

Sino-American Silicon Products Inc.

2016 Annual General Shareholders' Meeting Minutes

Time: 9:00 a.m., Tuesday, June 28, 2016

Place: 2F, No. 1. Industrial East Road 2, Science-Based Industrial Park, Hsinchu
(Science Park Life Hub/Darwin Hall)

Total common shares outstanding: 580,013,151 shares

Total after deduction according to Act 179 of the Company Law: 574,476,151 shares

Attending shareholders and proxy representing: 366,940,634 shares (including 93,571,638 shares of e-voting)

Ratio of Attending shareholders and proxy representing to total common shares outstanding:
63.87%

Presence of directors: 11

Chairman Ming-kung Lu

Director Tan-liang Yao

Hsiu-lan Hsu

Kan-hsin Liu

Chin-lung Chang

Wen-huei Tsai

Kuei-chang Hsu

Tie-chih Sun: Mau-yang Co., Ltd. Representative

May-yuan Chang: Kun-chan Co. Ltd. Representative

Ting-ko Chen

Angela Huang

Bin-kuen Chang: LCS lawyer

Mei-yu Tseng: KPMG Accountant

Call Meeting to Order:

The aggregate shareholding of the presenting shareholders constituted a quorum.

Chairman's Address:(Omitted)

Discussion Items

Item 1 (Proposed by the Board of Directors)

Motion: Amendment to the "Articles of Incorporation"

- (1) In compliance with laws and operation need of the Company, amendment has been made to the "Articles of Incorporation."

- (2) Please refer to the comparison chart of the Articles of Incorporation. (See attachment)
- (3) Resolution requested

Resolution:

Approved by the voting result as follows

FOR - 351,364,507 shares (95.77% including 79,247,290 shares of e-voting)

AGAINST - 4,576 shares (including 4,576 shares of e-voting)

ABSTAIN - 15,526,551

NULLIFICATION - 0 share

Item 2 (Proposed by the Board of Directors)

Motion: The distribution of cash dividend through capital reserve

- (1) The Company plans to distribute cash dividend through capital reserve of NT\$402,133,306. The distribution ratio is determined by the holding ratio of shareholders in the register of shareholders on the record date of the distribution. Each share will be distributed NT\$0.7 cash dividend.
- (2) Upon the approval of the Annual General Meeting, the distribution record date will fall on July 24, 2016 and August 10th, 2016, the dividend distribution day. The capital premium will be distributed cash rounding to dollar unit. The chairman is authorized to designate a specific person for the adjustment of the total amount of the odd distribution below NT\$1.
- (3) In the event that the proposed capital reserve distribution is affected by an amendment to relevant laws or regulations, a buyback of shares, or issuance or cancellation of transferring treasury shares to employees, and execution of warrant etc. It is proposed by the AGM that the Board of Directors be authorized to adjust the cash and stock to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
- (4) The proposal has been approved by the 2016 first audit committee dated on March 22, 2016 and submitted to the AGM for resolution after the approval of the board of directors.
- (5) Resolution requested.

Resolution:

Approved by the voting result as follows

FOR - 355,572,552 shares (96.91% including 83,455,335 shares of e-voting)

AGAINST - 1,023,531 shares (including 23,531 shares of e-voting)

ABSTAIN - 10,299,551

NULLIFICATION - 0 share

Report Items

- Item 1 Fiscal 2015 Business Report submitted for review
- Item 2 Audit Committee's 2015 Review Report submitted for review
- Item 3 Distribution of remuneration to directors and employees in fiscal 2015, submitted for review
- Item 4 Execution report on the 3rd repurchase of treasury stocks, submitted for review
- Item 5 Set up "Procedures for Ethical Management and Guidelines for Conduct"

Approval Items

Item 1 (Proposed by the Board of Directors)

Motion: To accept FY 2015 business report and financial statements

- (1) SAS' 2015 Standalone and Consolidated Financial Statements were audited by KPMG CPAs, Tseng, Mei-Yu, and Huang, Yong-Hwa. The aforementioned and FY 2015 business report have been approved by the audit committee.
- (2) Please refer to the Business Report and the Financial Statements (see attachment.)
- (3) Approval requested

Resolution:

Approved by the voting result as follows

FOR - 354,414,296 shares (96.59% including 82,297,079 shares of e-voting)

AGAINST - 1,003,784 shares (including 3,784 shares of e-voting)

ABSTAIN - 11,522,554

NULLIFICATION - 0 share

Item 2 (Proposed by the Board of Directors)

Motion: To approve the 2015 profit distribution proposal

- (1) As of the beginning of 2015, the Company's retained earnings is NT\$0. Setting off the adjustment of actuarial losses for FY 2014 of NT\$15,324,216 and adding net profit after tax amounting to NT\$534,835,987 plus the legal reserve appropriation of NT\$51,951,177, the unappropriated retained earnings is NT\$467,560,594.
- (2) In accordance with the aforesaid, it is proposed that the ex-dividend date be July 24th, 2016 and August 10th, 2016 the distribution. The dividend will be distributed

cash rounding to dollar unit according to the ratio of the shareholders register by the record date. The total amount of the odd distribution below NT\$1 will be included in other income.

- (3) In the event that the proposed capital reserve distribution is affected by an amendment to relevant laws or regulations, a buyback of shares, or issuance or cancellation of transferring treasury shares to employees, and execution of warrant etc. It is proposed by the AGM that the Board of Directors be authorized to adjust the cash and stock to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
- (4) Please refer to the 2015 Profit Distribution Table (see attachment.)
- (5) The proposal has been approved by the first meeting of SAS audit committee on March 22th, 2016 and will be sent for acknowledgement to the shareholders' meeting after resolved by the board of directors.
- (6) Resolution requested.

Resolution:

Approved by the voting result as follows

FOR - 355,573,597 shares (96.90% including 83,456,380 shares of e-voting)

AGAINST - 1,022,484 shares (including 22,484 shares of e-voting)

ABSTAIN - 10,344,553

NULLIFICATION - 0 share

Supplementary Motions: None

Shareholder's statement: Stated by shareholder No. 95284 and 101828, advised/responded by the chairman.

Meeting Adjourned: 09:52

Please note that the above is an English translation version. If there is any discrepancy between the original Chinese version and this English translation, the Chinese version shall prevail.

Attachment 1

Sino-American Silicon Products Inc.

