transactions, except subject to the provisions of the preceding item, the endorsement guarantee amount should be equal to the higher of the purchase or sales amount.

Note 4: The Company controls the financial and operating strategies of Sulu through effective agreements with other investors of Sulu, so Sulu is considered as a subsidiary.

Note 5: Sulu shares with the company a quota of USD 10,000 thousand and Sulu's individual quota is USD 36,000 thousand. The Company resolved on October 14, 2016 by the Board of Directors to repay part of the loan, and reduce the endorsements/guarantees quota to USD 46,000 thousand. The actual disbursement amount was reduced to USD 26,165 thousand.

Note 6: The endorsements/guarantees quota for Sulu is calculated as the amount of sales at the time of endorsements/guarantees.

Sino-American Silicon Products Inc. and Subsidiaries
Securities held as of June 30, 2024 (excluding investment in subsidiaries, associates and joint ventures)
June 30, 2024

Table 3

(In Thousands of New Taiwan Dollars)

| Name of holder | Category and name of security | Relationship with the Company | Account title | Ending balance | | | | Note |
|-------------------------------------|---------------------------------------|-------------------------------|---|-------------------------|----------------|-----------------------------|------------|------|
| | | | | Shares/Units (thousand) | Carrying value | Percentage of ownership (%) | Fair value | |
| Sino American Silicon Products Inc. | Stock of Powertec Energy Corporation | None | Financial assets at fair value through other comprehensive income | 30,410 | - | 2.14 % | - | |
| Sino American Silicon Products Inc. | Stock of Giga Epitaxy Technology Corp | None | Financial assets at fair value through other comprehensive income | 531 | - | 1.61 % | - | |
| Sino American Silicon Products Inc. | Stock of Big Sun | None | Financial assets at fair value through other comprehensive income | 15,000 | - | 3.43 % | - | |
| Sino American Silicon Products Inc. | Stock of Billion Watts Co., Ltd. | None | Financial assets at fair value through other comprehensive income | 3 | 80 | 0.02 % | 80 | |
| Sino American Silicon Products Inc. | Stock of Billion Electric Co., Ltd. | None | Financial assets at fair value through other comprehensive income | 15,000 | 597,000 | 13.00 % | 597,000 | |
| SSTI | Stock of SILFAB SPA | None | Financial assets at fair value through other comprehensive income | 300 | 377,680 | 15.00 % | 377,680 | |
| SSTI | Stock of Clean Venture 21 Corporation | None | Financial assets at fair value through profit or loss — non-current | 10 | - | 7.20 % | - | |
| SSH | NextDrive Holdings. Co., Ltd. | None | Financial assets at fair value through other comprehensive income | 1,020 | 98,221 | 5.40 % | 98,221 | |
| SSH | SKY TECH Inc. | None | Financial assets at fair value through other comprehensive income | 118 | 25,252 | 0.17 % | 25,252 | |
| SSH | TAISC Materials Corp | None | Financial assets at fair value through other comprehensive income | 200 | 20,000 | 0.40 % | 20,000 | |
| SSH | Ancora Semiconductors Inc. | None | Financial assets at fair value through other comprehensive income | 3,400 | 76,772 | 6.16 % | 76,772 | |
| SSH | ANJET Corporation | None | Financial assets at fair value through other comprehensive income | 600 | 60,941 | 4.33 % | 60,941 | |
| GlobalWafers | CDIB Capital Growth Partners L.P. | None | Financial assets at fair value through profit or loss — non-current | - | 176,009 | 3.85 % | 176,009 | |

| Name of holder | Category and name of security | Relationship with the Company | Account title | Ending balance | | | | Note |
|----------------|--|-------------------------------|---|-------------------------|----------------|-----------------------------|------------|--------|
| | | | | Shares/Units (thousand) | Carrying value | Percentage of ownership (%) | Fair value | |
| GlobalWafers | Siltronic AG | None | Financial assets at fair value through profit or loss — non-current | 650 | 1,633,453 | 2.17 % | 1,633,453 | Note 1 |
| GW GmbH | Siltronic AG | None | Financial assets at fair value through profit or loss — non-current | 3,101 | 7,791,961 | 10.34 % | 7,791,961 | |
| GWBV | Siltronic AG | None | Financial assets at fair value through profit or loss — non-current | 350 | 881,564 | 1.17 % | 881,564 | |
| GlobalWafers | WT Microelectronics Co., Ltd. | None | Financial assets at fair value through other comprehensive income | 621 | 76,990 | 0.05 % | 76,990 | |
| SST | Foreign securities | None | Financial assets at fair value through other comprehensive income | 16 | 3,334 | 0.04 % | 3,334 | |
| GWH | Foreign securities from private placement | None | Financial assets at fair value through profit or loss — non-current | - | 90,512 | 1.93 % | 90,512 | |
| CWT | CGK International Co., Ltd | None | Financial assets at fair value through other comprehensive income | 1,800 | - | 4.12 % | - | |
| CWT | Giga Electronic Technology Corporation | None | Financial assets at fair value through other comprehensive income | 3,000 | - | 9.09 % | - | |
| CWT | ALOX Technology Crop. (Original name was B Crystal Corp.) | None | Financial assets at fair value through other comprehensive income | 4 | - | 8.00 % | - | |
| CWT | Pinecone Material Inc. | None | Financial assets at fair value through profit or loss | 3,333 | - | 11.30 % | - | |
| YHTM | Dushan Jingke Photoelectric Information Material Co., Ltd | None | Financial assets at fair value through other comprehensive income | 18,467 | - | 11.00 % | - | Note 2 |
| GWS | Citigroup Global Markets Holdings Inc. USD Fixed rate Bond | None | Financial assets measured at amortized cost — non-current | - | 6,457,550 | - | - | |
| Actron | Sino American Silicon Products Inc. | Parent company | Financial assets at fair value through other comprehensive income — non-current | 2,000 | 435,000 | 0.34 % | 435,000 | |
| Actron | Phoenix Pioneer Technology Co., Ltd. | None | Financial assets at fair value through other comprehensive income — non-current | 15,265 | 221,344 | 5.13 % | 221,344 | |
| Actron | ANJET Corporation | None | Financial assets at fair value through other comprehensive income — non-current | 3,108 | 309,023 | 22.41 % | 309,023 | |
| Actron | AMED VENTURES I, L.P. | None | Financial assets at fair value through other comprehensive income — non-current | - | 101,635 | - | 101,635 | |
| Actron | Super Energy Materials Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 1,425 | 13,637 | 4.46 % | 13,637 | |

