



**Sino-American Silicon Products Inc.**

**2022**  
**Annual General Shareholders' Meeting**  
**Meeting Handbook**

Time: June 23, 2022 (Thursday)

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

Science Park Life Hub/Darwin Hall

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

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**Sino-American Silicon Products Inc.**  
**2022 Annual General Shareholders' Meeting Procedure**

1. Call Meeting to Order
2. Chairperson's Address
3. Report Items
4. Approval Items
5. Discussion Items
6. Extemporary Motion
7. Meeting Adjourned

# **Sino-American Silicon Products Inc.**

## **2022 Annual General Shareholders' Meeting Agenda**

Convening Method: Physical Meeting

Time: 9:00 a.m., Thursday, June 23, 2022

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

1. Call Meeting to Order
2. Chairperson's Address
3. Report Items
  - (1) 2021 business report
  - (2) Audit Committee's report on 2021 annual final accounting books and statements
  - (3) Report on 2021 remuneration distribution of employees & directors
  - (4) 2021 earning distribution
  - (5) Report on rejection on private placement of common shares after the expiration date
  - (6) Amendment to the "Codes of Ethical Conduct"
  - (7) Amendment to the "Corporate Social Responsibility Best Practice Principles"
4. Approval Items
  - (1) 2021 business report, financial statements and earning distribution
5. Discussion Items
  - (1) Amendment to the "Articles of Incorporation"
  - (2) Amendment to the "Rules and Procedures of Shareholders' Meeting"
  - (3) Amendment to the "Acquisition or Disposal of Assets Procedure"
  - (4) Issuance of new shares through public offering or private placement in response to the Company's capital needs
6. Extemporaneous Motion
7. Meeting Adjourned

## Report Items

### Item 1

Motion Fiscal 2021 Business Report, submitted for review

Description Please refer to the Fiscal 2021 Business Report as attachment 1 on page 11 of this handbook.

### Item 2

Motion Audit Committee's report on 2021 annual final accounting books and statements, submitted for review

Description Please refer to the Audit Committee's 2021 Review Report as attachment 2 on page 16 of this handbook.

### Item 3

Motion Distribution of remuneration to directors and employees in fiscal 2021, submitted for review

Description (1) The company 2021 earning (Before deducting remuneration to employees and directors from Profit before Tax) is NTD 7,298,598,560. Pursuant to Article 27 of Articles of Incorporation, if the Company is profitable at the end of each fiscal year, 3~15% of the profit shall be appropriated for the employees' remuneration and no more than 3% shall be appropriated for directors' remuneration.

(2) The Company is proposed to distribute NTD 438,902,000 to employees (distribution ratio 6.01%) and NTD 45,000,000 to directors (distribution ratio 0.62%). Distribution to both employees and directors is made in cash.

(3) Employees entitled to receive remuneration is pursuant to Article 27 of Articles of Incorporation. Remuneration amount will be decided after consideration with seniority, position, performance, contribution or special dedication, and chairperson is fully authorized.

### Item 4

Motion Report on 2021 earning distribution, submitted for review

Description Pursuant to the Articles of Incorporation, the Board of Directors is authorized to resolve to distribute earning and capital reserve in cash after the end of each half-year. The respective amounts and payment dates of 2021 cash dividends of each half year approved by the Board of Directors are demonstrated in the table below:

2021	Approval Date month/date/year	Payment Date month/date/year	Cash Dividends Per Share (NT\$)			Total Amount (NT\$)
			EPS	capital reserve	Total	
First Half	12/09/2021	02/18/2022	0.1067	3.3933	3.5	2,051,775,778
Second Half	05/05/2022	08/12/2022	3.4522	1.0478	4.5	2,637,997,430
Total			8.0			4,689,773,208

### Item 5

Motion	Rejection on the private placement of common shares after the expiration date, submitted for review.
Description	According to the resolution of AGM on August 26, 2021 and Article 43-6 of Securities Exchange Act, new shares within the issuance of 85,000,000 shares will be expired on August 25, 2022. Rejection will be conducted from the expiration date due to overall financial considerations.

### Item 6

Motion	Amendment to the “Codes of Ethical Conduct”, submitted for review
Description	In line with the Company's management need of public property, the reporting obligation of public property damage is added, and it stipulates the Company may claim compensation on the mischief causing damage whether a coincidence or on purpose pursuant to the regulation. In addition, it also adds the obligation of the custodian department to regularly inventory on the public property so the Company's property could be fully protected. Please refer to the comparison chart as attachment 5 on page 36 in this handbook.

### Item 7

Motion	Amendment to the “Corporate Social Responsibility Best Practice Principles”, submitted for review
Description	In order to comply with the amendment of the regulation, strengthen the implementation of the Company's sustainable development, and improve the quality of information disclosure of sustainable development, the board of directors approved the revision of partial articles in “Corporate Social Responsibility Best Practice Principles”. In line with the Corporate Governance Blueprint 3.0 published by Financial Supervisory Commission to expand the concept of corporate social responsibility to sustainable development, "Corporate Social Responsibility Best Practice Principles" is renamed to “Sustainable Development Best Practice Principles”. Please refer to the comparison chart as attachment 6 on page 37 in this handbook.

## Approval Items

Item 1	(Proposed by the Board of Directors)
Motion	2021 business report, financial statements and earning distribution, submitted for approve
Description	(1) 2021 Financial Statements (including consolidated and standalone financial statements) were audited by KPMG CPAs, Cheng, An-Chih and Tseng, Mei-Yu. The aforementioned, FY 2021 Business Report and Earning Distribution Table have been approved by the audit committee. (2) Please refer to the Business Report, Financial Statements and Earning

Distribution Table as attachment 1 on page 11, attachment 3 on page 17 and attachment 4 on page 35 of this handbook.

- (3) Approval requested.

Resolution

## Discussion Items

**Item 1** (Proposed by the Board of Directors)

Motion Amendment to the “Articles of Incorporation”, submitted for resolve

Description (1) To add more flexibility in convening shareholders' meetings, amendments have been made to the “Articles of Incorporation.” Please refer to the comparison chart as attachment 7 on page 49 in this handbook.

- (2) Resolution requested.

Resolution

**Item 2** (Proposed by the Board of Directors)

Motion Amendment to the “Rules and Procedures of Shareholders' Meeting”, submitted for resolve

Description (1) Pursuant to article 172-2 amendment in Company Act which stipulates the public offering companies might convene shareholder meeting by visual communication network, and refer to the sample template for Rules of Procedure for Shareholders Meetings announced by the competent authority, the Company proposes to re-legislate the “Rules and Procedures of Shareholders' Meeting” as Attachment 8 on page 51 in this handbook and abolish the old version accordingly.

- (2) Resolution requested.

Resolution

**Item 3** (Proposed by the Board of Directors)

Motion Amendment to the “Acquisition or Disposal of Assets Procedure”, submitted for resolve

Description (1) To comply with the revision of laws and regulations in strengthening the management of related party transactions and improving the quality of fair opinions issued by external experts, the Company proposes to amend the “Acquisition or Disposal of Assets Procedure.” Please refer to the comparison chart as attachment 9 on page 63 in this handbook.

- (2) Resolution requested.

Resolution

**Item 4**

(Proposed by the Board of Directors)

Motion Issuance of new shares through public offering or private placement in response to the Company's capital needs, submitted for resolve

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 is authorized 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 chairperson 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 chairperson 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 chairperson of the Board is to be authorized to negotiate with specific parties to purchase the unsubscribed share in common stock or GDR of subscription at the issuing price in accordance with the market development. For the remaining 85%-90% of issuance, based on the Article 28-1 of the Securities and Exchange Act, the board proposes to offer through public application offering for the issuance of GDR according to the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms.
  - II. The issuing price of new common shares for capital increase in cash or the issuing price of GDR for the new common shares from cash capital increase is to be determined based on general practices worldwide and it shall not affect shareholder's interests. However, the final issuing price is to be determined by the lead underwriter and the Chairman of the Board who is authorized by the Shareholders' Meeting by referring to market conditions at the time of issuance; also, it must be in compliance with related requirements of competent authorities.
    - a. According to the "Disciplinary Rules", the issuing price of the new common shares from cash capital increase may not be

lower than 90% of the closing price of common shares at Taipei Exchange on the price determination day or 90% of average closing price of the common shares of the Company for either one, three, or five business days before the price determination date, after adjustment for any distribution of stock/cash dividends or capital reduction. The aforementioned price may adjust when variation occurred in domestic requirements. Since domestic share price may vary excessively within a short period, the Chairman of the Board of Directors will be authorized to negotiate with the lead underwriter to have actual price determined in light of international conventions, capital market, domestic share price and overall book building.

- b. For the rights of original shareholders, the issuance of new shares for cash capital increase up to 85,000,000 common shares will have the maximum dilution effect of at 14.50%. The funds raised from the capital increase in cash shall generate sustainable growth in Company's business; reinforce competitiveness, and surely benefit shareholders. GDR issue price is determined according to fair value domestically. Original shareholders may purchase common stock in domestic market at Taipei Exchange for the price close to GDR price, exempting from currency and fluidity risks. There is no huge impact on original shareholders.

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

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

I. The necessity of private placement

- a. The reasons for not taking a public offering:  
Consider the capital market status, effectiveness of financing, feasibility, issuance cost, and actual requirement of bringing in strategic investors. With the limit of no-trading period of 3 years, it is better to maintain a long-term relationship with strategic partners by such security issuance of private placement. Therefore, the Company proposed to raise capital through private placement, rather than public offering.
- b. The amount of the private placement:  
Less than 85,000,000 shares.
- c. The capital usage plan and projected benefits of private placement:

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

II. The rationality to determine the price of private placement

The common stock price per share shall be no less than 80% of the reference price. The reference price is set as the higher of the following two basis prices:

- a. The average closing price from either 1, 3 or 5 days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
- b. The average price of 30 days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction.

The pricing date, actual issuance price are proposed to authorize the Board to determine after taking into consideration the market status, objective conditions. The price determination above shall follow regulations from government authorities.

III. The method to determine specific parties

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

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

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

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

V. Rights and obligations for this private placement for common shares

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

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

- (3) oval 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.
- (5) Resolution required.

Resolution

## **Extemporary Motion**

## **Meeting Adjourned**

## **Attachment 1**

### **Sino-American Silicon Products Inc. 2021 Business Report**

Dear Shareholders,

Thank you for attending the 2022 Shareholders' Meeting of Sino-American Silicon Products Inc. (SAS) and for your support and love for the Company.

In 2021, the overall solar energy industry still faced various new and old challenges; other than the sharp rise in upstream material prices due to the labor and material shortage resulting from the pandemic, the Chinese government imposed the Dual Control System of Total Energy Consumption and Energy Intensity also pushed up the overall costs. However, as the world enters the post-pandemic era, the global demand for solar energy installation increases. Many countries have declared the commitment to achieve carbon neutrality or zero-emission within a certain timeframe. Taiwan has also set the goal of net zero emissions by 2050, and the utilization of renewable energies and green production has become the key strategies of carbon neutrality. SAS supports the global and domestic net zero transformation with actual actions, to commit that SAS Group, with all subsidiaries, will achieve the goal of 100% utilization of renewable energy before 2050 in stages. SAS has a robust operation in the solar energy supply chain. Except for providing single crystalline silicon solar cells with high performance, modules and downstream power plant operation and maintenance, the Company also has actively positioned itself in the areas like energy storage and renewable energies, while actively expanding the key industrial positioning within the semiconductor industry chain, to expand the high value business, so that the 2021 operating results is outstanding!

The full year consolidated revenue for 2021 of Sino-American Silicon totaled NT\$68.8 billion with YoY 12.1%; gross profit of NT\$24.5 billion with gross margin of 35.6%; operating profit of NT\$18.1 billion; profit before tax of NT\$17.2 billion; net profit of NT\$12.6 billion; net profit attributed to the parent company of NT\$6.8 billion; EPS of NT\$11.62. The consolidated revenue of 2021 recorded the second highest and the full year gross margin reached 35.6%, a new historical high! EPS for 2021 of NT\$11.62, the best in history! Its semiconductor subsidiary, GlobalWafers Co., Ltd. (GWC), FY2021 revenue totaled NT\$61.1 billion, reached record high. Gross margin of 38.1%, the second highest in the history; operating margin of 28.9%, the third highest record!

The operating results in 2021 and the business plan in 2022 are reported as follows:

#### **I. Operation Results in 2021**

(I) Operation Performance

Unit: NT\$ thousands

Item	Year	2021 (IFRSs)	2020 (IFRSs)	Percent Change (%)
Revenue		68,841,250	61,397,299	12.12
Cost of Goods Sold		44,314,606	40,283,700	10.01
Gross Profit		24,526,644	21,113,599	16.17
Operating Expense		6,446,651	6,181,502	4.29
Operating Profit		18,079,993	14,932,097	21.08
Profit Before Tax		17,205,727	16,238,190	5.96
Net Profit		12,615,390	12,711,062	-0.75
Net profit (Attributed to the parent company of the current period)		6,811,050	6,326,235	7.66

(II) Budget Implementation: The Company had not announced its financial forecast for 2021

(III) Profitability Analysis

Item		2021	2020
Financial Structure	Debt to Asset Ratio (%)	68.81	54.83
	Long-term Funds to PPE (%) (PPE - Plant, Property, Equipment)	326.57	182.30
Profitability Analysis	Return on Assets (%)	9.29	11.67
	Return on Equity (%)	24.78	25.87
	Percentage in Paid-up Capital (%)	Operating Profit	308.42
		Profit Before Tax	293.50
	Net Profit Margin (%)	18.33	20.70
	Earnings Per Share (NT\$)	11.62	10.82

(IV) Financial Income and Expenditure

The Company's 2021 revenue of NT\$68,841,250,000; cost of goods sold of NT\$44,314,606,000; operating expenses of NT\$6,446,651,000; non business expenditure of NT\$874,266,000; profit before tax of NT\$17,205,727,000; net profit of NT\$12,615,390,000. The financial structure is healthy.