Articles of Incorporation Comparison Chart

Article	Before	After	Remark
29	<p>If the Company has profit as a result of the yearly accounting closing, it will be distributed in accordance with the following:</p> <ul style="list-style-type: none">(1) To make up for the previous loss;(2) 10% of annual income retained as legal reserve until such retention equals the amount of authorized common stock;(3) To distribute or reverse special earning reserve according to the law or competent authority;(4) After deducting item (1)-(3), the remaining balance of annual income, if any, can be distributed at most 3% as remuneration to Directors and at least <u>5%</u> as employee bonuses, the rest plus the accumulated undistributed earnings of the previous period of the profit shall be as dividends to stockholders. <p>In order to keep sustainable development for the Company and continuous growth on earnings per share, the cash dividends for shareholders shall be no less than 50% of the dividends for shareholders.</p> <p>Employees entitled to stock bonus may include subsidiaries' employees that meet certain</p>	<p>If the Company has profit after the yearly accounting closed, 3~15% of the profit shall be appropriated for the employees' remuneration distributed with stocks or cash decided by the board of directors.</p> <p>Employees entitled to bonus may include subsidiaries' employees that meet certain criteria. The Company may appropriate 3% at the most of the above profit quota decided by the board of directors for directors' remuneration. Distribution for employees and directors shall be reported to the shareholders' meeting. An offset, however, to the accumulated loss shall be reserved before making distribution to employees and directors.</p>	Revise

	criteria set by the board of directors.		
29-1		<p>Article 29-1</p> <p>If the Company has surplus after the yearly accounting closed, following taxes and offsets to the accumulated loss, another 10% shall be appropriated as legal reserve by laws. While no appropriation shall be made, if the legal reserve has reached the amount of the paid-in capital of the Company. The remaining amount shall be appropriated or transferred to special reserve according to laws and the rest along with the accumulated surplus may be proposed by the board of directors for bonus distribution to shareholders and submit to the shareholders' meeting.</p> <p>In order to maintain continuous operating of the Company and steady growth of its surplus per share, dividend for shareholders shall more than 50% of the profit after tax deducting from the appropriation of special surplus of the year by the regulations and the distribution rate of the dividend for shareholders shall be no less than 50% of the cash dividend.</p>	Add new article
31		The 29th amendment on June 28th, 2016	Add amendment date

Attachment 2

Sino-American Silicon Products Inc.

Fiscal 2015 Business Report

Dear shareholders,

Thank you for joining SAS annual general shareholder meeting. We deeply appreciate your support.

Due to anti-dumping impact from the US during the first half of 2015 toward the solar industry coupled with exchange devaluation against JP Yen and Euro as well as subsidy reduction from governments, companies in Taiwan have encountered difficulties in operation. Fortunately, a sign of recovery was seen gradually in the solar industry from the second half of 2015. SAS not just focused on the manufacture of high efficiency solar products through leading technology and product differentiation to create a new high in revenue for five consecutive years but considerably offset its gross profit by lowering the debt ratio from 47% to 38%. Whereas due to facts of recognition of capital gain tax by NT\$120,000,000 out of reducing GlobalWafers (GWC) the subsidiary's shareholding for an initial public offering, and the increase of income tax derived from the GWC group, a decline in net income of the Company has been seen compared to the prior year. Full year 2015 consolidated net sales of the Company were NT\$28.27 billion up 1.61% from NT\$27.82 billion in the prior year. Net income was NT\$534,840,000 with an EPS of NT\$0.93.

The 2015 operating results and 2016 business plan overview are presented as follows.

A. Operation Performance in 2015

1. Operation Performance

Unit: NT\$'000

Year Item	2015 (IFRSs)	2014 (IFRSs)	Change (%)
Operating Revenue	28,269,357	27,821,456	1.61%
Operating Costs	23,998,126	24,324,580	(1.34%)
Gross Profit from Operations	4,271,231	3,497,876	22.11%
Operating Expenses	2,034,619	2,051,082	(0.80%)
Operating Income	2,236,612	1,446,794	54.59%
Income before Tax	1,960,181	1,925,042	1.83%
Net Income	1,056,402	1,299,267	(18.69%)
Net Income Attributable to the Parent Company	534,837	1,128,445	(52.60%)

The increasing demand in China, the US and emerging markets gradually drove the solar recovery in the second half of 2015. Data from the research institute IHS says that the total capacity of global solar installation in 2015 was approximately 59GW, up by over 35% compared to that in 2014. The steady revenue growth of the Company was driven by its flexible production, core technology to high efficiency niche products and product differentiation strategy. Reinvestment in 2015 also showed significant performance. GWC made a contribution of NT\$15.31 billion in consolidated revenue with NT\$2 billion of net income with an EPS of NT\$5.8.

2. Budget Implementation: No financial forecast for 2015

3. Profitability Analysis

Item		2015	2014
Financial structure	Debt ratio (%)	38	47
	Long-term funds to fixed assets (%)	191	204
Profitability	Rate of return on assets (%)	2.57	3.50
	Rate of return on stock equity (%)	4.21	6.16
	Operating income to capital (%)	38.56	24.94
	Income before tax to capital (%)	33.79	33.19
	Net income to sales (%)	3.74	4.67
	Earnings per share (NT\$)	0.93	2.06

4. Financial Structure

2015 revenue is NT\$28,269,357,000; operating cost is NT\$23,998,126,000. Operating expense is NT\$2,034,619,000. Other income is NT\$276,431,000. Net income before tax is NT\$1,960,181,000. Net income after tax is NT\$1,056,402,000. The financial structure is healthy.

5. Research & Development Status

1) 2015 Research & Development Expenditure

Unit: NT\$'000

Item / Year	2015	2014
Research and Development Expenses	790,448	823,128
Net Revenue	28,269,357	27,821,456
%	2.80	2.96

2) Research & Development Achievement in 2015

Our technology / products

- a. 900kg low energy consumption, high quality solar multi-crystalline thermal field design of ingot furnace and ingots growth technology development

- b. A5+ ultra-high efficiency multi-crystal ingot growth technology
- c. High strength consumption multi-crystal ingot growth technology
- d. Solar wafer SiC recovery and recycling technology development
- e. Solar wafer slurry recovery and recycle technology and development
- f. High efficiency CELCO mono solar cells technology and development

3) Future Plan

- (1) A6+ High efficiency low reflectivity multi-crystal solar wafer
- (2) 1500kg multi-crystal ingot growth technology
- (3) High strength solar wafer
- (4) Diamond wire saw slicing technology
- (5) High efficiency N-type solar crystal growth technology
- (6) G6 hot zone energy conservation technology development

B. 2015 Operation Guideline

1. Guideline

- 1) Expand capacity, marketing scale and utilization rate to reduce product costs.
- 2) Focus on the conversion rate improvement of high efficiency multi-crystal wafers and mono-crystal cell to create core advantage of competitiveness.
- 3) Strengthen the integration of up, middle and downstream resources so as to expand operating scale for steady development and raise our international competitiveness.
- 4) Increase strategic alliances in order to accelerate the revenue growth, competitiveness and the ability to meet the market changes.

2. Sales forecast:

In line with the research report by IHS, the installation demand of the global solar market in 2016 is expected to remain positive to around 69GW, up 17% compared to the prior year. Three main installation markets will remain in China, Japan and USA. Whereas the Company will keep increasing the capital expenditure and expanding the production of solar silicon wafers and cells in an attempt to push up sales volume of the year surpassing the global market performance.

3. Sales and Production Policy

- 1) Enhance channel construction outside the US region with product differentiation marketing strategy.
- 2) Close collaboration with downstream firms to develop high efficiency and value-added niche products with core technology so as to improve our profitability.
- 3) To establish sound operating scale, SAS will continue to take the initiative in developing

systematical integration with downstream firms and strategy alliance to remain competitive.