| Name of holder | Category and name of security | Relationship with the Company | Account title | Ending balance | | | | Note |
|-----------------------------------|---|-------------------------------|---|-------------------------|----------------|-----------------------------|------------|--------|
| | | | | Shares/Units (thousand) | Carrying value | Percentage of ownership (%) | Fair value | |
| Mosel Vitekcic Inc. | ProMOS Technologies Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 603 | 8,707 | 1.34 % | 8,707 | |
| Mosel Vitekcic Inc. | Aplus Flash Technology, Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 1,492 | - | 5.28 % | - | |
| Mosel Vitekcic Inc. | Pacific Resources Corporation | None | Financial assets at fair value through other comprehensive income — non-current | 37 | 3,135 | 4.88 % | 3,135 | |
| Mosel Vitekcic Inc. | Soft Device Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 7,518 | - | - | - | |
| Mosel Vitekcic Inc. | Pegasus Wireless Corp. | None | Financial assets at fair value through other comprehensive income — non-current | 1,815 | - | - | - | |
| Mosel Vitekcic Inc. | NewMedia Networking Corp. | None | Financial assets at fair value through other comprehensive income — non-current | 1,600 | - | - | - | |
| Mosel Vitekcic Inc. | Aumos Technologies Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 1,365 | - | 16.24 % | - | |
| Mou Fu Investment Consultant Ltd. | ProMOS Technologies Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 32 | 467 | 0.07 % | 467 | |
| Mou Fu Investment Consultant Ltd. | Advanced Flash Memory Card Technology Co., Ltd. | None | Financial assets at fair value through other comprehensive income — non-current | 340 | - | 0.41 % | - | |
| Mou Fu Investment Consultant Ltd. | E-Soft Technologies, Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 201 | 1,191 | 2.37 % | 1,191 | |
| Mou Fu Investment Consultant Ltd. | Harbinger III Venture Capital Corp. | None | Financial assets at fair value through other comprehensive income — non-current | - | 6 | 0.56 % | 6 | |
| Mou Fu Investment Consultant Ltd. | Virtual Silicon Technology, Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 224 | - | - | - | |
| Mou Fu Investment Consultant Ltd. | Wavesat Inc. | None | Financial assets at fair value through other comprehensive income — non-current | 44 | - | - | - | |
| Hongwang | Sino American Silicon Products Inc. | Parent company | Financial assets at fair value through other comprehensive income — non-current | 25,050 | 5,448,375 | 4.27 % | 5,448,375 | Note 2 |

Note1: 1,500 thousand shares were loaned to others, please refer to note 6(15).

Note2: Refer to Note 6(20) for the disclosure of treasury stock.

Sino-American Silicon Products Inc. and Subsidiaries

Individual securities acquired or disposed of with accumulated amounts exceeding the lower of than NT\$300 million or 20% of the capital stock
For the period ended June 30, 2024

Table 4

(In Thousands of New Taiwan Dollars)

| Name of company | Category and name of security | Account name | Name of counter-party | Relationship with the company | Beginning Balance | | Purchases | | Sales | | | | Ending Balance | |
|-----------------|--|---|-----------------------|-------------------------------|-------------------|---------------|-----------|---------------|--------|---------|---------|-------------------------|----------------|-----------|
| | | | | | Shares | Amount (Note) | Shares | Amount (Note) | Shares | Price | Cost | Gain (loss) on disposal | Shares | Amount |
| GWS | Citigroup Global Markets Holdings Inc. USD Fixed rate Bond | Financial assets measured at amortized cost — non-current | - | None | - | - | - | 6,349,394 | - | - | - | - | - | 6,457,550 |
| SSH | Transphorm Inc. | Financial assets at fair value through other comprehensive income | - | None | 4,750 | 532,348 | - | - | 4,750 | 786,343 | 652,503 | 133,840 | - | - |

Note: Including gain or loss on evaluation.

Sino-American Silicon Products Inc. and Subsidiaries

Related-party transactions for purchases and sales with amounts exceeding the lower than NT\$300 million or 20% of the capital stock

For the period ended June 30, 2024

Table 5

(In Thousands of New Taiwan Dollars)