(V) Research & Development

1. 2021 Research & Development Expenditure

Unit: NT\$ thousands

Item/Year	2021	2020
Research and Development Expenses	2,165,030	1,742,108
Revenue	68,841,250	61,397,299
R&D expenses as a percentage of net revenue (%)	3.14	2.84

## 2. 2021 Achievement

### Technology/Product

- (1) High Quality Multi-Crystalline Silicon Materials
- (2) High Efficiency P-type Mono-Si Solar Cell

## 3. Future R&D Plan

- (1) Development of Large Size Ultra-High Efficiency mono-Si Solar Cell Technology

## II. Summary of the Business Plan for 2022

### (I) Business Guideline

1. Actively develop the growth momentum, and position the opportunities in the compound semiconductors.
2. Enter the long-term agreement with strategic customers, to introduce the new-generation large-sized products for better competitiveness.
3. Diversified energy applications and services, including the opportunities derived from energy storage and green power.
4. Monitor the environment, social, and governance (ESG) issues, and enhance the energy utilization efficiency by using renewable energies, to achieve the goal of net-zero emission by 2050.
5. Utilize the Group's resources for vertical integration to expand the market and make profitable investment plans for power plants.

### (II) Sales Forecast

With the new green policies around the world, the self-announcements of environmental effects from enterprises, and the lowering prices of solar modules, the global demands toward accelerated grid parity for solar energy will keep on growing. The analyst from PVinfoLink revised upward again that the global demands for solar power generation, and forecasted the installation volume likely reaches 220GW for the full year of 2022. The large-size monocrystal products with high efficiency will be the mainstream. Therefore, the Company has a firm grasp of market trends and industry pulse, by timely adjustment on

management strategies and by developing new-generation ultra-efficient products so as to strengthen the Company's overall maneuvering competitiveness.

(III) Important production and marketing policies

1. Continuously develop the regional market, to catch the trading opportunities under the trade war and new green policies.
2. Enhance the collaboration with the customers entered with long-term contracts, and develop the niche products with high efficiency and large size.
3. Increase the added values while actively reducing the manufacturing costs to increase margins.
4. Explore the downstream system business, strengthen vertical integration and global footprint, further expand the product market, and increase operating profit margin.
5. Expanding the collaboration with different types of renewable energy power generators, to satisfy the self and supply chain demands.

(IV) Development Strategies of the Company in the Future

1. Develop the compound semiconductor platform by applying the Group's synergies.
2. Continue developing and enhancing the cost to price ratio of solar products. Through technologies and product size differentiation strategies, to solidify the competitive position.
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.
5. Respond to the solution opportunities derived from climate change, and become a sustainable operation partner of our customers.

(V) Effect of External Competition, Regulatory Environment and Macroeconomic

1. In response to a number of competitors, the Company has accelerated the development of strategic customers and continued to develop new products with high-cost effectiveness. At the same time, it accelerates the integration of downstream system power stations to strengthen the downstream market of the Group's products.
2. Uncertainties of geopolitics: the battles of new energies between China and the U.S., and the uncertainties related to the tariff barrier policies.



3. To accommodate the liberalization of the green power transaction market, assistance services provided by Taipower, and the corporates' demands toward green power, the new energy strategy and opportunity development workforce has been established to meet the clients' new demands through internal transformation.
4. Enhance confidentiality control and establish a global core patent distribution strategy to improve international competitiveness and respond to market changes.
5. The Carbon Border Adjustment Mechanism (CBAM) promulgated officially by the EU will impose taxes on these imported goods failing to comply with the EU carbon emission regulations, and this shall expand internationally. The "Climate Change Response Act" to be promulgated in Taiwan will impact the enterprises not prepared well.

As impacts from extreme weather events grow in frequency and severity, renewable energy is crucial for decarbonization, many nations legislate green policies and climate goals to adopt renewable energy. Among all, solar PV accounts for more than half of all renewable power expansion because of its affordability and innovation, making it fully competitive to displace fossil fuels. Also, domestic demands are underpinned by 2050 carbon neutrality resolution made by Taiwan government. SAS aggressively searches for new possibilities for building solar power plant to augment its deployment, such as like aquavoltaics, agrivoltaics ... etc. to tackle land availability – the primary limiting factor in Taiwan and shifts from a pure manufacturer to a diversified energy applications and services supplier, including energy storage and green power. With restless efforts, SAS explores and enlarges its business, aiming to become a total green energy solution provider. Look into the future, SAS will focus on the robust operation of the key services, and keep on expanding strategic positioning in the semiconductor sector, which will become SAS' profitability foundation in terms of overall performance, seeking to increase the operating performance improvement, with another year of outperformance.

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.

Chairperson	Hsiu-Lan Hsu
President	Tang-Liang Yao
Chief Accounting	Hsiu-Ling Hsu

## **Attachment 2**

### **Audit Committee Review Report**

The Board of Directors has prepared the Company's 2021 Business Report, Consolidated and Standalone Financial Statements and Earnings Distribution Proposal. Sino-American Silicon Products Inc. Consolidated and Standalone Financial Statements have been audited and certified by An-Chih, Cheng, CPA, and Mei-Yu, Tseng, CPA, of KPMG and audit review reports relating to the Financial Statements have been issued. The aforementioned Business Report, Consolidated and Standalone 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 14-4 of Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this report.

Sino-American Silicon Products Inc.

Audit Committee Convener:

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Chin-Tang, Liu

May 05, 2022

## Attachment 3

### Independent Auditors Report and Financial Statements

#### 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, 2021 and 2020, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, 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 Attestation 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

#### 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 audit 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 from contracts with customers

Please refer to note 4(15) "Revenue recognition" for accounting policy and note 6(23) "Revenue from contracts with customers" of the consolidated financial statements for further information.

Description of key audit matter:

The Group's semiconductor segment revenues are derived from the sales of semiconductor materials and components. Revenue recognition is also dependent on whether the specified sales terms in each individual contract are met. In consideration of the high volume of sales transactions generated from world-wide operations, revenue recognition is one of the key areas our audit focused on.

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. Goodwill impairment assessment

Please refer to the note 4(13) "Impairment of non-financial assets" for accounting policy, note 5(2) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" for impairment assessment, and note 6(12) "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 necessary. 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 sensitivity analysis based on key factors; assessing whether the accounting policies for goodwill impairment and other relevant information have been appropriately disclosed.

## Other Matter

Sino-American Silicon Products Inc. has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unqualified opinion.

## **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 Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of 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 2021 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 An-Chih Cheng and Mei-Yu Tseng.

KPMG

Taipei, Taiwan (Republic of China)  
March 17, 2022

#### **Notes to Readers**

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

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

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc. and subsidiaries

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020				December 31, 2021		December 31, 2020	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(1))	\$ 67,117,906	40	23,812,590	22	2100	Short-term borrowings (notes 6(13) and 8)	\$ 7,759,302	5	10,771,000	10
1110	Financial assets at fair value through profit or loss — current (note 6(2))	3,567	-	5,656,668	5	2120	Financial liabilities at fair value through profit or loss — current (note 6(2))	198,631	-	45,953	-
1136	Financial assets measured at amortized cost — current (notes 6(4) and 7)	331,609	-	277,895	-	2130	Contract liabilities — current (notes 6(23) and 9)	7,410,209	4	3,763,986	3
1170	Notes and accounts receivable, net (notes 6(5) and (23))	9,820,400	6	8,332,156	8	2170	Notes and accounts payable	4,574,750	3	4,182,542	4
1180	Accounts receivable due from related parties, net (notes 6(23) and 7)	68,760	-	75,253	-	2180	Accounts payable to related parties (note 7)	11,172	-	21,852	-
130X	Inventories (note 6(6))	8,646,093	5	7,928,638	7	2201	Payroll and bonus payable	3,512,267	2	3,183,647	3
1476	Other financial assets — current (notes 8 and 9)	3,761,058	2	5,588,505	5	2216	Dividends payable	3,751,986	2	3,751,986	3
1479	Other current assets	1,470,021	1	1,019,319	1	2250	Provisions — current (notes 6(17) and 9)	363,611	-	243,646	-
		91,219,414	54	52,691,024	48	2230	Current tax liabilities	2,151,532	1	2,092,828	2
<b>Non-current assets:</b>						2322	Long-term borrowings, current portion (note 6(14))	31,832	-	32,752	-
1513	Financial assets at fair value through profit or loss — non-current (note 6(2))	18,368,712	11	117,204	-	2399	Other current liabilities (note 6(16))	5,457,095	3	4,466,937	3
1517	Financial assets at fair value through other comprehensive income — non-current (note 6(3))	1,290,831	1	484,630	-			35,222,387	20	32,557,129	28
1550	Investments accounted for using equity method (note 6(7))	6,959,532	4	7,158,811	6	<b>Non-Current liabilities:</b>					
1600	Property, plant and equipment (notes 6(10), 7 and 8)	40,428,472	24	42,455,037	39	2527	Contract liabilities — non-current (notes 6(23) and 9)	22,348,972	13	14,132,126	13
1755	Right-of-use assets (note 6(11))	845,228	1	832,865	1	2500	Non-current financial liabilities at fair value through profit or loss (notes 6(2) and (15))	178,637	-	-	-
1780	Intangible assets (note 6(12))	3,025,349	2	2,797,463	3	2530	Convertible bonds (note 6(15))	26,143,969	16	-	-
1840	Deferred tax assets (note 6(19))	1,978,955	1	2,312,821	2	2531	Bonds payable (note 6(15))	18,980,771	11	-	-
1980	Other financial assets — non-current (notes 8 and 9)	1,387,023	1	306,137	-	2540	Long-term borrowings (note 6(14))	999,044	1	1,048,064	1
1990	Other non-current assets	1,747,769	1	796,789	1	2550	Provisions — non-current (note 6(17) and 9)	3,614,690	2	4,041,851	4
		76,031,871	46	57,261,757	52	2570	Deferred tax liabilities (note 6(19))	4,897,351	3	4,974,407	5
						2670	Other non-current liabilities (note 6(16))	865,094	1	1,045,615	1
						2640	Net defined benefit liabilities (note 6(18))	1,837,432	1	2,484,107	2
								79,865,960	48	27,726,170	26
								115,088,347	68	60,283,299	54
<b>Total assets</b>		<b>\$ 167,251,285</b>	<b>100</b>	<b>109,952,781</b>	<b>100</b>	<b>Total liabilities</b>					
						<b>Equity (note 6(20)):</b>					
						3110	Ordinary shares	5,862,217	4	5,862,217	5
						3200	Capital surplus	18,304,186	11	19,481,234	18
						3300	Retained earnings	9,809,686	6	6,213,241	6
						3400	Other equity interest	(5,439,007)	(3)	(3,395,866)	(3)
							<b>Total equity attributable to shareholders of the Company</b>	28,537,082	18	28,160,826	26
						36XX	Non-controlling interests (note 6(8))	23,625,856	14	21,508,656	20
							<b>Total equity</b>	52,162,938	32	49,669,482	46
							<b>Total liabilities and equity</b>	<b>\$ 167,251,285</b>	<b>100</b>	<b>109,952,781</b>	<b>100</b>

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc. and subsidiaries

**Consolidated Statements of Comprehensive Income**

**For the years ended December 31, 2021 and 2020**

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

		<b>2021</b>		<b>2020</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue</b> (notes 6(23) and 7)	\$ 68,841,250	100	61,397,299	100
5000	<b>Operating costs</b> (notes 6(6), (10), (17), (18) and 7)	44,314,606	64	40,283,700	66
	<b>Gross profit from operations</b>	24,526,644	36	21,113,599	34
	<b>Operating expenses</b> (notes 6(10), (17), (18), (24) and 7):				
6100	Selling expenses	1,634,768	3	1,431,684	2
6200	Administrative expenses	2,647,334	4	3,020,051	5
6300	Research and development expenses	2,165,030	3	1,742,108	3
6450	Expected credit losses (reversal gains) (note 6(5))	(481)	-	(12,341)	-
	<b>Total operating expenses</b>	6,446,651	10	6,181,502	10
	<b>Net operating income</b>	18,079,993	26	14,932,097	24
	<b>Non-operating income and expenses:</b>				
7100	Interest income (notes 6(25) and 8)	147,798	-	259,875	-
7020	Other gains and losses (note 6(26))	(906,993)	(1)	1,177,485	2
7050	Finance costs (note 6(25))	(332,325)	-	(105,939)	-
7060	Share of profit (loss) of associates accounted for using equity method (note 6(7))	217,254	-	(25,328)	-
		(874,266)	(1)	1,306,093	2
	<b>Income before income tax</b>	17,205,727	25	16,238,190	26
7950	Less: Income tax expense (note 6(19))	4,590,337	7	3,527,128	5
	<b>Net income</b>	12,615,390	18	12,711,062	21
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified subsequently to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(18))	174,627	-	(254,213)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	327,822	-	88,257	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method	551,647	1	728,216	1
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(19))	(108,652)	-	38,521	-
		945,444	1	600,781	1
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
8361	Exchange differences on translation of foreign operations	(6,242,067)	(9)	(139,362)	-
8370	Share of other comprehensive income of associates accounted for using equity method (notes 6(7) and (27))	(2,098)	-	3,680	-
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss (note 6(19))	1,232,023	(2)	33,505	-
		(5,012,142)	(7)	(102,177)	-
8300	<b>Other comprehensive income (after tax)</b>	(4,066,698)	(6)	498,604	1
	<b>Total comprehensive income</b>	<u>\$ 8,548,692</u>	<u>12</u>	<u>13,209,666</u>	<u>22</u>
	<b>Net income attributable to:</b>				
	Shareholders of Sino-American Silicon Products Inc.	\$ 6,811,050	10	6,326,235	11
	Non-controlling interests	5,804,340	8	6,384,827	10
		<u>\$ 12,615,390</u>	<u>18</u>	<u>12,711,062</u>	<u>21</u>
	<b>Total comprehensive income attributable to:</b>				
	Shareholders of Sino-American Silicon Products Inc.	\$ 4,845,754	7	6,627,194	11
	Non-controlling interests	3,702,938	5	6,582,472	11
		<u>\$ 8,548,692</u>	<u>12</u>	<u>13,209,666</u>	<u>22</u>
	<b>Earnings per share</b> (NT dollars) (note 6(22))				
	Basic earnings per share	<u>\$ 11.62</u>		<u>10.82</u>	
	Diluted earnings per share	<u>\$ 11.56</u>		<u>10.71</u>	

See accompanying notes to consolidated financial statements.