4. Future Strategy

- 1) Close collaboration with downstream firms to take control of the market demand and development trend so as to step in more international markets among the first grade solar manufactures.
- 2) Searching for more collaboration opportunities in alliance with up and downstream to further accelerate its strategic arrangement for solar power plants all over the world.
- 3) Lead in key technology by strategic alliances to accelerate product development and shorten time to reduce production costs and increase competitiveness of the company.
- 4) Grasping customers of downstream markets through vertical integration of the business group with niche products using core technology of the next generation so as to consolidate the exiting competitiveness and enhance our profitability.

5. Influences from External Competition, Regulations and Economy

- 1) With the appearance of new competitors, SAS continues to take the initiative in maintaining the leadership in the high efficiency technology and developing product differential strategy for providing even better products and service.
- 2) In response to the flat selling prices, SAS will make an effort to control production cost and accordingly integrate with mid and downstream resources to create synergies with more profit possibilities.
- 3) Increase intellectual property rights with value-added products to improve the competitiveness of the company.

In summary, the fundamentals of the solar industry remain satisfactory in 2016. As the expectation for the solar energy supply in 2016 becomes conservative, with the price decrease of solar modules, demand of solar power energy required by markets worldwide will keep growing. The research institute IHS forecasted the global demand for the solar power energy will reach 75GW by 2019 with total generated power energy of 498GW. In addition to existing high efficiency series of products, SAS will take the initiative to bring in production of R-wafer (robust), thin and powerful high conversion silicon wafers and Celco mono-crystal cell of next generation as well as more efforts to work out downstream module brand operating and system development in order to complete a supply chain from up, mid and downstream. Meanwhile, SAS is fully confident in its excellent technology and market segmentation for profitability to maximize its operating profit to create better prosperity for the best returns to all shareholders.

Finally, we would like to thank every shareholder for supporting SAS over the years. We wish you a

healthy and prosperous life.

Chairman	Ming-Kung Lu
President	Hsiu-Lan Hsu
Chief Account	Mei-Ying Chiu

Attachment 3

Audit Committee Review Audit Report

The Board of Directors has prepared the Company's 2015 Business Report, Consolidated and Standalone Financial Statements and Earnings Distribution Proposal. Sino American Silicon Products Inc. Stand-alone and Consolidated Financial Statements have been audited and certified by Tseng, Mei-Yu, CPA, and Huang, Yong-Hwa, CPA, of KPMG and an audit report relating to the Financial Statements has been issued. The Business Report, Stand-alone and Consolidated Financial Statements and Earnings Distribution Proposal have been reviewed and considered to be complied with relevant rules by the undersigned, the supervisor of Sino American Silicon Products Inc. According to Article 219 of the Company Law, I hereby submit this report.

Sino American Silicon Products Inc

Audit Committee Convener:

Ting-Kuo Chen

April 22, 2016

Attachment 4

Independent Auditors' Report

The Board of Directors

Sino-American Silicon Products Inc.

We have audited the accompanying consolidated statements of financial position of Sino-American Silicon Products Inc. and subsidiaries (collectively, the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of comprehensive income or loss and comprehensive income, statements of changes in stockholders' equity, and cash flows for the years ended December 31, 2015 and 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial reports of SAS and its subsidiary, which are long-term investment under the equity method, and those financial statements were audited by other auditors. Those reports have been furnished to us, and our opinion, insofar as it relates to the differences between acquisition cost and identifiable net assets, for which we have performed the required procedures and adjusted accordingly is based solely on the reports of the other auditors. The total reinvestment amount of the above subsidiaries were NT\$1,487,561 thousand and NT\$2,004,864 thousand (respectively 3% and 5% of consolidated total assets) as of December 31, 2015. The related equity-method long-term investment balances were NT\$(394,214) thousand and NT\$(55) thousand respectively of (20)% and 0% of consolidated net income before tax as of 2014 and 2013.

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those standards and regulations require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sino-American Silicon Products Inc and subsidiaries as of December 31, 2015 and 2014, and the results of their consolidated operations and their consolidated cash flows for the years ended December 31, 2015 and 2014, in conformity with the requirements of the

Regulations Governing the Preparation of Financial Reports by Securities Issuers and accounting principles generally accepted in the Republic of China.

In addition, we have audited the parent-company-only financial statements of Sino-American Silicon Products Inc. as of and for the years ended December 31, 2015 and 2014, on which we have issued a modified unqualified opinion.

KPMG

Hsinchu, Taiwan (the Republic of China)

March 22, 2016

Financial Statement — Consolidated Balance Sheet

Provided by: Sino-American Silicon Products Inc.

Financial year: Yearly December 31, 2015 and 2014

Unit: NT\$ thousand

Accounting Title	2015/12/31	2014/12/31
Balance Sheet		
Assets		
Current assets		
Cash and cash equivalents		
Total cash and cash equivalents	5,901,967	5,390,582
Current financial assets at fair value through profit or loss		
Current financial assets at fair value through profit or loss, designated as upon initial recognition	0	5,225
Total current financial assets at fair value through profit or loss	0	5,225
Accounts receivable, net		
Accounts receivable	5,950,667	4,711,791
Accounts receivable, net	5,950,667	4,711,791
Accounts receivable due from related parties, net		
Accounts receivable due from related parties	253,216	306,955
Accounts receivable due from related parties, net	253,216	306,955
Inventories		
Inventories, manufacturing business		
Inventories, manufacturing business, net	5,748,878	4,606,999
Total inventories	5,748,878	4,606,999
Prepayments		
Total prepayments	776,489	1,007,547
Other current assets		
Other current financial assets	47,520	386,439
Other current assets, others	602,690	396,266
Total other current assets	650,210	782,705
Total current assets	19,281,427	16,811,804
Non-current assets		
Non-current available-for-sale financial assets		
Non-current available-for-sale financial assets	1,373,871	858,637
Non-current available-for-sale financial assets, net	1,373,871	858,637
Non-current financial assets at cost		
Non-current financial assets at cost	1,362,697	1,403,767
Non-current financial assets at cost, net	1,362,697	1,403,767
Investments accounted for using equity method		
Investments accounted for using equity method	1,606,867	2,004,864
Investments accounted for using equity method, net	1,606,867	2,004,864
Property, plant and equipment		
Land, net		
Land, cost	770,267	751,847
Land, net	770,267	751,847