| Name of company | Related party | Nature of relationship | Transaction details | | | | Transactions with terms different from others | | Notes/Accounts receivable (payable) | | Note |
|-------------------|-------------------------------------|------------------------------|---------------------|-----------|-------------------------------------|--|---|---------------|-------------------------------------|---|------|
| | | | Purchase/Sale | Amount | Percentage of total purchases/sales | Payment terms | Unit price | Payment terms | Ending balance | Percentage of total notes/accounts receivable (payable) | |
| GlobalWafers | Sino American Silicon Products Inc. | Directly held subsidiaries | Purchase | 419,235 | 7 % | Net 30 days from the end of the next month upon issuance of invoice | - | - | (71,569) | (2)% | |
| GlobalWafers | GTI | Indirectly held subsidiaries | Purchase | 921,959 | 3 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (387,578) | (4)% | |
| GlobalWafers | SST | Indirectly held subsidiaries | Purchase | 758,112 | 2 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (238,931) | (2)% | |
| GlobalWafers | GWJ | Indirectly held subsidiaries | Purchase | 3,350,941 | 11 % | Net 60 to 90 days from the end of the month upon issuance of invoice | - | - | (1,961,085) | (20)% | |
| GlobalWafers | Topsil A/S | Indirectly held subsidiaries | Purchase | 901,353 | 3 % | Net 30 to 60 days from the end of the month upon issuance of invoice | - | - | (171,529) | (2)% | |
| GlobalWafers | GWS | Indirectly held subsidiaries | Purchase | 219,183 | 1 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (97,051) | (1)% | |
| GlobalWafers | KST | Indirectly held subsidiaries | Purchase | 170,014 | 1 % | Net 45 days from the end of the month upon issuance of invoice | - | - | (38,216) | -% | |
| GWS | GlobalWafers | Indirectly held subsidiaries | Purchase | 3,570,148 | 12 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (1,397,430) | (14)% | |
| GTI | GlobalWafers | Indirectly held subsidiaries | Purchase | 1,649,137 | 5 % | Net 90 days from the end of the next month upon issuance of invoice | - | - | (954,151) | (10)% | |
| SST | GlobalWafers | Indirectly held subsidiaries | Purchase | 416,279 | 1 % | Net 30 days from the end of the month upon issuance of invoice | - | - | (47,692) | -% | |
| Topsil A/S | GlobalWafers | Indirectly held subsidiaries | Purchase | 250,277 | 1 % | Net 60 to 90 days from the end of the month upon issuance of invoice | - | - | (319,001) | (3)% | |
| KST | GlobalWafers | Indirectly held subsidiaries | Purchase | 128,564 | - % | Net 60 days from the end of the month upon issuance of invoice | - | - | (117,592) | (1)% | |
| Mosel Vitekc Inc. | GlobalWafers | Indirectly held subsidiaries | Purchase | 103,571 | - % | Net 60 days from the end of the month upon issuance of invoice | - | - | (50,994) | (1)% | |
| GWJ | GlobalWafers | Indirectly held subsidiaries | Purchase | 1,050,189 | 3 % | Net 60 to 90 days from the end of the month upon issuance of invoice | - | - | (623,951) | (6)% | |

| Name of company | Related party | Nature of relationship | Transaction details | | | | Transactions with terms different from others | | Notes/Accounts receivable (payable) | | Note |
|-------------------------------|-------------------------------------|------------------------------|---------------------|-------------|-------------------------------------|--|---|---------------|-------------------------------------|---|------|
| | | | Purchase/Sale | Amount | Percentage of total purchases/sales | Payment terms | Unit price | Payment terms | Ending balance | Percentage of total notes/accounts receivable (payable) | |
| CWT | Sino American Silicon Products Inc. | Directly held subsidiaries | Purchase | 319,421 | 5 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (70,700) | (2)% | |
| MEMC SpA | CWT | Indirectly held subsidiaries | Purchase | 154,513 | 1 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (20,416) | -% | |
| MEMC Korea | CWT | Indirectly held subsidiaries | Purchase | 476,251 | 2 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (130,086) | (1)% | |
| GWS | MEMC LLC | Indirectly held subsidiaries | Purchase | 703,835 | 2 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (218,142) | (2)% | |
| GWS | MEMC LLC | Indirectly held subsidiaries | Sale | (297,977) | (1) % | Net 60 days from the end of the month upon issuance of invoice | - | - | 91,463 | 1% | |
| GWS | MEMC Sdn Bhd | Indirectly held subsidiaries | Purchase | 685,350 | 2 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (226,789) | (2)% | |
| GWS | MEMC Sdn Bhd | Indirectly held subsidiaries | Sale | (218,764) | (1) % | Net 60 days from the end of the month upon issuance of invoice | - | - | 74,470 | 1% | |
| GWS | MEMC SpA | Indirectly held subsidiaries | Purchase | 1,590,196 | 5 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (496,061) | (5)% | |
| GWS | MEMC SpA | Indirectly held subsidiaries | Sale | (3,722,456) | (12) % | Net 60 days from the end of the month upon issuance of invoice | - | - | 1,267,231 | 13% | |
| GWS | MEMC Korea | Indirectly held subsidiaries | Purchase | 615,488 | 2 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (192,378) | (2)% | |
| GWS | MEMC Japan | Indirectly held subsidiaries | Purchase | 2,214,978 | 7 % | Net 60 days from the end of the month upon issuance of invoice | - | - | (789,671) | (8)% | |
| GWS | MEMC Japan | Indirectly held subsidiaries | Sale | (876,260) | (3) % | Net 60 days from the end of the month upon issuance of invoice | - | - | 298,869 | 3% | |
| Actron | GlobalWafers | Indirectly held subsidiaries | Purchase | 161,290 | 10 % | Net 60 days from the end of the month upon issuance of invoice | - | - | 70,656 | 9% | |
| Actron | Mosel Vitekic Inc. | Indirectly held subsidiaries | Purchase | 337,516 | 21 % | Net 30 days from the end of the month upon issuance of invoice | - | - | 175,739 | 23% | |
| Actron | DING-WEI Technology Co., Ltd. | Indirectly held subsidiaries | Purchase | 351,536 | 22 % | Net 90 days from the end of the month upon issuance of invoice | - | - | 81,557 | 11% | |
| DING-WEI Technology Co., Ltd. | Actron | Indirectly held subsidiaries | Sale | 351,536 | 100 % | Net 90 days from the end of the month upon issuance of invoice | - | - | 81,557 | 100% | |
| Mosel Vitekic Inc. | Actron | Indirectly held subsidiaries | Sale | 337,516 | 41 % | Net 30 days from the end of the month upon issuance of invoice | - | - | 175,739 | 44% | |

Sino-American Silicon Products Inc. and Subsidiaries

Receivables from related parties with amounts exceeding the lower than NT\$100 million or 20% of the capital stock

