



Stock Code:2363  
The Form of Shareholders' Meeting: Physical

# Silicon Integrated Systems Corp.

## 2025 Annual Shareholders' Meeting Meeting Handbook

May 22, 2025

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THIS IS A TRANSLATION OF 2025 ANNUAL SHAREHOLDERS' MEETING HANDBOOK ("THE HANDBOOK") OF SILICON INTEGRATED SYSTEMS CORPORATION ("THE COMPANY"). THE TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NO OTHER PURPOSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION: THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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# Silicon Integrated Systems Corp.

## Meeting Procedures of the 2025 Annual General Meeting

- I. Meeting Called to Order
- II. Chairman's Speech
- III. Report Items
- IV. Proposed Resolutions
- V. Agenda Items
- VI. Extraordinary Motions
- VII. Adjournment

# Silicon Integrated Systems Corp.

## Agenda of the 2025 Annual General Meeting

Time: May 22, 2025, 9:00 am

Venue: No.180, Sec. 2, Gongdao 5th Rd., Hsinchu (Silicon Building)

The Form of Shareholders' Meeting: Physical

Attendants: All shareholders and their proxies

Chairman: Stan Hung

I. Meeting Called to Order

II. Chairman's Speech

III. Report Items

Proposal 1: 2024 Business Report

Proposal 2: Audit Committee's Review Report on the 2024 Financial Statements

Proposal 3: Report on 2024 employees' and directors' compensation

Proposal 4: Report on the execution status of related party transactions for the year 2024

Proposal 5: Report on the execution status of the share conversion agreement between the Company and Hycon Technology Corporation

Proposal 6: Report on the shareholders' proposal at the Annual Shareholders' Meeting

IV. Proposed Resolutions

Proposal 1: Ratification of the 2024 Business Report and Financial Statements

Proposal 2: Ratification of the 2024 Earnings Distribution Proposal

V. Agenda Items

Proposal 1: Amendment to the "Articles of Incorporation" of the Company

Proposal 2: Amendment to the "Rules of Procedure for Shareholders' Meetings" of the Company

Proposal 3: Removal of the non-competition restrictions on the Company's directors

VI. Extraordinary Motions

VII. Adjournment

## Report Items:

### Report 1

Proposal: 2024 Business Report

Description: Please refer to Attachment I on page 8~9 for the 2024 Business Report.

### Report 2

Proposal: Audit Committee's Review Report on the 2024 Financial Statements.

Description: Please refer to Attachment II on page 10 and Attachment III on page 11~20 of this Handbook for the Audit Committee's Review Report and Independent Auditors' Report.

### Report 3

Proposal: Report on the distribution of 2024 employees' and directors' compensation

Description:

1. In accordance with Article 32 of the Company's Articles of Incorporation: The Company shall contribute the remaining balance of profit before tax after offsetting the accumulated loss to employees' and directors' compensation. The percentage of employees' compensation shall be no less than 5% of the aforementioned balance and the percentage of directors' compensation shall be no more than 2% of the aforementioned balance. Employees' compensation may be distributed in the form of shares or cash, whereas directors' compensation shall be distributed in cash.
2. The Company proposed to distribute NT\$51,124,841 in cash for employees' compensation and NT\$6,390,605 in cash for directors' compensation.

### Report 4

Proposal: Report on the execution status of related party transactions for the year 2024

Description:

1. In accordance with the Company's "Regulations on the Management of Related Party Transactions," any purchase, sale of goods, provision of services, or technical service transactions between the Company or its subsidiaries and an individual related party, where the anticipated annual transaction amount is expected to reach 5% or more of the Company's most recent consolidated total assets or the most recent annual consolidated net revenue, shall be subject to approval by the Audit Committee and the Board of Directors before the transaction can proceed. This requirement excludes transactions governed by the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" or those conducted between the Company and its parent company, subsidiaries, or among subsidiaries. After the end of the fiscal year, a report shall be submitted to the most recent shareholders' meeting detailing the actual annual transaction amount and conditions of the related party transactions. The report shall confirm whether the transactions were conducted in accordance with the pricing principles approved by the Board of Directors and whether the actual annual transaction amount remained within the approved limit.
2. Please refer to Attachment VI on page 31 for the Execution Status of Related Party Transactions for the Year 2024.

#### Report 5

Proposal: Report on the execution status of the share conversion agreement between the Company and Hycon Technology Corporation.

Description:

1. In accordance with Article 7, Paragraph 2 of the Business Mergers and Acquisitions Act, the Company hereby reports on the share conversion with Hycon Technology Corporation.
2. To achieve synergies through technological, product, and customer complementarity, resource integration, operational cost reduction, and enhanced customer service, the Company conducted the share conversion by issuing new shares. Each common share of Hycon Technology Corporation was exchanged for 0.8713 common shares of the Company, resulting in the Company acquiring 100% ownership of Hycon Technology Corporation.
3. The conversion of shares was completed on January 1, 2025, and the Ministry of Economic Affairs approved the change of registration on February 8, 2025.

#### Report 6

Proposal: Report on the shareholders' proposal at the Annual Shareholders' Meeting

Description:

1. In compliance with Article 172-1 of the Company Act.
2. The Company did not receive any shareholders' proposals during the period from March 14, 2024 to March 25, 2025.

### **Proposed Resolution:**

#### Proposal 1

(Proposed by the Board of Directors)

Proposal: Ratification of the 2024 Business Report and Financial Statements.

Description:

1. The 2024 Business Report and Financial Statements have been approved by the Board of Directors at the 13th Meeting of the 7th Board of Directors, reviewed by the Audit Committee, which has issued a written review report, and submitted to the shareholders' meeting for ratification in accordance with the laws and regulations. Please refer to Attachment II on page 10 of this Handbook.
2. For the attached Business Report, please refer to Attachment I on page : to page ; of this Handbook. For the Independent Auditors' Report and the above financial statements, please refer to Attachments III to V on page 11 to page 30 of this Handbook.

Resolution:

**Proposal 2**

(Proposed by the Board of Directors)

Proposal: Ratification of the 2024 Earnings Distribution Proposal.