Buildings and structures, net		
Buildings and structures, cost	13,338,408	13,101,397
Accumulated depreciation, buildings and structures	7,088,486	6,590,303
Buildings and structures, net	6,249,922	6,511,094
Machinery and equipment, net		
Machinery and equipment, cost	40,610,309	39,036,161
Accumulated depreciation, machinery and equipment	34,406,817	33,176,843
Machinery and equipment, net	6,203,492	5,859,318
Other facilities, net		
Other facilities, cost	3,165,514	3,336,103
Accumulated depreciation, other facilities	1,727,152	1,745,898
Other facilities, net	1,438,362	1,590,205
Unfinished construction and equipment under acceptance	4,242,681	531,097
Total property, plant and equipment	18,904,724	15,243,561
Intangible assets		
Goodwill	701,566	676,453
Acquired special technology, net		
Acquired special technology	0	17,785
Acquired special technology, net	0	17,785
Total intangible assets	701,566	694,238
Other non-current assets		
Other non-current financial assets		
Other non-current financial assets, others	230,958	242,350
Total other non-current financial assets	230,958	242,350
Other non-current assets, others		
Other non-current assets, others	2,724,226	3,627,895
Total other non-current assets, others	2,724,226	3,627,895
Total other non-current assets	2,955,184	3,870,245
Total non-current assets	26,904,909	24,075,312
Total assets	46,186,336	40,887,116
Liabilities and equity		
Liabilities		
Current liabilities		
Short-term borrowings		
Bank loan	2,610,081	2,819,368
Total short-term borrowings	2,610,081	2,819,368
Accounts payable		
Accounts payable	2,726,322	2,584,312
Total accounts payable	2,726,322	2,584,312
Accounts payable to related parties		
Accounts payable to related parties	205,707	128,436
Total accounts payable to related parties	205,707	128,436
Other payables		
Wages and salaries payable	688,235	775,832
Total other payables	688,235	775,832
Current provisions		
Short-term onerous contracts provision	588,585	608,268

Total current provisions	588,585	608,268
Other current liabilities		
Advance receipts		
Advance sales receipts	276,929	826,221
Total advance receipts	276,929	826,221
Long-term liabilities, current portion		
Long-term borrowings, current portion	65,587	666,667
Total long-term liabilities, current portion	65,587	666,667
Other current liabilities, others	2,908,665	1,382,655
Total other current liabilities	3,251,181	2,875,543
Total current liabilities	10,070,111	9,791,759
Non-current liabilities		
Long-term borrowings		
Long-term bank loans	2,545,519	3,808,667
Total long-term borrowings	2,545,519	3,808,667
Non-current provisions		
Long-term onerous contracts provision	715,725	1,118,774
Long-term provision for decommissioning, restoration and rehabilitation costs	29,094	27,641
Total non-current provisions	744,819	1,146,415
Other non-current liabilities		
Other non-current liabilities, others	4,256,311	4,557,137
Total other non-current liabilities	4,256,311	4,557,137
Total non-current liabilities	7,546,649	9,512,219
Total liabilities	17,616,760	19,303,978
Equity		
Equity attributable to owners of parent		
Share capital		
Ordinary share	5,800,312	5,800,312
Total capital stock	5,800,312	5,800,312
Capital surplus		
Capital surplus, additional paid-in capital		
Capital surplus, additional paid-in capital arising from ordinary share	15,234,589	16,278,647
Total capital surplus, additional paid-in capital	15,234,589	16,278,647
Capital surplus, treasury share transactions	31,765	31,765
Capital Surplus, difference between consideration and carrying amount of subsidiaries acquired or disposed, associates and joint ventures accounted for using equity method	1,889,777	123,752
Capital surplus, employee share options	367,641	355,338
Capital surplus, others	1,090,919	206,007
Total capital surplus	18,614,691	16,995,509
Retained earnings		
Legal reserve	259,628	220,409
Special reserve	513,302	160,330
Unappropriated retained earnings (accumulated deficit)		
Accumulated profit and loss	519,512	392,191
Total unappropriated retained earnings (accumulated deficit)	519,512	392,191
Total retained earnings	1,292,442	772,930
Other equity interest		

Exchange differences on translation of foreign financial statements		
Total exchange differences on translation of foreign financial statements	-1,460,070	-1,669,610
Unrealized gains (losses) on available-for-sale financial assets		
Unrealized gains (losses) on available-for-sale financial assets, parent	-1,087,491	-993,913
Total unrealized gains (losses) on available-for-sale financial assets	-1,087,491	-993,913
Other equity, others		
Other equity, others	-3,267	-6,989
Total other equity, others	-3,267	-6,989
Total other equity interest	-2,550,828	-2,670,512
Treasury shares	169,861	0
Total equity attributable to owners of parent	22,986,756	20,898,239
Non-controlling interests	5,582,820	684,899
Total equity	28,569,576	21,583,138
Total liabilities and equity	46,186,336	40,887,116
Number of share capital awaiting retirement	0	0
Equivalent issue shares of advance receipts for ordinary share	0	0
Number of shares in entity held by entity and by its subsidiaries	5,555,000	0

Financial Statement – Consolidated Income Statement

Provided by: Sino-American Silicon Products Inc.

Financial year: Yearly December 31, 2015 and 2014

Unit: NT\$ thousand

Accounting Title	2015/4th	2014/4th
Statement of comprehensive income		
Operating revenue		
Net sales revenue		
Sales revenue		
Sales revenue	28,269,357	27,821,456
Total sales revenue	28,269,357	27,821,456
Net sales revenue	28,269,357	27,821,456
Total operating revenue	28,269,357	27,821,456
Operating costs		
Cost of sales		
Cost of sales	23,998,126	24,323,580
Total cost of sales	23,998,126	24,323,580
Total operating costs	23,998,126	24,323,580
Gross profit (loss) from operations	4,271,231	3,497,876
Gross profit (loss) from operations	4,271,231	3,497,876
Operating expenses		
Selling expenses		
Total selling expenses	517,037	467,468
Administrative expenses		
Total administrative expenses	727,134	760,486
Research and development expenses		
Total research and development expenses	790,448	823,128
Total operating expenses	2,034,619	2,051,082
Net operating income (loss)	2,236,612	1,446,794
Non-operating income and expenses		
Other income		
Interest income		
Interest income from bank deposits	44,949	49,066
Total interest income	44,949	49,066
Dividend income	15,740	11,711
Total other income	60,689	60,777
Other gains and losses		
Gains on disposals of investments	0	0
Foreign exchange gains	79,225	460,086
Gains on financial assets (liabilities) at fair value through profit or loss	0	0
Miscellaneous disbursements	-112,852	-100,557
Losses on disposals of investments	0	0
Losses on financial assets (liabilities) at fair value through profit or loss	275	8,748
Impairment loss		
Other impairment loss	57,826	0

Total impairment loss	57,826	0
Other gains and losses, net	133,976	551,895
Finance costs		
Interest expense	76,882	134,369
Finance costs, net	76,882	134,369
Share of profit (loss) of associates and joint ventures accounted for using equity method		
Share of profit of associates and joint ventures accounted for using equity method	0	0
Share of loss of associates and joint ventures accounted for using equity method	394,214	55
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	-394,214	-55
Total non-operating income and expenses	-276,431	478,248
Profit (loss) from continuing operations before tax	1,960,181	1,925,042
Tax expense (income)		
Current tax expense (income)	903,779	625,775
Total tax expense (income)	903,779	625,775
Profit (loss) from continuing operations	1,056,402	1,299,267
Profit (loss) from discontinued operations		
Profit (loss) from discontinued operations, net of tax	0	0
Total profit (loss) from discontinued operations	0	0
Profit (loss)	1,056,402	1,299,267
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss		
Gains (losses) on remeasurements of defined benefit plans	-32,764	-91,868
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-10,574	-38,584
Components of other comprehensive income that will not be reclassified to profit or loss	-22,190	-53,284
Components of other comprehensive income that will be reclassified to profit or loss		
Exchange differences on translation	394,365	-244,645
Unrealised gains (losses) on valuation of available-for-sale financial assets	-194,379	-196,282
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	-6,235	27,534
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	8,621	-51,633
Components of other comprehensive income that will be reclassified to profit or loss	185,130	-361,760
Other comprehensive income, net	162,940	-415,044
Total comprehensive income	1,219,342	884,223
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	534,837	1,128,445
Profit (loss), attributable to non-controlling interests	521,565	170,822
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	635,474	714,269
Comprehensive income, attributable to non-controlling interests	583,868	169,954
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	0.93	2.06