June 30, 2024

Table 6

(In Thousands of New Taiwan Dollars)

| Name of company | Counter-party | Nature of relationship | Ending balance | Turnover rate | Overdue | | Amounts received in subsequent period (Note 3) | Allowance for bad debts |
|-----------------|---------------|------------------------------|----------------|---------------|---------|--------------|--|-------------------------|
| | | | | | Amount | Action taken | | |
| SSTI | AMLED | Indirectly held subsidiaries | 370,384 | Note 1 | - | - | - | - |
| SSTI | Sulu | Indirectly held subsidiaries | 464,360 | Note 1 | - | - | - | - |
| SAS Sunrise Inc | Sulu | Indirectly held subsidiaries | 345,593 | Note 1 | - | - | - | - |
| GlobalWafers | GTI | Indirectly held subsidiaries | 954,151 | 3.97 | - | - | 326 | - |
| GlobalWafers | GWJ | Indirectly held subsidiaries | 623,951 | 2.88 | - | - | 5,149 | - |
| GlobalWafers | GWS | Indirectly held subsidiaries | 1,397,430 | 5.49 | - | - | 772,085 | - |
| GlobalWafers | Topsil A/S | Indirectly held subsidiaries | 319,001 | 1.77 | - | - | 45,450 | - |
| GlobalWafers | KST | Indirectly held subsidiaries | 117,592 | 9.37 | - | - | - | - |
| GTI | GlobalWafers | Indirectly held subsidiaries | 387,578 | 6.30 | - | - | - | - |
| SST | GlobalWafers | Indirectly held subsidiaries | 238,931 | 6.71 | - | - | 37,970 | - |
| GWJ | GlobalWafers | Indirectly held subsidiaries | 1,961,085 | 3.28 | - | - | 43,083 | - |
| Topsil A/S | GlobalWafers | Indirectly held subsidiaries | 171,529 | 14.88 | - | - | 213,205 | - |
| CWT | MEMC Korea | Indirectly held subsidiaries | 130,086 | 14.64 | - | - | 20,257 | - |
| GWS | MEMC Japan | Indirectly held subsidiaries | 298,869 | 6.71 | - | - | 165,182 | - |
| GWS | MEMC SpA | Indirectly held subsidiaries | 1,267,231 | 5.08 | - | - | 696,747 | - |
| MEMC Sdn Bhd | GWS | Indirectly held subsidiaries | 226,789 | 5.77 | - | - | 142,035 | - |
| MEMC SpA | GWS | Indirectly held subsidiaries | 496,061 | 5.88 | - | - | 295,321 | - |
| MEMC Korea | GWS | Indirectly held subsidiaries | 192,378 | 6.12 | - | - | 77,578 | - |
| MEMC Japan | GWS | Indirectly held subsidiaries | 789,671 | 5.63 | - | - | 247,278 | - |
| MEMC LLC | GWS | Indirectly held subsidiaries | 218,142 | 4.06 | - | - | 96,462 | - |

| Name of company | Counter-party | Nature of relationship | Ending balance | Turnover rate | Overdue | | Amounts received in subsequent period (Note 3) | Allowance for bad debts |
|-------------------|-----------------|------------------------------|----------------|---------------|---------|--------------|--|-------------------------|
| | | | | | Amount | Action taken | | |
| GlobalWafers | Sunrise PV Four | Indirectly held subsidiaries | 340,117 | Note 1 | - | - | - | - |
| GlobalWafers | CWT | Indirectly held subsidiaries | 102,082 | Note 1 | - | - | - | - |
| GWS | GlobalWafers | Indirectly held subsidiaries | 8,885,756 | Note 1 | - | - | - | - |
| GWJ | MEMC Japan | Indirectly held subsidiaries | 12,041,509 | Note 1 | - | - | - | - |
| MEMC SpA | GWS | Indirectly held subsidiaries | 1,060,763 | Note 1 | - | - | 76,536 | - |
| GWS | GWBV | Indirectly held subsidiaries | 1,141,558 | Note 1 | - | - | - | - |
| GWS | GW GmbH | Indirectly held subsidiaries | 4,400,675 | Note 1 | - | - | - | - |
| GWBV | GW GmbH | Indirectly held subsidiaries | 1,132,432 | Note 1 | - | - | - | - |
| GWBV | Topsil A/S | Indirectly held subsidiaries | 630,538 | Note 1 | - | - | - | - |
| GTI | MEMC LLC | Indirectly held subsidiaries | 1,156,483 | Note 1 | - | - | - | - |
| Mosel Vitekc Inc. | Actron | Indirectly held subsidiaries | 175,739 | 5.14 | - | - | 88,686 | - |

Note 1: Receivables from related party for financing purpose.

Note 2: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 3: The amount received in subsequent period as of July 22, 2024.

Sino-American Silicon Products Inc. and Subsidiaries
Business relationships and significant intercompany transactions
For the period ended June 30, 2024

Table 7

(In Thousands of New Taiwan Dollars)