Description:

1. The Company's after-tax net income for 2024 amounted to NT\$498,582,375. After adding the undistributed earnings at the beginning of the year, totaling NT\$3,241,722,968, and recognizing the remeasurement of the defined benefit plan of NT\$17,572,940, and deducting the statutory earnings reserve of NT\$51,615,532, the distributable earnings for the period amounted to NT\$3,706,262,751. The Company proposes to distribute a cash dividend of NT\$257,494,080 to shareholders, with a dividend of NT\$0.5 per share based on the shareholding ratio recorded in the shareholder register on the ex-dividend date. Cash dividends will be rounded down to the nearest whole dollar without further adjustment. The total amount of fractional dividends less than one dollar shall be classified as other income of the Company.
2. The ex-dividend date and payment date for the distribution of cash dividends to shareholders will be determined by the Chairman of the Board upon authorization following the approval of the shareholders' meeting. In the event that subsequent actions, such as the repurchase of the Company's shares, transfer, conversion, or cancellation of treasury shares, the issuance and cancellation of restricted employee rights shares, or the issuance of warrants or convertible bonds leading to conversion in accordance with relevant issuance and conversion procedures, result in a change in the number of outstanding shares, thereby affecting the dividend distribution ratio, or if there are any other related matters not yet addressed, the Chairman of the Board will be authorized to handle and make adjustments after the approval of the shareholders' meeting.
3. Please refer to the following 2024 Earnings Distribution Table

**Silicon Integrated Systems Corp.****2024 Earnings Distribution Table**

Unit: NT\$

No.	Amount
Undistributed earnings at the beginning of the period	3,241,722,968
Add: Remeasurement of defined benefit plans	17,572,940
Undistributed earnings at the beginning of the period after adjustment	3,259,295,908
Earnings after tax for the period	498,582,375
Less: Provision of legal reserve	(51,615,532)
Distributable earnings for the period	3,706,262,751
Less: Cash dividend NT\$0.5/share	(257,494,080)
Undistributed earnings at the end of the period	3,448,768,671

Chairman: Stan Hung

Manager: Le-Tien Jung

Chief Accountant: Yuan-Kwei Chen

Resolution:

## Agenda Items:

Discussion 1 (Proposed by the Board of Directors)

Proposal: Amendment to the "Articles of Incorporation" of the Company

Description:

1. To enhance decision-making and execution efficiency and improve organizational operational effectiveness, the position of Chief Executive Officer (CEO) shall be established. The CEO will serve as the highest executive management officer of the company, fully responsible for the Company's operational management and overall strategic planning.
2. In accordance with the Financial Supervisory Commission's Financial Supervisory Securities Corporate 1130385442, dated November 8, 2024, the Company shall offset accumulated losses with the pre-tax profit for the current year. The remaining balance shall be allocated for employee compensation, with the allocation percentage not being less than 5% of the remaining balance. Furthermore, at least 1% of the employee compensation amount shall be allocated for the distribution of compensation to junior - staff employees. Junior-staff employees are defined as those in the Company's job grades 7 and below. In the event of any other unresolved matters or adjustments to job grades, the Chairman of the Board is fully authorized to handle such matters.
3. Please refer to page 32 [Attachment VII] of this Handbook for the comparison table of the amendment on provisions of the Company's "Articles of Incorporation".

Resolution:

### Discussion 2

(Proposed by the Board of Directors)

Proposal: Amendment to the "Rules of Procedure for Shareholders' Meetings" of the Company

Description:

1. To improve the efficiency of the shareholders' meeting, certain provisions are proposed to be amended.
2. For the comparison table of revise provisions of the "Rules of Procedure for Shareholders' Meetings", please refer to pages 34 [Attachment VIII] of this Handbook.

Resolution:



**Discussion 3**

(Proposed by the Board of Directors)

**Proposal:** Removal of the non-competition restrictions on the Company's directors.**Description:**

1. According to Article 209 of the Company Law, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and obtain its approval.
2. The directors may have investments in or serve as directors in other companies with identical or similar business as the Company. Such circumstance shall obtain approval from the shareholders' meeting. If the Company's directors meet the above conditions, the shareholders' meeting shall discuss the removal of the non-competition restriction for the Company's directors and the legal person represented by them (in case of a juristic entity, including its representative).
3. The detailed information regarding the director's concurrent positions in other companies is as follows:

Position	Name	Name and positions concurrently held in other companies
Director	Cheng Wan-Ling	Director of Novatek Microelectronics Corp.
Independent Director	Ya-Ching Li	Independent Director of IC PLUS CORP.

**Resolution:****Extraordinary Motions:****Adjournment**

## 【Attachments I】

### Silicon Integrated Systems Corp. Business Report

In 2024, the world entered the post-pandemic recovery phase. However, pressures arising from significantly increased merchant supply from Mainland China, geopolitical tensions, and sluggish consumer demand in Mainland China led to a decline in consumer electronics purchasing willingness. Additionally, excessive inventory accumulation during the pandemic resulted in high stock levels, creating a situation where supply in the overall consumer electronics supply chain far exceeded demand, leading to an extreme imbalance. As an IC design company, the impact of inventory devaluation by customers and weak consumer demand caused our performance to fall short of the expected targets. Nevertheless, due to growth in non-operating income, the net profit after tax for the year 2024 amounted to NT\$498 million, with earnings per share of NT\$0.81.

Looking ahead to 2025, we will strengthen our engineering services for projected multi-touch capacitive touch chips and capacitive active stylus touch chips, assisting customers in rapidly adopting new solutions using Silicon Integrated chips. This will significantly increase our market share. Additionally, we will accelerate the development of micro-electromechanical microphone chips and solutions, utilizing UMC's process technology to enhance cost competitiveness. After the integration of the original Hycon product line and team, we will leverage the synergies of integrated resources to develop new customers, new applications, and new products. All of these efforts will contribute to further growth in overall revenue.

#### 2024 Business Performance

##### Results of the Business Plan

The Company has established a strong reputation in the consumer electronics, industrial control, and automotive touch product sectors, securing greater demand through faster service. The active stylus chip has already received certification and achieved mass production with leading brand manufacturers and top-tier foundries, making it highly competitive in the market.