Basic earnings (loss) per share from discontinued operations	0	0
Total basic earnings per share	0.93	2.06
Diluted earnings per share		
Diluted earnings (loss) per share from continuing operations	0.92	2.06
Diluted earnings (loss) per share from discontinued operations	0	0
Total diluted earnings per share	0.92	2.06

Financial Statement — Consolidated Statements of Cash Flows

Provided by: Sino-American Silicon Products Inc.

Financial year: Yearly December 31, 2015 and 2014

Unit: NT\$ thousand

Accounting Title	2015/4th	2014/4th
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	1,960,181	1,925,042
Profit (loss) from discontinued operations before tax	0	0
Profit (loss) before tax	1,960,181	1,925,042
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	2,160,160	2,180,043
Amortization expense	31,775	23,487
Provision (reversal of provision) for bad debt expense	9,133	-888
Interest expense	76,882	134,369
Interest income	-44,949	-49,066
Dividend income	-15,740	-11,711
Share-based payments	15,620	28,815
Share of loss (profit) of associates and joint ventures accounted for using equity method	394,214	55
Loss (gain) on disposal of property, plan and equipment	9,560	-9,292
Impairment loss on non-financial assets	192,377	444,256
Other adjustments to reconcile profit (loss)	52,597	81,523
Total adjustments to reconcile profit (loss)	2,881,629	2,821,591
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in accounts receivable	-1,194,215	-1,037,432
Decrease (increase) in inventories	-2,287,727	-24,885
Decrease (increase) in prepayments	895,628	898,099
Decrease (increase) in other operating assets	-221,598	-34,453
Total changes in operating assets	-2,807,912	-198,671
Changes in operating liabilities		
Increase (decrease) in accounts payable	219,281	31,234
Increase (decrease) in provisions	-346,931	-474,350
Increase (decrease) in receipts in advance	-730,464	-673,888
Increase (decrease) in net defined benefit liability	90,856	-15,205
Increase (decrease) in other operating liabilities	25,877	-284,550
Total changes in operating liabilities	-741,381	-1,416,759
Total changes in operating assets and liabilities	-3,549,293	-1,615,430
Total adjustments	-667,664	1,206,161
Cash inflow (outflow) generated from operations	1,292,517	3,131,203
Interest received	45,666	49,066
Dividends received	15,740	11,711
Interest paid	-78,591	-137,471

Income taxes refund (paid)	-114,980	-97,240
Net cash flows from (used in) operating activities	1,160,352	2,957,269
Cash flows from (used in) investing activities		
Acquisition of available-for-sale financial assets	-709,612	-54,674
Proceeds from disposal of available-for-sale financial assets	0	0
Acquisition of financial assets at cost	-2,305	-169,902
Proceeds from capital reduction of financial assets at cost	5,464	70,741
Acquisition of investments accounted for using equity method	0	-333,145
Proceeds from disposal of subsidiaries	0	0
Acquisition of property, plant and equipment	-4,188,006	-1,344,168
Proceeds from disposal of property, plant and equipment	102,238	82,249
Decrease in refundable deposits	-2,686	99,514
Net cash receipts from acquisitions of subsidiaries and other business units	0	513,442
Increase in other financial assets	345,060	-311,954
Dividends received	10,182	0
Net cash flows from (used in) investing activities	-4,439,665	-1,447,897
Cash flows from (used in) financing activities		
Increase in short-term loans	-209,287	410,275
Proceeds from long-term debt	1,599,000	800,000
Repayments of long-term debt	-3,467,746	-864,116
Cash dividends paid	-1,044,058	-523,142
Exercise of employee share options	0	1,346
Payments to acquire treasury shares	-169,861	0
Treasury shares sold to employees	0	0
Change in non-controlling interests	6,952,761	535,032
Net cash flows from (used in) financing activities	3,660,809	359,395
Effect of exchange rate changes on cash and cash equivalents	129,889	-160,339
Net increase (decrease) in cash and cash equivalents	511,385	1,708,428
Cash and cash equivalents at beginning of period	5,390,582	3,682,154
Cash and cash equivalents at end of period	5,901,967	5,390,582
Cash and cash equivalents reported in the statement of financial position	5,901,967	5,390,582

Sino-American Silicon Products Inc. and Subsidiaries
Consolidated Statement of Changes in Stockholders' Equity
Years ended December 31, 2015
Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Others	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	5,800,312	5,800,312	16,995,509	220,409	160,330	392,191	772,930	-1,669,610	-993,913	-6,989	-2,670,512	0	20,898,239	684,899	21,583,138
Legal reserve appropriated				39,219		-39,219	0						0		0
Special reserve appropriated					352,972	-352,972	0						0		0
Changes in equity of associates and joint ventures accounted for using equity method			11,403							3,722	3,722		15,125	826	15,951
Cash dividends from capital surplus			-1,044,058										-1,044,058		-1,044,058
Profit (loss)				0	0	534,837	534,837						534,837	521,565	1,056,402
Other comprehensive income						-15,325	-15,325	209,540	-93,578		115,962		100,637	62,303	162,940
Total comprehensive income				0	0	519,512	519,512	209,540	-93,578		115,962		635,474	583,868	1,219,342
Shares issued for pursuant to acquisitions															0
Purchase of treasury share												-169,861	-169,861		-169,861
Changes in ownership interests in subsidiaries			1,766,025										1,766,025	2,457,803	4,223,828
Changes in non-controlling interests			873,509										873,509	2,426,889	3,300,398
Share-based payments			12,303										12,303		12,303
Others														-571,465	-571,465
Total increase (decrease) in equity			1,619,182	39,219	352,972	127,321	519,512	209,540	-93,578	3,722	119,684	-169,861	2,088,517	4,897,921	6,986,438
Equity at end of period	5,800,312	5,800,312	18,614,691	259,628	513,302	519,512	1,292,442	-1,460,070	-1,087,491	-3,267	-2,550,828	-169,861	22,986,756	5,582,820	28,569,576

Sino-American Silicon Products Inc. and Subsidiaries
Consolidated Statement of Changes in Stockholders' Equity
Years ended December 31, 2014
Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Others	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	5,231,191	5,231,191	14,977,502	213,967	102,349	64,423	380,739	-1,489,219	-802,589	0	-2,291,808	0	18,297,624	2,288,267	20,585,891
Legal reserve appropriated				6,442		-6,442	0						0		0
Special reserve appropriated					57,981	-57,981	0						0		0

