



Sino-American Silicon Products Inc.

2020
Annual General Shareholders' Meeting
Meeting Handbook

Time: June 24, 2020

Place: 2F, No. 1, Industrial East Rd. 2, Hsinchu Science Park,
Hsinchu, Taiwan, R.O.C

Science Park Life Hub/Darwin Hall

Translation –In case of any discrepancy between the Chinese and English versions,
the Chinese version shall prevail.

Table of Contents

2020 ANNUAL GENERAL SHAREHOLDERS' MEETING PROCEDURE	P1
2020 ANNUAL GENERAL SHAREHOLDERS' MEETING AGENDA	P2
REPORT ITEMS	P3
APPROVAL ITEMS	P5
DISCUSSION ITEMS	P6
ELECTION ITEMS.....	P10
OTHER MATTER.....	P10
EXTEMPORE MOTION	P11
ATTACHMENT 01 – 2019 Business Report	P12
ATTACHMENT 02 – Audit Committee Review Report	P17
ATTACHMENT 03 – Independent Auditors Report & 2019 Financial Statements	P18
ATTACHMENT 04 – Profit Distribution Table	P37
ATTACHMENT 05 – Comparison Chart of Ethical Corporate Management Best Practice Principles	P38
ATTACHMENT 06 – Comparison Chart of Procedures for Ethical Management and Guidelines for Conduct ...	P44
ATTACHMENT 07 – Comparison Chart of Codes of Ethical Conduct	P50
ATTACHMENT 08 – Comparison Chart of Articles of Incorporation	P52
ATTACHMENT 09 – Director (Includes Independent Director) Candidates	P54
APPENDIX 1 RULES AND PROCEDURES OF SHAREHOLDERS' MEETING	P57
APPENDIX 2 ARTICLES OF INCORPORATION	P61
APPENDIX 3 Ethical Corporate Management Best Practice Principles	P68
APPENDIX 4 Procedures for Ethical Management and Guidelines for Conduct	P73
APPENDIX 5 Codes of Ethical Conduct	P80
APPENDIX 6 Rules for Election of Directors.....	P83
APPENDIX 7 SHAREHOLDINGS OF DIRECTORS	P85
APPENDIX 8 OTHER STATEMENT ITEMS	P86

Sino-American Silicon Products Inc.
2020 Annual General Shareholders' Meeting Procedure

1. Call Meeting to Order
2. Chairman's Address
3. Report Item
4. Approval Item
5. Discussion Item
6. Election Item
7. Other Matter
8. Extempore Motion
9. Meeting Adjourned

Sino-American Silicon Products Inc.

2020 Annual General Shareholders' Meeting Agenda

Time: 9:00 a.m., Wednesday, June 24, 2020

Place: 2F, No. 1. Industrial East Road 2, Hsinchu Science Park, Hsinchu

(Science Park Life Hub/Darwin Hall)

1. Call Meeting to Order
2. Chairman's Address
3. Report Items
 - (1) 2019 business report
 - (2) Audit committee's report on 2019 budgets
 - (3) Distribution report on 2019 compensation for employees and directors
 - (4) Report on 2019 cash dividend distribution via earning and capital reserve
 - (5) Report on rejection on private placement of common shares after the expiration date
 - (6) Reports on short-form merge with subsidiary, Sunrise World PV Co.
 - (7) Amendments to "Ethical Corporate Management Best Practice Principles"
 - (8) Amendments to "Procedures for Ethical Management and Guidelines for Conduct"
 - (9) Amendments to "Codes of Ethical Conduct"
4. Approval Items
 - (1) 2019 business report and financial statements
 - (2) 2019 profit distribution
5. Discussions
 - (1) Amendments to the "Articles of Incorporation"
 - (2) Issuance of new shares through GDR or Private Placement
6. Election Item
 - (1) The election of directors.
7. Other Matter
 - (1) Release the prohibition on new director from participation in competitive business
8. Extempore Motion
9. Meeting Adjourned

Report Items

- Item 1** 2019 Business report
Please refer to the Fiscal 2019 Business Report as attached in this handbook.
- Item 2** Audit committee's report on 2019 budgets
Please refer to the Audit Committee's 2019 Review Report as attached in this handbook.
- Item 3** Distribution report on 2019 compensation for employees and directors
(1) The company 2019 earning (before deducting remuneration to employees and directors from Profit before Tax) is NT\$ 2,564,537,361. Pursuant to Article 27 of Articles of Incorporation, if the Company is profitable at the end of each fiscal year, 3~15% of the profit shall be appropriated for the employees' remuneration and no more than 3% shall be appropriated for directors' remuneration.
(2) The Company is proposed to distribute NT\$196,400,000 to employees (distribution ratio 7.66%) and NT\$41,790,000 to directors (distribution ratio 1.63%). Distribution to both employees and directors shall be paid in cash.
(3) Employees' remuneration shall be paid in accordance with article 27 of the articles of association, the amount of which shall be comprehensively considered with reference to seniority, rank, work performance, overall contribution or special merit and shall be solely handled by the chairman.
Qualification requirements of employees entitled to receive remuneration are based on Article 27 of Articles of Incorporation. Remuneration amount shall be determined by the chairman after consideration to employees' seniority, position, work performance, overall contribution or special dedication etc.
- Item 4** Report on 2019 cash dividend distribution via earning and capital reserve
(1) 2019 net profit is NTD 2,248,385,562; cash dividend to be appropriated to each shareholder is NTD 2.5843 per share, totaled NT\$ 1,514,972,613.
(2) The Company plans to appropriate NTD 2.4157 per share to each shareholder from capital reserve derived from the issuance of new shares at a premium, totaled NT\$ 1,416,135,642. The distribution ratio is determined by the holding ratio of shareholders in the register of shareholders on the record date of the distribution.

- (3) Upon the approval of the Annual General Meeting, the ex-dividend date will fall on July 29, 2020 and August 14, 2020, the payment date. The capital premium will be distributed in cash rounding to dollar unit. The total amount of the odd distribution below NT\$1 will be included in other income.
- (4) In the event that the proposed capital reserve distribution is affected by a buyback of shares, or issuance or cancellation of transferring treasury shares to employees and execution of warrant etc. It is proposed that the chairperson to be authorized by shareholder meeting to adjust the cash to be distributed to each share based on the number of actual shares outstanding on the record date for distribution with reference on earning and capital distribution amount.

Item 5 Rejection on the private placement of common shares after the expiration date
According to the resolution of AGM on June 27, 2019 and Article 43-6 of Securities Exchange Act, new shares within the issuance of 85,000,000 shares will be expired on June 26, 2020. Rejection will be conducted from the expiration date.

Item 6 Reports on short-form merge with subsidiary, Sunrise World PV Co.

- (1) For better group management efficiency, in accordance with Article 316-2 of the Company Act and Article 19 of the Business Mergers And Acquisitions Act, the Board of Directors resolved on December 12, 2019, to execute a short-form merger with Sunrise World PV Co., the subsidiary (hereinafter referred to as Sunrise) which the Company owns 100%. After the merger, the Company will be the surviving company, and Sunrise will be the dissolved company. The name of the Company after the merger will still be Sino-American Silicon Products Inc..
- (2) Merge record date is January 31, 2020. The legal merger procedure is complete.
- (3) The merger is approved and registered by Hsinchu Science Park Bureau on February 19, 2020 with approval no. Chu-Com-1090005523.

Item 7 Amendments to “Ethical Corporate Management Best Practice Principles”
In compliance with laws and operational needs of the Company, amendments have been made to the “Ethical Corporate Management Best Practice Principles”.
Please refer to the comparison chart of the “Ethical Corporate Management Best Practice Principles” as attached in this handbook.

Item 8 Amendments to “Procedures for Ethical Management and Guidelines for Conduct”
In compliance with laws and operational needs of the Company, amendments have been made to the “Procedures for Ethical Management and Guidelines for Conduct”. Please refer to the comparison chart of the “Procedures for Ethical

Management and Guidelines for Conduct” as attached in this handbook.

Item 9

Amendments to “Codes of Ethical Conduct”

In compliance with laws and operational needs of the Company, amendments have been made to the “Codes of Ethical Conduct.”

Please refer to the comparison chart of the “Codes of Ethical Conduct” as attached in this handbook.

Approval Items

Item 1

(Proposed by the Board of Directors)

Motion: To accept FY 2019 business report and financial statements

- (1) The SAS 2019 Financial Statements (consolidated and standalone) were audited by KPMG CPAs, Cheng-chien Chen and Ann-chih Cheng. The aforementioned and FY 2019 business report have been approved by the audit committee.
- (2) Please refer to the Business Report and the Financial Statements as attached in this handbook.
- (3) Approval requested

Resolution:

Item 2

(Proposed by the Board of Directors)

Motion: To approve the 2019 profit distribution proposal

- (1) 2019 net profit is NTD 2,248,385,562; cash dividend to be appropriated to each shareholder is NTD 2.5843 per share, totaled NT\$ 1,514,972,613.
- (2) In accordance with the aforesaid, it is proposed that the ex-dividend date be July 29th, 2020 and August 14th, 2020 the distribution date. 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 profit 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 chairman shall 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) See the 2019 profit distribution as attached in this handbook.

(5) Resolution requested

Resolution:

Discussion Items

Item 1

(Proposed by the Board of Directors)

Motion: Amendment to the “Articles of Incorporation”

- (1) In compliance with the Company Act and the operational needs of the Company, amendments have been made to the “Articles of Incorporation.”

Please refer to the comparison chart of the Articles of Incorporation as attached in this handbook.

- (2) Resolution requested

Resolution:

Item 2

(Proposed by the Board of Directors)

Motion: Discussion on issuance of new shares through GDR or local SPO or Private Placement

Description:

- (1) To meet the development of alliance with major companies and to increase working capital, or overseas purchase, prepayment of bank loan, purchase of equipment and machinery for future needs, and long-term investments and/or others to improve competitiveness, the Company proposes to authorize the Board to issue new stocks up to 85,000,000 shares under appropriate conditions and in determination of the method of stock issuance in common shares or in GDR for common shares or private placement for common shares, and adjustment of issuing size within the said quota at once or through installment (less than twice for private placement).

- (2) Principles and Conducting of Raising Funds

1. The issuance of new common shares for capital increase in cash

Pursuant to the Article 28-1 of Securities and Exchange Act, Board of Directors delegates Chairman to choose either book building or public application regarding underwriting and proceed as below:

- I. Book Building

Unless otherwise the Article 267 of the company law to retain 10%-15% new issuance shares for the company employees, and the remaining 85%-90% according to the Securities and Exchange Act Rule 28-1, shall be all provided with public application in

the book building method. In case the actual purchases of the reserved stock options for the employees falls short, the chairman is authorized to negotiate with specific parties to purchase those shares at the issue price in accordance with the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms.

The issue price by the Taiwan Securities Association Rules Governing Issue Company raising and issuing securities (hereinafter "Discipline Principles") may not be lower than 90% of the average closing prices of common shares of the Company for either one, three, or five business days before either the date on which the application is filed at Taipei Exchange or the five business days before the ex-rights date. The aforementioned price should be determined in compliance with related requirements of competent authorities. The Board of Directors will be authorized to negotiate with the lead underwriter to have actual price determined in light of market status.

II. Public Application Offering

Pursuant to the Article 267 of Company Act, 10%-15% of the new share issuance will be reserved for employees' preemptive subscription and 10% will be reserved for public offer. The remaining 75%-80% of the share issuance will be reserved for preemptive purchase of original shareholders based on the shareholder's name and his/her shares registered in the shareholders roster at the dividend record date. For the issuance not subscribed by employees and the original shareholders in proportion or as a whole, the chairman of the Board is to be authorized to negotiate with specific parties to purchase shares at issuing price. The issue price of new common shares from the cash capital increase may not be lower than 70% of the average closing prices of common shares of the Company for either the one, three, or five business days before either the date on which the application is filed with the Financial Supervisory Commission or the five business days before the ex-rights date. The average closing price mentioned above shall be after adjustment for any distribution of stock/cash dividends or capital reduction.

2. The issuance of GDR for the new common shares from cash capital increase:

I. Pursuant to the Article 267 of Company Act, 10%-15% of the share issuance will be reserved for employees' preemptive subscription. For those stocks not subscribed by employees in proportion or as a whole, the chairman of the Board is to be authorized to negotiate with specific parties to purchase the unsubscribed share in common stock or GDR of subscription at the issuing price in accordance with the market development. For the remaining 85%-90% of issuance, based on the Article 28-1 of the Securities and Exchange Act, the board proposes to offer through public application offering for the issuance of GDR according to the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms.

II. The issuing price of new common shares for capital increase in cash or the issuing

price of GDR for the new common shares from cash capital increase is to be determined based on general practices worldwide and it shall not affect shareholder's interests. However, the final issuing price is to be determined by the lead underwriter and the Chairman of the Board who is authorized by the Shareholders' Meeting by referring to market conditions at the time of issuance; also, it must be in compliance with related requirements of competent authorities.

- a. According to the "Disciplinary Rules", the issuing price of the new common shares from cash capital increase may not be lower than 90% of the closing price of common shares at Taipei Exchange on the price determination day or 90% of average closing price of the common shares of the Company for either one, three, or five business days before the price determination date, after adjustment for any distribution of stock/cash dividends or capital reduction. The aforementioned price may adjust when variation occurred in domestic requirements. Since domestic share price may vary excessively within a short period, the Chairman of the Board of Directors will be authorized to negotiate with the lead underwriter to have actual price determined in light of international conventions, capital market, domestic share price and overall book building.
- b. For the rights of original shareholders, the issuance of new shares for cash capital increase up to 85,000,000 common shares will have the maximum dilution effect of at 14.50%. The funds raised from the capital increase in cash shall generate sustainable growth in Company's business; reinforce competitiveness, and surely benefit shareholders. GDR issue price is determined according to fair value domestically. Original shareholders may purchase common stock in domestic market at Taipei Exchange for the price close to GDR price, exempting from currency and fluidity risks. There is no huge impact on original shareholders.

3. Private placement for common shares for capital Increase by cash:

The issuance plan of private placement for common shares is conducted pursuant to Article 43-6 of Securities Exchange Act and Directions for Public Companies Conducting Private Placements of Securities.

I. The necessity of private placement

- a. The reasons for not taking a public offering:

Consider the capital market status, effectiveness of financing, feasibility, issuance cost, and actual requirement of bringing in strategic investors. With the limit of no-trading period of 3 years, it is better to maintain a long-term relationship with strategic partners by such security issuance of private placement. Therefore, the Company proposed to raise capital through private placement, rather than public offering.

b. The amount of the private placement: less than 85,000,000 shares.

c. The capital usage plan and projected benefits of private placement:

In response to strategic alliance development or operational funds increase, overseas purchase, reimbursement of bank loan, purchase of machinery and equipment or reinvestment and any capital needs in the future, single or twice private placement at the maximum can be executed in terms of the market condition in order to bring in long-term funds at appropriate time responding to the rapidly changing industry environment and strengthening the equity structure and competitiveness of the company.

II. The rationality to determine the price of private placement:

The common stock price per share shall be no less than 80% of the reference price.

The reference price is set as the higher of the following two basis prices:

a. The average closing price from either 1, 3 or 5 days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction.

b. The average price of 30 days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction.

The pricing date, actual issuance price are proposed to authorize the Board to determine after taking into consideration the market status, objective conditions.

The price determination above shall follow regulations from government authorities.

III. The method to determine specific parties:

No specific subscriber, selected in accordance with Article 43-6 of Security and Exchange Act, has been appointed for the private placement for common shares. The strategic investors have the priority to be considered as specific parties for private placement to meet the Company's needs on technology cooperation and operation strategy.

Relevant matters about specific subscribers shall be authorized to the chairman for full responsibility.

IV. The necessity of subscribers to be strategic investors and projected benefits:

In responding to the need of a long-term development of the company, the strategic investors will meet the company's needs on technology cooperation, quality improvement, cost reduction, stable supplier source of key components, efficiency enhancement and market expansion through their skill, knowledge, brands or channels.