The Company's financial condition, profitability and research and development are as follows:

##### Financial Condition

###### I. Parent Company Only Financial Statements

Unit: NT\$'000

Item	2024	2023	Increase(decrease) amount
Revenue	164,568	118,171	46,397
Gross profit	80,438	19,934	60,504
Operating loss	(344,525)	(422,738)	78,213
Net income for the period	498,582	571,261	(72,679)

###### II. Consolidated Financial Statements

Unit: NT\$'000

Item	2024	2023	Increase(decrease) amount
Revenue	738,560	187,184	551,376
Gross profit	256,862	56,676	200,186
Operating loss	(355,292)	(451,166)	155,874
Net income for the period	472,898	558,841	(85,943)

## Profitability

### (I) Parent Company Only Financial Statements

Item		2024	2023
Return on assets(%)		2.98	3.31
Return on equity(%)		3.01	3.33
Ratio to paid-in capital(%)	Net operating loss	(7.07)	(5.64)
	Profit before income tax	11.92	8.41
Net profit margin(%)		302.96	483.42
Earnings per share(NTD)		0.81	0.76

### (II) Consolidated Financial Statements

Item		2024	2023
Return on assets(%)		2.79	3.22
Return on equity(%)		2.85	3.25
Ratio to paid-in capital(%)	Net operating loss	(6.88)	(6.02)
	Profit before income tax	11.53	8.24
Net profit margin(%)		64.03	298.55
Earnings per share(NTD)		0.81	0.76

## Research and development

- Continuously enhance the performance and specifications of capacitive touch chipsets and active stylus chipsets, while deepening our presence in existing markets such as business, education, and industrial control.
- Expanded the market outreach by introducing the next generation of USI and MPP specification stylus pens and Bluetooth touch feedback for laptops, tablets, e-readers, and learning devices.
- Continued to develop various types of MEMS microphone-related products for AI applications.
- Continuously strengthen the competitive advantages and market share of chips such as BMS, MSP, ASIC, and power measurement chips.

## Summary of 2025 Business Plan

Thank you for the support and encouragement from our shareholders, we will continue to invest in R&D resources and innovative technologies to improve the performance of our existing products and promote new modules, so as to increase revenue and return profits to our shareholders.

Sincerely,

We wish you all health and good fortune.

Chairman: Stan Hung

Manager: Le-Tien Jung

Chief Accountant: Yuan-Kwei Chen

【Attachments II】

Silicon Integrated Systems Corp.  
Audit Committee's Report

The 2024 financial statements and consolidated financial statements of the Company prepared and delivered by the Board of Directors had been jointly audited by CPA Chris Hu and Hsin-Min Hsu from EY, who are of opinion that such financial statements are sufficient to present the financial condition, operating results and cash flow of the Company. Along with the business report and earnings distribution table, the documents have been reviewed by the Audit Committee, which found no discrepancies. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, a report has been prepared and is respectfully submitted for review and approval.

Sincerely,

2025 Annual Shareholders' Meeting of Silicon Integrated Systems Corp.

Convener of the Audit Committee: Ya-Ching Li

February 27, 2025

## **Independent Auditors’ Report Originally Issued in Chinese**

To Silicon Integrated Systems Corporation

### **Opinion**

We have audited the accompanying parent company only balance sheets of Silicon Integrated Systems Corporation (“the Company”) as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the parent company only financial statements, including the summary of material accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of 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 Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 parent company only financial statements. 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.

### Revenue recognition

The Company recognized NT\$ 164,568 thousand as net sales for the year ended December 31, 2024. Sales of products is the main operating activity of the Company. Its sale regions include not only Taiwan but also Asia and other regions. Trade terms of sales of products under each sale order may be different. It is necessary for the Company to judge and determine the performance obligations and the timing of its satisfaction under each sale order. As a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) evaluating and testing the effectiveness of internal control which is related to the timing of revenue recognition; assessing the appropriateness of the accounting policy for revenue recognition; performing test of details on samples selected; tracing to relevant documentation of transactions, reviewing the significant terms of sale orders and agreements, identifying the performance obligations of the sale orders and agreements and timing of its satisfaction, performing cutoff procedures on selected samples for a period before and after reporting date, tracing to relevant documentation to verify the appropriateness of the timing of revenue recognition, and reviewing significant sales allowance and reversals in subsequent period. Please refer to Note 4 and Note 6 in notes to the parent company only financial statements.

## **Other Matter – Making Reference to the Audits of Other Auditors**

We did not audit the financial statements of certain investee companies, which were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. The investment in these investee companies under equity method amounted to NT\$37,407 thousand and NT\$77,762 thousand, accounting for 0.3% and 0.4% of total assets as of December 31, 2024 and 2023, respectively. The related shares of losses recognized from these subsidiaries, associates and joint ventures under the equity method amounted to NT\$29,513 thousand and NT\$66,671 thousand, accounting for (5)% and (11)% of the net income before tax for the years ended December 31, 2024 and 2023 respectively.

## **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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers for such internal control as management determines is necessary to enable the preparation of the 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 ability to continue as a going concern of the Company, 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 audit committee, are responsible for overseeing the financial reporting process of the Company.

## **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 Standards on Auditing of 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 the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 internal control of the Company.
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 ability to continue as a going concern of the Company. 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 accompanying notes, 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 the group audit. We remain solely responsible for our audit opinion.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 parent company only financial statements 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.

/s/ Hu, Shen-Chieh

/s/ Hsu, Hsin-Min

Ernst & Young, Taiwan

February 27, 2025

#### Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, results of operations and cash flows in accordance with 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.

Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

## **Independent Auditors' Report Originally Issued in Chinese**

To Silicon Integrated Systems Corporation

### **Opinion**

We have audited the accompanying consolidated balance sheets of Silicon Integrated Systems Corporation and its subsidiaries (“the Group”) as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including the summary of material accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other Matter – Making Reference to the Audits of Other Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and their consolidated financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the standards on Auditing of 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 Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 consolidated financial statements. 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.

### **Revenue recognition**

The Group recognized NT\$738,560 thousand as net sales for the year ended December 31, 2024. Sales of products is the main operating activity of the Group. Its sale regions include not only Taiwan but also Asia and other regions. Trade terms of sales of products under each sale order may be different. It is necessary for the Group to judge and determine the performance obligations and the timing of its satisfaction under each sale order. As a result, we determined the matter to be a key audit matter.

Our audit procedures include (but are not limited to) evaluating and testing the effectiveness of internal control which is related to the timing of revenue recognition; assessing the appropriateness of the accounting policy for revenue recognition; performing test of details on samples selected; tracing to relevant documentation of transactions, reviewing the significant terms of sale orders and agreements, identifying the performance obligations of the sale orders and agreements and timing of its satisfaction, performing cutoff procedures on selected samples for a period before and after reporting date, tracing to relevant documentation to verify the appropriateness of the timing of revenue recognition, and reviewing significant sales allowance and reversals in subsequent period. Please refer to Note 4 and Note 6 in notes to the consolidated financial statements.

### **Other Matter – Making Reference to the Audits of Other Auditors**

We did not audit the financial statements of certain consolidated subsidiaries, whose statements reflect total assets of NT\$128,278 thousand and NT\$98,043 thousand, constituting 1% and 1% of consolidated total assets as of December 31, 2024 and 2023, respectively, and total operating revenues of NT\$51,734 thousand and NT\$61,270 thousand, constituting 7% and 33% of consolidated operating revenues for the years ended December 31, 2024 and 2023, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

We did not audit the financial statements of certain associates and joint ventures accounted for under the equity method whose statements are based solely on the reports of the other auditors. These associates and joint ventures under equity method amounted to NT\$0 thousand and NT\$35,609 thousand, representing 0% and 0.2% of consolidated total assets as of December 31, 2024 and 2023, respectively. The related shares of losses from the associates and joint ventures under the equity method amounted to NT\$1,567 thousand and NT\$53,410 thousand, representing (0.3)% and (9)% of the consolidated net income before tax for the years ended December 31, 2024 and 2023, respectively.