Changes in equity of associates and joint ventures accounted for using equity method			83,939						-6,989	-6,989		76,950		76,950	
Cash dividends from capital surplus			-523,142									-523,142		-523,142	
Profit (loss)			0	0		1,128,445	1,128,445					1,128,445	170,822	1,299,267	
Other comprehensive income						-50,667	-50,667	-172,185	-191,324	-363,509		-414,176	-868	-415,044	
Total comprehensive income			0	0		1,077,778	1,077,778	-172,185	-191,324	-363,509		714,269	169,954	884,223	
Shares issued for pursuant to acquisitions	568,881	568,881	2,280,177			-685,587	-685,587	-8,206		-8,206		2,155,265	-2,155,265	0	
Changes in ownership interests in subsidiaries			153,231									153,231	477,394	630,625	
Changes in non-controlling interests			0			0	0					0	0	0	
Share-based payments			22,696									22,696	142	22,838	
Others	240	240	1,106									1,346	-95,593	-94,247	
Total increase (decrease) in equity	569,121	569,121	2,018,007	6,442	57,981	327,768	392,191	-180,391	-191,324	-6,989	-378,704	0	2,600,615	-1,603,368	997,247
Equity at end of period	5,800,312	5,800,312	16,995,509	220,409	160,330	392,191	772,930	-1,669,610	-993,913	-6,989	-2,670,512	0	20,898,239	684,899	21,583,138

Attachment 5

Sino-American Silicon Products Inc.

Independent Auditors' Audit Report

The board of directors

Sino-American Silicon Products Inc.

We have audited the accompanying statements of financial position of Sino-American Silicon Products Inc. (the "Company") as of December 31, 2015 and 2014, and the related parent-company-only statements of profit or loss and other comprehensive income, changes in stockholders' equity, and cash flows for the years ended December 31, 2015 and 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of equity-method investees. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion is based solely on the reports of the other independent auditors insofar as it relates to the differences between acquisition cost and identifiable net assets, for which we have performed the required procedures and adjusted accordingly. The related long-term investment balances of NT\$1,487,561 thousand and NT\$2,004,864 thousand (5% and 6% of total assets) as of December 31, 2015 and 2014, respectively, and the share of profit or loss of subsidiaries and associates accounted for using the equity method amounting to NT\$(394,214) thousand and NT\$(55) thousand (59)% of loss before income tax and 0% of profit before income tax) for the years ended 2015 and 2014, respectively, are based solely on the reports of the other independent auditors.

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those standards and regulations require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Sino-American Silicon Products Inc. as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and accounting principles generally accepted in the Republic of China.

KPMG

Hsinchu, Taiwan (the Republic of China)

March 32, 2016

2015 FINANCIAL STATEMENTS

SINO-AMERICAN SILICON PRODUCTS INC.

Parent-Company-Only Statements of Financial Position

December 31, 2015 and 2014
(expressed in thousands of New Taiwan dollars)

	December 31, 2015		December 31, 2014	
Assets				
Current assets:		%		%
Cash and cash equivalents	\$ 1,279,123	4	1,460,560	5
Notes and trade receivable, net	1,289,888	4	1,110,375	3
Accounts receivable from related parties	1,362,216	4	397,283	1
Inventories, net	1,995,196	6	1,387,777	4
Prepayments for materials	439,566	1	627,068	2
Other current assets	194,142	1	175,846	—
	<u>6,560,131</u>	20	<u>5,158,909</u>	15
Non-current assets:				
Available-for-sale financial assets – non-current	840,130	3	858,637	3
Financial assets carried at cost – non-current	811,802	2	867,323	3
Investments accounted for using equity method	15,159,801	47	16,234,271	53
Property, plant and equipment, net	7,282,061	23	5,999,176	19
Intangible assets	—	—	17,785	—
Deferred income tax assets	263,473		176,288	1
Other financial assets – non-current	41,796	—	66,073	—
Long-term prepayments for materials	<u>1,310,401</u>	4	<u>1,791,500</u>	6
	<u>25,709,464</u>	80	<u>26,010,993</u>	85
Total Assets	\$ <u>32,269,595</u>	100	<u>31,169,902</u>	100

SINO-AMERICAN SILICON PRODUCTS INC.

Parent-Company-Only Statements of Financial Position (continued)

December 31, 2015 and 2014
(expressed in thousands of New Taiwan dollars)

	December 31,		December 31,	
Liabilities and Stockholders' Equity	2015		2014	
Current liabilities:		%		%
Short-term borrowings	\$ 1,150,000	3	750,000	3
Notes and accounts payable	1,337,461	4	974,128	3
Payables to related parties	339,609	1	82,500	—
Payroll and bonus payable	220,276	1	332,017	1
Other current liabilities	1,066,070	3	339,237	1
Revenue received in advance for sales	268,439	1	784,432	3
Provision – current	119,519	—	—	—
Current portion of long-term loans payable	65,587	—	666,667	2
	<u>4,447,442</u>	13	<u>3,988,981</u>	13
Non-current liabilities:				
Long-term loans payable	2,545,519	8	3,808,667	12
Liability reserve	427,000	1	427,000	1
Other liabilities – non-current	318,515	1	321,480	1
Revenue received in advance for sales – non-current	1,544,363	5	1,725,353	6
	<u>4,835,397</u>	15	<u>6,282,682</u>	20
Total Liabilities	<u>9,282,839</u>	28	<u>10,271,663</u>	33
Equity:				
Common stock	5,800,312	18	5,800,312	19
Capital surplus	18,614,691	58	16,995,509	55
Retained earnings:				
Legal reserve	259,628	1	220,409	1
Special reserve	513,302	2	160,330	1
Unappropriated earnings (accumulated deficits)	519,512	2	392,191	1
	<u>1,292,442</u>	5	<u>772,930</u>	3
Other equity	<u>(2,550,828)</u>	(8)	<u>(2,670,512)</u>	(10)
Tresury Stock	<u>(169,861)</u>	(1)	<u>—</u>	—
Total Equity	<u>22,986,756</u>	72	<u>20,898,239</u>	67
Total Liabilities and Equity	<u>\$ 32,269,595</u>	100	<u>31,169,902</u>	100

SINO-AMERICAN SILICON PRODUCTS INC.