| No. (Note 1) | Name of company | Name of counter-party | Nature of relationship (Note 2) | Intercompany transactions | | | |
|-----------------|-----------------|-----------------------|---------------------------------------|---------------------------|------------|--|---|
| | | | | Account name | Amount | Trading terms | Percentage of the consolidated net revenue or total assets (Note 3,4) |
| 0 | GlobalWafers | GTI | 1 | Purchase | 921,959 | Net 60 days from the end of the month upon issuance of invoice | 2.33% |
| 0 | GlobalWafers | SST | 1 | Purchase | 758,112 | Net 60 days from the end of the month upon issuance of invoice | 1.91% |
| 0 | GlobalWafers | GWJ | 1 | Purchase | 3,350,941 | Net 60 to 90 days from the end of the month upon issuance of invoice | 8.46% |
| 0 | GlobalWafers | Topsil A/S | 1 | Purchase | 901,353 | Net 30 to 60 days from the end of the month upon issuance of invoice | 2.28% |
| 0 | GlobalWafers | GTI | 1 | Sale | 1,649,137 | Net 90 days from the end of the next month upon issuance of invoice | 4.17% |
| 0 | GlobalWafers | SST | 1 | Sale | 416,279 | Net 30 days from the end of the month upon issuance of invoice | 1.05% |
| 0 | GlobalWafers | GWJ | 1 | Sale | 1,050,189 | Net 60 to 90 days from the end of the month upon issuance invoice | 2.65% |
| 0 | GlobalWafers | GWS | 1 | Sale | 3,570,148 | Net 60 days from the end of the month upon issuance of invoice | 9.02% |
| 1 | CWT | MEMC Korea | 3 | Sale | 476,251 | Net 60 days from the end of the month upon issuance of invoice | 1.20% |
| 2 | GWS | MEMC LLC | 3 | Purchase | 703,835 | Net 60 days from the end of the month upon issuance of invoice | 1.78% |
| 2 | GWS | MEMC SpA | 3 | Purchase | 1,590,196 | Net 60 days from the end of the month upon issuance of invoice | 4.02% |
| 2 | GWS | MEMC SpA | 3 | Sale | 3,722,456 | Net 60 days from the end of the month upon issuance of invoice | 9.40% |
| 2 | GWS | MEMC Korea | 3 | Purchase | 615,488 | Net 60 days from the end of the month upon issuance of invoice | 1.55% |
| 2 | GWS | MEMC Japan | 3 | Sale | 876,260 | Net 60 days from the end of the month upon issuance of invoice | 2.21% |
| 2 | GWS | MEMC Japan | 3 | Purchase | 2,214,978 | Net 60 days from the end of the month upon issuance of invoice | 5.59% |
| 2 | GWS | MEMC Sdn Bhd | 3 | Purchase | 685,350 | Net 60 days from the end of the month upon issuance of invoice | 1.73% |
| 2 | GWS | GlobalWafers | 2 | Intercompany loan | 8,885,756 | | 3.25% |
| 2 | GWS | GW GmbH | 3 | Intercompany loan | 4,400,675 | | 1.61% |
| 3 | GWJ | MEMC Japan | 3 | Intercompany loan | 12,041,509 | | 4.41% |

Note 1: The characters of business transactions between parent company and its subsidiaries are coded as follows:

1. The parent company is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The relationships with transactions are as follows:

- (1) Parent company to its subsidiaries.
- (2) Subsidiaries to the parent company.
- (3) Transactions between subsidiaries.

Note 3: The ratio of the transaction amount of the consolidated total sales revenue and consolidated total assets are calculated as follows:

- (1) For transaction amount accounted for as asset or liability, the ratio is calculated based on the closing balance amount of the consolidated total assets.
- (2) For transaction amount accounted for as profit or loss, the ratio is calculated based on the accumulated amount at the end of the financial period of the consolidated total sales revenue.

Note 4: The table represented the amount of significant transaction exceeding 1 percent of the consolidated operating revenue or total assets.

Sino-American Silicon Products Inc. and Subsidiaries
Information on investees (Excluding Information on Investees in Mainland China)
For the period ended June 30, 2024

Table 8

(In Thousands of New Taiwan Dollars)

| Name of investor | Name of investee | Location | Main businesses and products | Original investment amount | | Balance as of June 30, 2024 | | | Net income (losses) of investee | Share of profits/losses of investee | Note |
|-------------------------------------|------------------------|------------------------|--|----------------------------|--------------------------|-----------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|----------------------|
| | | | | June 30, 2024 | December 31, 2023 | Shares (thousand) | Percentage of Ownership | Carrying value | | | |
| Sino American Silicon Products Inc. | SSTI | British Virgin Islands | Investment and triangular trade center with subsidiaries in China | 1,425,603 (USD45,255) | 1,425,603 (USD45,255) | 48,526 | 100.00 % | 1,212,661 | 441 | 441 | Subsidiary |
| Sino American Silicon Products Inc. | GlobalWafers | Taiwan | Semiconductor silicon wafer materials and components manufacturing and trade | 8,957,524 | 8,957,524 | 223,008 | 46.64 % | 42,674,225 | 6,413,415 | 3,150,239 | Subsidiary |
| Sino American Silicon Products Inc. | Aleo Solar | Prenzlau | Solar module manufacturing and sale and wholesale of electronic materials | 558,139 (EUR13,500) | 558,139 (EUR13,500) | Note 1 | 100.00 % | 269,997 | (38,667) | (38,667) | Subsidiary |
| Sino American Silicon Products Inc. | SAS Sunrise Inc. | Cayman | Investment activities | 794,373 (USD24,500) | 794,373 (USD24,500) | 24,500 | 100.00 % | 112,193 | (13,519) | (13,519) | Subsidiary |
| Sino American Silicon Products Inc. | Sunrise PV Three | Taiwan | Electricity activities | 15,000 | 15,000 | 1,500 | 100.00 % | 16,202 | 562 | 562 | Subsidiary |
| Sino American Silicon Products Inc. | SSH | Taiwan | Investment activities | 650,000 | 650,000 | 65,000 | 100.00 % | 564,804 | (2,781) | (2,781) | Subsidiary |
| Sino American Silicon Products Inc. | SES | Taiwan | Energy technology service business | 20,000 | 20,000 | 2,000 | 100.00 % | 19,257 | 851 | 851 | Subsidiary |
| Sino American Silicon Products Inc. | Accu Solar Corporation | Taiwan | Solar energy system provider | 112,193 | 112,193 | 7,452 | 24.70 % | 56,023 | (4,570) | 1,509 | Associate |
| Sino American Silicon Products Inc. | TSC | Taiwan | Semiconductor special gas and chemical material manufacturer | 962,957 | 962,957 | 41,590 | 30.09 % | 823,749 | 156,039 | 40,182 | Subsidiary Note 2 |