V. Rights and obligations for this private placement for common shares are basically the same with those of issued common shares of the company while according to the relevant rules of Security and Exchange Act, no-trading period of 3 years is to be followed. The private placement for common shares can be offered in public for

trading after 3 years.

VI. The issue price of the private placement for common shares (except the markup pricing), issuance conditions, issuance regulations etc. shall be proposed to authorized the Board to determine all related issues according to any changes in regulation, market or reviews from the authorities.

- (3) After the approval by the shareholders' meeting on the domestic capital increase by cash or the issuance of new shares and/or GDR for cash capital increase and/or the private placement for common shares, the Board is authorized to determine public offering or private placement of the issuance of common shares, conditions, volume, pricing, amount, fund usage, project items, project schedule, possible projected production benefits, record date for the capital increase and relevant matters of the private placement including commands from the authorities or market and objective environmental alteration, and others not included.
- (4) Rights and obligations about the issuance of new shares are the same with those of the issued shares.
- (5) Resolution requested

Resolution:

Election Item

Item 1

(Proposed by the Board of Directors)

Motion: Discussion on Election of Directors

- (1) The tenure of the 13th-term directors will be expired on June 26, 2020, and proposes to elect all directors in this shareholder meeting.
- (2) Pursuant to "Articles of Incorporation", the Company elects ten directors among whom include three independent directors for the 14th-term. The term of new directors is effective immediately after the election, and shall serve for a term of three years (2020/6/24~2023/6/23)
- (3) The Company adopts the candidate nomination system. Please refer to the Independent Director Candidates as attached in this handbook.
- (4) Election requested

Election Result:

Other Matter

Item 1

(Proposed by the Board of Directors)

Motion: Release of the newly elected director from the non-competition restrictions

- (1) Pursuant to Article 209 of the Company Act, A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) To rely on expertise and relevant work experiences of directors, hereby request the shareholders' approval to release the director and his/her legal representatives from the non-competition restrictions, and apply the additional explanation to his/hers status before this motion being discussed.
- (3) Resolution requested

Resolution:

Extempore Motion

Meeting Adjourned

Attachment 1

Sino-American Silicon Products Inc.

2019 Business Report

Dear Shareholders,

Thank you for attending the 2020 Shareholders' Meeting of Sino-American Silicon Products Inc. and for your support and love for the Company.

Impacted by the trade tension in-between China and the United States as well as the subsidy program of Chinese Government, the sluggish multicrystal market had gotten worse. Domestic solar system makers were facing severe challenges such as monocrystal domination, dropping selling price, the monopolization of major players they aimed to strengthen and improve operating structure by turning sales from abroad to domestic and even layoff. Moreover, with the frustrating domestic installation was only about 1.3 GW in 2019, SAS also prevented and decrease the risk by lowering the inventory and adjusting the combinations of the products as well as rational deployment of manpower. Though the onerous contract provision on the solar polysilicon LTA totaled NT\$4.35 billion loss SAS made in 2019 Q2 has impact its earning, with the contribution by its semiconductor subsidiary, GlobalWafers (GWC), SAS managed to reach NT\$ 65.51 billion for the group's consolidated revenue in 2019, which decreased 5.39% compared to NT\$ 69.24 billion in 2018; net income after tax attributed to the parent company reached NT\$ 2.25 billion and EPS after tax reached NT\$3.86. The gross profit and net income in 2019 both were the best record ever!

The operating results in 2019 and the business plan in 2020 are reported as follows:

I. Operation Performance in 2019

(I) Operation Performance

Unit: NT\$ thousands

Item \ Year	2019 (IFRSs)	2018 (IFRSs)	Percent Change (%)
Revenue	65,510,225	69,238,945	-5.39
Operating Costs	46,242,686	50,597,092	-8.61
Gross Profit	19,267,539	18,641,853	3.36
Operating Expenses	5,752,118	5,464,348	5.27
Operating Income (loss)	13,515,421	13,177,505	2.56
Profit Before Tax (loss)	13,924,169	13,318,233	4.55
Net Income (loss)	8,895,345	8,635,480	3.01
Net Income (loss) attributable to the parent company	2,248,386	1,950,503	15.27

2019 was a challenging year for solar industry resulted by the capacity migrating to monocrystal and geopolitical tariff issue, application also shifts to achieve the connection to grid at an equal price sooner, product size and conversion efficiency in are extensive and abundant in monocrystalline application. The decreasing subsidy and demand shifting to monocrystal urged multicrystal makers to focus on monocrystal instead, an turning sales target from abroad to domestic, prices were impacted by oversupply. However, in such condition, SAS continuously worked on enhancing conversion efficiency of the high-efficiency solar cell, differentiating multicrystal ingot application from peers, aggressive cost control, phasing out uncompetitive products, improving finance structure and actively yet cautiously selecting customers and alliances to escalate the SAS' operating efficiency and competitiveness. On the other hand, the semiconductor subsidiary of SAS, GlobalWafers, ended 2019 on a high note with NT\$ 58.09billion of consolidation revenue, NT\$13.64 billion of net income attributed to the parent company and NT\$31.35 EPS after tax.

(II) Budget Implementation: No financial forecast for 2019.

(III) Financial Income and Expenditure and Profitability Analysis

Item			2019	2018
Financial structure	Debt to asset ratio (%)		55.55	53.92
	Long-term capital to property, plant and equipment (%)		196.70	197.21
Profitability analysis	Return on assets (%)		8.45	9.11
	Return on equity (%)		18.43	18.84
	Percentage in paid-up capital (%)	Operating profit	230.55	224.75
		Pre-tax net profit	237.52	227.15
	Net Profit Margin (%)		13.58	12.47
	EPS (NT\$)		3.86	3.36

(IV) Financial Structure

(Expressed in NT\$ thousands)

2019 revenue is NT\$ 65,510,225; operating cost is NT\$ 46,242,686. Operating expense is NT\$ 5,752,118. Non-business expenditure is NT\$ 408,748. Net profit before tax is NT\$ 13,924,169. Net profit after tax is NT\$ 8,895,345. The financial structure is healthy.

(V) Research & Development

1. 2019 Research & Development Expenditure

Unit: NT\$ thousands

Item/Year	2019	2018
Research and Development Expenses	1,844,789	1,849,867
Sales Revenue	65,510,225	69,238,945
R&D expenses as a percentage of net revenue (%)	2.82	2.67

2. 2019 Achievement

Technology/Product

- (1) Products of Silicon-Based Application
- (2) Ultra High Efficiency Mono-Si Solar Cell

3. Future Plan:

- (1) Ultra High Efficiency P-Type Mono-Si Solar Cell
- (2) Development of SiO Cathode Materials lithium-ion batteries

II. 2020 Business Plan

(I) Business Guideline

- (1) Actively seek the blue ocean market, and use excellent materials and process technology to develop a niche application market.
- (2) The Company is the leader in manufacturing and supplying monocrystal PERC P-type cells. SAS will simplify product types and develop low-cost and high-efficiency cells to maintain market competitiveness.
- (3) Strive to accelerate the development of the next-generation new products with high efficiency and cost-effectiveness.
- (4) Utilize the Group's resources for vertical integration to expand the market and make profitable investment plans for power plants.

(II) Sales Forecast

As the price of solar modules decreases, the global demand for solar power grid parity will continue to grow. Pv info Link analysts estimate that global solar power demand will reach 134.3GW in 2020 with 10.7% growth, and monocrystal high-efficiency products will become the mainstream trend. However, the out spread of COVID-19 brings much uncertainty to the market and industry which predicted would impact the market in China for 20% and 10% for the global market. As the result, conservative estimate the growth would reach 116.7GW instead. In view of this, the Company will closely grasp market and industry trends, adjust business strategies simultaneously, and develop the next-

generation super-efficient products to enhance the Company's operation competitiveness.

(III) Production & Marketing Strategy

- (1) Develop new customers and strengthen cooperation with non-Chinese market regions to improve the ability to respond to market changes.
- (2) Strengthen R&D links with downstream customers to develop efficient niche products with core technological capabilities.
- (3) Enhancing the added value and actively reduce manufacturing costs to increase profit margins.
- (4) Explore the downstream system business, strengthen vertical integration and global layout, further expand the product market, and increase operating profit margin.

(IV) Future Strategy

- (1) Continuously develop and enhance the quality-price ratio of solar products.
- (2) Build a solid competitive position through resource integration, cost reduction, and technology and product differentiation strategies.
- (3) Actively give play to the strategic layout of solar power plants, develop new solar energy system investment partners, and create the Group's terminal market to obtain long-term stable returns.
- (4) Establish a fully integrated supply chain in the upper, middle and lower reaches, spread operational risks through vertical integration and diversified business strategies, and become the world's provider of green energy solutions with leading technologies.

(V) Influences from External Competition, Regulations and Economy

- (1) In response to a number of competitors and oversupply, the Company has accelerated the exploration of new customers and continued to develop new products with high cost effectiveness. At the same time, we also accelerate the integration of downstream system power stations to strengthen the downstream market of the Group's products.
- (2) In order to cope with the impact of oversupply in the market, which causes price dropping of products, the Company will strengthen its R&D links with downstream customers and develop efficient niche products through core technology capabilities to increase the added value.
- (3) Enhance confidentiality control and establish global core patent distribution strategy to improve international competitiveness and respond to market changes.

As the uncertainty that cause by the outbreak of COVID-19, the industry and market are facing

various challenges and the rapidly changing environment. Even though the PV-info Link analysis expects to have 134 GW solar installations in 2020, considering the situation nowadays, a conservative estimate of the solar installations shall be around 116.7 GW. To enhance overall performance, SAS will continually dedicate on innovation, cost reduction, accumulating its competitiveness, synchronizing its management strategy with the ever-changing market and vertical integration via solar power plants. SAS is confident in its global deployment and resource integration in solar and semiconductor business, aiming to solidify its operation performance and contribute new summit, becoming a sustainable and green business with solid foundation of revenue and profit, creating higher value for the shareholders.

Finally, I would like to thank all shareholders for their long-term support and encouragement. I hope that all shareholders will continue to give the Company their love and support. On behalf of all our colleagues and the Board of Directors, I would like to express my sincere thanks.

I wish you good health and all the best.

Chairman Ming-Kuang Lu

President Hsiu-Lan Hsu

Chief Account Hsiu-Ling Hsu

Attachment 2

Audit Committee Review Report

The Board of Directors has prepared the Company's 2019 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 Chen-chien Chen, CPA, and Ann-chih Cheng, 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 audit committee 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

March 19, 2020

Attachment 3

(English translation of consolidated financial statements originally issued in
Chinese is unaudited and for information purpose only; The Chinese version shall prevail.)

Independent Auditors' Report

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

Opinion

We have audited the consolidated financial statements of Sino-American Silicon Products Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on the audit results of the accountant and the audit report of other accountants the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC"), and the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on the audit results of the accountant and the audit report of other accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

Among the investments included in the consolidated company under equity method, the financial statements of Crystalwise Technology Inc. have not been checked by the accountant and have been checked by other accountants. Therefore, among the opinions expressed by the accountant on the consolidated financial statements, the amount booked in the financial statements of is based on the audit report of other accountants. The amount of investment in Crystalwise Technology Inc. under equity method was 0.4% On December 31. The share of gain or loss of related companies under equity method for January 1 to December 31, 2018 accounted for (3)% of the net profit before tax respectively.

The consolidated company has prepared standalone financial statements for 2019 and 2018, and the audit report issued by the accountant with unqualified opinions plus other matters is available for reference.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audits of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

1. Revenue recognition of customer contracts

Please refer to note 4(15) “Revenue recognition” for accounting policy and note 6(25) “Revenue from contracts with customers” of the consolidated financial statements for further information.

Description of key audit matter:

The main source of Revenue of the semiconductor business unit of the consolidated company is the sales of semiconductor silicon crystal materials and their components. The recognition of operating revenue is determined according to the trading conditions agreed with the customers. As the transaction volume is large and from globalized operation locations, as a result, the accountant has recognized the Revenue as one of the important evaluation items for the implementation of the consolidated financial report audit.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included understanding of revenue recognition policies and assessing whether revenue recognition policies are appropriate based on sales terms and revenue recognition criteria; understanding the design and process of implementation of internal controls and testing operating effectiveness; testing selected sales samples and agreeing to customer orders, delivery note and related documentation supporting sales recognition; testing sales cut-off, on a sample basis, for transactions incurred within a certain period before or after the balance sheet date by reviewing related sales terms, inspecting delivery documents, and other related supporting document to evaluate whether the revenue was recorded in proper period.

2. Assessment of impairment loss on property, plant and equipment

For the accounting policy of asset impairment, please refer to Note 4 (13) of the consolidated financial statements for impairment of non-financial assets; for accounting hypothesis and estimated uncertainty of assessment of impairment loss on property, plant and equipment(including right of use assets), please refer to Note 5 (1) of the consolidated financial statements. For notes to the assessment of impairment loss on property, plant and equipment, please refer to Note 6 (11) and 6(12) of the consolidated financial statements.

Description of key audit matters:

The industry in which the solar power business unit of the consolidate company is located is subjected to fluctuations due to the market environment and the energy policies of various governments, with fierce market competition and continuous price drop of products. Therefore, the assessment of impairment loss on property, plant and equipment is important; the asset impairment assessment includes Identifying the cash-generating unit, determining the evaluation method, selecting important assumptions, and calculating the recoverable amount that must rely on the subjective judgment of the management. The evaluation process is complicate d and contains the subjective judgment of the management. Therefore, the accountant booked it as one of the important audit matters.

Audit procedure implemented:

The principal audit procedures for the above key audit matters by the accountant include: assessing whether the cash-generating unit and its related tested assets that the consolidated

company management has identified to impair show possible signs of impairment, and further understanding and testing the evaluation models and key assumptions such as future cash flow projections, use period and weighted average cost of capital that the management use in the impairment test, including expected product Revenue, costs and expenses, and assessing the accuracy of previous management forecasts; and carrying out sensitivity analysis of results. Furthermore, the management authority is also consulted on relevant procedures in order to identify whether there will be matters capable of affecting the impairment test result in the future after the financial statements. And assess whether the consolidated company has properly disclosed the policy of long-term non-financial asset impairment and other related information

3. Impairment of goodwill

Please refer to the note 4(13) “Intangible assets” for accounting policy, note 5(2) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty” for impairment assessment, and note 6(13) “Intangible assets” for further details.

Description of key audit matter:

The Group is in a capital intensive industry, with goodwill arising from business combinations. Moreover, the Group operates in an industry in which the operations are easily influenced by various external factors, such as market conditions and governmental policies. Therefore, the assessment of impairment of goodwill is one of the key areas in our audit. The assessment procedures, including identification of cash-generating units, valuation models, selection of key assumptions and calculations of recoverable cash inflows, depend on the management’s subjective judgments, which contained uncertainty in accounting estimations. Consequently, this is one of the key areas in our audit.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included: assessing triggering events identified by management for impairment indicators existing in a cash-generating unit, assessing whether the assumptions used for evaluating the recoverable amount are reasonable; evaluating the achievement of prior year financial forecasts; inspecting the calculations of recoverable amounts; assessing the assumptions used for calculating recoverable amounts and cash flow projections; performing the sensitivity analysis based on key factors; assessing whether the accounting policies for goodwill impairment and other relevant information have been appropriately disclosed.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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 with the IFRSs, IASs, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Chien, Chen and An-Chih, Cheng.

KPMG

Taipei, Taiwan (Republic of China)

March 19, 2020

Sino-American Silicon Products Inc. and subsidiaries
Consolidated Balance Sheet
December 31, 2019 and 2018

Expressed in thousands of New Taiwan Dollars

		2019.12.31		2018.12.31				2019.12.31		2018.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (Note 6(1))	\$ 34,901,425	32	36,829,131	35	2100	Short-term borrowings (Note 6 (14) and 8)	\$ 11,465,075	11	9,334,809	9
1110	Financial assets at fair value through profit or loss—current (Note 6(2))	1,883,576	2	323,548	-	2120	Financial liabilities at fair value through profit or loss—current (Note 6(2))	216,700	-	119	-
1136	Current financial assets at amortized cost (Note 6(4) and 7)	240,068	-	-	-	2130	Contract liabilities - current (Note 6 (25), 7 and 9)	4,128,893	4	4,662,837	5
1170	Notes and accounts receivable, net (Note 6(5)and 25)	8,434,249	7	9,767,417	9	2170	Notes and accounts payable	4,171,687	4	5,184,889	5
1180	Accounts receivable due from related parties, net (Note 6(25) and 7)	72,965	-	113,915	-	2180	Accounts payable to related parties (Notes 7)	8,008	-	51,342	-
130X	Inventories (Note 6(6))	7,398,293	7	7,881,367	8	2201	Payroll and bonus payable	2,851,934	3	2,295,168	2
1476	Other financial assets – current (Note 8)	913,823	1	770,117	1	2250	Provision – current (Note 6 (18) and 9)	232,256	-	10,074	-
1479	Other current assets	1,321,234	1	1,575,354	2	2230	Current tax liabilities	2,692,745	2	2,127,809	2
		<u>55,165,633</u>	<u>50</u>	<u>57,260,849</u>	<u>55</u>	2399	Other current liabilities (Note 6 (16),(17) and 7)	4,393,096	4	6,486,646	6
Non-current Assets:								<u>30,160,394</u>	<u>28</u>	<u>30,153,693</u>	<u>29</u>
1513	Financial assets at fair value through profit or loss—non current (note 6(2))	95,163	-	-	-	2527	Contract liabilities-non-current (Note 6 (25), 7 and 9)	17,280,344	16	15,712,134	15
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (3))	332,185	-	1,204,924	1	2540	Long-term borrowings (Note 6 (15) and 8)	-	-	2,040,200	2
1535	Financial assets measured at amortized cost - non-current (Note 6 (4) and 7)	267,612	-	281,366	-	2550	Provision – non current (Note 6 (18) and 9)	4,674,648	4	1,014,869	1
1550	Investments accounted for using equity method (Note 6 (7))	3,248,537	3	2,041,896	2	2570	Deferred tax liabilities (Note 6 (21))	4,813,876	4	3,664,664	4
1600	Property, plant and equipment (Note 6 (11) and 8)	40,276,715	37	37,438,555	36	2600	Other non-current liabilities (Note 6 (16) and (17))	887,803	1	312,861	-
1755	Right of use assets (Note 6 (12))	913,609	1	-	-	2640	Net defined benefit liabilities-non-current (Note 6 (20))	2,950,390	3	3,173,029	3
1780	Intangible assets (Note 6 (13))	3,227,583	3	3,649,397	4			<u>30,607,061</u>	<u>28</u>	<u>25,917,757</u>	<u>25</u>
1840	Deferred tax assets (Note 6 (21))	1,927,636	2	1,514,843	2		Total liabilities	<u>60,767,455</u>	<u>56</u>	<u>56,071,450</u>	<u>54</u>
1990	Other non-current assets (Note 6 (20) and 8)	788,017	1	267,825	-	3110	Equity (Note 6 (22)and (23))	5,862,367	5	5,863,207	6
1980	Other financial assets – non-current (Note 8)	3,140,806	3	325,660	-	3170	Ordinary shares	(150)	-	(330)	-
		<u>54,217,863</u>	<u>50</u>	<u>46,724,466</u>	<u>45</u>		Pending share capital	<u>5,862,217</u>	<u>5</u>	<u>5,862,877</u>	<u>6</u>
Total assets		<u>\$ 109,383,496</u>	<u>100</u>	<u>103,985,315</u>	<u>100</u>	3200	Capital surplus	<u>21,072,595</u>	<u>19</u>	<u>21,757,292</u>	<u>21</u>
							Retained earnings:				
						3310	Legal reserve	462,354	-	311,579	-
						3320	Special reserve	513,302	1	513,302	1
						3350	Unappropriated retained earnings (accumulated loss)	2,591,235	2	1,507,753	1
								<u>3,566,891</u>	<u>3</u>	<u>2,332,634</u>	<u>2</u>
						3400	Other equity interest	(3,831,462)	(3)	(3,071,087)	(3)
							Total equity attributable to shareholders of Sino-American Silicon Products Inc.	<u>26,670,241</u>	<u>24</u>	<u>26,881,716</u>	<u>26</u>
						36XX	Non-controlling interests (Note 6 (8 and 9))	21,945,800	20	21,032,149	20
							Total equity	<u>48,616,041</u>	<u>44</u>	<u>47,913,865</u>	<u>46</u>
							Total liabilities and equity	<u>\$ 109,383,496</u>	<u>100</u>	<u>103,985,315</u>	<u>100</u>

(Please read the attached notes to the consolidated financial statements for details)

Sino-American Silicon Products Inc. and subsidiaries
Consolidated Statements of Comprehensive Income
from January 1 to December 31, 2019 and 2018

Expressed in thousands of New Taiwan dollars

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenue (Note 6 (25) and 7)	\$ 65,510,225	100	69,238,945	100
5000	Operating costs (Note 6 (6), (12),(13),(19),(20),(26) and 7)	46,242,686	71	50,597,092	73
	Gross profit from operations	19,267,539	29	18,641,853	27
	Operating expenses (Note 6 (12),(13),(19),(20),(26) and 7)				
6100	Selling expenses	1,396,627	2	1,416,904	2
6200	Administrative expenses	2,513,345	4	2,094,839	3
6300	Research and development expenses	1,844,789	3	1,849,867	3
6450	Impairment loss determined in accordance with IFRS 9 (Note 6(5))	(2,643)	-	102,738	-
	Total operating expenses	5,752,118	9	5,464,348	8
	Net operating income	13,515,421	20	13,177,505	19
	Non-operating income and expenses:				
7010	Other Revenue (Note 6 (27) and 7)	767,209	2	517,896	-
7020	Other gains and losses, net (Note 6 (28))	136,376	-	71,244	-
7050	Financial costs	(150,407)	-	(212,003)	-
7060	Shares of profit of associates and joint ventures accounted for using equity method (Note 6 (7))	(344,430)	(1)	(236,409)	-
		408,748	1	140,728	-
7900	Income before income tax	13,924,169	21	13,318,233	19
7950	Income tax expenses (Note 6 (21))	5,028,824	7	4,682,753	7
	Net income for the year	8,895,345	14	8,635,480	12
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 6 (20))	179,386	-	(265,423)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	5,450	-	(521,764)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (Note 6 (21))	(120,951)	-	68,152	-
		63,885	-	(719,035)	(1)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations	(1,535,230)	(2)	940,983	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method (Note 6 (19))	269,600	-	(173,644)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note 6 (21))	305,271	-	(102,154)	-
	Total Items that may be reclassified subsequently to profit or loss	(960,359)	(2)	665,185	1
8300	Other comprehensive income (after tax)	(896,474)	(2)	(53,850)	-
	Total comprehensive income	\$ 7,998,871	12	8,581,630	12
	Net income attributable to:				
	Shareholders of Sino-American Silicon Products Inc.	\$ 2,248,386	4	1,950,503	2
	Non-Controlling Interests	6,646,959	10	6,684,977	10
		\$ 8,895,345	14	8,635,480	12
	Total comprehensive gain or loss attributable to:				
	Shareholders of Sino-American Silicon Products Inc.	\$ 1,774,007	3	1,604,225	2
	Non-Controlling Interests	6,224,864	9	6,977,405	10
		\$ 7,998,871	12	8,581,630	12
	Basic earnings per share (NT dollars) (Note 6 (26))				
9750	Basic earnings per share	\$ 3.86		3.36	
9850	Diluted earnings per share	\$ 3.83		3.34	

(Please read the attached notes to the consolidated financial statements for details)

Sino-American Silicon Products Inc. and subsidiaries
Consolidated statement of changes in equity
From January 1, 2018 to December 31, 2019

Expressed in thousands of New Taiwan Dollars

Equity attributable to the owners of the parent company

	Retained earnings							Other equity items									
	Ordinary shares	Pending share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (Accumulated loss)	Total	Exchange differences on translation of foreign financial statements	Financial assets at fair value through other comprehensive income	Unrealized gains (losses) on available for sale financial assets	Employees' unearned remuneration	Other	Total	Treasury shares	Total	Non-Controlling Interests	Total Equity
Balance at January 1, 2018	5,920,587	-	24,205,831	311,579	513,302	(317,629)	507,252	(1,973,334)	-	(1,109,281)	(236,020)	(4,302)	(3,322,937)	(169,861)	27,140,872	16,636,039	43,776,911
Effects of retrospective application of new accounting standards	-	-	-	-	-	1,222,787	1,222,787	-	(2,338,298)	1,109,281	-	-	(1,229,017)	-	(6,230)	(6,024)	(12,254)
Balance at January 1, 2018 after adjustments	5,920,587	-	24,205,831	311,579	513,302	905,158	1,730,039	(1,973,334)	(2,338,298)	-	(236,020)	(4,302)	(4,551,954)	(169,861)	27,134,642	16,630,015	43,764,657
Net income for the year	-	-	-	-	-	1,950,503	1,950,503	-	-	-	-	-	-	-	1,950,503	6,684,977	8,635,480
Other comprehensive income for the year	-	-	-	-	-	(107,341)	(107,341)	387,093	(626,030)	-	-	-	(238,937)	-	(346,278)	292,428	(53,850)
Comprehensive income for the year	-	-	-	-	-	1,843,162	1,843,162	387,093	(626,030)	-	-	-	(238,937)	-	1,604,225	6,977,405	8,581,630
Loss made up by capital reserve	-	-	(317,629)	-	-	317,629	317,629	-	-	-	-	-	-	-	-	-	-
Cash dividends distribution from capital surplus	-	-	(1,759,511)	-	-	-	-	-	-	-	-	-	-	-	(1,759,511)	-	(1,759,511)
Share of net worth changes of subsidiaries, associates and joint ventures accounted for using equity method	-	-	124	-	-	-	-	-	-	-	-	922	922	-	1,046	-	1,046
Retirement of treasury stock	(55,550)	-	(114,311)	-	-	-	-	-	-	-	-	-	-	169,861	-	-	-
Donated surplus	-	-	239	-	-	-	-	-	-	-	-	-	-	-	239	-	239
Non-controlling equity changes	-	-	(245,804)	-	-	-	-	-	-	-	-	-	-	-	(245,804)	(425,701)	(671,505)
Expiration of restricted employee stock	-	-	(9,487)	-	-	-	-	-	-	-	160,686	-	160,686	-	151,199	-	151,199
Restrictions on employee rights invalid, pending for cancellation	(1,830)	(330)	(2,160)	-	-	-	-	-	-	-	-	-	-	-	(4,320)	-	(4,320)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	(1,558,196)	(1,558,196)	-	1,558,196	-	-	-	1,558,196	-	-	-	-
Cash dividends paid by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,149,570)	(2,149,570)
Balance at December 31, 2018	\$ 5,863,207	(330)	21,757,292	311,579	513,302	1,507,753	2,332,634	(1,586,241)	(1,406,132)	-	(75,334)	(3,380)	(3,071,087)	-	26,881,716	21,032,149	47,913,865
Net income for the year	-	-	-	-	-	2,248,386	2,248,386	-	-	-	-	-	-	-	2,248,386	6,646,959	8,895,345
Other comprehensive income for the year	-	-	-	-	-	29,819	29,819	(638,103)	133,905	-	-	-	(504,198)	-	(474,379)	(422,095)	(896,474)
Comprehensive income for the year	-	-	-	-	2,278,205	2,278,205	2,278,205	(638,103)	133,905	-	-	-	(504,198)	-	1,774,007	6,224,864	7,998,871
Appropriation and distribution of retained earnings:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	150,775	-	(150,775)	-	-	-	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	-	(1,356,963)	(1,356,963)	-	-	-	-	-	-	-	(1,356,963)	-	(1,356,963)
Cash dividends distribution from capital surplus	-	-	(401,900)	-	-	-	-	-	-	-	-	-	-	-	(401,900)	-	(401,900)
Share of net worth changes of subsidiaries, associates and joint ventures accounted for using equity method	-	-	(279,229)	-	-	-	-	-	-	-	-	112	112	-	(279,117)	1,984	(277,133)
Non-controlling equity changes	-	-	(21)	-	-	-	-	-	-	-	-	-	-	-	(21)	(447)	(468)
Expiration of restricted employee stock	-	-	(3,115)	-	-	-	-	-	-	-	56,726	-	56,726	-	53,611	-	53,611
Restrictions on employee rights invalid, pending for cancellation	(840)	180	(660)	-	-	-	-	-	-	-	-	-	-	-	(1,320)	-	(1,320)
Donated surplus	-	-	228	-	-	-	-	-	-	-	-	-	-	-	228	-	228
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	313,015	313,015	-	(313,015)	-	-	-	(313,015)	-	-	-	-
Cash dividends paid by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,312,750)	(5,312,750)
Balance at December 31, 2019	\$ 5,862,367	(150)	21,072,595	462,354	513,302	2,591,235	3,566,891	(2,224,344)	(1,585,242)	-	(18,608)	(3,268)	(3,831,462)	-	26,670,241	21,945,800	48,616,041

(Please read the attached notes to the consolidated financial statements for details)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Cash Flows

From January 1, 2018 to December 31, 2019

Expressed in thousands of New Taiwan dollars

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Income before income tax	\$ 13,924,169	13,318,233
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	5,030,426	5,628,233
Amortization expenses	364,830	354,779
Expected credit losses / Provisions for bad debt expense	(2,643)	102,738
Net gains on financial assets or liabilities at fair value through profit or loss	286,287	(44,659)
Interest expenses	150,407	212,003
Interest income	(757,732)	(482,902)
Dividend income	(9,477)	(34,994)
Share-based payment remuneration cost	53,611	151,199
Share of profit of subsidiaries and associates accounted for using equity method	344,430	236,409
(Gains) losses on disposal of property, plant and equipment	23,276	(129,992)
Gains on disposal of investment	(72,584)	-
Loss on disposal of intangible assets	1,141	-
Impairment loss of finance assets	25,973	-
Provision for (reversal of) inventory valuation	(109,158)	(37,345)
Impairment loss for (reversal of) non-finance assets	(8,779)	1,436,217
Provision for liability	3,883,063	443,404
Total adjustments	<u>9,203,071</u>	<u>7,835,090</u>
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	1,374,487	(1,153,986)
Inventories	592,232	2,203,883
Prepayments for purchase of materials	4,248	1,079,561
Other financial assets	70,638	(524,740)
Other current assets	(325,743)	(408,244)
Notes and accounts payable (including related parties)	(1,055,681)	(115,644)
Contract liabilities	(2,037,234)	14,252,038
Net defined benefit liabilities	(3,293)	5,838
Other operating liabilities	(229,612)	811,517
Total changes in operating assets and liabilities	<u>(1,609,958)</u>	<u>16,150,223</u>
Total adjustments	<u>7,593,113</u>	<u>23,985,313</u>
Cash inflow generated from operations	21,517,282	37,303,546
Interest received	782,061	452,590
Dividends received	9,477	34,994
Interest paid	(159,532)	(233,845)
Income tax paid	<u>(3,318,168)</u>	<u>(1,467,974)</u>
Net cash flows from operating activities	<u>18,831,120</u>	<u>36,089,311</u>

(Continued on next page)

(Please read the attached notes to the consolidated financial statements for details)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Cash Flows (Continued)

From January 1, 2018 to December 31, 2019

Expressed in thousands of New Taiwan dollars

	<u>2019</u>	<u>2018</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(197,610)	(197,197)
Proceeds from disposal of financial assets at fair value through other comprehensive income	553,385	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	28,239	8,732
Acquisition of financial assets measured at amortized cost	(250,000)	-
Acquisition of financial assets at fair value through profit or loss	(1,907,850)	(276,529)
Proceeds of financial assets at fair value through profit or loss	194,245	-
Acquisition of investments accounted for using equity method	(1,132,310)	(990,000)
Cash dividends from investments accounted for using equity method	55,068	6,422
Proceeds of subsidiary	166,668	
Acquisition of property, plant and advance payments received for equipment	(7,719,440)	(6,597,886)
Proceeds from disposal of property, plant and equipment	105,349	560,149
Decrease in other financial assets	(3,067,397)	56,023
Net cash flows used in investing activities:	<u>(13,171,653)</u>	<u>(7,430,286)</u>
Cash flows from financing activities:		
Decrease in short term borrowings	2,163,041	(4,464,007)
Increase in long term borrowings	-	1,026,000
Repayments of long term borrowings	(2,040,200)	(4,632,672)
Increase (decrease) in guarantee deposits received	(145,179)	17,858
Payment of lease liabilities	(201,027)	-
Distribution of cash dividends out of capital reserve	(1,758,863)	(1,759,511)
Restrictions on employee rights invalid of write-off	(1,320)	(4,320)
Change in non-controlling interests	(468)	(575,394)
Donated surplus	228	239
Cash dividends of distributing non-controlling interests	(5,312,750)	(2,149,570)
Net cash flows used in financing activities	<u>(7,296,538)</u>	<u>(12,541,377)</u>
Effect of exchange rate changes	(290,635)	368,703
Net increase in cash and cash equivalents	(1,927,706)	16,486,351
Cash and cash equivalents at beginning of period	36,829,131	20,342,780
Cash and cash equivalents at end of period	<u><u>\$ 34,901,425</u></u>	<u><u>36,829,131</u></u>

(Please read the attached notes to the consolidated financial statements for details)

(English translation of standalone financial statements originally issued in
Chinese is unaudited and for information purpose only; The Chinese version shall prevail.)

Independent Auditor's Report

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

Opinion

We have audited the financial statements of Sino-American Silicon Products Inc., which comprise the balance sheets as of December 31, 2019 and 2018, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the standalone financial statements, including a summary of significant accounting policies.

In our opinion, based on the audit results of the accountant and the audit report of other accountants the accompanying standalone financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC"), and the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of Sino-American Silicon Products Inc. in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on the audit results of the accountant and the audit report of other accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other matters

Among the investments included in Sino-American Silicon Products Inc. under equity method, the financial statements of Crystalwise Technology Inc. have not been checked by the accountant and have been checked by other accountants. Therefore, among the opinions expressed by the accountant on the standalone financial statements, the amount booked in the financial statements of is based on the audit report of other accountants. The amount of investment in Crystalwise Technology Inc. under equity method 1% of the total assets respectively On December 31, 2018. The share of gain or loss of related companies under equity method for 2018 accounted for (20)% of the net profit before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of Sino-American Silicon Products Inc.'s financial statements of the current period. These matters were addressed in the context of our audits of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

1. Assessment of impairment loss on property, plant and equipment(included right of use assets)

For the accounting policy of asset impairment, please refer to Note 4 (13) of the standalone financial statements for impairment of non-financial assets; for accounting hypothesis and estimated uncertainty of assessment of impairment loss on property, plant and equipment((included right of use assets), please refer to Note 5 of the standalone financial statements. For notes to the assessment of impairment loss on property, plant and equipment(included right of use assets), please refer to Note 6 (9) and(10) of the standalone financial statements.

Description of key audit matters:

The industry of Sino-American Silicon Products Inc. is subjected to fluctuations due to the market environment and the energy policies of various governments, with fierce market competition and continuous price drop of products. Therefore, the assessment of impairment loss on property, plant and equipment is important; the asset impairment assessment includes Identifying the cash-generating unit, determining the evaluation method, selecting important assumptions, and calculating the recoverable amount that must rely on the subjective judgment of the management. The evaluation process is complicated and contains the subjective judgment of the management. Therefore, the accountant booked it as one of the important audit matters.

Audit procedure implemented:

The principal audit procedures for the above key audit matters by the accountant include: assessing the reasonableness whether the cash-generating unit and its related tested assets that Sino-American Silicon Products Inc. management has identified to impair show possible signs of impairment, and further understanding and testing the evaluation models and key assumptions such as future cash flow projections, use period and weighted average cost of capital that the management use in the impairment test, including expected product Revenue, costs and expenses, and assessing the accuracy of previous management forecasts; and carrying out sensitivity analysis of results. Furthermore, the management authority is also consulted on relevant procedures in order to identify whether there will be matters capable of affecting the impairment test result in the future after the financial statements. And assess whether Sino-American Silicon Products Inc. has properly disclosed the policy of long-term non-financial asset impairment and other related information

2. Evaluation of investments under equity method

For the accounting policies of the assessment of the investment under equity method, please refer to Note 4 (8) Investment-related enterprises and Note 4 (9) Investment in Subsidiaries in the standalone Financial statements; for the assessment of the investment under equity method, please refer to the standalone Financial statements of Note6(7)Investment under equity method and Note 6 (8) Changes in the equity of ownership of the subsidiary.

Description of key audit matters:

Sino-American Silicon Products Inc. Co., holds a 51.17% stake in the equity-investment subsidiary (GlobalWafers Co., Ltd.). Given that the subsidiary GlobalWafers Co., Ltd. is mainly derived from corporate mergers and acquisitions, plus GlobalWafers' industry is subjected to fluctuations in the market environment and other factors. The recognition of the Revenue of subsidiaries and the assessment of goodwill impairment arising from corporate mergers and acquisitions are important. It is booked as one of the important audit matters by our accountants.

Audit procedure implemented:

The principal audit procedures performed by the accountant for the recognition of Revenue

related to investment under equity method include understanding the accounting policies adopted for the Revenue used; assessing the design of the internal control system of sales revenue; and sampling and testing individual transactions to support the appropriateness of the recognition of Revenue. The principal audit procedures for the goodwill impairment assessment include: assessing the cash-generating unit that the management has identified to impair and signs of impairment; assessing the reasonableness of the management's method of measuring the recoverable amount; assessing the accuracy of management's past forecasts; reviewing management's calculation of the recoverable amount of cash-generating units; evaluating various assumptions that future cash flow projections and calculating recoverable amount use, and the sensitivity analysis of the key assumptions.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

Management is responsible for the preparation and fair presentation of the standalone financial statements and for such internal control as management determines is necessary to enable the preparation of standalone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing Sino-American Silicon Products Inc. Co. ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing Sino-American Silicon Products Inc. Co. financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statement

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sino-American Silicon Products Inc. Co. internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Sino-American Silicon Products Inc. Co. ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Sino-American Silicon Products Inc. Co. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of Sino-American Silicon Products Inc. Co. audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 2019 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Cheng-Chien, Chen and An-Chih, Cheng.

KPMG

Taipei, Taiwan (Republic of China)
March 19, 2020

Sino-American Silicon Products Inc.
Standalone Balance Sheets
December 31, 2019 and 2018

Expressed in thousands of New Taiwan Dollars

		2019.12.31		2017.12.31				2019.12.31		2017.12.31	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current Assets:						Current Liabilities:					
1100	Cash and cash equivalents (Note 6(1))	\$ 1,256,788	4	851,304	3	2100	Short-term borrowings (Note 6 (11) and 8)	\$ 200,000	-	2,717,125	8
1110	Financial assets at fair value through profit or loss –current (Note 6(2))	-	-	87,053	-	2120	Financial liabilities at fair value through profit or loss –current	68	-	-	-
1136	Current financial assets at amortized cost (note 6(4)and7)	240,068	1	-	-	2130	Contract liabilities-current (Note 6 (21),7 and 9)	88,538	-	148,713	-
1170	Notes and accounts receivable ,net (Note 6 (5))	199,042	-	471,498	1	2170	Notes and accounts payable	500,893	1	431,425	1
1180	Accounts receivable due from related parties, net (Note 6(7))	632,572	2	1,166,545	3	2180	Accounts payable to related parties (Notes 7)	2,516	-	6,464	-
130X	Inventories (Note 6(6))	335,641	1	590,170	2	2201	Payroll and bonus payable	340,216	1	284,009	1
1421	Prepayments for purchase of materials (Notes 7 and 9)	42,242	-	536,783	2	2250	Provision - current (Notes 6(14) and 9)	221,949	1	-	-
1479	Other current assets	38,391	-	83,492	-	2399	Other current liabilities(notes6(13))	363,603	1	349,260	-
		<u>2,744,744</u>	<u>8</u>	<u>3,786,845</u>	<u>11</u>			<u>1,717,781</u>	<u>5</u>	<u>3,936,996</u>	<u>11</u>
Non-current Assets:						Non-current Liabilities:					
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (3))	6,095	-	801,006	2	2527	Contract liabilities-non-current (Note 6 (21) ,7 and 9)	1,115,657	3	1,103,030	3
1535	Financial assets measured at amortized cost - non-current (Notes 6 (4) and 7)	267,612	1	281,366	1	2540	Long-term borrowings (Note 6 (12)and 8)	-	1	1,610,200	5
1550	Investments accounted for using equity method (Note 6 (7))	27,794,246	81	25,883,438	75	2550	Provision non-current (Note 6 (14, and9)	4,622,950	13	960,957	3
1600	Property, plant and equipment (Note 6 (9)and 8)	3,226,668	10	3,589,549	11	2600	Other non-current-liabilities(Note 6(13) and 6(17))	161,745	-	665	-
1755	Right-of –use assets (Note 6 (10))	154,567	-					<u>5,900,352</u>	<u>17</u>	<u>3,674,187</u>	<u>11</u>
1990	Other non-current assets (Note 6(16) and6(17))	74,308	-	117,213	-		Total liabilities	<u>7,618,133</u>	<u>22</u>	<u>7,611,183</u>	<u>22</u>
1980	Other finance assets-non current (Note 8)	20,134	-	33,482	-		Equity (Note 6 (18) and 6(19))				
		<u>31,543,630</u>	<u>92</u>	<u>30,706,054</u>	<u>89</u>	3110	Ordinary shares	5,862,367	17	5,863,207	17
						3170	Pending share capital	(150)	-	(330)	-
								<u>5,862,217</u>	<u>17</u>	<u>5,862,877</u>	<u>17</u>
						3200	<u>Capital surplus</u>	<u>21,072,595</u>	<u>61</u>	<u>21,757,292</u>	<u>63</u>
							Retained earnings:				
						3310	Legal reserve	462,354	1	311,579	1
						3320	Special reserve	513,302	2	513,302	1
						3350	Unappropriated retained earnings	2,591,235	8	1,507,753	5
								<u>3,566,891</u>	<u>11</u>	<u>2,332,634</u>	<u>7</u>
						3400	Other equity interest	(3,831,462)	(11)	(3,071,087)	(9)
							Total equity	<u>26,670,241</u>	<u>78</u>	<u>26,881,716</u>	<u>78</u>
							Total liabilities and equity	<u>\$ 34,492,899</u>	<u>100</u>	<u>\$ 34,492,899</u>	<u>100</u>
Total assets		<u>\$ 34,288,374</u>	<u>100</u>	<u>34,492,899</u>	<u>100</u>						

(The accompanying notes are an integral part of the standalone financial statements.)

Sino-American Silicon Products Inc.
Standalone Statement of Comprehensive Income
For the years ended December 31, 2019 and 2018
Expressed in thousands of New Taiwan dollars

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenue (Note 6 (21) and 7)	\$ 6,002,885	100	8,430,747	100
5000	Operating cost (Note 6(6), (12),(16),(22) and 7)	9,895,050	165	12,218,087	145
	Gross profit from operations	(3,892,165)	(65)	(3,787,340)	(45)
	Operating expenses (Note 6 (13), (16), (22) and 7):				
6100	Selling expenses	50,701	1	65,558	1
6200	Administrative expenses	314,914	5	186,847	2
6300	Research and development expenses	111,769	2	182,406	2
6450	Expected credit losses (Note 6 (5) and 7)	(6,671)	-	48,770	1
	Total operating expenses	470,713	8	483,581	6
	Net operating income	(4,362,878)	(73)	(4,270,921)	(51)
	Non-operating income and expenses:				
7010	Other Revenue (Note 6 (23) and 7)	43,725	-	53,020	1
7020	Other gains and losses, net (Note 6 (24))	98,206	(2)	(147,429)	(2)
7050	Financial costs (Note 6 (25))	(25,064)		(39,688)	
7060	Share of profit of associates accounted for using equity method (Note 6 (7))	6,572,359	109	6,430,774	76
		6,689,226	111	6,296,677	75
	Income before income tax	2,326,348	38	2,025,756	24
7950	Income tax expenses (Note 6 (17))	77,962	1	75,253	1
	Net income for the year	2,248,386	37	1,950,503	23
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Losses on remeasurements of defined benefit plans (Note 6 (16))	(169)	-	(13,994)	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income (Note 6 (18))	(7,997)	-	(529,832)	(6)
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method	29,988	-	(93,347)	(1)
		21,822	-	(637,173)	(7)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign operations (Note 6 (18))	(635,972)	(10)	385,988	4
8380	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 (Note 6 (26))	134,905	2	(100,360)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note 6 (17))	(4,866)	-	5,267	-
		(496,201)	(8)	290,895	3
8300	Other comprehensive income (after tax)	(474,379)	(8)	(346,278)	(4)
	Total comprehensive income	\$ 1,774,007	29	\$ 1,604,225	19
	Earnings per share (NT dollars) (Note 6 (20))				
9750	Basic earnings per share	\$ 3.86		3.36	
9850	Diluted earnings per share	\$ 3.83		3.34	

(The accompanying notes are an integral part of the standalone financial statements.)

Sino-American Silicon Products Inc.
Standalone Statement of Changes in Equity
For the years ended December 31, 2019 and 2018

Expressed in thousands of New Taiwan Dollars

	Retained earnings							Other equity interest							
	Ordinary shares	Pending share capital	Capital surplus	Legal reserve	Special reserve	Undistributed retained earnings (Accumulated loss)	Total	Exchange differences on translation of foreign financial statements	Financial assets at fair value through other comprehensive income	Unrealized gains (losses) on available for sale financial assets	Employees' unearned remuneration	Other	Total	Treasury shares	Total Equity
Balance at January 1, 2018	\$ 5,920,587	-	24,205,831	311,579	513,302	(317,629)	507,252	(1,973,334)	-	(1,109,281)	(236,020)	(4,302)	(3,322,937)	(169,861)	27,140,872
Effects of retrospective application	-	-	-	-	-	1,222,787	1,222,787	-	(2,338,298)	1,109,281	-	-	(1,229,017)	-	(6,230)
Balance at January 1, 2018 after adjustments	5,920,587	-	24,205,831	311,579	513,302	905,158	1,730,039	(1,973,334)	(2,338,298)	-	(236,020)	(4,302)	(4,551,954)	(169,861)	27,134,642
Profit for the year ended December 31, 2018	-	-	-	-	-	1,950,503	1,950,503	-	-	-	-	-	-	-	1,950,503
Other comprehensive income for the year ended December 31, 2018	-	-	-	-	-	(107,341)	(107,341)	387,093	(626,030)	-	-	-	(238,937)	-	(346,278)
Comprehensive income for the year ended December 31, 2018	-	-	-	-	-	1,843,162	1,843,162	387,093	(626,030)	-	-	-	(238,937)	-	1,604,225
Loss made up by capital surplus	-	-	(317,629)	-	-	317,629	317,629	-	-	-	-	-	-	-	-
Cash dividends distribution from capital surplus	-	-	(1,759,511)	-	-	-	-	-	-	-	-	-	-	-	(1,759,511)
Share of net worth changes of subsidiaries, associates and joint ventures accounted for using equity method	-	-	(245,680)	-	-	-	-	-	-	-	-	922	922	-	(244,758)
Retirement of treasury stock	(55,550)	-	(114,311)	-	-	-	-	-	-	-	-	-	-	169,861	-
Donated surplus	-	-	239	-	-	-	-	-	-	-	-	-	-	-	239
Expiration of restricted employee stock	-	-	(9,487)	-	-	-	-	-	-	-	160,686	-	160,686	-	151,199
Restrictions on employee rights invalid, pending for cancellation	(1,830)	(330)	(2,160)	-	-	-	-	-	-	-	-	-	-	-	(4,320)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	(1,558,196)	(1,558,196)	-	1,558,196	-	-	-	1,558,196	-	-
Balance on December 31, 2018	\$ 5,863,207	(330)	21,757,292	311,579	513,302	1,507,753	2,332,634	(1,586,241)	(1,406,132)	-	(75,334)	(3,380)	(3,071,087)	-	26,881,716
Profit for the year ended December 31, 2019	-	-	-	-	-	2,248,386	2,248,386	-	-	-	-	-	-	-	2,248,386
Other comprehensive income for the year ended December 31, 2019	-	-	-	-	-	29,819	29,819	(638,103)	133,905	-	-	-	(504,198)	-	(474,379)
Comprehensive income for the year ended December 31, 2019	-	-	-	-	-	2,278,205	2,278,205	(638,103)	133,905	-	-	-	(504,198)	-	1,774,007
Appropriation and distribution of retained earnings:															
Legal reserve	-	-	-	150,775	-	(150,775)	-	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	-	(1,356,963)	(1,356,963)	-	-	-	-	-	-	-	(1,356,963)
Cash dividends distribution from capital surplus	-	-	(401,900)	-	-	-	-	-	-	-	-	-	-	-	(401,900)
Share of net worth changes of joint ventures accounted for using equity method	-	-	(279,229)	-	-	-	-	-	-	-	-	112	- 112	-	(279,117)
Share of net worth changes of subsidiaries, associates accounted for using equity method	-	-	(21)	-	-	-	-	-	-	-	-	-	-	-	(21)
Donated surplus	-	-	228	-	-	-	-	-	-	-	-	-	-	-	228
Expiration of restricted employee stock	-	-	(3,115)	-	-	-	-	-	-	-	56,726	-	56,726	-	53,611
Restrictions on employee rights invalid, pending for cancellation	(840)	180	(660)	-	-	-	-	-	-	-	-	-	-	-	(1,320)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	313,015	313,015	-	(313,015)	-	-	-	(313,015)	-	-
Balance at December 31, 2019	\$ 5,863,207	(150)	21,072,595	462,354	513,302	2,591,235	3,566,891	(2,224,344)	(1,585,242)	-	(18,608)	(3,268)	(3,831,462)	-	26,670,241

(The accompanying notes are an integral part of the standalone financial statements.)

Sino-American Silicon Products Inc.
Standalone Statement of Cash Flow
For the years ended December 31, 2019 and 2018
Expressed in thousands of New Taiwan dollars

	2019	2018
Cash flows from operating activities:		
Income before income tax	\$ 2,326,348	2,025,756
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	491,332	981,913
Expected credit losses(reversed income)	(6,671)	48,770
Net gains on financial assets or liabilities at fair value through profit or loss	68	11,291
Interest expenses	25,064	39,688
Interest income	(38,385)	(38,034)
Dividend income	(5,340)	(14,986)
Share-based payment transactions	53,611	151,199
Share of profit of subsidiaries and associates accounted for using equity method	(6,572,359)	(6,430,774)
(Gains) losses on disposal of property, plant and equipment	(30,812)	41,421
Impairment loss of finance assets	25,973	-
Provision for (reversal of) inventory valuation	(239,254)	66,125
Impairment loss for (reversal of) non-finance assets	(8,779)	1,466,008
Provision for liability	3,884,607	-
Total adjustments	(3,677,379)	(3,677,379)
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	322,629	282,083
Inventories	493,783	1,584,411
Prepayments for purchase of materials	503,320	512,843
Defined benefit assets	(40)	(31,699)
Other assets	50,933	37,716
Notes and accounts payable (including related parties)	65,520	(609,964)
Contract liabilities	(47,548)	(453,415)
Other liabilities	(130,928)	(207,964)
Other operating liabilities	1,257,669	1,647,303
Total changes in operating assets and liabilities	(1,163,276)	(2,030,076)
Total adjustments	1,163,072	(4,320)
Interest received	35,049	37,951
Dividends received	5,340	14,986
Interest paid	(26,482)	(39,788)
Income taxes paid	(2,757)	(4,660)
Net cash flows from operating activities	1,174,222	4,169

(Continued)

(The accompanying notes are an integral part of the standalone financial statements.)

Sino-American Silicon Products Inc.
Standalone Statement of Cash Flow (continued from previous page)
For the years ended December 31, 2019 and 2018
Expressed in thousands of New Taiwan dollars

	<u>2019</u>	<u>2018</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(197,610)	(205,059)
Proceeds from disposal of financial assets at fair value through other comprehensive income	474,207	-
Acquisition of financial assets at amortized cost	(250,000)	-
Acquisition of financial assets at fair value through profit or loss	-	(98,344)
Proceeds from, disposal of financial assets at fair value through profit or loss	98,344	-
Decrease in intercompany loan	477,076	283,527
Acquisition of investments accounted for using equity method	(1,019,487)	(1,081,006)
Cash dividends from investments accounted for using equity method	5,606,733	2,226,116
Acquisition of property, plant and equipment	(113,682)	(414,734)
Proceeds from disposal of property, plant and equipment	57,258	638,064
Increase(Decrease) in other financial assets	13,348	(13,677)
Net cash inflow used in investment activities	<u>5,146,187</u>	<u>1,334,887</u>
Cash flows from financing activities:		
Increase(Decrease) in short term borrowings	(2,517,125)	352,212
Increase in long term borrowings	-	596,000
Repayments of long term borrowings	(1,610,200)	(345,800)
Increased in guarantee deposits received	762	-
Payment of lease liabilities	(28,407)	-
Cash dividends and distribution from capital surplus	(1,758,863)	(1,759,511)
Restrictions on employee rights invalid of write-off	(1,320)	(4,320)
Donated surplus	228	239
Net cash flows used in financing activities	<u>(5,914,925)</u>	<u>(1,161,180)</u>
Net increase (decrease) in cash and cash equivalents	405,484	177,876
Cash and cash equivalents at beginning of period	851,304	673,428
Cash and cash equivalents at end of period	<u><u>\$ 1,256,788</u></u>	<u><u>\$ 851,304</u></u>

(The accompanying notes are an integral part of the standalone financial statements.)

Attachment 4

Sino-American Silicon Products Inc.

PROFIT DISTRIBUTION TABLE

Year 2019

(Unit: NT\$)

Items	Amount
Beginning retained earnings	15,392
Add: Adjustments to the remeasurements of defined benefit plans	29,818,867
Add: Disciplinary action of equity instruments through other comprehensive income measured at the fair value	313,014,752
Add: 2019 net profit after tax	2,248,385,562
Less: Legal reserve	(259,121,918)
Less: Special earning reserve	(817,116,723)
Distributable retained earnings	1,514,995,932
Distributable Items:	
Less: Bonus to shareholders- Cash dividend NT\$2.5843/per share	(1,514,972,613)
Ending balance of unappropriated retained earnings	23,319

Chairman: Ming-kuang Lu

President: Hsiu-lan Hsu

Chief Accounting: Hsiu-ling Hsu

Attachment 5

Sino-American Silicon Products Inc.

Comparison Chart of Ethical Corporate Management Best Practice Principles

Article	Before	After	Remark
5	The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.	The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith <u>and obtain approval from the board of directors,</u> and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.	Revision pursuant to GTSM' s latest published "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" .
7	When establishing the prevention program, the company shall analyze which business activities within the business scope which may be at a higher risk of being involved in an unethical conduct, and strengthen the preventive measures. The prevention program established by the company shall at least include preventive measures against the following: (Below omitted)	When establishing the prevention program, the company shall <u>establish a risk assessment mechanism against unethical conduct,</u> analyze <u>and assess</u> which business activities within the business scope which may be at a higher risk of being involved in an unethical conduct <u>on a regular basis, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis.</u> The prevention program established by the company shall <u>refer to prevailing domestic and foreign standards or guidelines and</u> at least include preventive measures against the following: (Below omitted)	Revision pursuant to GTSM' s latest published "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" , with the inclusion of establishing a risk assessment mechanism.

Article	Before	After	Remark
8	<p>The company and their respective business group shall clearly specify in their rules and external documents the ethical corporate management policies and the commitment by the board of directors and the management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</p>	<p>The company shall request its directors and senior managers to issue a “statement of compliance with the ethical management policy” and require its employees to comply with the ethical management policy as set in the “terms of employment” .</p> <p>The company and their respective business group shall clearly specify in their rules and external documents and on the company website the ethical corporate management policies and the commitment by the board of directors and the management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</p> <p>The company shall compile documented information on the ethical management policy, statement, commitment and implementation as specified in the above first and second paragraphs and retain the said information properly.</p>	<p>Revision pursuant to GTSM’ s latest published “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” , with the requirement of compliance with ethical management policy and statement issuance.</p>
17	<p>The directors, managers, employees, mandataries, and substantial controllers of the company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the company shall establish a dedicated unit that is under the board of directors and responsible</p>	<p>The directors, managers, employees, mandataries, and substantial controllers of the company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the company designates Legal Department consists of adequate resources and staff members to</p>	<p>Revision pursuant to GTSM’ s latest published “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” . The designated unit shall periodically report to the</p>

Article	Before	After	Remark
	<p>for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis:</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business. <p>(Below omitted)</p>	<p><u>be</u> responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The designated Legal Department shall be in charge of the following matters, and shall report to the board of directors on <u>an annual</u> basis:</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. <u>Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope,</u> adopting <u>accordingly</u> programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business. <p>(Below omitted)</p>	<p>board of directors and analyze and assess the risk of unethical conducts.</p>
20	<p>The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.</p>	<p>The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.</p> <p>The internal audit unit of the company shall, <u>based on the results of assessment of the risk of</u></p>	<p>Revision pursuant to GTSM' s latest published "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" . Audit unit shall carry out</p>

Article	Before	After	Remark
	The internal audit unit of the company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.	involvement in unethical conduct, devise relevant audit plans including auditees, audit scope, audit items, audit frequency, etc., and carry out audits accordingly regarding the compliance with the prevention programs. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary. The results of audits in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit, and shall be submitted to the board of directors in the form of an audit report.	audits based on the results of assessment of the risk of involvement in unethical conduct.
23	<p>The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports. 2. Dedicated personnel or unit appointed to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 	<p>The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports. 2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors or the audit committee. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. Follow-up measures to be adopted depending on the severity of the circumstances 	Revision pursuant to GTSM' s latest published "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" , specifying follow-up measures after investigations and undertakings regarding anonymous reportings.

Article	Before	After	Remark
	<p>4. Confidentiality of the identity of whistle-blowers and the content of reported cases.</p> <p>5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>6. Whistle-blowing incentive measures. (Below omitted)</p>	<p>after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.</p> <p>4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.</p> <p>5. Confidentiality of the identity of whistle-blowers and the content of reported cases, and undertakings regarding anonymous reportings.</p> <p>6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>7. Whistle-blowing incentive measures.</p>	
27	<p>(Above omitted) For the company that has appointed any independent director, when the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the</p>	<p>(Above omitted) When the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p>	Deletion of redundant wordings.

Article	Before	After	Remark
	board of directors meeting.		
28	<p>The Procedures were enacted on May 7, 2013.</p> <p><u>The Procedures were revised on August 12, 2014.</u></p> <p><u>The Procedures were revised on December 18, 2014.</u></p>	<p>The Procedures were enacted on May 7, 2013.</p> <p><u>The first amendment was made on August 12, 2014.</u></p> <p><u>The second amendment was made on December 18, 2014.</u></p> <p><u>The third amendment was made on November 12, 2019.</u></p>	Adjustment on wordings and incorporating the date of latest amendment.

Attachment 6

Sino-American Silicon Products Inc.

Comparison Chart of Procedures for Ethical Management and Guidelines for Conduct

Article	Before	After	Remark
1	(Omitted)	(Above omitted) This "Procedures and Guidelines" applies as well to the Corporation's subsidiaries, any foundation to which the Corporation's cumulative direct or indirect contribution of funds exceeds 50 percent of its endowment, and other institutions or juristic persons that are effectively controlled by the Corporation.	Scope of application additionally specified.
7	<p>Except under any of the circumstances set forth in the preceding article, when any personnel of the Corporation are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:</p> <ol style="list-style-type: none"> 1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Corporation's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary. 2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Corporation's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the 	<p>Except under any of the circumstances set forth in the preceding article, when any personnel of the Corporation are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:</p> <ol style="list-style-type: none"> 1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Corporation's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified. 2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Corporation's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling. 	Revision of procedures and wordings.

Article	Before	After	Remark
	<p>responsible unit for handling. (Omitted)</p> <p>The responsible unit of the Corporation shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved.</p>	<p>(Omitted)</p> <p>The responsible unit of the Corporation shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported <u>to</u> and approved <u>by the President</u>.</p>	
12	<p><u>This Corporation shall set up a</u> intellectual property unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of this Corporation's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures. (Below omitted)</p>	<p>An intellectual property unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of this Corporation's trade secrets, trademarks, patents, works and other intellectual properties <u>is established in the Corporation</u>. <u>Such a unit</u> shall also conduct <u>annual</u> reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures. (Below omitted)</p>	Specifying the frequency of periodical review.
17		<p><u>Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Corporation shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes. When the Corporation carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain</u></p>	Newly added article regarding the evaluation of ethical management of others prior to developing commercial relationships.

Article	Before	After	Remark
		<u>a comprehensive knowledge of its ethical management:</u> 1. <u>The counterparty's nationality, location of business operations, organizational structure, management policy, and place where it will make payments.</u> 2. <u>Whether the counterparty has adopted an ethical management policy, and the status of its implementation.</u> 3. <u>Whether counterparty's business operations are located in a country with a high risk of corruption.</u> 4. <u>Whether the business operated by the counterparty is in an industry with a high risk of bribery.</u> 5. <u>The long-term business condition and degree of goodwill of the counterparty.</u> 6. <u>Consultation with the counterparty's business partners on their opinion of the enterprise.</u> 7. <u>Whether the counterparty has a record of involvement in unethical conduct such as bribery or illegal political contributions.</u>	
18~20	Articles 17~19.	Articles 18~20.	Article order adjustments.
20	(Above omitted) 1. Either party shall promptly inform the other party of the identity, provision, commitment, demand or receipt of any person in violation of the terms of the contract prohibiting the receipt of commissions, kickbacks or other improper interests, and shall provide relevant evidence and cooperate with the investigation of the other party. If a party suffers any damage as a result, it may claim against the other party for damages equal to 50% of the contract amount and may deduct such amount from the contract price payable. Where the contract has no amount or the foregoing	(Above omitted) 1. Either party shall promptly inform the other party of the identity, provision, commitment, demand or receipt of any person in violation of the terms of the contract prohibiting the receipt of commissions, kickbacks or other improper interests, and shall provide relevant evidence and cooperate with the investigation of the other party. If a party suffers any damage as a result, it may claim against the other party for damages equal to 50% of the contract amount and may deduct such amount from the contract price payable. Where the contract has no amount or the foregoing	Original Article 19, with revision of wordings.

Article	Before	After	Remark
	proportion of damages is insufficient to deter, the legal department shall be empowered to set the best terms. (Below omitted)	proportion of damages is insufficient to deter <u>or commercially infeasible</u> , the legal department shall be empowered to set the best terms. (Below omitted)	
21		<p><u>Regarding the listed types of unethical conducts as stipulated in Article 7 of the Corporation's "Ethical Corporate Management Best Practice Principles", the Corporation identifies subjects at a higher risk of getting involved in the foregoing by collecting information from controlling measures as follows and analyzing/assessing annually such information prior to the end of June, and continuously reviews the adequacy and effectiveness of the prevention program:</u></p> <ol style="list-style-type: none"> <u>1. Entrance Access Control: Security guards and receptionists shall report visitors' identity, frequency of visit, visatee, purpose of visit, and personal belongings brought in and out of facility;</u> <u>2. E-mail Tracing: Information management unit shall set up alerting keywords with respect to external recipients and senders, keep records for detective results and report abnormalities;</u> <u>3. Qualitative Interviews: Intellectual property unit shall identify issues having potentially a high risk of infringement, human resource unit shall provide a list of new employees having a high litigation risk;</u> <u>4. Annual Self-Assessment on Compliance with Laws and Regulations: Review and ensure each and every unit fully complies with external laws and regulations.</u> <u>5. Report on Complaints:</u> 	Newly added article regarding the risk assessment mechanism against unethical conducts.

Article	Before	After	Remark
		<p><u>In case that products or services provided by the Corporation cause damage to consumers or other stakeholders and complaints of such are received, sales unit shall immediately report such cases to compliance section.</u></p> <p><u>Within the business scope, staff of each and every section shall bear the duty to cooperate with investigations conducted by compliance section regarding the foregoing controlling measures.</u></p> <p><u>The decency and effectiveness of this "Procedures and Guidelines" together with prevention programs as specified in Article 6 of the Corporation's "Ethical Corporate Management Best Practice Principles" shall be periodically reviewed pursuant to the risk assessment mechanism as established in paragraph 1 of this Article for further modification or revision as appropriate.</u></p>	
22~26	Articles 20~24.	Articles 22~26.	Article order adjustments.
24	<p><u>The company's annual ethical management results may be reported to the board of directors together with the annual performance of the enterprise sustainable development committee.</u></p> <p>(Below omitted)</p>	<p><u>Compliance section of the Corporation shall periodically arrange chairman, president or senior management to promote the importance of ethics to employees and mandataries.</u></p> <p>(Below omitted)</p>	Original Article 22; revision made pursuant to this Corporation's "Ethical Corporate Management Best Practice Principles".
25	(Omitted)	<p>(Above omitted)</p> <p><u>When this "Procedures and Guidelines" is submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses</u></p>	Original Article 23 with newly added contents.

Article	Before	After	Remark
		<u>reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. Any independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless legitimate reasons otherwise exist; such an opinion shall be specified in the minutes of the board of directors meeting.</u>	
26	The Procedures and Guidelines were approved on March 22th, 2016. The 1st amendment was made on March 21th, 2019.	This "Procedures and Guidelines" was approved on March 22th, 2016. The 1 st amendment was made on March 21th, 2019. <u>The 2nd amendment was made on November 12, 2019.</u>	Original Article 24; incorporating the date of latest amendment.

Attachment 7

Sino-American Silicon Products Inc. Comparison Chart of Codes of Ethical Conduct

Article	Before	After	Remark
4	<p>The SAS staff shall perform their duties in an objective and efficient manner, avoid taking advantage of their position in the company to obtain improper benefits for below:</p> <ol style="list-style-type: none"> 1. Themselves or their spouse, parents, children, or relatives within the second degree of kinship. 2. Company or enterprise that will financially benefit from the abovementioned either directly or indirectly. 3. Company or enterprise of which the director or manager serve as a chairman, directors or authorizing managers. <p>The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or manager works.</p>	<p>The SAS staff shall perform their duties in an objective and efficient manner, avoid taking advantage of their position in the company to obtain improper benefits for below:</p> <ol style="list-style-type: none"> 1. Themselves or their spouse, parents, children, or relatives within the second degree of kinship. 2. Company or enterprise that will financially benefit from the abovementioned either directly or indirectly. 3. Company or enterprise of which <u>they</u> serve as a chairman, director, <u>independent director</u> or authorizing manager. <p><u>The company shall offer appropriate means for directors, independent directors or managers to voluntarily disclose whether there is any potential conflict between them and the company; such means are specified as follows:</u></p> <ol style="list-style-type: none"> 1. <u>Directors or independent directors shall disclose to President's Office or to the manager of corporate governance.</u> 2. <u>Managers shall disclose to compliance section.</u> <p><u>Compliance section of the company shall promote the foregoing voluntary duty to disclose during training programs to directors, independent directors and managers.</u></p>	Revision pursuant to GTSM's published "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies".
5	<p>(Above omitted)</p> <p>When the company has an</p>	<p>(Above omitted)</p> <p>When the company has an</p>	Amendment to content.

Article	Before	After	Remark
	opportunity for profit, it is the responsibility of the SAS staff to maximize the reasonable and proper benefits that company can obtained.	opportunity for profit, it is the responsibility of the SAS staff to maximize the reasonable and proper benefits that company can obtain <u>with the premise that no additional risk is accompanied.</u>	
16	<p>The Procedures were enacted on May 7, 2013.</p> <p>The Procedures were revised on August 12, 2014.</p> <p>The Procedures were revised on December 18, 2014.</p> <p>The Procedures were revised on March 21, 2019.</p>	<p>The Procedures were enacted on May 7, 2013.</p> <p><u>The first amendment was made on August 12, 2014.</u></p> <p><u>The second amendment was made on December 18, 2014.</u></p> <p><u>The third amendment was made on March 21, 2019.</u></p> <p><u>The fourth amendment was made on November 12, 2019.</u></p>	Adjustment on wordings and incorporating the date of latest amendment.

Attachment 8

Sino-American Silicon Products Inc. Comparison Chart of Articles of Incorporation

Article	Before	After	Remark
7	<p><u>The share certificates of the Company shall all be name-bearing share certificates and signed or sealed by no less than three directors.</u></p> <p><u>The share certificates shall be issued after being certified by authority concerned or its approved certificate organizations.</u></p> <p>The Company may not print share certificates. Registers of share certificates shall contact the share certificates' depositary and clearing organizations.</p>	<p>The Company may not print share certificates. Registers of share certificates shall contact the share certificates' depositary and clearing organizations, <u>which the process shall follow their policies and regulations.</u></p>	Amend in the article about the issue of shares to meet the company's operational needs
26		<p><u>The surplus earning distribution or loss off-setting proposal is to be proposed at the close of each half fiscal year.</u></p>	Amend in the frequency of company's earning distribution or coverage.
26-1		<p><u>The proposal of surplus earning distribution or loss off-setting for the half fiscal year, together with the business report and financial statements, shall be forwarded to the audit committee for their auditing, and afterwards be submitted to the board of directors for approval.</u></p> <p><u>If the company distributes surplus earning in the form of cash in accordance with the above provision shall be approved by a meeting of the board of directors.</u></p> <p><u>If such surplus earning is distributed in the form of new shares issued by the company, it shall be approved by the shareholder meeting then distribute.</u></p>	Amend in the frequency of company's earning distribution or coverage.

Article	Before	After	Remark
26-2	<p>(Originally Article 26)</p> <p>Upon the closing of each fiscal year, the Board of Directors shall work out the following documents and present it at a regular meeting of shareholders for acknowledgement.</p> <ul style="list-style-type: none"> i. Business report ii. Financial statements iii. Proposal of earning distribution or loss coverage. 	<p>(Article 26-2)</p> <p>Upon the closing of each fiscal year, the Board of Directors shall work out the following documents and present it at a regular meeting of shareholders for acknowledgement.</p> <ul style="list-style-type: none"> i. Business report ii. Financial statements iii. Proposal of earning distribution or loss coverage. 	Revise articles' order.
29	<p>This articles of Incorporation is established on Dec 25th, 1980 (omit)</p> <p>The 30th amendment on June 27th, 2017</p> <p>The 31st amendment on June 27th, 2019</p> <p>Implement after approvals from the meeting of stockholders</p>	<p>This articles of Incorporation is established on Dec 25th, 1980 (omit)</p> <p>The 30th amendment on June 27th, 2017</p> <p>The 31st amendment on June 27th, 2019</p> <p>The 32nd amendment on June 24th, 2020</p> <p>Implement after approvals from the meeting of stockholders</p>	Add amendment date

Attachment 9

Sino-American Silicon Products Inc.

Director (Includes Independent Director) Candidates

Position	Name	Major Education/ Work Experience	Current Occupation	Shareholdings
Director	Ming-kung Lu	<ul style="list-style-type: none"> ● Honorary doctorate of Engineering of NCTU ● ITRI Laureate ● President and Director of Lite-On Technology Corp. ● President of Vishay Lite-On Power Semiconductor Corp. ● Vice president of Silitek Corp 	<ul style="list-style-type: none"> ● Chairman and CEO of Sino-American Silicon Products Inc. ● Chairman and CEO of Actron Technology Crop. ● Representative of legal director of GlobalWafers Co., Ltd. ● Representative of legal director of Formerica Optoelectronic Inc. ● Chairman of biggest solutions, Inc. ● Chairman of Rec Technology Co., Ltd. ● Representative of legal director of SAS Sunrise Inc. ● Representative of legal director of SAS Sunrise Pte. Ltd. ● Director of GlobiTech Incorporated ● Director of GlobalWafers Japan Co., Ltd ● Director of GWafers Singapore Pte. Ltd 	11,400,000
Director	Tan-liang Yao	<ul style="list-style-type: none"> ● MBA from Tamkang University ● AVP of Lite-On Technology Corp. ● President of Sino-American Silicon Products Inc. 	<ul style="list-style-type: none"> ● Vice chairman and Vice CEP of Sino-American Silicon Products Inc. ● Representative of legal director of GlobalWafers Co., Ltd. ● Vice Chairman and Vice CEP of Actron Technology Corporation ● Chairman and CEO of Crystalwise Technology ● Director of Song Long Electronics Co., Ltd. ● Director of Yuan Hong Technical Materials Ltd. ● Director of Shanghai Zhaoye Shenkai Electron Material Limited Company ● Director of SY Company LLC ● Representative of legal director of SAS Sunrise Pte. Ltd. 	3,450,395

			<ul style="list-style-type: none"> ● Representative of legal director of Sunrise PV Three Co., Ltd. ● Representative of legal director of Taiwan Specialty Chemicals Corp. ● Chairman of Kunshan Sino Silicon Technology co., Ltd. ● Director of GlobiTech Incorporated ● Director of GlobalWafers Japan Co., Ltd. ● Director of GWafers Singapore Pte. Ltd. 	
Director	Hsiu-lan Hsu	<ul style="list-style-type: none"> ● M.S. in computer science from University of Illinois ● Executive Vice President of Sino-American Silicon Inc. 	<ul style="list-style-type: none"> ● Director and president of Sino-American Silicon Products Inc. ● Chairman and CEO of GlobalWafers Co., Ltd. ● Representative of legal director of Actron Technology Corporation ● Director of Crystalwise Technology ● Representative of legal director of SAS Sunrise Inc. ● Representative of legal director of SAS Sunrise Pte. Ltd. ● Chairman of Sunrise PV Three Co., Ltd. ● Chairman of Sunrise PV Four Co., Ltd. ● Chairman of Taiwan Specialty Chemicals Corp. ● Director of GWafers Inc. ● Director of GlobalSemiconductor Inc. ● Chairman and CEO of GlobiTech Incorporated ● Chairman of GlobalWafers Japan Co., Ltd. ● Vice chairman of Kushan Sino Silicon Co., Ltd. ● Director of Shanghai GrowFast Semiconductor Technology Co., Ltd. ● Chairman of Topsil Semiconductor Materials A/S 	2,971,085

			<ul style="list-style-type: none"> ● Director of GWafers Singapore Pte. Ltd. ● Director of GlobalWafers Singapore Pte. Ltd. ● Director of GlobalWafers B.V. ● Chairman of MEMC Japan Ltd. ● Director of MEMC Korea Company 	
Director	Wen-huei Tsai	<ul style="list-style-type: none"> ● Accounting department of NCCU ● Director of ENE TECHNOLOGY INC. ● Director of Advanced Wireless Semiconductor Company 	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. ● Director of ENE TECHNOLOGY INC. ● Director of Advanced Wireless Semiconductor Company 	3,006,191
Director	Feng-ming Chang	<ul style="list-style-type: none"> ● M.S. in Electrical and Computer Engineering of University of Southern California ● M.S. in Economics of Texas A&M University ● Director of TECO Electric & Machinery Co., Ltd. ● Director of Syntec Scientific Corporation 	<ul style="list-style-type: none"> ● Chairman of Merleco., Ltd. ● Executive Director of The Wings of Hope Organization ● Vice Chairman of Grand World Compassion Organization 	6,000,000
Director	Kai-chiang Company	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. ● Director of Actron Technology Corporation 	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. ● Director of Actron Technology Corporation 	2,000,000
Director	Kun-chang Investment Company	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. 	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. ● Director of Shin Puu Technology 	2,202,100
Independent Director	Chin-tang Liu	<ul style="list-style-type: none"> ● Department of Accounting of Tamkang University ● Accountant of KPMG International Cooperative ● Director of 21st Taiwan Provincial CPA Association 	<ul style="list-style-type: none"> ● Independent Director of Prolific Technology Inc. ● Independent Director of Unizyx Holding Corporation 	0
Independent Director	Hao-chung Kuo	<ul style="list-style-type: none"> ● Ph.D. in Electrical and Computer Engineer of University of Illinois –Urbana 	<ul style="list-style-type: none"> ● Distinguished Professor in Department of Photonics of National Chiao Tung University 	0
Independent Director	Shao-lun Li	<ul style="list-style-type: none"> ● Ph.D. in Materials Science and Engineering of University of California ● Executive Vice President of Lam Research Corporation ● Director of TVBS Media Inc. ● Supervisor(Legal Representative) of HTC Corporation 	<ul style="list-style-type: none"> ● Director of IC Broadcasting Co., Ltd. ● Vice President of VIA Technologies, Inc. ● Director of Love Foundation and The Chinese Faith Hope and Love Foundation ● President of Chander Electronics Corp. ● Chairman of Captec Partners Management Corp. 	0

Appendix 1

Sino-American Silicon Products Inc.

Rules and Procedures of Shareholders' Meeting

Article 1

Unless otherwise provided for in applicable laws and regulation, Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures.

Article 2

The votes at a shareholders' meeting may be exercised in either written or electronic format in accordance with the Company Law and related regulations. Shareholders (hereinafter referred to as the representative or proxy appointed by shareholders) who attend the Meeting shall hand in an attendance card at the meeting in lieu of signing in and shall be regarded as the ones (shareholders or deputy persons) who attend the Meeting in person. The Company will not take the responsibility of identification.

Article 3

The attendance and voting shall be calculated in accordance with the shares.

Article 4

The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.

Article 5

The Meeting shall be convened by the Board of Directors ("BoD") and the Chairman of BoD shall be the chairman presiding at the Meeting. If the Chairman of BoD cannot preside at the Meeting for any reason, the Vice Chairman of BoD shall preside at the Meeting. If the Company does not have Vice Chairman of the BoD or the Vice Chairman of the BoD cannot fulfill his/her duty for any reason, the Chairman of the BoD shall appoint a deputy person. If the Chairman of BoD does not appoint a deputy person, the Directors shall elect one Director as the deputy person. If the Meeting is convened by any other person entitled to convene the Meeting, such person shall be the chairman to preside at the Meeting.

Article 6

The Company may appoint designated counsel, CPA or other related persons to attend the Meeting. Persons handling affairs of the Meeting shall wear identification cards or badges.

Article 7

The process of the Meeting shall be taperecorded or videotaped and these tapes shall be preserved

for at least one year.

Article 8

Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate.

If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Paragraph 1 of Article 175 of the Company Law. If the quorum is constituted during the process of the Meeting, the chairman may submit the aforesaid tentative resolution to the Meeting for approval in accordance with Article 174 of the Company law.

Article 9

The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda. The provision above applies *mutatis mutandis* to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved. The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned. However, in the event that the Chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as chairman to continue the Meeting.

Article 10

When a shareholder(or deputy person) presents at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If any shareholder (or deputy person) present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption.

Article 11

Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman

may stop the speech of such shareholder.

Article 12

Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

Article 13

After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.

Article 14

The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.

Article 15

Except otherwise specified in the Company Law, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. If no objection is voiced after solicitation by the chairman, the resolution shall be deemed adopted and shall have the same effect as if it was voted. The person(s) to check and the person(s) to record the ballots during a vote shall be appointed by the chairman. The person(s) checking the ballots shall be a shareholder. The result of voting shall be announced at the Meeting and placed on record.

Article 16

During the Meeting, the chairman may, at his discretion, set time for intermission.

Article 17

Except otherwise specified in the Article of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting.

Article 18

If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

Article 19

The chairman may conduct the disciplinary officers (or the security guard) to assist in keeping order of the Meeting place. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purpose.

Article 20

These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Article 21

The Rules and Procedures were enacted on May 29, 1990.

The 1st amendment was made on June 12, 1998.

The 2nd amendment was made on June 16, 1999.

The 3rd amendment was made on June 21, 2002.

The 4th amendment was made on June 8, 2006.

The 5th amendment was made on June 26, 2018.

Appendix 2

Sino-American Silicon Products Inc.

Articles of Incorporation

Chapter I. General Provisions

Article 1

This Company is duly incorporated under the provisions set forth in the Company Law, and its full name in Chinese language is 中美矽晶製品股份有限公司, and Sino-American Silicon Products Inc. in English language.

Article 2

The Company shall engage in the following business:

CC01080 Electronic Parts and Components Manufacturing

C801990 Other Chemical Materials Manufacturing

IG03010 Energy-related Technology and Service

F119010 Electronic Materials Wholesale (restricted to areas outside Hsinchu Science Park)

F219010 Electronic Materials Retail (restricted to areas outside Hsinchu Science Park)

F401010 International Trade

Research and development, design, manufacture and sell the following products:

1. Silicon-based semiconductor materials and their components
2. Varistor
3. Photovoltaic and communication materials
4. Silicone Compound
5. The technology, management and advisory business related to the products listed above
6. Photovoltaic system integration and installation services
7. Import-export activities related to the above mentioned business

Article 3

The Company may make reinvestment.

When the Company reinvests in another Company, the total amount of the Company's reinvestment can be more than forty percent of the Company's paid-up capital.

Article 4

The Company is headquartered in Hsinchu SBIP and may have branches or offices set elsewhere domestically and abroad as resolved by the Board of Directors and competent authorities of the

government.

Article 5

Public announcements of the Company shall be duly made in accordance with the Company Law.

Article5-1

The Procedures are the guidelines for the Company to provide endorsement and/or guarantee to outside parties who has business relationship with the Company.

Chapter II. Capital Stock

Article 6

The total capital stock of the Company shall be in the amount of NTD10,000,000,000, divided into 1,000,000,000 shares, at NTD10 par value, and may be issued separately. The Board of Directors is entitled to make resolutions to decide whether or not the unissued shares to be issued.

Among the total capital stock indicated in the first paragraph, the amount of shares 20,000,000 should be reserved for issuing options for stock, preferred stock, or corporate bond.

The quota of aforesaid options for stock, preferred stock, or corporate bond shall be adjusted by the Board of Directors' resolutions contingent on the capital market's condition and managerial demand.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive treasury shares in accordance with the Company Act.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive share subscription warrant.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to purchase new shares issued by the company.

Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive restricted stock issued by the company.

Article 7

The share certificates of the Company shall all be name-bearing share certificates and signed or sealed by no less than three directors.

The share certificates shall be issued after being certified by authority concerned or its approved certificate organizations.

The Company may not print share certificates. Registers of share certificates shall contact the share certificates' depositary and clearing organizations.

Article 8

All the Company's stock-related affairs shall be dealt in accordance with the Regulations Governing

the Administration of Shareholder Services of Public Companies and other relevant regulations.

Article 9

Share transfer registration shall be suspended 60 days preceding each regular shareholders' meeting, or 30 days preceding an extraordinary shareholders' meeting, or 5 days preceding the base day for distribution to shareholders of dividends, bonuses, or other privileges as determined by this Company.

Chapter III. Shareholders' Meeting

Article 10

The shareholders' meeting shall be convened in two forms: a regular meeting or extraordinary meeting. The regular meeting shall be held once annually and convened by the Board of Directors within six months from the closing of each fiscal year in accordance with the Company Law or relevant regulations. An extraordinary meeting, if necessary, shall be convened in accordance with the Company Law or relevant regulations.

Unless otherwise provided in the Company Law, the shareholders' meeting shall be convened by the Board of Directors.

The notices for shareholders' meeting shall be served to all shareholders in written or electrical forms 30 days in advance in case of a regular meeting of shareholders or 15 days in advance in case of an extraordinary meeting of shareholders. The written or electrical notice shall bear date, location and subjects of the meeting.

The shareholders may execute their voting right through written or electrical form, which shall be in accordance with the relevant regulations.

Article 11

A shareholder who is unavailable to attend a shareholders' meeting may duly issue a power of attorney expressly bearing the scope of the authorized power to appoint a proxy to attend the meeting on behalf. The powers of attorney shall be duly handled in accordance with "Regulations Governing Powers of Attorney Used for Attending the Shareholders' Meeting of Public Offering Companies" in addition to the requirements set forth in Article 177 of the Company Law.

Article 12

Unless otherwise provided for in the Company Law, resolutions in the shareholders' meeting shall be adopted by a majority vote in the meeting attended by shareholders representing a majority of the total issued shares.

Article 13

Unless otherwise provided in par. 3 of Article 157 of the Company Law, shareholders shall have one vote for each share they hold, but the Company has no voting power for shares held by itself in accordance with Art. 179 of the Company Law.

Article 14

When the shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. In case of the Chairman's absence or unavailability, his proxy shall be the Vice Chairman.

If the Vice Chairman's position is in vacancy, or the Vice Chairman is also absent, the Chairman shall, in advance, appoint a director to act in his place, but if the Chairman does not appoint his representative, one director shall be elected from among them to act in Chairman's place. In the event that the shareholders' meeting is convened by others instead of the Board of Directors, the shareholders' meeting shall be chaired by that convener. In case of two or more conveners, one of them shall be elected to chair the meeting.

Article 15

Minutes of shareholders' meeting shall be proceeded subject to Article 183 of the Company Act.

Chapter IV. Directors and the Audit Committee

Article 16

1. The Company shall have 7 to 13 directors to be elected at the shareholders' meeting by adopting the candidate nomination system specified in Article 192-1 of the ROC Company Law. All directors shall serve for a term of three years and shall be eligible for re-election. The total shares held by all directors and supervisors shall be in compliance with the relevant regulations provided by the securities authority.
2. The aforesaid directors must have at least three independent directors. The professional qualification, shareholding, part-time job limitation, nomination and election method and other requirements for independent directors shall be handled in compliance with the relevant regulations provided by the securities authority.

Article 16-1

The Company shall establish an audit committee according to Article 14-4 of Securities and Exchange Act. The audit committee shall be composed of the entire number of independent directors.

The composition of the audit committee, duties, rules and other related affairs shall be conducted in accordance with regulations issued by the securities institutions.

Article 17

More than two-thirds majority of Directors shall attend the meeting for the Board of Directors, and Chairman and Vice Chairman shall be elected among directors by a majority vote of the attending directors. Chairman shall represent the Company.

Article 18

In the case that vacancies on the Board of Directors reach or exceed one third of the total number of the directors, the Board of Directors shall convene an extra shareholders' meeting to fill such vacancies within 60 days. The new directors or supervisors shall serve only the remaining term of the predecessors.

Article 19

Each director shall be informed via written notice or email or fax of the convention at seven days before the Board of Director's meeting. A meeting of the Board of Directors may be held anytime if necessary, and the methods of informing each director shall be via written notice or email or fax.

Unless otherwise provided for in the Company Law, resolutions in the Board of Directors meeting shall be adopted by a majority vote in the meeting attended by a majority of Directors.

Any director who is unable to attend a Board of Directors' meeting shall appoint another director as his/her proxy by a power of attorney listing the scope of empowerment. A director may serve as proxy for only one absent director.

Article 20

If the Chairman takes leave or is unavailable to perform his duties, the proxy method shall be in accordance with the Company Law.

Article 21

Remunerations of all directors shall be determined by the Board of Directors based on the level of their participation in business operation and the value of their contribution, and taking into account the common remuneration level in the same industry.

If the directors hold other positions at the Company, their remunerations for those positions shall be paid monthly in accordance with the common remuneration level of general managers.

Article 22

The Company may buy the liability insurance for all directors to the extent of the compensation responsibility assumed in business execution.

Chapter V. Management of the Corporation

Article 23

The Company shall have several managers whose appointment, discharge and remuneration shall be in accordance with the Company Law.

Article 24

The Company shall employ accountants and lawyers through the Board of Directors as consultants if need be. The remuneration for those consultants will be determined by the Board of Directors.

Chapter VI. Accountings

Article 25

The Company's fiscal year starts from January 1 and ends on December 31 of every calendar year.

Article 26

Upon the closing of each fiscal year, the Board of Directors shall work out the following documents and present it at a regular meeting of shareholders for acknowledgement.

- i. Business report
- ii. Financial statements
- iii. Proposal of earning distribution or loss coverage.

Article 27

If the Company has surplus 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. Employees entitled to bonus may include parents' or 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.

Article 27-1

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.

The Company, in accordance with No.240-5 of the Articles of Incorporation, may authorize the distributable dividends and bonuses in whole or in part to be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

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.

Article 27-2

The Company, in accordance with No.241 of the Articles of Incorporation, may authorize the distributable legal surplus reserve and capital reserve in whole or in part to be paid in new stock issuance or in cash according to the proportion of the shareholding of shareholders. Distribution in cash shall be determined after a resolution adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. Distribution in new share issuance shall be determined after a resolution at the shareholders' meeting.

Chapter VII. Supplementary Provisions

Article 28

Relevant matters not provided for in these Articles shall be handled in accordance with the

provisions of the Company Law.

Article 29

This articles of Incorporation is established on Dec 25th, 1980

The 1st amendment on May 21st, 1984

The 2nd amendment on July 20th, 1984

The 3rd amendment on June 26th, 1987

The 4th amendment on Nov 16th, 1987

The 5th amendment on Aug 4th, 1989

The 6th amendment on May 29th, 1990

The 7th amendment on June 14th, 1991

The 8th amendment on June 23rd, 1993

The 9th amendment on May 30th, 1995

The 10th amendment on Nov 3rd, 1997

The 11th amendment on June 12th, 1998

The 12th amendment on June 16th, 1999

The 13th amendment on Sep 7th, 1999

The 14th amendment on May 23rd, 2000

The 15th amendment on May 21st, 2001

The 16th amendment on June 21st, 2002

The 17th amendment on June 13th, 2003

The 18th amendment on June 24th, 2004

The 19th amendment on June 3rd, 2005

The 20th amendment on June 8th, 2006

The 21st amendment on June 21st, 2007

The 22nd amendment on June 19th, 2008

The 23rd amendment on June 3rd, 2009

The 24th amendment on June 15th, 2010

The 25th amendment on June 17th, 2011

The 26th amendment on June 27th, 2012

The 27th amendment on June 25th, 2013

The 28th amendment on June 26th, 2014

The 29th amendment on June 28th, 2016

The 30th amendment on June 27th, 2017

The 31th amendment on June 27th, 2019

Implement after approvals from the meeting of stockholders

Appendix 3

Sino-American Silicon Products Inc.

Ethical Corporate Management Best Practice Principles

Article 1 (Purpose and Basis)

The Ethical Corporate Management Best Practice Principles ("Principles") is promulgated to assist the company to foster a corporate culture of ethical management and sound development, and offer a reference framework for establishing good commercial practices.

The Principles are applicable to business groups and organizations of the company, which comprise its subsidiaries, any foundation to which the company's direct or indirect contribution of funds exceeds 50% of the total funds received, and other institutions or juridical persons which are substantially controlled by such company ("business group").

Article 2 (Ethical Conduct)

When engaging in commercial activities, directors, managers, employees of the company or persons having substantial control over such companies ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.

Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, managers, employees or substantial controllers or other interested parties.

Article 3 (Definition of Benefit)

"Benefits" in the Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4 (Compliance with Laws and Regulations)

The company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM-listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5 (Policy)

The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate

governance and risk control and management mechanism so as to create an operational environment for sustainable development.

Article 6 (Prevention Program)

The company shall, in accordance with the operational philosophies and policies prescribed in the preceding article, establish in its own ethical corporate management best practice principle comprehensive programs to forestall unethical conduct ("prevention program"), including operational procedures, guidelines and training.

When establishing the prevention program, the company shall comply with relevant laws and regulations of the territory where the companies and their business group are operating.

In the course of developing the prevention program, the company is advised to negotiate with staff, labor unions or members of other representative institutions, and consult or negotiate with relevant interested parties.

Article 7 (Preventive Range)

When establishing the prevention program, the company shall analyze which business activities within the business scope which may be at a higher risk of being involved in an unethical conduct, and strengthen the preventive measures.

The prevention program established by the company shall at least include preventive measures against the following:

1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.

Article 8 (Promise and Enforcement)

The company and the respective business group shall clearly specify ethical corporate management policies in the rules and external documents. The board of directors and the management level shall undertake to rigorously and thoroughly enforce such policies for internal management and external commercial activities.

Article 9 (Commercial activities)

The company shall engage in commercial activities in a fair and transparent manner.

Prior to any commercial transactions, the company shall take into consideration the legality of their agents, suppliers, clients or other trading counterparties, and their records of unethical conduct, if any. The company shall not have any dealings with persons who have any records of unethical conduct.

When entering into contracts with other parties, the company shall include in such contracts provisions demanding ethical corporate management policy compliance and that in the event the trading counterparties are suspected of engaging in unethical conduct, the company may at any time terminate or cancel the contracts.

Article 10 (No Bribery)

When conducting business, the company and its directors, managers, employees and substantial controllers, shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, including rebates, commissions, grease payments, or offer or accept improper benefits in other ways to or from clients, agents, contractors, suppliers, public servants, or other interested parties, unless the laws of the territories where the companies operate permit so.

Article 11 (No Political Donation)

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the company and its directors, managers, employees and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.

Article 12 (No Inappropriate Donation/Sponsorship)

When making or offering donations and sponsorship, the company and its directors, managers, employees and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 13 (Unreasonable Present/Hospitality/benefits)

The company and its directors, managers, employees and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.

Article 14 (Organization and Responsibility)

The board of directors of the company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

To achieve sound ethical corporate management, the audit department is in charge of enforcing the ethical corporate management policies and prevention program and reporting to the board of directors on a regular basis.

Article 15 (Obligation)

The company and its directors, managers, employees and substantial controllers shall comply with laws and regulations and the prevention program when conducting business.

Article 16 (Conflicts of Interests)

The company shall promulgate policies for preventing conflicts of interests and offer appropriate means for directors and managers to voluntarily explain whether their interests would potentially conflict with those of the company.

The company's directors shall exercise a high degree of self-discipline, a director may present his opinion and answer relevant questions but is prohibited from participating in discussion of or voting on any proposal where the director or the juristic person that the director represents is an interested party, and such participation is likely to prejudice the interests of the company;

neither shall a director vote on such proposal as a proxy of another director in such circumstances. The directors shall practice self-discipline and must not support one another in improper dealings.

The company's directors and managers shall not take advantage of their positions in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 17 (Accounting and Internal Audit)

The company shall establish effective accounting systems and internal control systems for business activities which may at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

Internal auditors shall irregularly examine the companies' compliance with the foregoing and prepare audit reports and submit the same to the board of directors.

Article 18 (Procedure and Guideline)

The company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of the Principles.
8. Disciplinary measures on offenders.

Article 19 (Training and Evaluation)

The company shall irregularly organize training and awareness programs for directors, managers, employees, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention program and the consequences of committing unethical conduct.

The company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 20 (Report and discipline)

The company shall have in place a formal channel for receiving reports on unethical conduct and keep the reporter's identity and content of the report confidential.

The company shall establish a well-defined disciplinary and complaint system to handle violation of the ethical corporate management rules, and immediately disclose on the company's internal website the offender's job title, name, date the violation was committed, violating act and how the matter was handled.

Article 21 (Disclosure)

The company shall disclose the status of the enforcement of ethical corporate management best practice principles on the company website, annual report and prospectus.

Article 22 (Improvement)

The company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management, and encourage directors, managers and employees to make suggestions so as to review and improve their ethical corporate management best practice principles and achieve better results from implementing the principles.

Article 23

The ethical corporate management best practice principles shall be implemented after the board of directors grants the approval. The same procedure shall be followed when the principles have been amended.

Article 24

The Procedures were enacted on May 7, 2013.

The Procedures were revised on August 12, 2014.

Appendix 4

Sino-American Silicon Products Inc.

Procedures for Ethical Management and Guidelines for Conduct

Article 1 (Purpose of adoption and scope of application)

The Corporation engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where the Corporation and its business groups and organizations operate, with a view to providing all personnel of the Corporation with clear directions for the performance of their duties.

Article 2 (Applicable subjects)

For the purposes of these Procedures and Guidelines, the term "personnel of the Corporation" refers to any director, supervisor, managerial officer, employee, attorney, mandatary or person having substantial control, of the Corporation or its group enterprises and organizations. Any provision, promise, request, or acceptance of improper benefits by any personnel of the Corporation through a third party will be presumed to be an act by the personnel of the Corporation.

Article 3 (Unethical conduct)

For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of the Corporation, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4 (Types of benefits)

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

Article 5 (Responsible unit)

The Corporation shall designate the legal departments as the solely responsible unit (hereinafter, "responsible unit") in charge of the amendment, implementation, interpretation, and advisory

services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. Main functions shall include the following items and shall be regularly reported to the board:

1. Assisting in incorporating ethics and moral values into this Corporation's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Corporation's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 6 (Prohibition against providing or accepting improper benefits)

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Corporation shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
4. Attendance at folk festivals that are open to and invite the attendance of the general public.
5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
6. Property with a market value of NT\$5000 or more received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative shall be subject to prior approval of the responsibility unit. In the event that the property is received due to no liability reason, it shall be reported to responsibility unit for ratification afterwards.
7. Other conduct that complies with the rules of the Corporation.

Article 7 (Procedures for handling the acceptance of improper benefits)

Except under any of the circumstances set forth in the preceding article, when any personnel of the Corporation are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Corporation's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Corporation's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of the Corporation's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
3. Other circumstances in which a decision regarding the Corporation's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Corporation shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved.

Article 8 (Prohibition of and handling procedure for facilitating payments)

The Corporation shall neither provide nor promise any facilitating payment.

If any personnel of the Corporation provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9 (Procedures for handling political contributions)

Political contributions by the Corporation shall be made in accordance with the following provisions, reported to the chairman in charge for approval, and a notification given to the responsible unit, and when the amount of a contribution is NT\$1,000,000 or more, it shall be made only after being reported to and approved by the board of directors:

1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
2. A written record of the decision-making process shall be kept.
3. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
4. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Corporation with the related government agencies shall be avoided.

Article 10 (Procedures for handling charitable donations or sponsorships)

Charitable donations or sponsorships by the Corporation shall be provided in accordance with the following provisions and reported to the chairman in charge for approval, and a notification shall be given to the responsible unit. When the amount is NT\$5,000,000 or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Corporation is doing business.
2. A written record of the decision making process shall be kept.
3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Corporation's commercial dealings or a party with which any personnel of the Corporation has a relationship of interest.
5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11 (Recusal)

When a Company director, officer or other stakeholder attending or present at a board meeting, or the juristic person represented thereby, has a stake in a proposal at the meeting, that director, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Corporation would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

If in the course of conducting company business, any personnel of the Corporation discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Corporation may use company resources on commercial activities other than those of the Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Corporation.

Article 12 (Special unit in charge of confidentiality regime and its responsibilities)

This Corporation shall set up an intellectual property unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of this Corporation's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

All personnel of the Corporation shall faithfully follow the operational directions pertaining to intellectual properties and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Corporation of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual

properties of the Corporation unrelated to their individual duties.

Article 13 (Prohibition against disclosure of confidential information)

This Corporation shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 14 (Prohibition against insider trading)

All Company personnel shall adhere to the provisions of the Securities and Exchange Act and international standards, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

Article 15 (Non-disclosure agreement)

Any organization or person outside of the Corporation that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Corporation shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Corporation acquired as a result, and that they may not use such information without the prior consent of the Corporation.

Article 16 (Announcement of policy of ethical management to outside parties)

The Corporation shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17 (Statement of ethical management policy to counterparties in commercial dealings)

Any personnel of the Corporation, when engaging in commercial activities, shall make a statement to the trading counterparty about the Corporation's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 18 (Avoidance of commercial dealings with unethical operators)

All personnel of the Corporation shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Corporation's ethical management policy.

Article 19

Before settling a contract with any other party, the company shall have a full understanding of the other party's business integrity and shall incorporate the Company's business integrity policy into the contract with at least the following items:

1. Either party shall promptly inform the other party of the identity, provision, commitment, demand or receipt of any person in violation of the terms of the contract prohibiting the receipt of commissions, kickbacks or other improper interests, and shall provide relevant evidence and cooperate with the investigation of the other party. If a party suffers any damage as a result, it may claim against the other party for damages equal to 50% of the contract amount and may deduct such amount from the contract price payable. Where the contract has no amount or the foregoing proportion of damages is insufficient to deter, the legal department shall be empowered to set the best terms.
2. If either party is involved in any dishonest business activities, the other party may terminate or terminate the contract at any time unconditionally.
3. Clear and reasonable payment contents shall be stipulated, including the place and method of payment in compliance with relevant tax laws and regulations.

Article 20 (Handling of unethical conduct by personnel of the Corporation)

The Corporation shall investigate relevant facts on any discovery or report of unethical conduct from its employees. Once it is verified that it's against the relevant laws or regulations of the Corporation's ethical management, immediate prohibition and necessary handling shall be taken regarding to the personnel. Besides, damages shall be compensated via legal procedures if required to maintain the reputation and rights of the Corporation.

For the unethical conduct that has occurred, the Corporation shall designate relevant unit to review the internal control system and procedures. Improvement suggestion shall be addressed so as to prevent from recurrence.

Relevant implementation details shall be handled in accordance with the company's "Measures for handling Illegal and Immoral and Dishonest Behavior".

Article 21 (Actions upon event of unethical conduct by others towards the Corporation)

If any personnel of the Corporation discovers that another party has engaged in unethical conduct towards the Corporation, and such unethical conduct involves alleged illegality, the Corporation shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Corporation shall additionally notify the governmental anti-corruption agency.

Article 22 (Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures)

The company's annual ethical management results may be reported to the board of directors together with the annual performance of the enterprise sustainable development committee.

The Corporation shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Corporation seriously violates ethical conduct, the Corporation shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Corporation.

The Corporation shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 23 (Enforcement)

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be delivered to each audit committee and reported to the shareholders meeting.

Article 24

The Procedures and Guidelines were approved on March 22th, 2016.

The 1st amendment was made on March 21th, 2019.

Appendix 5

Sino-American Silicon Products Inc.

Codes of Ethical Conduct

Article 1 (Purpose and Basis)

In order to encourage directors, independent directors, managers and other staff to act in line with ethical standards, and to help interested parties better understand the ethical standards of the company, "Codes of Ethical Conduct" ("Code") is promulgated according to "Guidelines for the Adoption of Codes of Ethical Conduct by TWSE/GTSM Listed Companies" of Taiwan Stock Exchange Corporation as a reference to follow.

Article 2 (Application)

The Code is applicable to directors, independent directors, managers and other staff, herein referred to as the SAS staff.

Article 3 (Honest and Trust)

The SAS staff should proactively improve, be responsible and conscientious, emphasize team spirit, and holding the principle of honest and trust.

Article 4 (Prevention of Conflicts of Interest)

The SAS staff shall perform their duties in an objective and efficient manner, avoid taking advantage of their position in the company to obtain improper benefits for below:

1. Themselves or their spouse, parents, children, or relatives within the second degree of kinship.
2. Company or enterprise that will financially benefit from the abovementioned either directly or indirectly.
3. Company or enterprise of which the director or manager serve as a chairman, directors or authorizing managers.

The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or manager works.

Article 5 (Minimizing Incentives to Pursue Personal Gain)

The SAS staff should prevent following behavior:

1. Seeking an opportunity to pursue benefit whether for self or for others by using company property, information or taking advantage of their positions.
2. Obtaining personal benefit whether for self or for others by using company property, information or taking advantage of their positions.
3. Competing with the company.

When the company has an opportunity for profit, it is the responsibility of the SAS staff to maximize the reasonable and proper benefits that company can obtained.

Article 6 (Confidentiality)

The SAS staff shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

Article 7 (Fair Trade)

The SAS staff shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

In carrying out duties, the SAS staff shall not be allowed to request, periodically arrange, make payment or receive any form of gift, entertainment, rebate, bribe, or derive any other improper benefits whether personally, on behalf of the company nor for the third parties' benefit.

Article 8 (Safeguarding and Proper Use of Company Assets)

All the SAS staff has the responsibility to safeguard company assets and to ensure that these assets can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

Article 9 (Compliance with Laws and Regulations)

All the SAS staff shall comply with Securities and Exchange Act and other regulations regarding corporal operation, shall not violate any law or regulation on purpose, nor intentionally mislead, manipulate, unfair trade with suppliers and customers, declare fraudulent information about the quality or contents of the company's products or service.

Article 10 (Encouraging Reporting on Illegal or Unethical Activities)

The company shall raise awareness of ethics internally and encourage employees to report to a company audit committee, manager, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct, and employees should provide enough information for company to properly deal with. The company should handle the cases in confidentiality and make employees aware that the company will use its best efforts to ensure the safety of informants.

The implementation details of the reporting system shall be handled in accordance with the Company's "Measures for Handling Illegal, Immoral and Dishonest Acts."

Article 11 (Disciplinary Measures and Remedy)

When a director, independent director or manager violates the code of ethical conduct, the company shall handle the matter in accordance with relevant regulations, and shall without delay disclose on the Market Observation Post System (MOPS) the name and title of the violator,

dates and reasons for the violation, the provisions of the code violated, and the disciplinary actions taken.

If any employee of the Company other than the aforesaid violates the code of ethical conduct and is regarded with facts as to cause damage to the Company , the Company shall without delay disclose on the Market Observation Post System (MOPS) the name and title of the violator, dates and reasons for the violation, the provisions of the code violated, and the disciplinary actions taken.

If the violator defined aforesaid considers the discipline is improper and impacts his/her legal rights, the violator can appeal via complaint system for remedy.

Article 12 (Procedures for Exemption)

If any staff of the Company is necessary to be exempted from compliance with the code, the exemption requires board resolution, and that information on the name and title of the person entitled to such exemption, the date on which the board of directors adopted the resolution for exemption, objection or reservation from the independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to restrain any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

Article 13 (Method of Disclosure)

The company shall disclose the code of ethical conduct and any amendment in the official website, annual report, prospectuses and MOPS.

Article 14 (Supplementary)

Any incomplete in the code shall be proceeded in accordance with relative laws and regulations.

Article 15 (Enforcement)

The company's code of ethical conduct, and any amendments to it, shall enter into force after being approved by the audit committee and board of directors, and submitted to the shareholders' meeting.

Article 16 (Modification Date)

The Procedures were enacted on May 7, 2013.

The Procedures were revised on August 12, 2014.

The Procedures were revised on December 18, 2014.

The Procedures were revised on March 21, 2019.

Appendix 6

Sino-American Silicon Products Inc.

Rules for Election of Directors

Article 1

Unless otherwise provided in the Company Law or the Articles of Incorporation of this Company, the independent and non-independent directors of this Company shall be elected in accordance with the rules specified herein.

Article 2

Election of directors of this Company shall be held at the shareholders' meeting. The board of directors shall prepare ballots and note the number of voting rights.

Article 3

The election of directors shall adopt a disclosed cumulative voting method. Each share represents a weighted number of voting rights equivalent to the number of directors to be elected; such voting rights may be exercised to collectively elect a single candidate or may be distributed among several candidates. Those persons with the greatest numbers of ballots representing voting rights shall be elected as director in order of number of ballots received. Each voter will be identified by his/her attendance card number as printed on his/her ballot.

Article 4

This Company's directors shall be elected by adopting the candidate nomination system specified in Article 192-1 of the ROC Company Law.

Article 5

In the election of directors of this Company, independent directors and non-independent directors should be elected from the same election with the effective seats calculated specifically. Candidates who acquire more votes should individually win the seats of directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.

Article 6

The Board of Directors shall prepare ballots and distribute one ballot to each shareholder identified by his/her attendance card number. Each ballot shall contain the votes that the voter is entitled to in the election.

Article 7

At the beginning of the election, the Chairman shall appoint several persons each to check and

record the ballots. The persons to check the ballots may be appointed from among the shareholders present.

Article 8

The ballot box used for voting shall be prepared by this Company and checked in public by the person to check the ballots before voting.

Article 9

If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and the candidate's ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column. If there are several representatives, each of the representatives' names must be filled in.

Article 10

Ballots shall be deemed void under the following conditions:

1. Ballots not prepared by the Board of Directors;
2. The number of candidates filled in the ballot exceeding the number of the seats to be elected.
3. Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number);
4. The handwriting on the ballots is too illegible to be identified or is altered;
5. If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect;
6. Ballots without being filled in candidate's name or shareholder's number (ID number).

Article 11

The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 12

This Company shall issue notifications to the directors elected, who shall also sign the "Consent to Act as (Independent) Director"

Article 13

These rules and any revision thereof shall become effective after approval at the shareholders' meeting.

Article 14

This Procedure was enacted on June 26, 2014.

Appendix 7

Sino-American Silicon Products Inc.

Shareholdings of Directors

- 1 The total amount of shares of the Company is 586,221,651 shares. The minimum shareholding ratio of all directors is 4%, and the minimum number of shareholding is 18,759,092 shares in compliance with the Article 2 of “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”.
- 2 The Company having established the audit committee has no legal shareholdings for supervisors.
- 3 The Company discloses the shares held by Directors in the shareholder’s register as of April 26, 2020 as the table shown below.

Position	Name	Shareholdings	Note
Chairman	Ming-Kung Lu	11,400,000	
Vice Chairman	Tang-Liang Yao	3,450,395	
Director	Hsiu-Lan Hsu	2,971,085	
Director	Wen-Huei Tsai	3,006,191	
Director	Mao-Yang Co.,Ltd	3,333,639	Representative: Rong-kan Sun
Director	Solar Energy Corp.	21,860,379	Representative: Chan-hsien Hong
Director	Hong-mau Company	10,425,000	Representative: Chu-wang Chen
Director	Kun-chang Investment Co.	2,202,100	Representative: Yu-da Chang
Director	Kai-Chiang Company	2,000,000	Representative: Hau Fan
Independent Director	Ting-ko Chen	0	
Independent Director	Hsing-hsien Lin	0	
Independent Director	Angela Huang	0	
Total		60,648,789	Met required shareholding

Appendix 8

Other Statement Items

Explanatory notes for the proposal at the annual general shareholders' meeting:

1. Pursuant to the Article 172-1 of Company Act, Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal within 300 words.
2. Submission period applicable to common shareholders of SAS starts from March 21 to March 31, 2020. The Company has made a public announcement on MOPS.
3. The Company has not received any proposal from shareholders yet.