Parent-Company-Only Statements of Profit or Loss and Other Comprehensive Income

Years ended December 31, 2015 and 2014

(expressed in thousands of New Taiwan dollars, except for earnings per share)

	<u>2015</u>		<u>2014</u>	
		%		%
Operating revenues:	\$ 11,915,968	100	9,175,737	100
Cost of goods sold	<u>11,936,762</u>	<u>100</u>	<u>9,895,108</u>	<u>108</u>
Gross loss	<u>(20,794)</u>	<u>—</u>	<u>(719,371)</u>	<u>(8)</u>
Operating expenses:				
Selling	49,275	—	35,529	—
General and administrative	147,319	1	118,231	1
Research and development	<u>211,867</u>	<u>2</u>	<u>190,443</u>	<u>2</u>
Total operating profit	<u>408,461</u>	<u>3</u>	<u>344,203</u>	<u>3</u>
Operating loss	<u>(429,255)</u>	<u>(3)</u>	<u>(1,063,574)</u>	<u>(1)</u>
Non-operating income and (expenses):				
Other income	21,852	—	16,558	—
Other gains and (losses)	58,280	—	161,402	2
Interest expense	<u>(65,172)</u>	<u>(1)</u>	<u>(97,751)</u>	<u>(1)</u>
Share of profit or loss of subsidiaries and associates accounted for using equity method	<u>1,083,387</u>	<u>9</u>	<u>2,121,126</u>	<u>23</u>
Total non-operating income and expenses	<u>1,098,347</u>	<u>8</u>	<u>2,201,335</u>	<u>24</u>
Profit from continuing operations before income tax	669,092	5	1,137,761	13
Income tax expense	<u>134,255</u>	<u>1</u>	<u>9,316</u>	<u>—</u>
Net profit (loss)	<u>534,837</u>	<u>4</u>	<u>1,128,445</u>	<u>13</u>
Other comprehensive income (loss) :				
Components of other comprehensive income that will not be reclassified to profit or loss				
Actuarial loss on defined benefit plans	<u>(1,573)</u>	<u>—</u>	<u>(1,782)</u>	<u>—</u>
Income tax related to components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	26,536	—	44,274	—
Unrealized gain (loss) on available-for-sale financial assets	<u>(18,507)</u>	<u>—</u>	<u>(196,282)</u>	<u>(2)</u>
Share of other comprehensive income of subsidiaries and associates accounted for using equity method	<u>98,692</u>	<u>1</u>	<u>(255,702)</u>	<u>(3)</u>
Income tax related to other comprehensive income	<u>(4,511)</u>	<u>—</u>	<u>(4,684)</u>	<u>—</u>
Total other comprehensive income (loss), net of income tax	<u>100,637</u>	<u>1</u>	<u>(414,176)</u>	<u>(5)</u>
Total comprehensive income (loss)	<u>\$ 635,474</u>	<u>5</u>	<u>714,269</u>	<u>8</u>
Earnings per share (in dollars)				
Basic earnings (loss) per share	<u>\$ 0.93</u>		<u>2.06</u>	
Diluted earnings (loss) per share	<u>\$ 0.92</u>			

SINO-AMERICAN SILICON PRODUCTS INC.

Parent-Company-Only Statements of Changes in Stockholders' Equity

Years ended December 31, 2015 and 2014
(expressed in thousands of New Taiwan dollars)

		<u>Retained Earnings</u>					<u>Other Equity</u>				<u>Treasury stock</u>	<u>Total equity</u>
		<u>Common stock</u>	<u>Capital surplus</u>	<u>Legal reserve</u>	<u>Special reserve</u>	<u>Unappropriated earnings (accumulated deficit)</u> <u>Total</u>	<u>Exchange differences on translation</u>	<u>Unrealized gain (loss) on available-for-sale financial assets</u>	<u>other</u>	<u>Total</u>		
Balance at January 1, 2014	\$	<u>5,231,191</u>	<u>14,977,502</u>	<u>213,967</u>	<u>102,349</u>	<u>64,423</u> <u>380,739</u>	<u>(1,489,219)</u>	<u>(802,589)</u>	—	<u>(2,291,808)</u>	—	<u>18,297,624</u>
Net profit for 2014		—	—	—	—	1,128,445 1,128,445	—	—	—	—	—	1,128,445
Other comprehensive profit and loss		—	—	—	—	<u>(50,667)</u> <u>(50,667)</u>	<u>(172,185)</u>	<u>(191,324)</u>	—	<u>(363,509)</u>	—	<u>(414,176)</u>
Total comprehensive profit and loss		—	—	—	—	<u>1,077,778</u> <u>1,077,778</u>	<u>(172,185)</u>	<u>(191,324)</u>	—	<u>(363,509)</u>	—	<u>714,269</u>
Appropriation and distribution of retained earnings (Note1)												
Special reserve used to offset company losses		—	—	—	57,981	<u>(57,981)</u> —	—	—	—	—	—	—
Legal reserve		—	—	6,442	—	<u>(6,442)</u> —	—	—	—	—	—	—
Issuance of common share for acquisition		568,881	2,280,177	—	—	<u>(685,587)</u> <u>(685,587)</u>	<u>(8,206)</u>	—	—	<u>(8,206)</u>	—	2,155,265
Compensation cost arising from issuance of stock from exercising employee stock options and from capital increase by cash reserved for employees		—	22,696	—	—	—	—	—	—	—	—	22,696
Capital surplus cash dividend declared		—	<u>(523,142)</u>	—	—	—	—	—	—	—	—	<u>(523,142)</u>
Issuance of stock from exercising employee stock option		240	1,106	—	—	—	—	—	—	—	—	1,346
Difference of equity accounted investees		—	83,939	—	—	—	—	—	<u>(6,989)</u>	<u>(6,989)</u>	—	76,950
Proceeds from sales of subsidiaries' equity to non-controlling invest		—	<u>153,231</u>	—	—	—	—	—	—	—	—	<u>153,231</u>
Balance at December 31, 2014		<u>5,800,312</u>	<u>16,995,509</u>	<u>220,409</u>	<u>160,330</u>	<u>392,191</u> <u>772,930</u>	<u>(1,669,610)</u>	<u>(993,913)</u>	<u>(6,989)</u>	<u>(2,670,512)</u>	—	<u>20,898,239</u>

See accompanying notes to consolidated financial statements.

SINO-AMERICAN SILICON PRODUCTS INC.

Statements of Changes in Stockholders' Equity (continued)
Years ended December 31, 2015 and 2014
(expressed in thousands of New Taiwan dollars)

Net profit for 2015	—	—	—	—	534,837	534,837	—	—	—	—	—	534,837	
Other comprehensive income (loss)	—	—	—	—	(15,325)	(15,325)	209,540	(93,578)	—	115,962	—	100,637	
Total comprehensive income (loss)	—	—	—	—	519,512	519,512	209,540	93,578	—	115,962	—	635,474	
Appropriation and distribution of retained earnings (Note 2):													
Legal reserve	—	—	39,219	—	(39,219)	—	—	—	—	—	—	—	
Special reserve	—	—	—	352,972	(352,972)	—	—	—	—	—	—	—	
Treasure stock acquired	—	—	—	—	—	—	—	—	—	—	(169,861)	(169,861)	
Compensation cost arising from issuance of stock from exercising employee stock options and from capital increase by cash reserved for employees	—	12,303	—	—	—	—	—	—	—	—	—	12,303	
Capital surplus cash dividend declared	—	(1,044,058)	—	—	—	—	—	—	—	—	—	(1,044,058)	
Subscription of subsidiary capital income	—	873,509	—	—	—	—	—	—	—	—	—	873,509	
Difference of equity accounted investees	—	11,403	—	—	—	—	—	—	3,722	3,722	—	15,125	
Proceeds from sales of subsidiaries' equity to non-controlling invest	—	1,766,025	—	—	—	—	—	—	—	—	—	1,766,025	
Balance at December 31, 2015	\$	5,800,312	18,614,691	259,628	513,302	519,512	1,292,442	(1,460,070)	(1,087,491)	(3,267)	(2,550,828)	(169,861)	22,986,756

Note 1: There was no directors' and supervisors' remuneration and employee bonuses.