| Name of investor | Name of investee | Location | Main businesses and products | Original investment amount | | Balance as of June 30, 2024 | | | Net income (losses) of investee | Share of profits/losses of investee | Note |
|-------------------------------------|---------------------------------------|-------------|---|----------------------------|-----------------------|-----------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|-------------------------|
| | | | | June 30, 2024 | December 31, 2023 | Shares (thousand) | Percentage of Ownership | Carrying value | | | |
| Sino American Silicon Products Inc. | Actron | Taiwan | Manufacturing and trading of automotive semiconductors | 2,395,995 | 2,395,995 | 24,935 | 24.58 % | 2,197,680 | 441,642 | 102,615 | Subsidiary Note 2 |
| Sino American Silicon Products Inc. | Advanced Wireless | Taiwan | Gallium arsenide wafer manufacturing and trade | 4,384,743 | 4,341,422 | 54,625 | 27.80 % | 2,632,710 | 423,002 | 96,684 | Subsidiary Note 2 |
| Sino American Silicon Products Inc. | Mosel | Taiwan | Semiconductors | 97 | - | 3 | - | 97 | - | - | Subsidiary |
| SSH | SHE | Taiwan | Energy technology service business | 3,825 | 3,825 | 383 | 51.00 % | 3,511 | (359) | - | Subsidiary Note 4 |
| SSH | SIE | Taiwan | Energy technology service business | 16,000 | - | 1,600 | 40.00 % | 15,943 | (141) | - | Associate Note 4 |
| SAS Sunrise Inc. | Sulu | Philippines | Electricity activities | 113,920 (USD4,000) | 113,920 (USD4,000) | 420,000 | 40.00 % | 76,188 | (16,378) | - | Subsidiary and 4 |
| SAS Sunrise Inc. | AMLED | Philippines | Investment activities | - | - | - | - | - | - | - | Subsidiary Note 3 and 4 |
| AMLED | Sulu | Philippines | Electricity activities | 297,229 (USD9,065) | 297,229 (USD9,065) | 472,500 | 45.00 % | 80,131 | (16,378) | - | Subsidiary Note 4 |
| Aleo Solar | Aleo Solar Distribuzione Italia S.r.l | Italy | Solar module sale and wholesale of electronic materials | 4,078 (EUR100) | 4,078 (EUR100) | Note 1 | 100.00 % | 22,573 | (14,964) | - | Subsidiary Note 4 |
| GlobalWafers | GSI | Cayman | Investment in various businesses and triangular trade centers with subsidiaries in Mainland China | 698,419 (USD24,555) | 698,419 (USD24,555) | 23,000 | 100.00 % | 3,168,255 | 78,492 | - | Subsidiary Note 4 |
| GlobalWafers | GWJ | Japan | Manufacturing and trading of silicon wafers | 5,448,015 | 5,448,015 | 128 | 100.00 % | 17,332,903 | 667,412 | - | Subsidiary Note 4 |
| GlobalWafers | GWS | Singapore | Investment activities | 2,207,377 | 2,207,377 | 41,674 | 100.00 % | 35,792,717 | 1,922,138 | - | Subsidiary Note 4 |
| GlobalWafers | GW GmbH | Germany | Trading | 1,952,235 (EUR62,525) | 1,952,235 (EUR62,525) | 48,025 | 100.00 % | (5,816,053) | (781,227) | - | Subsidiary Note 4 |

| Name of investor | Name of investee | Location | Main businesses and products | Original investment amount | | Balance as of June 30, 2024 | | | Net income (losses) of investee | Share of profits/losses of investee | Note |
|------------------|------------------|---------------|---|------------------------------|------------------------------|-----------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|-------------------------|
| | | | | June 30, 2024 | December 31, 2023 | Shares (thousand) | Percentage of Ownership | Carrying value | | | |
| GlobalWafers | GWBV | Netherlands | Investment activities | 40,367,464 (USD1,321,076) | 40,367,464 (USD1,321,076) | 0.1 | 100.00 % | 51,317,371 | (162,998) | - | Subsidiary Note 4 |
| GlobalWafers | Hongwang | Taiwan | Investment activities | 309,760 | 309,760 | 30,976 | 30.98 % | 1,525,072 | 84,058 | - | Subsidiary Note 4 and 6 |
| GlobalWafers | Sunrise PV Four | Taiwan | Electricity activities | 1,045,000 | 1,045,000 | 104,500 | 100.00 % | 1,048,945 | 1,324 | - | Subsidiary Note 4 |
| GlobalWafers | Sunrise PV Five | Taiwan | Electricity activities | 187,940 | 278,000 | 18,794 | 100.00 % | 183,669 | (293) | - | Subsidiary Note 4 |
| GlobalWafers | GWH | Taiwan | Investment activities | 250,000 | 250,000 | 25,000 | 100.00 % | 272,883 | 15,183 | - | Subsidiary Note 4 |
| GlobalWafers | CWT | Taiwan | Manufacturing and trading of optoelectronic wafers and substrate material | 437,924 | 437,924 | 43,836 | 100.00 % | 447,085 | 137,971 | - | Subsidiary Note 4 |
| GlobalWafers | GWCC | Taiwan | Investment activities | 8,132,250 (USD 250,000) | - | 32,529 | 100.00 % | 8,199,360 | 85,405 | - | Subsidiary Note 4 |
| GWJ | MEMC Japan | Japan | Manufacturing and trading of silicon wafers | 373,413 (JPY 100,000) | 373,413 (JPY 100,000) | 750 | 100.00 % | 2,281,734 | 48,915 | - | Subsidiary Note 4 |
| Topsil A/S | Topsil PL | Poland | Manufacturing and trading of silicon wafers | - | - | - | - | - | - | - | Subsidiary Note 4 and 7 |
| GWBV | MEMC SpA | Italy | Manufacturing and trading of silicon wafers | 6,732,641 (USD204,788) | 6,732,641 (USD204,788) | 65,000 | 100.00 % | 11,698,268 | 90,778 | - | Subsidiary Note 4 |
| MEMC SpA | MEMC SarL | France | Trading | 1,316 (USD40) | 1,316 (USD40) | 0.5 | 100.00 % | 4,025 | 415 | - | Subsidiary Note 4 |
| GWBV | MEMC Korea | Korea | Manufacturing and trading of silicon wafers | 11,851,262 (USD384,605) | 11,851,262 (USD384,605) | 25,200 | 100.00 % | 23,268,735 | 66,334 | - | Subsidiary Note 4 |
| GWBV | GTI | United states | Manufacturing and trading of epitaxial wafers and sale | 2,779,849 (USD91,262) | 2,779,849 (USD91,262) | 1 | 100.00 % | 15,385,476 | (61,505) | - | Subsidiary Note 4 |
| GWBV | MEMC Ipoh | Malaysia | Manufacturing and trading of silicon wafers | 93,907 (USD1,323) | 93,907 (USD1,323) | 612,300 | 100.00 % | 4,988 | 129 | - | Subsidiary Note 4 |
| GWBV | Topsil A/S | Denmark | Manufacturing and trading of silicon wafers | 1,843,604 (USD60,996) | 1,843,604 (USD60,996) | 1,000 | 100.00 % | 2,629,817 | 9,810 | - | Subsidiary Note 4 |
| CWT | Crytalwise HK | Hong Kong | Investment activities | - (USD47,650) | - (USD48,100) | 47,650 | 100.00 % | 34,295 | 1,291 | - | Subsidiary Note 4 |

| Name of investor | Name of investee | Location | Main businesses and products | Original investment amount | | Balance as of June 30, 2024 | | | Net income (losses) of investee | Share of profits/losses of investee | Note |
|--|--|---------------|---|----------------------------|---------------------|-----------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|-------------------------|
| | | | | June 30, 2024 | December 31, 2023 | Shares (thousand) | Percentage of Ownership | Carrying value | | | |
| GTI | MEMC LLC | United states | Research and development, manufacturing and trading of silicon wafers | 543,384 (USD17,839) | 543,384 (USD17,839) | - | 100.00 % | 5,761,105 | (120,145) | - | Subsidiary Note 4 |
| SST | MEMC Sdn Bhd | Malaysia | Research and development, manufacturing and trading of silicon wafers | 898,016 (USD27,315) | 898,016 (USD27,315) | 1,036 | 100.00 % | 1,336,723 | 31,484 | - | Subsidiary Note 4 |
| GTI | GWA | United states | Manufacturing and trading of silicon wafers | 31 (USD1) | 31 (USD1) | 1 | 100.00 % | 3,144,431 | (170,312) | - | Subsidiary Note 4 |
| Actron | DING-WEI Technology Co., Ltd. | Taiwan | Manufacture of electronic components and motor parts | 306,900 | 306,900 | 15,000 | 100.00 % | 227,208 | 24,026 | - | Subsidiary Note 4 |
| Actron | Smooth International Limited Corporation | Samoa | Investment | 363,260 | 363,260 | 12,000 | 100.00 % | 437,358 | 6,222 | - | Subsidiary Note 4 |
| Smooth International Limited Corporation | Smooth Autocomponent Limited | Hong Kong | Investment | 363,260 | 363,260 | 12,000 | 100.00 % | 437,358 | 6,222 | - | Subsidiary Note 4 |
| Actron | REC Technology Corporation | Taiwan | Manufacture of electronic components and motor parts | 208,102 | 208,102 | 8,488 | 49.00 % | 95,815 | 11,861 | - | Subsidiary Note 4 |
| Actron | Hongwang | Taiwan | Investment | 300,000 | 300,000 | 30,000 | 30.00 % | 1,476,986 | 84,058 | - | Subsidiary Note 4 and 6 |
| Actron | Mosel Vitekic Inc. | Taiwan | Semiconductors | 1,180,191 | 1,180,191 | 46,925 | 29.00 % | 1,833,522 | 18,793 | - | Subsidiary Note 4 |
| Actron | Bigbest solution, Inc. | Taiwan | Manufacture of motor parts | 245,143 | 245,143 | 19,314 | 28.00 % | 70,114 | (7,548) | - | Subsidiary Note 4 |
| Actron | Excelliance MOS Corporation | Taiwan | Semiconductors | 1,491,750 | 1,491,750 | 15,000 | 29.00 % | 1,501,302 | 205,401 | - | Associate Note 4 |
| Mosel Vitekic Inc. | DenMOS Technology Inc. | Taiwan | R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs | 291,820 | 291,820 | 9,114 | 80.00 % | 103,861 | 2,090 | - | Subsidiary Note 4 |
| Mosel Vitekic Inc. | Mou Fu Investment Consultant Ltd. | Taiwan | Leasing, manpower dispatch and various services | 2,313,124 | 2,313,124 | 12,012 | 100.00 % | 111,284 | 464 | - | Subsidiary Note 4 |
| Mosel Vitekic Inc. | Bou-Der Investment, Ltd. | Taiwan | Professional investment | 1,264,372 | 1,264,372 | 6,400 | 47.00 % | 35,696 | 112 | - | Subsidiary Note 4 |

| Name of investor | Name of investee | Location | Main businesses and products | Original investment amount | | Balance as of June 30, 2024 | | | Net income (losses) of investee | Share of profits/losses of investee | Note |
|------------------------------------|--------------------------------------|------------------------|---|----------------------------|-------------------|-----------------------------|-------------------------|----------------|---------------------------------|-------------------------------------|-------------------|
| | | | | June 30, 2024 | December 31, 2023 | Shares (thousand) | Percentage of Ownership | Carrying value | | | |
| Mosel Vitekc Inc. | Giant Haven Investments Ltd. (BVI) | British Virgin Islands | General investment | 664,061 | 664,061 | 2 | 100.00 % | 77,336 | 5,930 | - | Subsidiary Note 4 |
| Mosel Vitekc Inc. | Integrated Memory Technologies, Inc. | United states | Flash memory design house | 44,753 | 44,753 | 2,500 | 23.00 % | - | - | - | Associate Note 4 |
| Mou Fu Investment Consultant Ltd. | Bou-Der Investment, Ltd. | Taiwan | Professional investment | 1,356,365 | 1,356,365 | 6,839 | 50.00 % | 38,152 | 112 | - | Subsidiary Note 4 |
| Mou Fu Investment Consultant Ltd. | DenMOS Technology Inc. | Taiwan | R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs | 25,863 | 25,863 | 471 | 4.00 % | 5,562 | 2,090 | - | Subsidiary Note 4 |
| Giant Haven Investments Ltd. (BVI) | Third Dimension Semiconductor, Inc. | United states | Design of Power IC | 314,640 | 314,640 | 49,183 | 43.00 % | - | 2,944 | - | Associate Note 4 |

Note:1 A limited company.

Note 2: The investment gain or loss recognition includes the investment cost and the amortization of the net equity acquired.

Note 3: The Company does not hold the ownership interests of AMLED, but the Company can control the financial and operating strategies of AMLED and obtain all the benefits of its operations and net assets in accordance with the terms of the agreements with such standalone, so AMLED is considered as a subsidiary.

Note 4: The investor's profits and losses included the profits and losses of the investees; therefore, the investee's profits and losses need not be disclosed.

Note 5: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 6: Hong Wang investment was involved in consolidation because of the company owned 60.98% of its shares through Actron and GlobalWafers.

Note 7: Liquidation procedures of Topsil PL had been completed in June 2023.

Sino-American Silicon Products Inc. and Subsidiaries
Information on investment in mainland China
For the period ended June 30, 2024

Table 9

(In Thousands of New Taiwan Dollars)

(1) The names of investees in Mainland China, the main businesses and products, and other information

| Name of investee | Main businesses and products | Total amount of paid-in capital | Method of investment | Accumulated outflow of investment from Taiwan as of January 1, 2024 | Investment flows | | Accumulated outflow of investment from Taiwan as of June 30, 2024 | Net income (losses) of the investee | Percentage of ownership | Investment income (losses) (Note 4) | Book value | Accumulated remittance of earnings in current period |
|------------------------------|---|---------------------------------|----------------------|---|------------------|----------------------|---|-------------------------------------|-------------------------|-------------------------------------|------------|--|
| | | | | | Outflow | Inflow | | | | | | |
| SST | Processing and trading of ingots and wafers | 1,429,778 (Note 5) | Note 1 | 713,300 (USD21,729) | - | - | 713,300 (USD21,729) | 78,307 | 100.00% | 78,307 | 3,136,747 | - |
| KST | Trading and marketing business | 26,587 | Note 6 | - | - | - | - | 6,059 | 100.00% | 6,059 | 90,421 | - |
| SSKT | Manufacturing and distributing lithium tantalate and lithium niobate wafers | 102,776 | Note 7 | - | - | - | - | (31,637) | 100.00% | (31,637) | 358,677 | - |
| MHTM | Manufacturing and distributing lithium tantalate and lithium niobate wafers | 159,588 | Note 8 | - | - | - | - | (15,794) | 90.00% | (15,794) | 21,624 | - |
| YHTM | Manufacturing and sales of optoelectronic and communication materials | 1,435,282 | Note 9 | 1,494,720 (USD48,000) | - | 59,823 (USD1,850) | 1,434,897 (USD46,150) | 203 | 80.31% | 163 | 33,409 | - |
| YHTM | Manufacturing and sales of optoelectronic and communication materials | 351,882 | Note 10 | 351,882 (USD11,300) | - | - | 351,882 (USD11,300) | 203 | 19.69% | 40 | 8,191 | - |
| Smooth Autocomponent Limited | Manufacture of motor parts | 363,260 (USD12,000) | Note 12 | 363,260 (USD12,000) | - | - | 363,260 (USD12,000) | 6,222 | 100.00% | 6,222 | 437,358 | - |

(2) Limitation on investment in Mainland China

| Company Name | Accumulated Investment in Mainland China as of June 30, 2024 | Investment Amounts Authorized by Investment Commission, MOEA | Upper Limit on Investment |
|--------------|--|--|---------------------------|
| GlobalWafers | 2,479,138 (USD79,337) (Note 11) | 3,476,061 (USD114,002) (Note 3 and 11) | 54,471,758 (Note 4) |
| Actron | - (USD12,000) | 365,520 (USD12,000) | 5,010,251 (Note 13) |

Note 1: Investments through GSI.

Note 2: The basis for investment income (loss) recognition is from the audited financial statements.

Note 3: Initial investment amounts denominated in foreign currencies are translated into New Taiwan Dollars using the Historical Foreign Exchange Rate.

Note 4: Pursuant to the Guidelines Governing the Review of Investment or Technical Cooperation in the Mainland Area' dated on August 29, 2008, the total amount of investment shall not exceed 60% of the GlobalWafers' net equity on June 30, 2024.

Note 5: Retained earnings transferred to capital was included.

Note 6: KST was funded by using the capital of SST, which cannot be considered as investment limit because there was no remittance from Taiwan.

Note 7: SSKT was funded by using the capital of SST, which cannot be considered as investment limit because there was no remittance from Taiwan.

Note 8: MHTM is China-based company invested by SSKT.

Note 9: YHTM is China-based company invested by Crystalwise HK. Capital reduction \$59,438 thousand (USD1,900 thousand) remitted back to Crystalwise HK in March 2024. Capital reduction \$59,823 thousand (USD1,850 thousand) remitted to CWT in June 2024.

Note 10: Investment made directly by Taiwan-based investment company.

Note 11: Includes the investment amount on November 1, 2023 for the merger of YHTM, a subsidiary of CWT. The cumulative investment amount is US\$57,608 thousand in the Mainland China and an amount approved by the Department of Investment Review is US\$57,838 thousand.

Note 12: Investing in China through a third-party company.

Note 13: The investment amounts authorized by Investment Commission, MOEA: $8,350,418 \text{ (net equity of Actron)} \times 60\% = 5,010,250$.