(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)  
**Sino-American Silicon Products Inc. and subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the years ended December 31, 2021 and 2020**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent							Other equity interest						
	Ordinary shares	Share capital awaiting retirement	Capital surplus	Retained earnings			Exchange differences on translation of foreign financial statements	Gains (losses) on equity instrument measured at fair value through other comprehensive income	Unearned compensation cost	Others	Total other equity interest	Total	Non-controlling interests	Total equity
				Legal reserve	Special reserve	Unappropriated retained earnings								
<b>Balance at January 1, 2020</b>	<u>\$ 5,862,367</u>	<u>(150)</u>	<u>21,072,595</u>	<u>462,354</u>	<u>513,302</u>	<u>2,591,235</u>	<u>(2,224,344)</u>	<u>(1,585,242)</u>	<u>(18,608)</u>	<u>(3,268)</u>	<u>(3,831,462)</u>	<u>26,670,241</u>	<u>21,945,800</u>	<u>48,616,041</u>
Net income for the year	-	-	-	-	-	6,326,235	-	-	-	-	-	6,326,235	6,384,827	12,711,062
Other comprehensive income for the year	-	-	-	-	-	(113,136)	(100,694)	514,789	-	-	414,095	300,959	197,645	498,604
Comprehensive income for the year	-	-	-	-	-	6,213,099	(100,694)	514,789	-	-	414,095	6,627,194	6,582,472	13,209,666
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	-	259,122	-	(259,122)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	817,117	(817,117)	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	-	(3,566,749)	-	-	-	-	-	(3,566,749)	-	(3,566,749)
Stock dividends from capital surplus	-	-	(1,416,136)	-	-	-	-	-	-	-	-	(1,416,136)	-	(1,416,136)
Changes in equity of associates accounted for using equity method	-	-	(176,098)	-	-	-	-	-	-	2,893	2,893	(173,205)	-	(173,205)
Due to donated assets received	-	-	873	-	-	-	-	-	-	-	-	873	-	873
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(6,252)	(6,252)
Compensation cost of issued restricted stock awards	-	-	-	-	-	-	-	-	18,608	-	18,608	18,608	-	18,608
Share retirement and awaiting retirement due to expiration of restricted stock awards	(150)	150	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(7,013,364)	(7,013,364)
<b>Balance at December 31, 2020</b>	<u>5,862,217</u>	<u>-</u>	<u>19,481,234</u>	<u>721,476</u>	<u>1,330,419</u>	<u>4,161,346</u>	<u>(2,325,038)</u>	<u>(1,070,453)</u>	<u>-</u>	<u>(375)</u>	<u>(3,395,866)</u>	<u>28,160,826</u>	<u>21,508,656</u>	<u>49,669,482</u>
Net income for the year	-	-	-	-	-	6,811,050	-	-	-	-	-	6,811,050	5,804,340	12,615,390
Other comprehensive income for the year	-	-	-	-	-	72,164	(2,580,496)	543,036	-	-	(2,037,460)	(1,965,296)	(2,101,402)	(4,066,698)
Comprehensive income for the year	-	-	-	-	-	6,883,214	(2,580,496)	543,036	-	-	(2,037,460)	4,845,754	3,702,938	8,548,692
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	-	621,310	-	(621,310)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	23	(23)	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	-	(3,286,769)	-	-	-	-	-	(3,286,769)	-	(3,286,769)
Cash dividends from capital surplus	-	-	(1,989,226)	-	-	-	-	-	-	-	-	(1,989,226)	-	(1,989,226)
Changes in equity of associates accounted for using equity method	-	-	(60,171)	-	-	-	-	-	-	(5,681)	(5,681)	(65,852)	-	(65,852)
Conversion rights of subsidiary's convertible bonds	-	-	871,666	-	-	-	-	-	-	-	-	871,666	831,804	1,703,470
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	1,407,638	1,407,638
Due to donated assets received	-	-	683	-	-	-	-	-	-	-	-	683	-	683
Cash dividends by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(3,825,180)	(3,825,180)
<b>Balance at December 31, 2021</b>	<u><b>\$ 5,862,217</b></u>	<u><b>-</b></u>	<u><b>18,304,186</b></u>	<u><b>1,342,786</b></u>	<u><b>1,330,442</b></u>	<u><b>7,136,458</b></u>	<u><b>(4,905,534)</b></u>	<u><b>(527,417)</b></u>	<u><b>-</b></u>	<u><b>(6,056)</b></u>	<u><b>(5,439,007)</b></u>	<u><b>28,537,082</b></u>	<u><b>23,625,856</b></u>	<u><b>52,162,938</b></u>

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)  
**Sino-American Silicon Products Inc. and subsidiaries**

**Consolidated Statements of Cash Flows**

**For the years ended December 31, 2021 and 2020**

(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities:</b>		
Income before income tax	\$ 17,205,727	16,238,190
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expenses	6,285,301	5,791,202
Amortization expenses	225,429	356,495
Expected credit reversal gains	(481)	(12,341)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	341,804	(457,709)
Interest expenses	332,325	105,939
Interest income	(147,798)	(259,875)
Dividend income	(286,232)	(13,216)
Share-based compensation cost	-	18,608
Shares of loss (gain) of associates accounted for using equity method	(217,254)	25,328
Losses (gains) on disposal of property, plant and equipment	(17,747)	1,126
Gains on disposal of investments	(113,180)	(34,165)
Reversal of impairment losses on financial assets	(3,454)	(22,519)
Recognition of impairment losses on non-financial assets	8,908	444,064
Recognition (reversal) of write-down of inventory	(48,093)	79,390
Reversal of provisions	(314,804)	(632,014)
<b>Total adjustments</b>	<u>6,044,724</u>	<u>5,390,313</u>
<b>Changes in operating assets and liabilities:</b>		
Notes and accounts receivable (including related parties)	(1,361,105)	112,146
Inventories	(517,907)	(609,735)
Prepayments	(1,094,824)	59,349
Other financial assets	(16,542)	(20,104)
Other operating assets	(59,534)	257,359
Contract liabilities	12,515,171	(3,513,125)
Notes and accounts payable (including related parties)	361,142	24,699
Net defined benefit liabilities	(428,715)	(173,424)
Other operating liabilities	1,203,461	(146,809)
<b>Total changes in operating assets and liabilities</b>	<u>10,601,147</u>	<u>(4,009,644)</u>
<b>Total adjustments</b>	<u>16,645,871</u>	<u>1,380,669</u>
Cash inflow generated from operations	33,851,598	17,618,859
Interest received	125,470	258,838
Dividends received	286,232	13,216
Interest paid	(84,820)	(106,332)
Income taxes paid	(3,196,179)	(3,203,771)
<b>Net cash flows generated from operating activities</b>	<u>30,982,301</u>	<u>14,580,810</u>

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)  
**Sino-American Silicon Products Inc. and subsidiaries**

**Consolidated Statements of Cash Flows(Continued)**

**For the years ended December 31, 2021 and 2020**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2021</b>	<b>2020</b>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(529,277)	(95,357)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	42,267	12,561
Acquisition of financial assets at amortized cost	(330,000)	-
Proceeds from disposal of financial assets at amortized cost	280,000	250,000
Acquisition of financial assets at fair value through profit or loss	(13,579,261)	(5,611,917)
Proceeds from disposal of financial assets at fair value through profit or loss	124	2,103,746
Acquisition of investments accounted for using equity method	(146,837)	(3,958,110)
Proceeds from disposal of investments accounted for using equity method	128,629	516,948
Cash dividends from investment accounted for using equity method	221,598	99,406
Acquisition of property, plant and equipment	(6,010,740)	(9,168,800)
Proceeds from disposal of property, plant and equipment	65,121	105,647
Acquisition of intangible assets	(6,256)	(3,631)
Net cash inflows from business combination	58,787	-
Decrease (increase) in other financial assets	785,902	(1,816,568)
Increase in other prepayments	(192,381)	-
<b>Net cash flows used in investing activities</b>	<b>(19,212,324)</b>	<b>(17,566,075)</b>
<b>Cash flows from financing activities:</b>		
Decrease (increase) in short-term loans	(3,011,698)	676,375
Repayments of long-term borrowings	(170,495)	(237,741)
Decrease in guarantee deposits	(34,658)	(156,243)
Repayment of the principal portion of lease liabilities	(203,538)	(198,464)
Cash dividends and capital surplus distribution	(5,275,995)	(2,931,109)
Proceeds from bonds offerings	46,812,845	-
Distribution of cash dividends for non-controlling interests	(3,825,180)	(5,313,154)
Donation surplus	683	873
Change in non-controlling interests	-	(6,252)
<b>Net cash flows generated from (used in) financing activities</b>	<b>34,291,964</b>	<b>(8,165,715)</b>
Effect of exchange rate changes on cash and cash equivalents	(2,756,625)	62,145
Net increase (decrease) in cash and cash equivalents	43,305,316	(11,088,835)
Cash and cash equivalents at beginning of period	23,812,590	34,901,425
Cash and cash equivalents at end of period	<b>\$ 67,117,906</b>	<b>23,812,590</b>

See accompanying notes to consolidated financial statements.

## **Independent Auditors' Report**

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

### **Opinion**

We have audited the parent-company-only financial statements of Sino-American Silicon Products Inc.( “the Company” ), which comprise the balance sheets as of December 31, 2021 and 2020, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent-company-only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its parent-company-only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation 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 Parent-Company-Only Financial Statements section of our report. We are independent of the Company 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent-company-only financial statements of the current period. These matters were addressed in the context of our audit of the parent-company-only 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 report are as follows:

Evaluation of investments accounted for using the equity method

For the accounting policies of the assessment of the investment under equity method, please refer to note 4(8) “Investment in associates” and note 4(9) “Investment in subsidiaries” of the parent-company-only financial statements; for the assessment of the investment under equity method, please refer to the parent-company-only financial statements of note 6(7) “Investments accounted for using equity method” .

#### Description of key audit matters:

The Company holds a 51.17% of the shares in the equity investment subsidiary, GlobalWafers Co., Ltd. Given that most of the subsidiaries of GlobalWafers Co., Ltd. are mainly arising from business combinations, and GlobalWafers operates in an industry subjected to fluctuations in the market environment and other factors, the recognition of the revenue of subsidiaries and the assessment of goodwill impairment are important. It is considered to be one of the key areas in our audit.

#### How the matter was addressed in our audit:

The principal audit procedures performed for the recognition of revenue related to investees under equity method include understanding the accounting policies adopted for the revenue recognition; assessing the design of the internal control system of sales revenue; and testing selected samples of 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 used for future cash flow projections and calculating recoverable amounts, and performing the sensitivity analysis of the key assumptions.

#### **Responsibilities of Management and Those Charged with Governance for the Parent-Company-Only Financial Statements**

Management is responsible for the preparation and fair presentation of the parent-company-only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent-company-only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent-company-only financial statements, management is responsible for assessing the Company'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 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 the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Parent-Company-Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the parent-company-only 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 parent-company-only 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 parent-company-only 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 Company'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 Company'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 parent-company-only 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the disclosures, and whether the parent-company-only 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 parent-company-only financial statements. We are responsible for the direction, supervision and performance of Company 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 parent-company-only 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 An-Chih Cheng and Mei-Yu Tseng.

KPMG

Taipei, Taiwan (Republic of China)  
March 17, 2022

#### **Notes to Readers**

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

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

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc.

**Balance Sheets**

**December 31, 2021 and 2020**

(Expressed in Thousands of New Taiwan Dollars)

		<b>December 31, 2021</b>		<b>December 31, 2020</b>				<b>December 31, 2021</b>		<b>December 31, 2020</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>			<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Assets</b>						<b>Liabilities and Equity</b>					
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(1))	\$ 804,741	2	781,889	2	2100	Short-term borrowings (note 6(10))	\$ 1,495,303	4	900,000	2
1110	Financial assets at fair value through profit or loss — current (note 6(2))	117	-	-	-	2120	Financial liabilities at fair value through profit or loss — current (note 6(2))	152	-	-	-
1136	Financial assets measured at amortized cost — current (notes 6(4) and 7)	331,609	1	277,895	1	2130	Contract liabilities — current (notes 6(19) and 7)	1,827,878	4	131,785	-
1170	Notes and accounts receivable, net (notes 6(5) and (19))	570,238	2	264,031	1	2170	Notes and accounts payable	480,236	1	518,817	1
1180	Accounts receivable due from related parties, net (note 7)	2,908,809	7	2,341,134	6	2180	Accounts payable to related parties (note 7)	5,464	-	195,297	1
130X	Inventories (note 6(6))	723,885	2	456,448	1	2201	Payroll and bonus payable	1,050,570	3	739,758	2
1421	Prepayments to suppliers	159,683	-	46,206	-	2216	Dividends payable	2,051,776	5	2,051,776	6
1479	Other current assets	201,512	-	111,362	-	2250	Provisions — current (note 6(13))	337,285	1	221,949	1
	<b>Total current assets</b>	<u>5,700,594</u>	<u>14</u>	<u>4,278,965</u>	<u>11</u>	2399	Other current liabilities (notes 6(12), (19) and 7)	<u>255,485</u>	<u>-</u>	<u>335,149</u>	<u>1</u>
<b>Non-current assets:</b>						<b>Total current liabilities</b>		<u>7,504,149</u>	<u>18</u>	<u>5,094,531</u>	<u>14</u>
1517	Financial assets at fair value through other comprehensive income — non-current (note 6(3))	-	-	6,095	-	<b>Non-Current liabilities:</b>					
1550	Investments accounted for using equity method (notes 6(7) and 7)	31,639,209	78	30,588,097	81	2527	Contract liabilities — non-current (notes 6(19) and 7)	1,036,084	3	1,044,068	3
1600	Property, plant and equipment (note 6(8))	3,086,409	8	3,265,859	8	2550	Provisions — non-current (note 6(13))	3,562,855	9	3,992,895	10
1755	Right-of-use assets (note 6(9))	150,628	-	180,240	-	2600	Other non-current liabilities (notes 6(12) and (14))	<u>125,271</u>	<u>-</u>	<u>154,630</u>	<u>-</u>
1900	Other non-current assets (note 6(15) )	133,221	-	85,130	-	<b>Total non-current liabilities</b>		<u>4,724,210</u>	<u>12</u>	<u>5,191,593</u>	<u>13</u>
1980	Other financial assets — non-current(note 8)	55,380	-	42,564	-	<b>Total liabilities</b>		<u>12,228,359</u>	<u>30</u>	<u>10,286,124</u>	<u>27</u>
	<b>Total non-current assets</b>	<u>35,064,847</u>	<u>86</u>	<u>34,167,985</u>	<u>89</u>	<b>Equity (note 6(16)):</b>					
						3110	Ordinary shares	<u>5,862,217</u>	<u>14</u>	<u>5,862,217</u>	<u>15</u>
						3200	Capital surplus	<u>18,304,186</u>	<u>45</u>	<u>19,481,234</u>	<u>51</u>
						3300	Retained earnings	<u>9,809,686</u>	<u>24</u>	<u>6,213,241</u>	<u>16</u>
						3400	Other equity interest	<u>(5,439,007)</u>	<u>(13)</u>	<u>(3,395,866)</u>	<u>(9)</u>
						<b>Total equity</b>		<u>28,537,082</u>	<u>70</u>	<u>28,160,826</u>	<u>73</u>
<b>Total assets</b>		<u><b>\$ 40,765,441</b></u>	<u><b>100</b></u>	<u><b>38,446,950</b></u>	<u><b>100</b></u>	<b>Total liabilities and equity</b>		<u><b>\$ 40,765,441</b></u>	<u><b>100</b></u>	<u><b>38,446,950</b></u>	<u><b>100</b></u>

See accompanying notes to parent-company-only financial statements.



(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc.

**Statements of Comprehensive Income**

**For the years ended December 31, 2021 and 2020**

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

		<b>2021</b>		<b>2020</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue</b> (notes 6(19) and 7)	\$ 8,137,094	100	5,430,346	100
5000	<b>Operating costs</b> (notes 6(6),(8), (12), (14), (17), (20) and 7)	7,299,085	90	5,248,059	97
	<b>Gross profit from operations</b>	838,009	10	182,287	3
	<b>Operating expenses</b> (notes 6(12), (14), (17)), (20) and 7):				
6100	Selling expenses	68,293	1	72,192	1
6200	Administrative expenses	450,956	5	500,307	9
6300	Research and development expenses	70,624	1	101,957	2
6450	Expected credit losses (note 6(5))	-	-	881	-
	<b>Total operating expenses</b>	589,873	7	675,337	12
	<b>Net operating income (loss)</b>	248,136	3	(493,050)	(9)
	<b>Non-operating income and expenses:</b>				
7100	Interest income (notes 6(21) and 7)	12,892	-	18,982	-
7020	Other gains and losses (notes 6(22) and 7)	349,557	4	139,280	3
7050	Finance costs (notes 6(23) and 7)	(10,804)	-	(7,577)	-
7060	Share of profit of associates accounted for using equity method (note 6(7))	6,214,916	77	6,647,023	122
		6,566,561	81	6,797,708	125
	<b>Income before income tax</b>	6,814,697	84	6,304,658	116
7950	Less: Income tax expenses (benefits) (note 6(15))	3,647	-	(21,577)	-
	<b>Net income</b>	6,811,050	84	6,326,235	116
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that will not be reclassified subsequently to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(14))	1,151	-	(5,666)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(16))	(6,095)	-	-	-
8330	Share of other comprehensive income of subsidiaries and associates accounted for using equity method related to components of other comprehensive income that will not be reclassified to profit or loss (notes 6(16) and (24))	620,144	7	407,319	8
		615,200	7	401,653	8
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
8361	Exchange differences on translation of foreign operations (note 6(16))	(2,591,182)	(32)	(122,701)	(2)
8380	Share of other comprehensive income of associates accounted for using equity method related to components of other comprehensive income that may be reclassified to profit or loss (notes 6(16) and (24))	(2,098)	-	3,680	-
8399	Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss (note 6(15))	(12,784)	-	(18,327)	-
		(2,580,496)	(32)	(100,694)	(2)
8300	<b>Other comprehensive income (after tax)</b>	(1,965,296)	(25)	300,959	6
	<b>Total comprehensive income</b>	<u>\$ 4,845,754</u>	<u>59</u>	<u>6,627,194</u>	<u>122</u>
	<b>Earnings per share (NT dollars)</b> (note 6(18))				
9750	Basic earnings per share	<u>\$ 11.62</u>		<u>10.82</u>	
9850	Diluted earnings per share	<u>\$ 11.56</u>		<u>10.71</u>	

See accompanying notes to parent-company-only financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc.

**Statements of Changes in Equity**  
**For the years ended December 31, 2021 and 2020**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings						Other equity interest						
	Ordinary shares	Share capital awaiting retirement	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Gains (losses) on equity instrument measured at fair value through other comprehensive income	Unearned compensation cost	Others	Total other equity interest	Total equity
Balance at January 1, 2020	\$ 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
Net income for the year	-	-	-	-	-	6,326,235	6,326,235	-	-	-	-	-	6,326,235
Other comprehensive income for the year	-	-	-	-	-	(113,136)	(113,136)	(100,694)	514,789	-	-	414,095	300,959
Comprehensive income for the year	-	-	-	-	-	6,213,099	6,213,099	(100,694)	514,789	-	-	414,095	6,627,194
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	-	259,122	-	(259,122)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	817,117	(817,117)	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	(3,566,749)	(3,566,749)	-	-	-	-	-	(3,566,749)
Cash dividends from capital surplus	-	-	(1,416,136)	-	-	-	-	-	-	-	-	-	(1,416,136)
Changes in equity of associates accounted for using equity method	-	-	(176,098)	-	-	-	-	-	-	-	2,893	2,893	(173,205)
Due to donated assets received	-	-	873	-	-	-	-	-	-	-	-	-	873
Compensation cost of issued restricted stock awards	-	-	-	-	-	-	-	-	-	18,608	-	18,608	18,608
Share retirement and awaiting retirement due to expiration of restricted stock awards	(150)	150	-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2020	5,862,217	-	19,481,234	721,476	1,330,419	4,161,346	6,213,241	(2,325,038)	(1,070,453)	-	(375)	(3,395,866)	28,160,826
Net income for the year	-	-	-	-	-	6,811,050	6,811,050	-	-	-	-	-	6,811,050
Other comprehensive income for the year	-	-	-	-	-	72,164	72,164	(2,580,496)	543,036	-	-	(2,037,460)	(1,965,296)
Comprehensive income for the year	-	-	-	-	-	6,883,214	6,883,214	(2,580,496)	543,036	-	-	(2,037,460)	4,845,754
Appropriation and distribution of retained earnings:													
Legal reserve	-	-	-	621,310	-	(621,310)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	23	(23)	-	-	-	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	-	(3,286,769)	(3,286,769)	-	-	-	-	-	(3,286,769)
Cash dividends from capital surplus	-	-	(1,989,226)	-	-	-	-	-	-	-	-	-	(1,989,226)
Changes in equity of associates accounted for using equity method	-	-	(60,171)	-	-	-	-	-	-	-	(5,681)	(5,681)	(65,852)
Conversion rights of subsidiary's convertible bonds	-	-	871,666	-	-	-	-	-	-	-	-	-	871,666
Due to donated assets received	-	-	683	-	-	-	-	-	-	-	-	-	683
Balance at December 31, 2021	\$ 5,862,217	-	18,304,186	1,342,786	1,330,442	7,136,458	9,809,686	(4,905,534)	(527,417)	-	(6,056)	(5,439,007)	28,537,082

See accompanying notes to parent-company-only financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc.

**Statements of Cash Flows**  
**For the years ended December 31, 2021 and 2020**  
(Expressed in Thousands of New Taiwan Dollars)

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities:</b>		
Income before income tax	\$ 6,814,697	6,304,658
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expenses	416,683	486,204
Expected credit losses	-	881
Net loss on financial assets or liabilities at fair value through profit or loss	35	-
Interest expense	10,804	7,577
Interest incomes	(12,892)	(18,982)
Dividend income	-	(2,210)
Share-based compensation cost	-	18,608
Shares of profit of subsidiaries and associates accounted for using equity method	(6,214,916)	(6,647,023)
Gains on disposal of property, plant and equipment	(9,353)	(10,242)
Gains on disposal of investments	(113,180)	(34,165)
Reversal gains of impairment losses recognized on financial assets	(3,454)	(22,519)
Reversal of write-down of inventory	(15,053)	(31,954)
Recognition of impairment losses on non-financial assets	8,908	444,064
Reversal of provisions	(314,804)	(630,055)
<b>Total adjustments</b>	<u>(6,247,222)</u>	<u>(6,439,816)</u>
<b>Changes in operating assets and liabilities:</b>		
Notes and accounts receivable (including related parties)	(299,081)	(1,822)
Inventories	(252,384)	(84,742)
Prepayments	(113,477)	(16,832)
Other operating assets	(90,031)	29,470
Decrease in financial liabilities held for trading	-	(68)
Notes and accounts payable (including related parties)	(40,537)	(6,906)
Contract liabilities	1,688,108	(128,350)
Other operating liabilities	138,444	346,282
<b>Total changes in operating assets and liabilities</b>	<u>1,031,042</u>	<u>137,032</u>
<b>Total adjustments</b>	<u>(5,216,180)</u>	<u>(6,302,784)</u>
Cash inflow generated from operations	1,598,517	1,874
Interest received	10,984	21,155
Dividends received	-	2,210
Interest paid	(8,838)	(4,791)
Income taxes paid	(1,335)	(5,222)
<b>Net cash flows generated from operating activities</b>	<u>1,599,328</u>	<u>15,226</u>

(Continued)

See accompanying notes to parent-company-only financial statements.

(English Translation of the Parent-Company-Only Financial Statements Originally Issued in Chinese)  
Sino-American Silicon Products Inc.

**Statements of Cash Flows (Continued)**

**For the years ended December 31, 2021 and 2020**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2021</b>	<b>2020</b>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at amortized cost	(330,000)	-
Repayment at maturity of financial assets at amortized cost	280,000	250,000
Decrease (Increase) in intercompany loan	(573,508)	15,872
Acquisition of investments accounted for using equity method	(166,837)	(4,208,110)
Net cash flow from disposal of investments accounted for using equity method	128,629	516,948
Cash dividends from investment accounted for using equity method	4,198,336	5,649,312
Acquisition of property, plant and equipment	(212,997)	(967,687)
Proceeds from disposal of property, plant and equipment	20,297	17,239
Increase in other financial assets	(12,816)	(2,600)
Increase in prepayments for investments	(3,411)	-
Cash inflows from business combination	-	306,232
<b>Net cash flows generated from investing activities</b>	<b>3,327,693</b>	<b>1,577,206</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term loans	595,303	700,000
Increase (decrease) in payables to related parties	(192,610)	192,950
Increase in guarantee deposits	283	6
Repayment of the principal portion of lease liabilities	(31,833)	(30,051)
Cash dividends and capital surplus distribution	(5,275,995)	(2,931,109)
Donated assets received	683	873
<b>Net cash flows used in financing activities</b>	<b>(4,904,169)</b>	<b>(2,067,331)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>22,852</b>	<b>(474,899)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>781,889</b>	<b>1,256,788</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 804,741</b>	<b>781,889</b>

See accompanying notes to parent-company-only financial statements.

## Attachment 4

### Sino-American Silicon Products Inc. Profit Distribution Table Year 2021

(Unit: NT\$)

Items	Amount	
<b>Beginning retained earnings</b>		<b>315,793,511</b>
Plus (Less)		
Current change on defined benefit remeasurements	72,165,738	
2021 net income	6,811,049,832	6,883,215,570
<b>Beginning unappropriated retained earnings</b>		<b>7,199,009,081</b>
Plus (Less)		
Provision as legal reserve		
2021H accumulated provision	(357,960,681)	
2021 provision for discrepancy	(330,360,876)	(688,321,557)
Reversal (Provision) of equity deduction special reserve		
Prior period - 2021H accumulated provision	(2,065,423,630)	
This period - 2021H accumulated provision	(1,409,450,096)	
This period - 2021 reversal for discrepancy	633,692,232	(4,108,565,958)
Item of distribution		
Share dividends-cash		
2021 interim earnings that were distributed (NTD 0.1067 per share)	(62,549,850)	
2021 earnings to be distributed (NTD 3.4522 per share)	(2,023,754,384)	(2,086,304,234)
<b>Ending unappropriated earnings</b>		<b>315,817,332</b>
Note: The amount of cash dividends to be distributed are calculated according to the proportion recorded in the shareholder registry on the record date of distribution and rounded up by the unit of NT\$1 (less than NT\$1 is excluded), and the total amount of the distributive payments less than NT\$1 are included in other income.		

Chairperson: Hsiu-Lan Hsu

President: Tang-Liang Yao

Chief Accounting: Hsiu-Ling Hsu

## Attachment 5

### Sino-American Silicon Products Inc.

#### Comparison Chart of Codes of Ethical Conduct

Article	Before	After	Remark
8	<p>(Safeguarding and Proper Use of Company Assets)</p> <p>All the SAS staff has the responsibility to safeguard company assets and to ensure that these assets can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.</p>	<p>(Safeguarding and Proper Use of Company Assets)</p> <p>All the SAS staff has the responsibility to safeguard company assets and to ensure that these assets can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.</p> <p><u>If SAS property is damaged, the user must, without deception, immediately report to his/her direct supervisor and the keeping unit for follow-up action; if the damage is caused by intention or negligence, SAS may seek compensation pursuant to the law. The keeping units shall also carry out periodical check on SAS property.</u></p>	Incorporation of additional content.
16	<p>The Procedures were enacted on May 7, 2013.</p> <p>The first amendment was made on August 12, 2014.</p> <p>The second amendment was made on December 18, 2014.</p> <p>The third amendment was made on March 21, 2019.</p> <p>The fourth amendment was made on November 12, 2019.</p>	<p>The Procedures were enacted on May 7, 2013.</p> <p>The first amendment was made on August 12, 2014.</p> <p>The second amendment was made on December 18, 2014.</p> <p>The third amendment was made on March 21, 2019.</p> <p>The fourth amendment was made on November 12, 2019.</p> <p><u>The fifth amendment was made on November 4, 2021.</u></p>	Adjustment on wordings and incorporating the date of latest amendment.

## Attachment 6

### Sino-American Silicon Products Inc.

#### Comparison Chart of Corporate Social Responsibility Best Practice Principles

Article	Before	After	Remark
Title	<a href="#">Corporate Social Responsibility</a> Best Practice Principles	<a href="#">Sustainable Development</a> Best Practice Principles	Rename this provision in line with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” to follow international development trends and implement the goal of sustainable development.
1	In order to fulfill corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company promulgated the principles in accordance with the “ <a href="#">Corporate Social Responsibility</a> Best Practice Principles for TWSE/TPEX Listed Companies”. The Principles apply to the Company and the group, including the entire operations of each such company and its business group.	In order to fulfill corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the Company promulgated and followed the principles in accordance with the “ <a href="#">Sustainable Development</a> Best Practice Principles for TWSE/TPEX Listed Companies”. The Principles apply to the Company and the group, including the entire operations of each such company and its business group.	Amend and revise this provision in line with the name of the Code to expand the concept of corporate social responsibility to sustainable development.
2	The Company actively fulfills <a href="#">corporate social responsibility</a> in the course of business operations so as to follow international trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <a href="#">corporate social responsibility</a> .	The Company actively fulfills <a href="#">sustainable development</a> in the course of business operations so as to follow international <a href="#">development</a> trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <a href="#">sustainable development</a> .	Same as the remark mentioned in Article 1 and rephrase.
3	In <a href="#">fulfilling corporate social</a>	In <a href="#">promoting sustainable</a>	In accordance

	<p><a href="#">responsibility</a> initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance.</p>	<p><a href="#">development</a> initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance.</p> <p><a href="#">The Company shall, in accordance with the materiality principle, conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy.</a></p>	<p>of “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and materiality principle, this provision is revised and processed risk management assessment and policy formulation.</p>
4	<p>To implement <a href="#">corporate social responsibility</a> initiatives, the Company is advised to follow the principles below:</p> <ol style="list-style-type: none"> <li>1. Exercise corporate governance.</li> <li>2. Foster a sustainable environment.</li> <li>3. Preserve public welfare.</li> <li>4. Enhance disclosure of corporate <a href="#">social responsibility</a> information.</li> </ol>	<p>To implement <a href="#">sustainable development</a> initiatives, the Company is advised to follow the principles below:</p> <ol style="list-style-type: none"> <li>1. Exercise corporate governance.</li> <li>2. Foster a sustainable environment.</li> <li>3. Preserve public welfare.</li> <li>4. Enhance disclosure of corporate <a href="#">sustainable development</a> information.</li> </ol>	<p>Same as the remark mentioned in Article 1 and rephrase.</p>
5	<p>The Company shall take into consideration the correlation between the development of domestic and international <a href="#">corporate social responsibility</a> issues and corporate core business operations, and the effect of the operation of individual company and of respective business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <a href="#">corporate social responsibility</a> programs, which shall be approved by the board of directors <a href="#">and then reported to the shareholders meeting</a>.</p> <p>When a shareholder proposes a motion involving <a href="#">corporate social responsibility</a>, the Company's board of directors is advised to review and consider including it in the</p>	<p>The Company shall take into consideration the correlation between the development of domestic and international <a href="#">sustainable</a> issues and corporate core business operations, and the effect of the operation of individual company and of respective business groups as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <a href="#">sustainable development</a> programs, which shall be approved by the board of directors.</p> <p>When a shareholder proposes a motion involving <a href="#">sustainable development</a>, the Company's board of directors is advised to review and consider including it in the</p>	<p>Same as the remark mentioned in Article 1 and rephrase.</p>



	shareholders meeting agenda.	shareholders meeting agenda.	
6	<a href="#">New Article</a>	<a href="#">The Company is advised to follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.</a>	In accordance of “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”, this provision is added to enhance corporate governance.
7	<p><b>Article 6</b></p> <p>The <a href="#">board of</a> directors of the Company shall exercise the due care of good administrators to urge the company to perform its <a href="#">corporate social responsibility</a> initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <a href="#">corporate social responsibility</a> policies.</p> <p>The board of directors <a href="#">shall include</a> the following matters <a href="#">while performing</a> of its <a href="#">corporate social responsibility</a> initiatives:</p> <ol style="list-style-type: none"> <li>1. Identifying the Company's <a href="#">corporate social responsibility</a> mission or vision, and declaring its <a href="#">corporate social responsibility</a> policy, systems or relevant management guidelines;</li> <li>2. Making <a href="#">corporate social responsibility</a> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <a href="#">corporate social responsibility</a> initiatives; and</li> <li>3. Enhancing the timeliness and accuracy of the disclosure of <a href="#">corporate social responsibility</a> information.</li> </ol>	<p><b>Article 7</b></p> <p>The directors of the Company shall exercise the due care of good administrators to urge the company to perform its <a href="#">sustainable development</a> initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <a href="#">sustainable development</a> policies.</p> <p>The board of directors <a href="#">of the Company is advised to give full consideration to the interests of stakeholders, including</a> the following matters, <a href="#">in the company's promotion</a> of its <a href="#">sustainable development</a> initiatives:</p> <ol style="list-style-type: none"> <li>1. Identifying the Company's <a href="#">sustainable development</a> mission or vision, and declaring its <a href="#">sustainable development</a> policy, systems or relevant management guidelines;</li> <li>2. Making <a href="#">sustainable development</a> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <a href="#">sustainable development</a> initiatives; and</li> <li>3. Enhancing the timeliness and accuracy of the disclosure of <a href="#">sustainable development</a> information.</li> </ol>	<ol style="list-style-type: none"> <li>1. In accordance of “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”, this provision is revised and rephrased.</li> <li>2. Reorder.</li> </ol>

	The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of <a href="#">TWSE/GTSM listed companies</a> , and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.	The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of <a href="#">the Company</a> , and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.	
8	<b>Article 10</b> The Company is advised to, on a regular basis, organize education and training on the <a href="#">implementation of corporate social responsibility</a> initiatives, including promotion of the matters prescribed in paragraph 2 of <a href="#">the preceding article</a> .	<b>Article 8</b> The Company is advised to, on a regular basis, organize education and training on the <a href="#">promotion of sustainable development</a> initiatives, including promotion of the matters prescribed in paragraph 2 of <a href="#">article 7</a> .	1. Same as the remark mentioned in Article 1 and rephrase. 2. Reorder.
9	For the purpose of managing <a href="#">corporate social responsibility</a> initiatives, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <a href="#">corporate social responsibility</a> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.  <a href="#">TWSE/GTSM listed companies</a> are advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with <a href="#">corporate social responsibility</a> policies, and that a clear and effective incentive and discipline system be established.	For the purpose of managing <a href="#">sustainable development</a> initiatives, the Company is advised to <a href="#">establish a governance structure to promote sustainable development, and is advised to</a> establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <a href="#">sustainable development</a> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis. <a href="#">The Company is</a> advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with <a href="#">sustainable development</a> policies, and that a clear and effective incentive and discipline system be established.	In accordance of “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”, this provision is revised to specify sustainable development framework establishment and application.
	<b>Article 7</b> <a href="#">For the purpose of managing corporate social responsibility initiatives, the Company is advised to establish an exclusively (or</a>	<a href="#">Delete</a>	Duplicate in Article 9.

	<a href="#">concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies or systems when necessary, and to report on the same to the board of directors on a periodic basis.</a>		
10	<b>Article 8</b> The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <a href="#">corporate social responsibility</a> issues which they are concerned about.	<b>Article 10</b> The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <a href="#">sustainable development</a> issues which they are concerned about.	Same as the remark mentioned in Article 1 and reorder.
11	The Company shall follow relevant environmental laws, regulations and international standards <a href="#">and norms</a> to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.	The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.	Rephrase.
12	The Company is advised to endeavor to <a href="#">utilize all resources</a> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources	The Company is advised to endeavor to <a href="#">consume energy</a> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	In accordance of “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, this provision is revised to focus on the management of energy use.
17	The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall	<a href="#">The Company is advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt relevant measures.</a> The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall	In accordance of “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, this provision is revised to specify relevant

	<p>include the following:</p> <ol style="list-style-type: none"> <li>1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.</li> <li>2. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>outsourced</u> electricity, heating, or steam.</li> </ol> <p>The Company is advised to <u>pay attention to the impact of climate change on operating activities, and formulates</u> energy conservation, carbon and greenhouse gas reduction strategies based on the operating conditions and the results of the greenhouse gas inventory, so as to <u>reduce the impact of the company's operations on the natural environment</u>. The Company's carbon reduction strategies shall include obtaining carbon credits and be promoted accordingly to minimize the impact of its business operations on climate change.</p>	<p>include the following:</p> <ol style="list-style-type: none"> <li>1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.</li> <li>2. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>externally imported</u> electricity, heating, or steam.</li> <li>3. <u>Other indirect emissions: Emissions generated by corporate activities that are not indirect emissions from energy use, but come from emission sources owned or controlled by other companies.</u></li> </ol> <p>The Company is advised to <u>compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes</u>. The Company's carbon reduction strategies shall include obtaining carbon credits and be promoted accordingly to minimize the impact of its business operations on climate change.</p>	<p>opportunities and risks assessment of climate change and inventory of the usage of various energy resources.</p>
18	<p>The Company shall comply with relevant <u>labor</u> laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination. <u>The Company's human resources policy shall respect the basic labor rights protection principles and establish appropriate management policies and processes.</u></p>	<p>The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination. <u>The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:</u></p> <ol style="list-style-type: none"> <li>1. <u>Presenting a corporate policy or statement on human rights.</u></li> <li>2. <u>Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.</u></li> </ol>	<p>In accordance of the latest version of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", this provision is revised to specify relevant management policies and processes formulation for human rights.</p>

		<p>3. <u>Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.</u></p> <p>4. <u>In the event of any infringement of human rights, the Company shall disclose the processes for handling of the matter with respect to the stakeholders involved.</u></p> <p><u>The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that its human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.</u></p> <p><u>The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. The Company shall respond to any employee's grievance in an appropriate manner.</u></p>	
19	The Company shall provide information for its employees so that the employees have knowledge of the labor laws the rights they enjoy in the countries where the Company has business operations.	The Company shall provide information for its employees so that the employees have knowledge of the labor laws <u>and</u> the rights they enjoy in the countries where the Company has business operations.	Rephrase.
21	The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.	The Company is advised to create an environment conducive to the development of its employees' careers and establish effective training programs to foster career skills.	In accordance of "Sustainable Development Best Practice Principles for TWSE/TPEX

	The Company shall appropriately reflect the <u>corporate</u> business performance or achievements in the employee remuneration <u>policy</u> , to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.	The Company shall <u>establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare etc.)</u> and appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.	Listed Companies”, this provision is revised to establish employee welfare measures.
22	The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information and express their opinions on the company's operations, management and decisions.	The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information and express their opinions on the company's operations, management and decisions. <u>The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.</u> <u>The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.</u>	In accordance of “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, this provision is revised that employees have the right to obtain information and express opinions on the company's business management activities and decisions.
23	The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of its products and services. The Company further shall <u>establish and disclose policies on consumer rights and interests, and</u> enforce itself in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, <u>health, or safety</u> of <u>consumers</u> .	The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of its products and services. The Company further shall enforce itself in the course of business operations, in order to prevent the products or services from adversely impacting the rights <u>or</u> interests of <u>customers</u> .	Rephrase in accordance with the company's industry characteristics.
24	<u>New Article</u>	<u>The Company shall ensure the quality</u>	In accordance

		<u>of its products and services by following the laws and regulations of the government and relevant standards of its industries. The Company shall follow relevant laws, regulations and international guidelines in regard to marketing and labeling of, its products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray customers' trust or damage their rights or interests.</u>	of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", this provision is added to protect customers' rights or interest.
25	<b>Article 24</b> The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on <u>consumers and</u> society. The Company is advised to provide a clear and effective procedure for accepting <u>consumer</u> complaints to fairly and timely handle <u>consumer</u> complaints, and shall comply with laws and regulations related to the Personal Information Protection Act for respecting <u>consumers'</u> rights of privacy and <u>shall protect</u> personal data <u>provided by consumers</u> .	<b>Article 25</b> The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on society. The Company is advised to provide a clear and effective procedure for accepting complaints to fairly and timely handle complaints, and shall comply with laws and regulations related to the Personal Information Protection Act for respecting <u>litigants'</u> rights of privacy and personal data.	Rephrase and reorder in accordance with the company's industry characteristics.
26	<b>Article 25</b> The Company is advised to assess the impact its procurement has on society as well as the environment of the community that it is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative.  Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.	<b>Article 26</b> The Company is advised to assess the impact its procurement has on society as well as the environment of the community that it is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative. <u>The Company is advised to establish supplier management policies and request suppliers to comply with rules governing issues such as environmental protection, occupational safety and health or labor rights.</u> Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.	1. In accordance of "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", this provision is revised to ensure the impact of suppliers on the environment and society. 2. Reorder.



	When the Company enters into a contract with any of its major suppliers, the content shall include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.	When the Company enters into a contract with any of its major suppliers, the content shall include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.	
27	<b>Article 26</b> The Company shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company is advised to, through commercial activities, <a href="#">in-kind</a> endowments, volunteering service or other charitable professional services, participate in events held by citizen organizations, charities and <a href="#">local</a> government agencies relating to community development and community education to promote community development.	<b>Article 27</b> The Company shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services <a href="#">etc.</a> , participate in events held by citizen organizations, charities and government agencies relating to community development and community education to promote community development.	Same as the remark mentioned in Article 1, rephrase and reorder.
Chapter 5	Enhancing Disclosure of <a href="#">Corporate Social Responsibility</a> Information	Enhancing Disclosure of <a href="#">Sustainable Development</a> information	Rename the chapter.
28	<b>Article 27</b> The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its <a href="#">corporate social responsibility</a> initiatives to improve information transparency. Relevant information relating to <a href="#">corporate social responsibility</a> which the Company discloses includes: 1. The policy, systems or relevant management guidelines, and concrete promotion plans for <a href="#">corporate social responsibility</a> initiatives, as resolved by the board of directors. 2. The risks and the impact on the	<b>Article 28</b> The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to its <a href="#">sustainable development</a> initiatives to improve information transparency. Relevant information relating to <a href="#">sustainable development</a> which the Company discloses includes: 1. The policy, systems or relevant management guidelines, and concrete promotion plans for <a href="#">sustainable development</a> initiatives, as resolved by the board of directors. 2. The risks and the impact on the	Same as the remark mentioned in Article 1, rephrase and reorder.



	<p>corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.</p> <p>3. Goals and measures for <a href="#">fulfilling the corporate social responsibility</a> initiatives established by the Company, and performance in implementation.</p> <p>4. Major stakeholders and their concerns.</p> <p>5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.</p> <p>6. Other information relating to <a href="#">corporate social responsibility</a> initiatives.</p>	<p>corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.</p> <p>3. Goals and measures for <a href="#">realizing the sustainable development</a> initiatives established by the Company, and performance in implementation.</p> <p>4. Major stakeholders and their concerns.</p> <p>5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.</p> <p>6. Other information relating to <a href="#">sustainable development</a> initiatives.</p>	
29	<p><b>Article 28</b></p> <p>The Company shall adopt internationally widely recognized standards or guidelines when producing <a href="#">corporate social responsibility</a> reports, to disclose the status of its implementation of the <a href="#">corporate social responsibility</a> policy, and is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The report is advised to include:</p> <p>1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <a href="#">corporate social responsibility</a> initiatives.</p> <p>2. Major stakeholders and their concerns.</p> <p>3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.</p> <p>4. Future improvements and goals.</p>	<p><b>Article 29</b></p> <p>The Company shall adopt internationally widely recognized standards or guidelines when producing <a href="#">sustainable development</a> reports, to disclose the status of its implementation of the <a href="#">sustainable development</a> policy, and is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The report is advised to include:</p> <p>1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <a href="#">sustainable development</a> initiatives.</p> <p>2. Major stakeholders and their concerns.</p> <p>3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare, executive performance and review for promoting economic development.</p> <p>4. Future improvements and goals.</p>	Same as the remark mentioned in Article 1 and reorder.
30	<b>Article 29</b>	<b>Article 30</b>	Same as the

	The Company shall at all times monitor the development of domestic and foreign <a href="#">corporate social responsibility</a> standards and the change of business environment so as to examine and improve its established <a href="#">corporate social responsibility</a> framework and to obtain better results from the <a href="#">implementation</a> of the <a href="#">corporate social responsibility</a> policy.	The Company shall at all times monitor the development of domestic and foreign <a href="#">sustainable development</a> standards and the change of business environment so as to examine and improve its established <a href="#">sustainable development</a> framework and to obtain better results from the <a href="#">promotion</a> of the <a href="#">sustainable development</a> policy.	remark mentioned in Article 1 and reorder.
31	<b>Article 30</b> The principle shall be implemented after being approved by the Board of Directors <a href="#">and reported on the shareholder's meeting</a> , and shall be resolved by the Board of Directors when it is amended.	<b>Article 31</b> The principle shall be implemented after being approved by the Board of Directors, and shall be resolved by the Board of Directors when it is amended.	Reorder.
32	The Procedures were enacted on November 13, 2014.	The Procedures were enacted on November 13, 2014. <a href="#">The 1<sup>st</sup> amendment was made on March 17, 2022.</a>	Add amendment date.

## Attachment 7

### Sino-American Silicon Products Inc.

#### Comparison Chart of Articles of Incorporation

Article	Before	After	Remark
10	<p>The shareholders' meeting shall be convened in two forms: a regular meeting or extraordinary meeting. The regular meeting shall be held once annually and convened by the Board of Directors within six months from the closing of each fiscal year in accordance with the Company Law or relevant regulations. An extraordinary meeting, if necessary, shall be convened in accordance with the Company Law or relevant regulations.</p> <p>Unless otherwise provided in the Company Law, the shareholders' meeting shall be convened by the Board of Directors.</p> <p>The notices for shareholders' meeting shall be served to all shareholders in written or electrical forms 30 days in advance in case of a regular meeting of shareholders or 15 days in advance in case of a extraordinary meeting of shareholders. The written or electrical notice shall bear date, location and subjects of the meeting. The shareholders may execute their voting right through written or electrical form, which shall be in accordance with the relevant regulations.</p>	<p>The shareholders' meeting shall be convened in two forms: a regular meeting or extraordinary meeting. The regular meeting shall be held once annually and convened by the Board of Directors within six months from the closing of each fiscal year in accordance with the Company Law or relevant regulations. An extraordinary meeting, if necessary, shall be convened in accordance with the Company Law or relevant regulations.</p> <p>Unless otherwise provided in the Company Law, the shareholders' meeting shall be convened by the Board of Directors.</p> <p>The notices for shareholders' meeting shall be served to all shareholders in written or electrical forms 30 days in advance in case of a regular meeting of shareholders or 15 days in advance in case of a extraordinary meeting of shareholders. The written or electrical notice shall bear date, location and subjects of the meeting. The shareholders may execute their voting right through written or electrical form, which shall be in accordance with the relevant regulations.</p> <p><a href="#"><u>The Company's shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.</u></a></p>	<p>Pursuant to article 172-2 amendment in Company Act which stipulates the shareholder meeting might be convened by visual communication network in order to have more flexibility in holding shareholder meeting</p>
29	<p>This Articles of Incorporation is established on Dec 25th, 1980 (Omit)</p> <p>The 32nd amendment on June 24th, 2020.</p> <p>The 33rd amendment on August 26, 2021.</p>	<p>This Articles of Incorporation is established on Dec 25, 1980. (Omit)</p> <p>The 32nd amendment on June 24th, 2020.</p> <p>The 33rd amendment on August 26, 2021.</p> <p><a href="#"><u>The 34th amendment on June 23, 2021.</u></a></p>	<p>Add amendment date.</p>

	Implement after approvals from the meeting of stockholders	Implement after approvals from the meeting of stockholders.	
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## **Attachment 8**

### **Sino-American Silicon Products Inc.**

### **Rules and Procedures of Shareholders' Meeting**

#### **Article 1**

To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

#### **Article 2**

The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

#### **Article 3**

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

Any change to the convention method of the Company's shareholders' meetings shall be resolved by the board of directors, and no later than mailing the shareholders' meeting notice.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. However, where the Company's paid-in capital of NT\$10 billion or more as of the last day of the most recent fiscal year, or aggregate shareholding percentage of foreign investors and Mainland Chinese investors of 30% or more as recorded in the shareholders' register at the time a regular shareholders' meeting is convened in the most recent year, the electronic files shall be transmitted 30 days prior to the regular shareholders' meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The agenda handbook and meeting supplemental information in the preceding paragraph shall be provided to the shareholders for reference on the date of the shareholders' meeting in the following manners:

1. For the physical shareholders' meeting, such information shall be distributed at the site of the meeting.
2. For the video-assisted shareholders' meeting, such information shall be distributed at the site of the meeting, and transmitted to the video conference platform as electronic files.
3. Where a shareholders' meeting is convened in the manner of video conference, such information shall be transmitted to the video conference platform as electronic files.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any

shareholder proposals not included in the agenda.

#### **Article 4**

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in the manner of video conference, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### **Article 5**

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

When the Company convenes the video shareholders' meetings, the restrictions of convention location in the preceding paragraph do not apply.

#### **Article 6**

The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. The time during which shareholder attendance registrations will be accepted at the video conference platform shall be at least 30 minutes prior to the time the meeting commences. The shareholders accepted are deemed to attend the shareholders' meeting in person.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing

eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company accepts the sign-in cards turned in by shareholders instead of the attendance book.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Where the Company convenes the video shareholders' meetings, and shareholders intend to attend in the manner of video conference shall register with the Company at least two days prior to the meeting date.

Where the Company convenes the video shareholders' meetings, the Company shall upload the agenda handbook, annual reports and other related information to the video conference platform for the shareholders' meeting, at least 30 minutes prior to the time the meeting commences, and retain the disclosure of such until the meeting ends.

#### **Article 6-1**

Where the Company convenes the video shareholders' meetings, the meeting notice shall specify the following matters:

1. The method for shareholders to attend the video conference and exercise their rights.
2. The handling method when the video conference platform or participation in the manner of video conference fails due to force majeure, such as natural disasters or incidents, and the follows shall be at least included:
  - (1) Time and date for the postponement or re-convention when the aforesaid continual failure cannot be eliminated and thus a postponement or re-convention is required.
  - (2) The shareholders who have not registered to attend the first shareholders' meeting via video conference must not attend the postponed or re-convened meeting.
  - (3) Where the Company convenes the video-assisted shareholders' meetings, and when the video meeting could not be continued, if the total attending shares still meet the statutory quorum for shareholders' meeting commencement after deducting these shares held by the shares attending the meeting via video conference, the meeting shall continue; the shares held by the shareholders attending the meeting via video conference shall be included in the total shares of the attending shareholders, but deemed abstaining for all proposals in the concerned shareholders' meeting.
  - (4) The handling method where the results of all proposals are announced but the extempore motions have not proceeded.
3. Where the Company convenes the video shareholders' meetings, the proper alternatives provided for the shareholders having difficulties attending in the manner of



a video conference shall be specified.

## **Article 7**

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting.

## **Article 8**

The Company shall make an audio and video recording of the shareholders meeting.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where the Company convenes the video shareholders' meetings, the Company shall record and retain the records of the registration, enrollment, acceptance, inquiries, voting, and the results of vote calculation, and continuously record the video conference thoroughly, both audio and video.

The records and audio- and video recordings in the preceding paragraphs shall be properly retained during the Company's survival period, and the audio- and video recordings are provided to the organizer of the video conference for custody.

## **Article 9**

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the

attendance book and sign-in cards handed in and shares registered at the video conference platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. Where the Company convenes the video shareholders' meetings, the Company shall announce the meeting adjournment on the video conference platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. Where the Company convenes the video shareholders' meetings, and shareholders intend to attend in the manner of video conference shall register again with the Company per Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

## **Article 10**

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on the proposals in the agenda. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs, except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

## **Article 11**

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account

name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of video conference may inquire with text at the video conference platform of the meeting since the chair announces the meeting commencement till the adjournment. No more than two inquiries shall be raised for each proposal, and the maximum length is 200 words. Paragraphs 1 to 5 are not applicable.

## **Article 12**

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

## **Article 13**

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Company holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or in visual communication network, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When voting, shareholders shall vote by poll. After the conclusion of the meeting, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Where the Company convenes the video shareholders' meetings, the shareholders attending in the manner of video conference shall vote via the video conference platform for each

proposal and election after the Chairman declares the meeting commencement. Such voting shall be completed before the Chairman declares the end of voting; anyone who misses the deadline is deemed giving up their right.

Where the Company convenes the video shareholders' meetings, the votes shall be calculated at once upon the end of voting declared by the chair, and announce the results of voting or elections.

Where the Company convenes the video-assisted shareholders' meetings, the shareholders who already have registered to attend the meeting in the manner of video conference pursuant to Article 6, but then intend to attend the off-line shareholders' meeting in person, shall withdraw the registration in the same manner of registration two days prior to the shareholders' meeting date; these who miss the deadline may only attend the shareholders' meeting in the manner of a video conference.

Those who exercise the vote in the manner of writing or electronic method, without withdrawing their expressions of intents, and attending the meeting in the manner of video conference, other than the extempore motions, must not exercise the votes to the original proposal, propose any amendment to the original proposal, or exercise the votes to the amendment to the original proposal.

#### **Article 14**

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

#### **Article 15**

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

Where the Company convenes the video shareholders' meetings, other than the matters to be recorded as required in the preceding paragraph, the starting and ending time of the shareholders' meeting, convening method of the meeting, names of the chair and record-keeper, and the handling methods when the video conference platform or

participation in the manner of video conference fails due to force majeure, such as natural disasters or incidents.

Where the Company convenes the video shareholders' meetings, other than complying with the preceding paragraph, the minutes shall also specify the alternatives for the shareholders having difficulties attending in the manner of video conference.

#### **Article 16**

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shares attended by shareholders in writing or electronic way and shall make an express disclosure of the same at the place of the shareholders meeting. Where the Company convenes the video shareholders' meetings, the Company shall upload aforementioned information to the video conference platform for the shareholders' meeting, at least 30 minutes prior to the time the meeting commences, and retain the disclosure of such until the meeting ends.

Where the Company convenes the video shareholders' meetings, the total shares held by the shareholders attending the meeting shall be disclosed on the video conference platform. If the total shares and voting rights of the attending shareholders are counted during the meeting, the same applies.

#### **Article 17**

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

#### **Article 18**

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting

within five days in accordance with Article 182 of the Company Act.

#### **Article 19**

Where the shareholders' meetings are convened in the manner of video conference, the Company shall, in real-time, disclose the voting result of each proposal and election results at the video conference platform for the shareholders' meeting, and retain the disclosure at least 15 minutes after the chair declares adjournment.

#### **Article 20**

When the Company convenes the video shareholders' meetings, the chair and the record-keeper shall be at the same location in Taiwan.

#### **Article 21**

Where the shareholders' meeting is convened in the manner of video conference, the chair, when declaring the meeting commencement, shall also declare the events not requiring postponement or re-convention specified in Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies; before the chair declares the adjournment, in the event where the video conference platform or the participation in the video conference fails for 30 minutes or more due to natural disasters, incidents, or other force majeure, the date of the shareholders' meeting postponed to, or re-convened shall be within five days, and Article 182 of the Company Act shall not apply.

Where the meeting is to be postponed or re-convened as specified in the preceding paragraph, the shareholders who have not registered to attend the first shareholders' meeting via the video conference must not attend the postponed or re-convened meeting.

For the meeting is to be postponed or re-convened as specified in Paragraph 1, the shareholders who registered to attend the original meeting via the video conference, and have completed the acceptance, but do not attend the postponed or re-convened meeting, their attending shares at the original meeting, the exercised voting right and election right, shall be counted into the total shares, voting rights, and election rights of the attending shareholders in the postponed or re-convened meeting.

The postponement or re-convention of shareholders' meetings conducted per Paragraph 1 needs not again discuss and resolve the proposal that has completed voting and vote calculation, with the announcement of voting results, or the list of elected directors.

Where the Company convenes the video-assisted shareholders' meetings, and when the video meeting is discontinued as specified in Paragraph 1 and the total attending shares still meet the statutory quorum for shareholders' meeting commencement, the postponement or re-convention of the meeting per Paragraph 1 is not required.

Under the circumstances to continue the meeting as specified in the preceding paragraph, the shares held by the shares attending the meeting via video conference shall be included in the total shares of the attending shareholders, but deemed abstaining from all proposals in the concerned shareholders' meeting.

Where the Company postpones or re-convenes any shareholders' meeting as specified in Paragraph 1, the pre-requisite operations shall be conducted based on the original shareholders' meeting date, and pursuant to Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For the periods specified in the latter part of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2 of Article 44-5, Article 44-15, Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall proceed on the date of the postponed or re-convened shareholders' meeting per Paragraph.

## **Article 22**

Where the Company convenes the video shareholders' meetings, the proper alternatives shall be provided for the shareholders having difficulties attending in the manner of video conference.

## **Article 23**

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effective in the same manner.

## **Article 24**

The Rules of Procedure for Shareholders Meetings is approved on June 23<sup>rd</sup>, 2022.



## Attachment 9

### Sino-American Silicon Products Inc.

#### Comparison Chart of Acquisition or Disposal of Assets Procedure

Article	Before	After	Remark
5	<p><b>Public Disclosure</b></p> <p>1. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds, bonds under repurchase, resale agreements, subscription or redemption of the fund of the money market issued by domestic securities investment trust enterprises</p> <p>(2) Merger, demerger, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.</p> <p>(4) Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading</p>	<p><b>Public Disclosure</b></p> <p>1. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds, bonds under repurchase, resale agreements, subscription or redemption of the fund of the money market issued by domestic securities investment trust enterprises</p> <p>(2) Merger, demerger, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.</p> <p>(4) Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading</p>	<p>In accordance with the latest version of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision is revised to release the restrictions on information disclosure of partial transactions.</p>

	<p>counterparty is not a related party, and the transaction amount is more than NT\$500 million.</p> <p>(5) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is more than NT\$500 million.</p> <p>(6) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches twenty percent (20%) or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>i. Trading of domestic government bonds.</p> <p>ii. Trading of bonds under repurchase/resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(Omitted Below)</p>	<p>counterparty is not a related party, and the transaction amount is more than NT\$500 million.</p> <p>(5) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is more than NT\$500 million.</p> <p>(6) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches twenty percent (20%) or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>i. Trading of domestic government bonds <u>or the foreign government bonds with a credit rating not lower than our country's sovereign rating.</u></p> <p>ii. Trading of bonds under repurchase/resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(Omitted Below)</p>	
7	In acquiring or disposing of real property or equipment or	In acquiring or disposing of real property or equipment or	In accordance with the latest

<p>right-of-use assets thereof where the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> <li>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</li> <li>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</li> <li>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <a href="#">perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20</a></li> </ol>	<p>right-of-use assets thereof where the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> <li>1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</li> <li>2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</li> <li>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the</li> </ol>	<p>version of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision stipulates that the reports or opinions issued by external experts shall follow the self-regulatory rules of their respective allied associations, and the procedures for the accountant to issue an opinion have been covered. The relevant words that accountants shall abide by the Statement of Auditing Standards are deleted.</p>
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	<p><a href="#">published by the ROC Accounting Research and Development Foundation (ARDF)</a> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is twenty percent (20%) or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is ten percent (10%) or more of the transaction amount.</p> <p>No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	<p>transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is twenty percent (20%) or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is ten percent (10%) or more of the transaction amount.</p> <p>No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	
8	<p>The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is twenty percent (20%) of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <a href="#">If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published</a></p>	<p>The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is twenty percent (20%) of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the</p>	<p>In accordance with the latest version of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision is amended the same as the remark mentioned in Article 7.</p>

	by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).	Financial Supervisory Commission (FSC).	
9	<p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches twenty percent (20%) or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p> <p>The calculation of the transaction amounts referred to in the preceding two articles and this paragraph shall be done in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p>	<p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches twenty percent (20%) or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>The calculation of the transaction amounts referred to in the preceding two articles and this paragraph shall be done in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p>	<p>In accordance with the latest version of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision is amended the same as the remark mentioned in Article 7.</p>
11	<p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of</li> </ol>	<p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of</li> </ol>	<p>In accordance with the latest version of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision stipulates that the reports or opinions issued by external</p>

	<p>China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <ol style="list-style-type: none"> <li>2. May not be a related party or de facto related party of any party to the transaction.</li> <li>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</li> </ol> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> <li>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</li> <li>2. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</li> <li>3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the</li> </ol>	<p>China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <ol style="list-style-type: none"> <li>2. May not be a related party or de facto related party of any party to the transaction.</li> <li>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</li> </ol> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules of their respective allied associations and</u> the following:</p> <ol style="list-style-type: none"> <li>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</li> <li>2. When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</li> <li>3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report</li> </ol>	<p>experts shall follow the self-regulatory rules of their respective allied associations.</p>
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	<p>appraisal report or the opinion. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable <u>and accurate</u>, and that they have complied with applicable laws and regulations.</p>	<p>or the opinion. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	
12	<p><b>Related Party Transactions</b></p> <p>1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches ten percent (10%) or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the procedure.</p> <p>The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9, Paragraph 2 herein.</p> <p>When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches twenty percent (20%) or more of paid-in capital, ten percent (10%) or more of the company's total assets, or NT\$300 million or more, except in trading of</p>	<p><b>Related Party Transactions</b></p> <p>1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches ten percent (10%) or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the procedure.</p> <p>The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9, Paragraph 2 herein.</p> <p>When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches twenty percent (20%) or more of paid-in capital, ten percent (10%) or more of the company's total assets, or NT\$300 million or more, except in trading of</p>	<p>In accordance with the latest version of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision is revised to strengthen the management of related party transactions, and protect the rights of minority shareholders of public offering companies to express their opinions on transactions between the company and related parties.</p>



	<p>domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the Audit Committee:</p> <ol style="list-style-type: none"> <li>(1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</li> <li>(2) The reason for choosing the related party as a trading counterparty.</li> <li>(3) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with related regulations.</li> <li>(4) The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party.</li> <li>(5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract,</li> </ol>	<p>domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the Audit Committee:</p> <ol style="list-style-type: none"> <li>(1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</li> <li>(2) The reason for choosing the related party as a trading counterparty.</li> <li>(3) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with related regulations.</li> <li>(4) The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party.</li> <li>(5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract,</li> </ol>	
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	<p>and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and recognized by the Audit Committee need not be counted toward the transaction amount.</p> <p>(Below Omitted)</p>	<p>and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>If the Company or its subsidiary that is not a domestic public offering company conducts a transaction outlined in Article 12 paragraph 2, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the materials listed in Article 12 paragraph 2 to the shareholders meeting for approval first, then it may sign the transaction contract and make payments. However, transactions between the Company and its parent or subsidiaries, or between its subsidiaries shall not be subject to this provision.</u></p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and recognized by the Audit Committee, <u>shareholder meeting</u> need not be counted toward the transaction amount.</p> <p>(Below Omitted)</p>	
23	<p><b><u>Financial report disclosure</u></b></p> <p><u>The Company shall disclose the information of transaction of assets</u></p>	<p><u>Delete</u></p>	<p>In accordance with the latest version of</p>

	<a href="#">in financial statement and announce in shareholder's meeting if the acquisition or disposal transaction meets the disclosure requirements set forth in Article 5 and also the transaction is with related parties.</a>		"Regulations Governing the Acquisition and Disposal of Assets by Public Companies", this provision is deleted due to duplicate statement in Article 12 about the reporting standards on shareholders' meeting of transactions between related parties.
23~26	<a href="#">Article 24 ~ 27 from former version</a>	<a href="#">Article 23 ~ 26</a>	Reorder.
26	<p>The Procedures were enacted on May 29, 1990</p> <p>The 1st amendment was made on April 26, 1996</p> <p>(Omitted)</p> <p>The 18th amendment was made on June 27, 2019.</p> <p>The 19th amendment was made on August 26, 2021.</p>	<p>The Procedures were enacted on May 29, 1990</p> <p>The 1st amendment was made on April 26, 1996</p> <p>(Omitted)</p> <p>The 18th amendment was made on June 27, 2019.</p> <p>The 19th amendment was made on August 26, 2021.</p> <p><a href="#">The 20th amendment was made on June 23, 2022.</a></p>	Add amendment date.

## **Appendix 1**

### **Sino-American Silicon Products Inc. Rules and Procedures of Shareholders' Meeting**

#### **Article 1**

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

#### **Article 2**

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

#### **Article 3**

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

#### **Article 4**

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

#### **Article 5**

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

#### **Article 6**

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

#### **Article 7**

The process of the Meeting shall be tape recorded or videotaped and these tapes shall be preserved for at least one year.

## **Article 8**

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

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

## **Article 9**

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

## **Article 10**

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

## **Article 11**

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

## **Article 12**

Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a corporate shareholder designates two or more

representatives to attend the Meeting, only one representative can speak for each discussion item.

### **Article 13**

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

### **Article 14**

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

### **Article 15**

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

### **Article 16**

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

### **Article 17**

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

### **Article 18**

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

### **Article 19**

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

### **Article 20**

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

### **Article 21**

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

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

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

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

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

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

## Appendix 2

# Sino-American Silicon Products Inc. Acquisition or Disposal of Assets Procedure

### Chapter I. General Provisions

#### Article 1

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

#### Article 2

The Company shall engage in the following business:

- CC01080 Electronic Parts and Components Manufacturing
- C801990 Other Chemical Materials Manufacturing
- IG03010 Energy-related Technology and Service
- F119010 Electronic Materials Wholesale (restricted to areas outside Hsinchu Science Park)
- F219010 Electronic Materials Retail (restricted to areas outside Hsinchu Science Park)
- F401010 International Trade
- A101020 Growing of Crops (restricted to areas outside Hsinchu Science Park)
- A102020 Agricultural Products Preparations (restricted to areas outside Hsinchu Science Park)
- A102050 Crops Cultivation (restricted to areas outside Hsinchu Science Park)
- A102060 Food Dealers (restricted to areas outside Hsinchu Science Park)
- A199990 Other Agriculture (restricted to areas outside Hsinchu Science Park)
- A301030 Aquaculture (restricted to areas outside Hsinchu Science Park)
- A301040 Recreational Fishery (restricted to areas outside Hsinchu Science Park)
- A302010 Overseas Fisheries Cooperation (restricted to areas outside Hsinchu Science Park)
- A302020 Fisheries Service (restricted to areas outside Hsinchu Science Park)
- A399990 Other Fisheries (restricted to areas outside Hsinchu Science Park)
- C103050 Manufacturing of Canning, Freezing, Dehydration, Pickled of Food (restricted to areas outside Hsinchu Science Park)
- CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery
- D101060 Self-usage power generation equipment utilizing renewable energy industry
- E601010 Electric Appliance Construction
- E603010 Cable Installation Engineering
- F101050 Wholesale of Fishery Products (restricted to areas outside Hsinchu Science Park)
- F101990 Wholesale of Other Agricultural, Livestock and Aquatic Products (restricted to areas outside Hsinchu Science Park)
- F213040 Retail Sale of Precision Instruments (restricted to areas outside Hsinchu Science Park)

H703100 Real Estate Leasing (restricted to areas outside Hsinchu Science Park)

I101070 Agriculture, Forestry, Fishing and Livestock Consulting (restricted to areas outside Hsinchu Science Park)

I103060 Management Consulting

I301010 Information Software Services

I301030 Electronic Information Supply Services

IG01010 Biotechnology Services (restricted to areas outside Hsinchu Science Park)

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

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

### **Article 3**

The Company may make reinvestment.

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

### **Article 4**

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

### **Article 5**

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

### **Article 5-1**

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

## **Chapter II. Capital Stock**

### **Article 6**

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

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



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

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

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

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

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

#### **Article 7**

The Company may not print share certificates. Registers of share certificates shall contact the share certificates' depository and clearing organizations, which the process shall follow their policies and regulations.

#### **Article 8**

All the Company's stock-related affairs shall be dealt in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies and other relevant regulations.

#### **Article 9**

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

### **Chapter III. Shareholders' Meeting**

#### **Article 10**

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

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

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

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

#### **Article 11**

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

#### **Article 12**

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

#### **Article 13**

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

#### **Article 14**

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

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

#### **Article 15**

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

### **Chapter IV. Directors and the Audit Committee**

#### **Article 16**

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

#### **Article 16-1**

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

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

#### **Article 17**

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

#### **Article 18**

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

#### **Article 19**

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

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

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

#### **Article 20**

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

#### **Article 21**

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

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

#### **Article 22**

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

## **Chapter V. Management of the Corporation**

### **Article 23**

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

### **Article 24**

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

## **Chapter VI. Accountings**

### **Article 25**

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

### **Article 26**

The Company's earning distribution or coverage would be concluded once every half of the fiscal year.

### **Article 26-1**

The company shall submit the business report and financial statements to the Audit Committee for verification before the end of the second half of the fiscal year when the company has proposal of earning distribution or coverage. After the verification, the Board of Directors will discuss and make the decision.

As for the proposal of earning distribution, the decision shall be discussed and made by the Board of Directors when the distribution will be given in cash; the decision shall be discussed and made by the shareholders when the distribution will be given with new stock.

### **Article 26-2**

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

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

### **Article 27**

If the Company has surplus after the yearly accounting closed, 3~15% of the profit shall be appropriated for the employees' remuneration distributed with stocks or cash decided by the board of directors. Employees entitled to bonus may include parents' or subsidiaries' employees that meet certain criteria. The Company may appropriate 3% at the most of the above profit quota decided by the board of directors for directors' remuneration. Distribution for employees and directors shall be reported to the shareholders' meeting. An offset, however, to the accumulated loss shall be reserved

before making distribution to employees and directors.

#### **Article 27-1**

If the Company has surplus after the yearly accounting closed, following taxes and offsets to the accumulated loss, another 10% shall be appropriated as legal reserve by laws. While no appropriation shall be made, if the legal reserve has reached the amount of the paid-in capital of the Company. The remaining amount shall be appropriated or transferred to special reserve according to laws and the rest along with the accumulated surplus may be proposed by the board of directors.

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

In order to maintain continuous operating of the Company and steady growth of its surplus per share, dividend for shareholders shall more than 50% of the profit after tax deducting from the appropriation of special surplus and the distribution rate of the dividend for shareholders shall be no less than 50% of the cash dividend.

When the same amount of special reserve allocated from the beginning unappropriated retained earnings is insufficient to cover the accumulation of net deduction from other equity interest, to allocate special reserve from beginning unappropriated retained earnings plus net income and account from other comprehensive income.

#### **Article 27-2**

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

### **Chapter VII. Supplementary Provisions**

#### **Article 28**

Relevant matters not provided for in these Articles shall be handled in accordance with the provisions of the Company Law.

#### **Article 29**

This Articles of Incorporation is established on Dec 25, 1980.

The 1<sup>st</sup> amendment on May 21, 1984.

The 2<sup>nd</sup> amendment on July 20, 1984.

The 3<sup>rd</sup> amendment on June 26, 1987.

The 4<sup>th</sup> amendment on Nov 16, 1987.

The 5<sup>th</sup> amendment on Aug 4, 1989.

The 6<sup>th</sup> amendment on May 29, 1990.

The 7<sup>th</sup> amendment on June 14, 1991.  
The 8<sup>th</sup> amendment on June 23, 1993.  
The 9<sup>th</sup> amendment on May 30, 1995.  
The 10<sup>th</sup> amendment on Nov 3, 1997.  
The 11<sup>th</sup> amendment on June 12, 1998.  
The 12<sup>th</sup> amendment on June 16, 1999.  
The 13<sup>th</sup> amendment on Sep 7, 1999.  
The 14<sup>th</sup> amendment on May 23, 2000.  
The 15<sup>th</sup> amendment on May 21, 2001.  
The 16<sup>th</sup> amendment on June 21, 2002.  
The 17<sup>th</sup> amendment on June 13, 2003.  
The 18<sup>th</sup> amendment on June 24, 2004.  
The 19<sup>th</sup> amendment on June 3, 2005.  
The 20<sup>th</sup> amendment on June 8, 2006.  
The 21<sup>st</sup> amendment on June 21, 2007.  
The 22<sup>nd</sup> amendment on June 19, 2008.  
The 23<sup>rd</sup> amendment on June 3, 2009.  
The 24<sup>th</sup> amendment on June 15, 2010.  
The 25<sup>th</sup> amendment on June 17, 2011.  
The 26<sup>th</sup> amendment on June 27, 2012.  
The 27<sup>th</sup> amendment on June 25, 2013.  
The 28<sup>th</sup> amendment on June 26, 2014.  
The 29<sup>th</sup> amendment on June 28, 2016.  
The 30<sup>th</sup> amendment on June 27, 2017.  
The 31<sup>st</sup> amendment on June 27, 2019.  
The 32<sup>nd</sup> amendment on June 24, 2020.  
The 33<sup>rd</sup> amendment on August 26, 2021.  
Implement after approvals from the meeting of stockholders.

## **Appendix 3**

### **Sino-American Silicon Products Inc. Acquisition or Disposal of Assets Procedure**

#### **Article 1**

These Procedures for acquisition or disposal of assets ("Procedures") is made pursuant to Article 36-1 of the Securities and Exchange Act ("the Act") and the Financial Supervisory Commission (hereinafter referred to as "FSC") per the Regulations Governing the Acquisition or Disposal of Assets by Public Companies

#### **Article 2**

The term "assets" as used in these Regulations includes the following:

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Derivatives.
7. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
8. Other major assets.

#### **Article 3**

##### **Operating procedures**

1. Before any asset acquisition or disposal, responsible unit shall take into account the reasons, affecting objects, transaction parties, transfer price, terms of transaction, and references of price.
2. The Company's acquisition or disposal of assets shall be made in accordance with the Procedure.
3. Amount limits for investment in non-operational purpose fixed assets or right-of-use assets, and securities are as below:
  - (1) The total amount of any real property or right-of-use assets purchased by the Company not for use in business operations may not exceed fifteen percent (15%) of the Company's net worth; the total amount of any real property or right-of-use assets purchased by a subsidiary of the Company not for use in business operations may not exceed five percent (5%) of the Company's net worth.
  - (2) The total amount of investment by the Company in all securities may not exceed six times of its net worth; the total amount of investment in all securities by a subsidiary of the Company may not exceed six times of the Company's net worth.
  - (3) The amount of the Company 's investment in any single security may not exceed six times

of its net worth; the amount of investment by a subsidiary of the Company in any single security may not exceed six times of the Company's net worth.

- (4) The reinvestment of the Company, in accordance with the Articles of Incorporation, is not limited by the rule of article 13 of the Company Act that the reinvestment shall not exceed forty percent (40%) of the paid-in capital.

Any transaction involving major assets or derivatives outside the scope of Article 4 in the procedures shall be approved by more than half of all Audit Committee members and submitted to the Board of Directors for a resolution.

If the aforesaid transaction of major assets or derivatives has not been approved by such Audit Committee with the consent of one-half or more than one-half of all members of the audit committee, it may be undertaken upon the consent of at least two-thirds of all members of the Board of Directors, but the resolution adopted by the audit committee shall be recorded in the meeting minutes of the Board of Directors meeting.

The board of directors shall take into full consideration of 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.

The Audit Committee members and the Board of Directors members in this article will only calculate the members in present position.

## **Article 4**

### **Authorization scope**

Acquisition or Disposal of the following Assets shall be determined by the authority within the scope of authorization:

1. Acquisition or disposal of long-term securities and fixed assets or right-of-use assets whose value under NT\$100 million shall be approved by Chairperson first.
2. Acquisition or disposal of short-term (within one year) securities and fixed assets whose value under NT\$100 million shall be approved by President first.
3. The acquisition or disposal of equipment or right-of-use assets of which amount is under NT\$300 million shall be approved by Chairperson first.
4. With respect to the types of transactions listed below, when to be conducted between the company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the board chairperson may decide such matters when the transaction is under NT\$300 million and have the decisions subsequently submitted to and ratified by the next board of directors meeting, not subject to the second section of Article 12 of this Procedure:
  - (1) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
  - (2) Acquisition or disposal of real property right-of-use assets held for business use.

## **Article 5**

### **Public Disclosure**

1. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:



- (1) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds, bonds under repurchase, resale agreements, subscription or redemption of the fund of the money market issued by domestic securities investment trust enterprises
  - (2) Merger, demerger, acquisition, or transfer of shares.
  - (3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
  - (4) Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount is more than NT\$500 million.
  - (5) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is more than NT\$500 million.
  - (6) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area reaches twenty percent (20%) or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
    - i. Trading of domestic government bonds.
    - ii. Trading of bonds under repurchase/resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. The amount of transactions above shall be calculated as follows:
    - (1) The amount of any individual transaction.
    - (2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.
    - (3) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
    - (4) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.
  3. "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.
  4. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.
  5. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within 2 days commencing immediately from the date of knowing.

6. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company headquarters, where they shall be retained for 5 years except where another act provides otherwise.

## **Article 6**

### **Changes in Announcement and Reporting**

Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within two (2) days commencing immediately from the date of occurrence of the event:

1. Change, termination, or rescission of a contract signed in regard to the original transaction.
2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
3. Change to the originally publicly announced and reported information.

## **Article 7**

In acquiring or disposing of real property or equipment or right-of-use assets thereof where the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
  - (1) The discrepancy between the appraisal result and the transaction amount is twenty percent (20%) or more of the transaction amount.
  - (2) The discrepancy between the appraisal results of two or more professional appraisers is ten percent (10%) or more of the transaction amount.
4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

## **Article 8**

The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is twenty percent (20%) of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

## **Article 9**

Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches twenty percent (20%) or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

The calculation of the transaction amounts referred to in the preceding two articles and this paragraph shall be done in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.

## **Article 10**

Where a public company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion

## **Article 11**

Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto

related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

## **Article 12**

### **Related Party Transactions**

1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches ten percent (10%) or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the procedure.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9, Paragraph 2 herein.

When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered

2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches twenty percent (20%) or more of paid-in capital, ten percent (10%) or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and recognized by the Audit Committee:
  - (1) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
  - (2) The reason for choosing the related party as a trading counterparty.
  - (3) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with related regulations.
  - (4) The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the

company and the related party.

- (5) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
- (6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
- (7) Restrictive covenants and other important stipulations associated with the transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 5, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and recognized by the Audit Committee need not be counted toward the transaction amount.

3. The Company that acquires real property or right-of-use assets from a related party shall evaluate the reasonableness of the transaction costs by the following means (where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in below paragraph, and the Company shall also engage a CPA to check the appraisal and render a specific opinion):

- (1) Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer.

"Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

- (2) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

The Company that acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

4. Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with paragraph 2 of this Article and paragraph 3 here do not apply:

- (1) The related party acquired the real property or right-of-use assets through inheritance or as a gift.
- (2) More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets to the signing date for the current transaction.

- (3) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
  - (4) The real property right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds one hundred percent (100 %) of the issued shares or authorized capital.
5. When the results of the Company's appraisal conducted in accordance with sub paragraph 1 and 2 under paragraph 3 of this Article are uniformly lower than the transaction price, the matter shall be handled in compliance with paragraph 6 of the Article. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:
  - (1) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
    - i 、 Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
    - ii 、 Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
  - (2) Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.
  - (3) Completed transactions for neighboring or closely valued parcels of land in the preceding two paragraphs in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than fifty percent (50%) of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.
6. Where the Company acquires real property or the right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the Paragraph 3~5 of the Article are uniformly lower than the transaction price, the following steps shall be taken:
  - (1) A special reserve shall be set aside in accordance with related regulations against the difference between the real property or right-of-use assets thereof transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under

related regulations shall be set aside pro rata in a proportion consistent with the share of the Company's equity stake in the other company.

- (2) Audit Committee shall comply with Article 218 of the Company Act.
- (3) Actions taken pursuant to preceding 2 subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.

When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the paragraphs of this Article if there is other evidence indicating that the acquisition was not an arms length transaction.

### **Article 13**

The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds one hundred percent (100%) of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds one hundred percent (100%) of the respective subsidiaries' issued shares or authorized capital.

### **Article 14**

The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

### **Article 15**

A company participating in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders meeting on the day, same as other participating company, to resolve merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

The Company participating in a transfer of shares shall call a Board of Directors meeting on the day, same as other participating company, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent

The Company shall prepare the following information in written record and retain it for 5 years for check.

- (1) Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
- (2) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
- (3) Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in preceding subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two paragraphs.

## **Article 16**

Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

## **Article 17**

The Company participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

- (1) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
- (2) An action, such as a disposal of major assets, that affects the company's financial operations.
- (3) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
- (4) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
- (5) An increase or decrease in the number of entities or companies participating in the merger,



demerger, acquisition, or transfer of shares.

- (6) Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

#### **Article 18**

The contract for participation by the Company in a merger, demerger, acquisition, or transfer of shares shall record the rights and obligations of the companies and shall also record the following:

- (1) Handling of breach of contract.
- (2) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
- (3) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
- (4) The manner of handling changes in the number of participating entities or companies.
- (5) Preliminary progress schedule for plan execution, and anticipated completion date.
- (6) Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

#### **Article 19**

After public disclosure of the information, if the Company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew

#### **Article 20**

Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 15, Article 16, and Article 19.

#### **Article 21**

Acquisition or disposal of assets by the Company's subsidiary shall obey as follows:

1. The Company's subsidiary shall adopt and implement the procedures for the acquisition or disposal of assets in compliance with these Procedures.
2. If the acquisition or disposal of assets by the Company's subsidiary, which is not a domestic public company, reaches the reporting criteria specified in Article 5 of the Procedures, the Company shall make the reporting and public announcements on behalf of its subsidiary.
3. "Reaching twenty percent (20%) of paid-in capital or 10% of total assets" specified in the regulatory of subsidiary reporting and public announcements criteria in the preceding paragraph shall be the paid-in capital or total assets of the parent Company.

4. The term “subsidiary” as used in these procedures, shall be recognized in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

## **Article 22**

The Company should comply with Derivative Instruments Transactions Procedure when engaging in derivatives trading.

## **Article 23**

### **Financial report disclosure**

The Company shall disclose the information of transaction of assets in financial statement and announce in shareholder’s meeting if the acquisition or disposal transaction meets the disclosure requirements set forth in Article 5 and also the transaction is with related parties.

## **Article 24**

Matters not provided herein shall be governed by the relevant laws and regulations and the relevant regulations of the Company.

## **Article 25**

After the procedures have been approved by more than half of all Audit Committee members, this shall be submitted to the board of directors for a resolution and be implemented after approved by a shareholders' meeting. If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit his/her dissenting opinion to shareholders' meeting for discussion; the same applies when the procedures are amended.

If approval of more than half of all Audit Committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

The terms "all Audit Committee members" and "all directors" shall be counted as the actual number of persons currently holding those positions.

## **Article 26**

Any manager or employee who undertakes responsibilities for acquisition or disposal of assets in violation of “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and the Procedure will be subject to penalty according to the Company’s “Personnel Evaluation Committee Regulations.”

## **Article 27**

The Procedures were enacted on May 29, 1990

The 1<sup>st</sup> amendment was made on April 26, 1996

The 2<sup>nd</sup> amendment was made on November 24, 1998

The 3<sup>rd</sup> amendment was made on March 19, 1999

The 4<sup>th</sup> amendment was made on December 22, 1999

The 5<sup>th</sup> amendment was made on January 28, 2000

The 6<sup>th</sup> amendment was made on August 18, 2000

The 7<sup>th</sup> amendment was made on October 13, 2000

The 8<sup>th</sup> amendment was made on March 25, 2002

The 9<sup>th</sup> amendment was made on September 10, 2002

The 10<sup>th</sup> amendment was made on June 13, 2003

The 11<sup>th</sup> amendment was made on June 8, 2006

The 12<sup>th</sup> amendment was made on June 21, 2007

The 13<sup>th</sup> amendment was made on June 17, 2011

The 14<sup>th</sup> amendment was made on June 27, 2012

The 15<sup>th</sup> amendment was made on June 26, 2014.

The 16<sup>th</sup> amendment was made on June 25, 2015.

The 17<sup>th</sup> amendment was made on June 27, 2017.

The 18<sup>th</sup> amendment was made on June 27, 2019.

The 19<sup>th</sup> amendment was made on August 26, 2021.

## Appendix 4

### Sino-American Silicon Products Inc.

#### Shareholding of Directors

1. The total amount of shares of the Company is 586,221,651 shares. The minimum shareholding ratio of all directors is 4%, and the minimum number of shareholding is 18,759,092 shares in compliance with the Article 2 of “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”.
2. The company has established audit committee, the regulation of supervisors’ shareholding numbers is not applicable.
3. The Company discloses the shares held by Directors in the shareholder’s register as of April 25, 2022 as the table shown below.

Position	Name	Shareholdings	Note
Chairperson	Hsiu-Lan Hsu	2,971,085	
Vice Chairperson	Tang-Liang Yao	3,090,395	
Director	Ming-Kung Lu	11,784,000	
Director	Wen-Huei Tsai	3,006,191	
Director	Feng-Ming Chang	6,000,000	
Director	Kai-Chiang Company	2,000,000	Representative: Hau Fan
Director	Kun-Chang Investment Co.	2,202,100	Representative: OW Edward Andrew
Independent Director	Chin-Tang Liu	0	
Independent Director	Hao-Chung Kuo	0	
Independent Director	Shao-Lun Li	0	
Total		31,053,771	Reach Statutory Percentage

## **Appendix 5**

### **Other Statement Items**

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

1. Pursuant to the Article 172-1 of Company Act, Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, and the proposal is limited to one. In case of violation of the above matters, it will not be included in the motion.
2. Submission period applicable to common shareholders of SAS starts from April 16 to April 26, 2022. The Company has made a public announcement on MOPS.
3. The Company has not received any proposal from shareholders yet.