Note 2: Remuneration of NT\$11,000,000 for directors and NT\$58,372,000 for employees have been deducted from comprehensive profit and loss table.

SINO-AMERICAN SILICON PRODUCTS INC.

Parent-Company-Only Statements of Cash Flows

Years ended December 31, 2015 and 2014
(expressed in thousands of New Taiwan dollars)

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Income (loss) before tax	\$ 669,092	1,137,761
Adjustments :		
Adjustments for:		
Depreciation	894,326	515,271
Amortization	17,785	1,482
Provision for (reversal of) allowance for doubtful accounts	(114)	466
Interest expenses	65,172	97,751
Interest income	(6,128)	(4,847)
Dividend income	(15,724)	(11,711)
Compensation cost arising from issuance of stock from exercising employee stock options and from capital increase by cash reserved for employees	12,303	22,696
Share of profit or loss of subsidiaries and associates accounted for using equity method	(1,083,387)	(2,121,126)
Loss from disposal and write-off of property, plant and equipment	4,297	(13,532)
Loss on non-financial asset impairment	192,377	444,256
Provision for (reversal of) inventory obsolescence and devaluation loss	32,182	1,317
Expense with no effect on cash flow	4,518	7,516
Total adjustments to reconcile income (loss) before tax	<u>117,607</u>	<u>1,060,461</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets designated as at fair value through profit or loss	—	654
Notes and accounts receivable (including related parties)	(964,657)	251,403
Inventories	(592,150)	(156,553)
Prepayments for materials	534,050	720,568
Other current assets	2,868	119,323
Other financial assets	223	29,146
Total changes in operating assets	<u>(1,019,666)</u>	<u>964,541</u>
Changes in operating liabilities:		
Notes and accounts payable (including related parties)	620,442	(604,214)
Provision	—	(119,519)
Revenue received in advance for sales	(638,920)	(763,317)

Accrued pension liabilities	261	(1,791)
Accrued expenses and other current liabilities	(20,197)	31,072
Total changes in operating liabilities	(38,414)	(1,457,769)
Total changes in operating assets and liabilities	(1,058,080)	(493,228)
Total adjustments	(940,473)	(1,553,698)
Cash inflow (outflow) generated from operations	(271,381)	(415,928)
Interest received	6,063	4,847
Dividend paid	15,724	11,711
Interest paid	(66,600)	(101,446)
Net cash outflows used in operating activities	(316,194)	(500,816)

SINO-AMERICAN SILICON PRODUCTS INC.

Parent-Company-Only Statements of Cash Flows (continued)

Years ended December 31, 2015 and 2014
(expressed in thousands of New Taiwan dollars)

	<u>2015</u>	<u>2014</u>
Cash flows from investing activities:		
Acquisition of loan to related party	\$ (179,675)	—
Acquisition of financial assets available for sale	—	(54,674)
Acquisition of financial assets carried at cost	(2,305)	(169,902)
Acquisition of equity-accounted investees	(799,373)	(423,145)
Acquisition of subsidiaries (excluding cash obtained)	—	904,023
Acquisition of property, plant and equipment	(1,887,495)	(206,752)
Disposal of property, plant and equipment	8,723	31,324
Dividends from equity-accounted investees	1,429,442	1,795,723
Increase in restricted certificate of deposit	21,733	12,182
Decrease in refundable deposits	2,544	96,306
Refund from capital reduction of subsidiaries	—	53,880
Net cash used in investing activities	<u>(1,406,406)</u>	<u>2,038,965</u>
Cash flows from financing activities:		
Increase (decrease) in other payables to related parties	—	(98,357)
Increase in short-term borrowings	400,000	(357,171)
Increase in long-term loans payable	1,599,000	800,000
Repayment of long-term loans payable	(3,467,746)	(864,116)
Payments of cash dividends	(1,044,058)	(523,142)
Stock option for employees	—	1,346
Proceeds from sales of subsidiaries' equity to non-controlling interest	4,223,828	620,625
Treasury stock acquired	(169,861)	—
Net cash flows from financing activities	<u>1,541,163</u>	<u>(420,815)</u>
Net decrease in cash and cash equivalents	(181,163)	1,117,334
Cash and cash equivalents at beginning of year	1,460,560	343,226
Cash and cash equivalents at end of year	\$ <u><u>1,279,123</u></u>	<u><u>1,460,560</u></u>
Fair value of assets and (liabilities) of associates acquired:		
Cash and cash equivalents	\$	904,023
Financial assets designated as at fair value through profit or loss		140,647
Notes and trade receivable, net		680,808
Inventory		341,412
Other current assets		55,964
Other current financial assets		29,386
Prepayment for materials		545,241
Equity-method investments		572,132

Property, plant and equipment	2,375,624
Intangible asset	19,267
Other assets — non-current	27,532
Other assets — non-current financial assets	131,451
Financial liabilities designated as at fair value through profit or loss	(139,993)
Notes and trade payable	(265,458)
Other current liabilities	(294,264)
Provision - non-current	(427,000)
Other liabilities — non-current	(300,891)
Exchange differences on translation of foreign financial Statements	8,206
Fair value of subsidiary's equity at acquisition date	4,404,087
Less: Fair value of associates before acquisition date	(2,240,616)
Issuance of new shares, consolidation	(2,163,471)
Cash proceeds from acquisition of associates	(904,023)
Acquisition of associates	\$ <u><u>(904,023)</u></u>

Attachment 6

Sino-American Silicon Products Inc.

Earnings Distribution Statement Year 2015

(Unit: NTD)

Items	Amount
Beginning unappropriated retained earnings	0
Less: Adjustments to actuarial gain (loss) in defined benefit plans	(15,324,216)
Adjusted beginning unappropriated retained earnings	(15,324,216)
Add: Net income of 2015	534,835,987
Less: Provision as legal reserve	(51,951,177)
Retained earnings available for distribution	467,560,594
Item of distribution:	
Less: Cash dividends (NT\$0.8/per share)	(459,580,921)
Ending unappropriated retained earnings	7,979,673

Note:

1. This result is calculated as of the share amount of 574,476,151 on the market by March 22, 2016 with treasury stock of 5,555,000 excluded. The profit distribution affected by an amendment to relevant laws or regulations, a buyback of shares, a transfer or cancellation of treasury shares to employees, share transfers for domestic convertible bonds, execution of employees' subscription, or any increase/decrease in shares that may affect the share circulation on the market, is proposed that the Board of Directors be authorized to adjust the capital reserve distribution ratio based on the number of actual shares outstanding on the record date for distribution.
2. The distribution shall be rounded to one NT\$ unit according to the holding ratio of shareholders in the register by the ex-dividend date. Distribution less than NT\$1 shall be totalized as other income.

Chairman:

President:

Chief Account: