

Sino-American Silicon Products Inc.

2020 Annual General Shareholders' Meeting Minutes

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

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

Total common shares outstanding: 586,221,651 shares

Attending shareholders and proxy representing: 474,499,774 shares (including 238,324,298 shares of e-voting)

Ratio of Attending shareholders and proxy representing to total common shares outstanding:
80.94%

Chairman Ming-kung Lu

Director Ming-kung Lu

Tang-Liang Yao

Hsiu-lan Hsu

Wen-huei Tsai

Hau Fang: Kaijiang Corporation

Rong-kang Sun: Maoyang Corporation

Ting-ko Chen(Audit Committee Chair)

Others Cheng-chien Chen, An-chih Cheng: KPMG Accountants

Bin-kuen Chang: LCS lawyer

Call Meeting to Order:

The aggregate shareholding of the presenting shareholders constituted a quorum.

Chairman's Address: (Omitted)

Report Items

Item 1 Fiscal 2019 Business Report submitted for review

Please refer to the attachment 1.

Item 2 Audit Committee's report on 2019 annual final accounting books and statements submitted for review

Please refer to the attachment 2.

- Item 3** Distribution report on 2019 compensation for employees and directors
Please refer to the AGM handbook.
- Item 4** Report on 2019 cash dividend distribution via earning and capital reserve,
submitted for review
Please refer to the AGM handbook.
- Item 5** Rejection on the private placement of common shares after the expiration date
Please refer to the AGM handbook.
- Item 6** Reports on short-form merge with subsidiary, Sunrise PV World Co
Please refer to the AGM handbook.
- Item 7** Amendments to “Ethical Corporate Management Best Practice Principles”
Please refer to the attachment 5.
- Item 8** Amendments to “Procedures for Ethical Management and Guidelines for Conduct”
Please refer to the attachment 6.
- Item 9** Amendments to “Codes of Ethical Conduct”
Please refer to the attachment 7.

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 attachment 1 and attachment 3.
- (3) Approval requested

Resolution:

Approved by the voting result as following:

FOR - 439,498,649 votes (94.80% of total votes)

AGAINST - 20,688 votes

ABSTAIN - 24,050,627 votes

INVALID - 0 vote

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 record 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 attachment 4.
- (5) Resolution requested

Resolution:

Approved by the voting result as follows
FOR - 440,819,644 votes (95.09% of total votes)
AGAINST - 12,689 votes
ABSTAIN - 22,737,631 votes
INVALID - 0 vote

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 attachment 8.
- (2) Resolution requested

Resolution:

Approved by the voting result as follows
FOR - 376,184,026 votes (81.14% of total votes)

AGAINST – 64,533,318 votes

ABSTAIN – 22,852,620 votes

INVALID - 0 vote

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 9 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 authorize 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:

Approved by the voting result as follows
FOR - 438,429,313 votes (94.57% of total votes)
AGAINST – 853,909 votes
ABSTAIN – 24,286,742 votes
INVALID - 0 vote

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:

Election Result:

Newly elected directors:

Title	Shareholder Account No./ ID No.	Name	Votes Received
Director	3561	Ming-kung Lu	407,334,378
Director	3592	Hsiu-lan Hsu	366,282,364
Director	3591	Tan-liang Yao	365,337,655
Director	3236	Feng-ming Chang	364,997,641
Director	3585	Wen-huei Tsai	363,016,697
Director	190223	Kaijiang Corporation	258,321,697
Director	143753	Kunchang Investment Corporation	243,981,767
Independent Director	L121*****	Chin-tang Liu	352,485,846
Independent Director	A120*****	Hao-chung Kuo	352,389,850
Independent Director	Y100*****	Shao-lun Lee	352,293,758

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.

Position	Name	Current Occupation
Director	Ming-kung Lu	<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
Director	Tan-liang Yao	<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.

		<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"> ● 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 GlobalWafers A/S ● 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"> ● Director of Sino-American Silicon Products Inc. ● Director of ENE TECHNOLOGY INC. ● Director of Advanced Wireless Semiconductor Company
Director	Feng-ming Chang	<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
Director	Kai-chiang Company	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. ● Director of Actron Technology Corporation

Director	Kun-chang Investment Company	<ul style="list-style-type: none"> ● Director of Sino-American Silicon Products Inc. ● Director of Shin Puu Technology Co., Ltd.
Independent Director	Chin-tang Liu	<ul style="list-style-type: none"> ● Independent Director of Prolific Technology Inc. ● Independent Director of Unizyx Holding Corporation
Independent Director	Hao-chung Kuo	<ul style="list-style-type: none"> ● Distinguished Professor in Department of Photonics of National Chiao Tung University
Independent Director	Shao-lun Lee	<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.

(3) Resolution requested

Resolution:

Approved by the voting result as following:

FOR - 303,381,117 votes (65.44% of total votes)

AGAINST – 99,721,169 votes

ABSTAIN – 60,467,678 votes

INVAILD - 0 vote

Extempore Motion: None

Meeting Adjourned: 10:31

The minutes record the meeting subject and results only; specific content, procedure as well as shareholders' speeches please refer to video record.

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

Assets		2019.12.31		2018.12.31		Liabilities and Equity		2019.12.31		2018.12.31			
		Amount	%	Amount	%			Amount	%	Amount	%		
Current assets:						Current Liabilities:							
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
			55,165,633	50	57,260,849	55	2399	Other current liabilities (Note 6 (16),(17) and 7)		4,393,096	4	6,486,646	6
										30,160,394	28	30,153,693	29
Non-current Assets:							Non-current Liabilities:						
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				30,607,061	28	25,917,757	25
1840	Deferred tax assets (Note 6 (21))		1,927,636	2	1,514,843	2		Total liabilities		60,767,455	56	56,071,450	54
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)	-
			54,217,863	50	46,724,466	45		Pending share capital		5,862,217	5	5,862,877	6
							3200	Capital surplus		21,072,595	19	21,757,292	21
							3310	Retained earnings:					
							3320	Legal reserve		462,354	-	311,579	-
							3350	Special reserve		513,302	1	513,302	1
								Unappropriated retained earnings (accumulated loss)		2,591,235	2	1,507,753	1
										3,566,891	3	2,332,634	2
							3400	Other equity interest		(3,831,462)	(3)	(3,071,087)	(3)
								Total equity attributable to shareholders of Sino-American Silicon Products Inc.		26,670,241	24	26,881,716	26
							36XX	Non-controlling interests (Note 6 (8 and 9))		21,945,800	20	21,032,149	20
								Total equity		48,616,041	44	47,913,865	46
Total assets		\$	109,383,496	100	103,985,315	100		Total liabilities and equity	\$	109,383,496	100	103,985,315	100

(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) <u>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.</u>	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 <u>if necessary</u>. 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) 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) 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
		<p><u>a comprehensive knowledge of its ethical management:</u></p> <ol style="list-style-type: none"> <u>1. The counterparty 's nationality, location of business operations, organizational structure, management policy, and place where it will make payments.</u> <u>2. Whether the counterparty has adopted an ethical management policy, and the status of its implementation.</u> <u>3. Whether counterparty 's business operations are located in a country with a high risk of corruption.</u> <u>4. Whether the business operated by the counterparty is in an industry with a high risk of bribery.</u> <u>5. The long-term business condition and degree of goodwill of the counterparty.</u> <u>6. Consultation with the counterparty 's business partners on their opinion of the enterprise.</u> <u>7. 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	<p>(Above omitted)</p> <p>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</p>	<p>(Above omitted)</p> <p>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</p>	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