### **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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Group, 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 audit committee, are responsible for overseeing the financial reporting process of the Group.

### **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 Standards on Auditing of 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 the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 internal control of the Group.
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 ability to continue as a going concern of the Group and its subsidiaries. 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 and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 consolidated financial statements 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.

## **Others**

We have audited and expressed an unqualified opinion on the parent company only financial statements of Silicon Integrated Systems Corporation as of and for the years ended December 31, 2024 and 2023.

/s/ Hu, Shen-Chieh

/s/ Hsu, Hsin-Min

Ernst & Young, Taiwan

February 27, 2025

## **Notice to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with 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.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION  
PARENT COMPANY ONLY BALANCE SHEETS  
As of December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2024	%	December 31, 2023	%
<b>Current assets</b>					
Cash and cash equivalents	4, 6(1)	\$ 1,045,537	7	\$ 3,670,547	19
Financial assets measured at amortized cost – current	4, 6(3), 8, 12	357,687	3	357,658	2
Account receivable, net	4, 6(4), 6(12), 12	14,073	-	13,551	-
Accounts receivable - related parties, net	4, 6(4), 6(12), 7, 12	2,835	-	272	-
Other receivables		2,350	-	2,601	-
Other receivables-related parties	12	-	-	-	-
Inventories, net	4, 5, 6(5)	39,730	-	47,834	-
Prepayments		4,884	-	5,127	-
Other current assets		1,341	-	5,350	-
Total current assets		1,468,437	10	4,102,940	21
<b>Non-current assets</b>					
Financial assets at fair value through other comprehensive income – non-current	4, 6(2), 12	11,523,497	81	14,095,365	74
Investments accounted for using the equity method	4, 6(6)	480,125	3	103,695	1
Property, plant and equipment	4, 5, 6(7)	734,068	5	738,438	4
Right-of-use assets	4, 6(13)	260	-	420	-
Intangible assets	4, 6(8)	2,556	-	3,046	-
Deferred tax assets	4, 5, 6(17)	954	-	1,095	-
Prepayment for equipment		280	-	-	-
Refundable deposits	12	211	-	227	-
Net defined benefit assets – non-current	4, 6(9)	96,879	1	74,756	-
Total non-current assets		12,838,830	90	15,017,042	79
<b>Total assets</b>		\$ 14,307,267	100	\$ 19,119,982	100

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION  
PARENT COMPANY ONLY BALANCE SHEETS  
As of December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2024	%	December 31, 2023	%
<b>Current liabilities</b>					
Contract liabilities – current	6(11)	\$ 592	-	\$ 2,055	-
Accounts payable	12	6,612	-	3,383	-
Accounts payable - related parties	7, 12	4,460	-	650	-
Other payables	12	87,331	1	110,048	1
Other payables - related parties	12	28	-	-	-
Payables on equipment	12	4,196	-	5,528	-
Current tax liabilities		80,663	1	-	-
Lease liabilities – current	4, 6(13), 12	110	-	158	-
Other current liabilities		2,929	-	2,924	-
Refund liabilities		239	-	233	-
Total current liabilities		187,160	2	124,979	1
<b>Non-current liabilities</b>					
Deferred tax liabilities	4, 5, 6(17)	5,082	-	306	-
Lease liabilities – non-current	4, 6(13), 12	162	-	272	-
Guarantee deposits	12	4,164	-	3,908	-
Total non-current liabilities		9,408	-	4,486	-
<b>Total liabilities</b>		196,568	2	129,465	1
<b>Equity</b>					
Capital	6(10)				
Common stock		4,872,331	34	7,495,894	39
Additional paid-in capital	4, 6(10)	106,980	1	83,210	-
Retained earnings	6(10)				
Legal reserve		724,422	5	515,141	3
Unappropriated earnings		3,757,878	26	3,675,880	19
Other components of equity		4,649,088	32	7,220,392	38
<b>Total equity</b>		14,110,699	98	18,990,517	99
<b>Total liabilities and equity</b>		\$ 14,307,267	100	\$ 19,119,982	100

The accompanying notes are an integral part of the parent company only financial statements.



SILICON INTEGRATED SYSTEMS CORPORATION  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
For the years ended December 31, 2024 and 2023  
(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	For the years ended December 31			
		2024	%	2023	%
Operating revenues	4, 6(11), 7	\$ 164,568	100	\$ 118,171	100
Operating costs	6(5), 6(14), 7	(84,130)	(51)	(98,237)	(83)
Gross profit		80,438	49	19,934	17
Operating expenses	6(8), 6(12), 6(14), 7				
Selling expenses		(17,353)	(11)	(33,862)	(29)
Administrative expenses		(132,708)	(81)	(139,014)	(118)
Research and development expenses		(274,902)	(167)	(269,790)	(228)
Expected credit loss		-	-	(6)	-
Total operating expenses		(424,963)	(259)	(442,672)	(375)
Operating loss		(344,525)	(210)	(422,738)	(358)
Non-operating income and expenses	4, 6(6), 6(15)				
Interest income		37,327	23	25,146	21
Other income		840,594	511	1,098,447	930
Other gains and losses		9,224	6	(722)	(1)
Financial costs		(12)	-	(21)	-
Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using equity method		38,361	23	(69,709)	(59)
Total non-operating income and expenses		925,494	563	1,053,141	891
Income before income tax		580,969	353	630,403	533
Income tax expense	4, 5, 6(17)	(82,387)	(50)	(59,142)	(50)
Net income		498,582	303	571,261	483
Other comprehensive income	6(16)				
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit plans		22,350	14	1,530	1
Unrealized gains or losses from equity instrument investments measured at fair value through other comprehensive income	6(9)	(2,571,868)	(1,563)	3,808,786	3,223
Income tax relating to items that will not be reclassified to profit or loss		(4,776)	(3)	(306.00)	-
Items that may be reclassified subsequently to profit or loss		(390)	-	(618)	-
Exchange differences resulting from translating the financial statements of foreign operations		954	1	1,095.00	1
Income tax relating to items that may be reclassified to profit or loss		(2,553,730)	(1,551)	3,810,487	3,225
Other comprehensive income (loss), net of tax		(2,055,148)	(1,248)	4,381,748	3,708
Total comprehensive income (loss)					
Earnings per share (NT\$)	6(18)	\$ 0.81		\$ 0.76	
Earnings per share-basic					
Earnings per share-diluted		\$ 0.81		\$ 0.76	

## SILICON INTEGRATED SYSTEMS CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan Dollars)

Description	Common Stock	Additional Paid-in Capital	Retained Earnings		Other Equity		Total Equity
			Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income	
Balance as of January 1, 2023	\$ 7,495,894	\$ 85,303	\$ 429,146	\$ 2,418,660	\$ (4,856)	\$ 4,936,304	\$15,360,451
Appropriation and distribution of 2022 retained earnings							
Legal reserve	-	-	85,995	(85,995)	-	-	-
Cash dividends	-	-	-	(749,589)	-	-	(749,589)
Other changes in capital surplus							
Share of changes in associates and joint ventures accounted for using equity method	-	(3,306)	-	-	-	-	(3,306)
Net income for the year ended December 31, 2023	-	-	-	571,261	-	-	571,261
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	1,224	477	3,808,786	3,810,487
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	572,485	477	3,808,786	4,381,748
Changes in subsidiaries' ownership							
Disposal of equity instrument investments measured at fair value through other comprehensive income	-	1,213	-	-	-	-	1,213
Balance as of December 31, 2023	\$ 7,495,894	\$ 83,210	\$ 515,141	\$ 3,675,880	\$ (4,379)	\$ 7,224,771	\$ 18,990,517
Balance as of January 1, 2024	\$ 7,495,894	\$ 83,210	\$ 515,141	\$ 3,675,880	\$ (4,379)	\$ 7,224,771	\$ 18,990,517
Appropriation and distribution of 2023 retained earnings							
Legal reserve	-	-	209,281	(209,281)	-	-	-
Cash dividends	-	-	-	(224,877)	-	-	(224,877)
Net income for the year ended December 31, 2024	-	-	-	498,582	-	-	498,582
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	17,574	564	(2,571,868)	(2,553,730)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	516,156	564	(2,571,868)	(2,055,148)
Capital reduction	(2,623,563)	-	-	-	-	-	(2,623,563)
Changes in subsidiaries' ownership	-	23,210	-	-	-	-	23,210
Others	-	560	-	-	-	-	560
Balance as of December 31, 2024	\$ 4,872,331	\$ 106,980	\$ 724,422	\$ 3,757,878	\$ (3,815)	\$ 4,652,903	\$ 14,110,699

The accompanying notes are an integral part of the parent company only financial statements.

## SILICON INTEGRATED SYSTEMS CORPORATION

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31	
	2024	2023
<b>Cash flows from operating activities :</b>		
Net income before tax	\$ 580,969	\$ 630,403
Adjustments for:		
Adjustments to reconcile net income before tax to net cash provided by (used in) operating activities:		
Depreciation	14,985	12,966
Amortization	920	1,154
Expected credit loss	-	6
Interest expenses	12	21
Interest income	(37,327)	(25,146)
Dividend income	(799,773)	(1,059,038)
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(38,361)	69,709
Gains (Losses) on disposal of property, plant, and equipment	(65)	83
Losses on disposal of share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	369	-
Changes in operating assets and liabilities:		
Accounts receivable	(522)	(1,029)
Accounts receivable - related parties	(2,563)	2,188
Other receivables	292	1,578
Inventories	8,104	41,404
Prepayments	243	(1,849)
Other current assets	4,009	7,631
Other operating assets	(37)	546
Contract liabilities	(1,463)	863
Accounts payable	3,229	1,533
Accounts payable - related parties	3,810	492
Other payables	(22,717)	38,302
Other payable - related parties	28	(897)
Other current liabilities	11	(3,395)
Cash used in operations	(285,847)	(282,475)
Interest received	37,550	24,158
Income tax paid	(1,724)	(599)
Net cash used in operating activities	(250,021)	(258,916)
<b>Cash flows from investing activities :</b>		
Acquisition of financial assets at fair value through other comprehensive income or loss	-	(2,150)
Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	-	2,620,319
Acquisition of financial assets measured at amortized cost	(29)	(348,017)
Acquisition of investments accounted for using the equity method	(348,196)	(27,000)
Proceeds from capital reduction of investments accounted for under the equity method	33,673	-
Acquisition of property, plant and equipment	(11,817)	(14,546)
Proceeds from disposal of property, plant and equipment	65	14
Decrease in refundable deposits	16	20
Acquisition of intangible assets	(430)	(363)
(Increase) Decrease in prepayment for equipment	(280)	175
Dividends received	799,773	1,059,038
Net cash provided by investing activities	472,775	3,287,490
<b>Cash flows from financing activities :</b>		
Increase in guarantee deposits	256	78
Cash payment for the principle portion of lease liabilities	(140)	(249)
Cash dividends	(224,877)	(749,589)
Capital reduction	(2,623,563)	-
Others	560	-
Net cash used in financing activities	(2,847,764)	(749,760)
Net increase in cash and cash equivalents	(2,625,010)	2,278,814
Cash and cash equivalents at beginning of the year	3,670,547	1,391,733
Cash and cash equivalents at end of the year	\$ 1,045,537	\$ 3,670,547

The accompanying notes are an integral part of the parent company only financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
December 31, 2024 and December 31, 2023  
(Expressed in thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2024	%	December 31, 2023	%
<b>Current assets</b>					
Cash and cash equivalents	4, 6(1)	\$ 1,624,235	12	\$ 3,758,872	20
Financial assets measured at amortized cost – current	4, 6(3), 8, 12	492,027	3	357,658	2
Account receivable, net	4, 6(4), 6(12), 12	21,480	-	15,461	-
Accounts receivable - related parties, net	4, 6(4), 6(12), 7, 12	8,351	-	272	-
Other receivables	12	33,244	-	2,619	-
Inventories, net	4, 5, 6(5)	52,064	-	62,141	-
Prepayments		8,905	-	5,300	-
Other current assets		3,586	-	8,131	-
Total current assets		2,243,892	15	4,210,454	22
<b>Non-current assets</b>					
Financial assets at fair value through other comprehensive income – non-current	4, 6(2), 12	11,523,497	78	14,095,365	74
Investments accounted for using the equity method	4, 6(6)	-	-	35,609	-
Property, plant and equipment	4, 5, 6(7)	846,801	6	744,628	4
Right-of-use assets	4, 6(13)	14,149	-	4,184	-
Intangible assets	4, 6(8)	12,939	-	7,566	-
Deferred tax assets	4, 5, 6(17)	3,202	-	1,095	-
Prepayment for equipment		280	-	-	-
Refundable deposits	12	4,721	-	3,349	-
Net defined benefit assets – non-current	4, 6(9)	96,879	1	74,756	-
Total non-current assets		12,502,468	85	14,966,552	78
<b>Total assets</b>		\$ 14,746,360	100	\$ 19,177,006	100

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
December 31, 2024 and December 31, 2023  
(Expressed in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2024	%	December 31, 2023	%
<b>Current liabilities</b>					
Contract liabilities – current	4, 6(11)	298,576	2	\$ 2,055	-
Accounts payable	12	8,174	-	3,494	-
Accounts payable - related parties	7, 12	14,565	-	650	-
Other payables	12	133,357	1	121,615	1
Payables on equipment	12	4,196	-	5,528	-
Current tax liabilities		80,664	1	-	-
Lease liabilities – current	4, 6(13), 12	7,109	-	3,567	-
Other current liabilities		10,551	-	3,969	-
Refund liabilities		239	-	233	-
Total current liabilities		557,431	4	141,111	1
<b>Non-current liabilities</b>					
Deferred tax liabilities		5,297	-	306	-
Lease liabilities – non-current	4, 5, 6(17)	7,191	-	692	-
Guarantee deposits	4, 6(13), 12	4,136	-	3,880	-
Total non-current liabilities		16,624	-	4,878	-
<b>Total liabilities</b>		574,055	4	145,989	1
<b>Equity</b>					
Capital					
Common stock	6(10)	4,872,331	33	7,495,894	39
Additional paid-in capital		106,980	1	83,210	-
Retained earnings					
Legal reserve		724,422	5	515,141	3
Unappropriated earnings		3,757,878	25	3,675,880	19
Other components of equity		4,649,088	32	7,220,392	38
Equity attributable to the parent company		14,110,699	96	18,990,517	99
<b>Non-controlling interests</b>					
Total equity	4	61,606	-	40,500	-
		14,172,305	96	19,031,017	99
<b>Total liabilities and equity</b>		\$ 14,746,360	100	\$ 19,177,006	100

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the years ended December 31, 2024 and 2023  
(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	For the years ended December 31		
		2024	%	2023
Operating revenues	4, 6(11), 7, 14	\$ 738,560	100	\$ 187,184
Operating costs	6(5), 6(14), 7	(481,698)	(65)	(130,508)
Gross profit		256,862	35	56,676
Operating expenses	6(8), 6(12), 6(14), 7			
Selling expenses		(31,539)	(4)	(47,498)
Administrative expenses		(174,828)	(24)	(154,370)
Research and development expenses		(385,787)	(52)	(305,968)
Expected credit loss		-	-	(6)
Total operating expenses		(592,154)	(80)	(507,842)
Operating losses		(335,292)	(45)	(451,166)
Non-operating income and expenses	4, 6(6), 6(15)			
Interest income		43,405	6	25,713
Other income		851,044	115	1,098,915
Other gains and losses		4,632	1	(1,823)
Financial costs		(403)	-	(224)
Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using equity method		(1,567)	-	(53,410)
Total non-operating income and expenses		897,111	122	1,069,171
Income before income tax		561,819	77	618,005
Income tax expense	4, 5, 6(17)	(88,921)	(12)	(59,164)
Net income		472,898	65	558,841
Other comprehensive income	6(16)			
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit plans	6(9)	22,350	3	1,530
Unrealized gains or losses from equity instrument investments measured at fair value through other comprehensive income		(2,571,868)	(348)	3,808,786
Income tax relating to items that will not be reclassified to profit or loss		(4,776)	(1)	(306)
Items that may be reclassified subsequently to profit or loss		(390)	-	(618)
Exchange differences resulting from translating the financial statements of foreign operations		-	-	1,095
Income tax relating to items that may be reclassified to profit or loss		954	-	-
Other comprehensive income (loss), net of tax		(2,553,730)	(346)	3,809,392
Total comprehensive income		(2,080,832)	(281)	4,368,233
Net income (loss) attributable to:				
Stockholders of the parent		\$ 498,582	68	\$ 571,261
Non-controlling interests		(25,684)	(3)	(12,420)
		\$ 472,898	65	\$ 558,841
Comprehensive income (loss) attributable to:				
Stockholders of the parent		\$ (2,055,148)	(278)	\$ 4,381,748
Non-controlling interests		(25,684)	(3)	(12,420)
		\$ (2,080,832)	(281)	\$ 4,369,328
Earnings per share (NT\$)	6(18)			
Earnings per share-basic		\$ 0.81		\$ 0.76
Earnings per share-diluted		\$ 0.81		\$ 0.76

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
For the years ended December 31, 2024 and 2023  
(Expressed in thousands of New Taiwan Dollars)

Description	Equity Attributable to the Parent							Non-controlling Interests	Total Equity
	Retained Earnings			Other Equity					
	Common Stock	Additional Paid-in Capital	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income	Total		
Balance as of January 1, 2023	\$ 7,495,894	\$ 85,303	\$ 429,146	\$ 2,418,660	\$ (4,856)	\$ 4,936,304	\$ 15,360,451	\$ 34,133	\$ 15,394,584
Appropriation and distribution of 2022 retained earnings									
Legal reserve	-	-	85,995	(85,995)	-	-	-	-	-
Cash dividends	-	-	-	(749,589)	-	-	(749,589)	-	(749,589)
Share dividends	-	-	-	-	-	-	-	-	-
Share of changes in associates and joint ventures accounted for	-	(3,306)	-	-	-	-	(3,306)	-	(3,306)
Net income for the year ended December 31, 2023	-	-	-	571,261	-	-	571,261	(12,420)	558,841
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	1,224	477	3,808,786	3,810,487	-	3,810,487
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	572,485	477	3,808,786	4,381,748	(12,420)	4,369,328
Changes in subsidiaries' ownership	-	1,213	-	-	-	-	1,213	(1,213)	-
Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	1,520,319	-	(1,520,319)	-	-	-
Others	-	-	-	-	-	-	-	-	-
Non-controlling Interests	-	-	-	-	-	-	-	20,000	20,000
Balance as of December 31, 2023	\$ 7,495,894	\$ 83,210	\$ 515,141	\$ 3,675,880	\$ (4,379)	\$ 7,224,771	\$ 18,990,517	\$ 40,500	\$ 19,031,017
Balance as of January 1, 2024	\$ 7,495,894	\$ 83,210	\$ 515,141	\$ 3,675,880	\$ (4,379)	\$ 7,224,771	\$ 18,990,517	\$ 40,500	\$ 19,031,017
Appropriation and distribution of 2023 retained earnings									
Legal reserve	-	-	209,281	(209,281)	-	-	-	-	-
Cash dividends	-	-	-	(224,877)	-	-	(224,877)	-	(224,877)
Net income for the year ended December 31, 2024	-	-	-	498,582	-	-	498,582	(25,684)	472,898
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	17,574	564	(2,571,868)	(2,553,730)	-	(2,553,730)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	516,156	564	(2,571,868)	(2,055,148)	(25,684)	(2,080,832)
Capital reduction	(2,623,563)	-	-	-	-	-	(2,623,563)	-	(2,623,563)
Changes in subsidiaries' ownership	-	23,210	-	-	-	-	23,210	(23,210)	-
Non-controlling Interests	-	-	-	-	-	-	-	70,000	70,000
Others	-	560	-	-	-	-	560	-	560
Balance as of December 31, 2024	\$ 4,872,331	\$ 106,980	\$ 724,422	\$ 3,757,878	\$ (3,815)	\$ 4,652,903	\$ 14,110,699	\$ 61,606	\$ 14,172,305

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2024 and 2023  
(Expressed in thousands of New Taiwan Dollars)

Description	For the years ended December 31,	
	2024	2023
<b>Cash flows from operating activities :</b>		
Net income before tax	\$ 561,819	\$ 618,005
Adjustments for:		
Adjustments to reconcile net income before tax to net cash provided by (used in) operating activities:		
Depreciation	29,113	21,043
Amortization	1,642	1,755
Expected credit loss	-	6
Interest expenses	403	224
Interest income	(43,405)	(25,713)
Dividend income	(799,773)	(1,059,038)
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	1,567	53,410
Gains (Losses) on disposal of property, plant, and equipment	(65)	37
Losses on disposal of share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	369	-
Others	(2)	(4)
Changes in operating assets and liabilities:		
Accounts receivable	(5,126)	(146)
Accounts receivable - related parties	(8,079)	647
Other receivables	32,147	1,579
Inventories	10,077	38,384
Prepayments	244	(1,837)
Other current assets	10,595	7,354
Other operating assets	(4,549)	546
Contract liabilities	(273,520)	(937)
Accounts payable	(7,684)	1,631
Accounts payable - related parties	13,915	492
Other payables	(34,705)	40,856
Other payable - related parties	-	(897)
Other current liabilities	6,588	(2,518)
Cash used in operations	(508,429)	(305,121)
Interest received	12,790	24,724
Income tax paid	(5,638)	(1,715)
Net cash used in operating activities	(501,277)	(282,112)
<b>Cash flows from investing activities :</b>		
Acquisition of financial assets at fair value through other comprehensive income or loss	-	(2,150)
Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	-	2,620,319
Acquisition of financial assets measured at amortized cost	(134,369)	(348,017)
Acquisition of investments accounted for using the equity method	-	(10,000)
Acquisition of subsidiary	470,396	-
Proceeds from capital reduction of investments accounted for under the equity method	33,673	-
Acquisition of property, plant and equipment	(17,454)	(14,802)
Proceeds from disposal of property, plant and equipment	65	102
Increase in refundable deposits	(1,372)	(1,420)
Acquisition of intangible assets	(640)	(4,363)
Increase in prepayment for equipment	(280)	-
Decrease in prepayment for equipment	-	175
Dividends received	799,773	1,059,038
Net cash provided by investing activities	1,149,792	3,298,882
<b>Cash flows from financing activities :</b>		
Increase in guarantee deposits	256	108
Cash payment for the principle portion of lease liabilities	(7,215)	(5,189)
Cash dividends	(224,877)	(749,589)
Capital reduction	(2,623,563)	-
Change in non-controlling interests	70,000	20,000
Others	560	-
Net cash used in financing activities	(2,784,839)	(734,670)
Effect of exchange rate changes on cash and cash equivalents	1,687	786
Net increase in cash and cash equivalents	(2,134,637)	2,282,886
Cash and cash equivalents at beginning of the year	3,758,872	1,475,986
Cash and cash equivalents at end of the year	\$ 1,624,235	\$ 3,758,872

The accompanying notes are an integral part of the consolidated financial statements.



## 【Attachments VI】

### Execution Status of Related Party Transactions 2024

In accordance with the Company's "Related Party Transaction Management Policy," transactions between the Company and its subsidiaries and individual related parties, including the sale and purchase of goods, provision of labor or technical services, must have the terms and amounts of the transactions approved by the Board of Directors before the transaction can be executed. Transactions with related parties must be reported at the most recent annual shareholders' meeting, with relevant explanations provided as follows:

1. Date of Board Approval: October 21, 2024
2. Related Party approved by the Board of Directors: United Microelectronics Corporation (including subsidiaries)
3. Annual Transaction Amount Limit approved by the Board of Directors for the Year 2024: NT\$ 388,033 thousand.
4. Actual Transaction Amount for the Year 2024: NT\$ 365,508 thousand, which is within the transaction amount limit approved by the Board of Directors.
5. Related Conditions approved by the Board of Directors:
  - I. Transaction Items, Purpose, Necessity, and Expected Benefits:
    1. Transaction Items: Purchase of goods, technical services, and other transactions.
    2. Purpose and Necessity: Required for the overall operational planning of the Company.
    3. Expected Benefits: The transactions, including the purchase of goods and technical services, are expected to generate operational and sales benefits.
  - II. The reason for choosing the related party as a transaction counterparty:  
Required for the overall operational planning of the Company.
  - III. Principles for Calculating Transaction Prices and Expected Annual Transaction Amount Limit:
    1. The transaction price is based on the prevailing market price at the time, and is negotiated by both parties. The transaction price and terms are equivalent to those provided to general customers. (However, if there is long-term cooperation or other special factors between the Company and its related parties that differ from general counterparties, discounts may be offered or received within a reasonable range.)
    2. Expected Annual Transaction Amount Limit: NT\$ 388,033 thousand.
  - IV. Explanation of Whether the Transaction Terms Comply with Normal Business Terms and No Damage to the Company's Interests or Shareholders' Rights:  
As stated in the previous three sections, the transaction price and terms are equivalent to those provided to general customers, no damage to the Company's interests or shareholders' rights.
  - V. Restrictive covenants and other important stipulations associated with the transaction: None.
    1. The actual transaction terms for the year 2024 (including the principles for calculating the transaction price) fully adhere to and comply with the related conditions approved by the Board of Directors, and no circumstances have arisen that would harm the Company's interests or shareholders' rights.

【Attachments VII】

Comparison Table of amendments to certain provisions of the "Articles of Incorporation" of the Company

Provisions	Before amendment	After amendment	Description
Article 29	<del>The president</del> shall be nominated by the Chairman and appointed by the Board of Directors. The dismissal of the President is also performed by the Board of Directors. Other managers shall be nominated by the President and appointed and dismissed by the Board of Directors.	<u>The Company may appoint one Chief Executive Officer (CEO), who is nominated by the Chairman of the Board and elected by the Board of Directors. The CEO's dismissal is also determined by the Board of Directors. Other executives are nominated by the CEO and appointed or dismissed by the Board of Directors. Their titles and responsibilities are decided by the Board of Directors, which may also authorize the Chairman of the Board to make such decisions.</u>	To strengthen decision-making and execution efficiency, and to enhance organizational effectiveness, the position of Chief Executive Officer (CEO) has been established.
Article 32	The Company shall contribute the remaining balance of profit before tax after offsetting the accumulated loss to employees' and directors' compensation. The percentage of employees' compensation shall be no less than 5% of the aforementioned balance and the percentage of directors' compensation shall be no more than 2% of the aforementioned balance. Employees' compensation may be distributed in the form of shares or cash, while directors' compensation may be distributed in the form of cash. The distribution method, total amount, or the number of shares of employees' compensation, as well as the total amount of directors' compensation shall be approved by the majority of the directors present at a	The Company shall contribute the remaining balance of profit before tax after offsetting the accumulated loss to employees' and directors' compensation. The percentage of employees' compensation shall be no less than 5% of the remaining balance, <u>and the amount designated for employee compensation shall allocate at least 1% for distribution to junior-staff employees.</u> The allocation percentage of directors' compensation shall be no more than 2% of the aforementioned balance. Employees' compensation may be distributed in the form of shares or cash, while directors' compensation may be distributed in the form of cash. The distribution method, total amount, or the number of shares of employees' compensation, as	Amended in accordance with the Financial Supervisory Commission's Financial Supervisory Securities Corporate 1130385442 dated November 8, 2024.

Provisions	Before amendment	After amendment	Description
	meeting attended by over two thirds of all directors. Employees' compensation in stock or cash includes employees of companies in which the Company holds more than 50% of the shares.	well as the total amount of directors' compensation shall be approved by the majority of the directors present at a meeting attended by over two thirds of all directors. Employees' compensation in stock or cash includes employees of companies in which the Company holds more than 50% of the shares.	
Article 36	The Company's Articles of Incorporation were established on August 8, 1987.....The twenty-eighth amendment was made on June 21, 2019, the twenty-ninth amendment was made on June 21, 2022, and the thirtieth amendment will be made on June 6, 2023, effective upon the resolution of the stockholders' meeting, as amended.	The Company's Articles of Incorporation were established on August 8, 1987.....The twenty-eighth amendment was made on June 21, 2019, the twenty-ninth amendment was made on June 21, 2022, the thirtieth amendment will be made on June 6, 2023, <u>and the thirty-first amendment will be made on May 22, 2025,</u> effective upon the resolution of the stockholders' meeting, as amended.	Addendum date

【Attachments VIII】

Comparison Table of amendments to certain provisions of the "Rules of Procedure for Shareholders' Meetings" of the Company

Provisions	Before amendment	After amendment	Description
Article 12	Unless otherwise permitted by the chairperson, a shareholder may only speak up to two times on a single proposal, each of which shall not exceed five minutes. The chairperson may stop the speech of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.	Unless otherwise permitted by the chairperson, a shareholder may only speak up to two times on a single proposal, each of which shall not exceed three minutes. The chairperson may stop the speech of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.	To improve the efficiency of the shareholders' meeting

## 【Appendix I】

# Silicon Integrated Systems Corp. Rules of Procedure for Shareholders' Meetings

Established on June 8, 1995  
Amended on June 26, 2002  
Amended on June 12, 2006  
Amended on June 25, 2015

- I. Unless otherwise required by the law, the shareholders' meeting of the Company shall be conducted in accordance with the Rules.
- II. The Company shall provide an attendance register for shareholders to sign in, or require the attending shareholders to submit their sign in cards in lieu of signing the register. The calculation of the number of shares present shall be based on the attendance register or sign in cards submitted by the shareholders and those shares whose votes are exercised in writing or electronically.
- III. The participation and voting of the shareholders' meeting shall be calculated based on the number of shares.
- IV. The shareholders' meeting shall be held in a place where the Company is located or at any other place that is convenient for the shareholders to attend and appropriate to convene such meeting. The meeting shall commence at a time no earlier than 9:00 a.m. and no later than 3:00 p.m.
- V. If a shareholders' meeting is convened by the Board of Directors, the Chairman shall preside at such meeting. If the Chairman is on leave or unable to exercise his powers and duties for any reason, the Vice Chairman shall preside at such meeting. The Chairman shall designate a managing director to preside as the chairman if the Vice Chairman is not appointed, or if the Vice Chairman is on leave or unable to exercise his powers and duties for any reason. If no managing director of the Company is appointed, the Chairman shall designate a director to preside as the chairperson. If the Chairman fails to designate a chairperson for the meeting, the managing director or the directors shall nominate one from among themselves to preside at the meeting. If the shareholders' meeting is convened by a person, other than the Board of Directors, with the authority to convene a meeting, such person shall act as the chairperson at that meeting.
- VI. The attorneys, Certified Public Accountants, or relevant personnel appointed by the Company may participate in a shareholder' meeting. Staff at the shareholders' meetings shall wear ID badges or arm badges.
- VII. The Company shall conduct sound or video recording of the entire process of the shareholders' meeting and keep it for at least one year.
- VIII. The chairperson shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chairperson may announce a postponement of the meeting, which shall not exceed two times in total and the total postponed time shall not exceed one hour. In the event that the meeting is attended by shareholders not up to the specified quorum but representing more than one third of the total issued shares after two postponements, a tentative resolution may be passed in accordance with Article 175 of the Company Act.

In the event that the total number of shares represented by attending shareholders reaches a majority of the total issued shares before that same shareholder meeting is adjourned, the chairperson may bring the tentative resolution(s) so adopted into the shareholders' meeting anew to be duly resolved in accordance with Article 174 of the Company Act.

- IX. The agenda for the shareholders' meeting shall be set by the Board of Directors if such meeting is convened by the Board of Directors. Unless otherwise resolved by resolution at the meeting, the meeting shall be carried out in accordance with the scheduled agenda.

The aforementioned shall apply mutatis mutandis to meetings convened by any person, other than the Board of Directors, with the authority to convene such meeting. The chairman may not, without a resolution, unilaterally announce the adjournment of the meeting before all of the scheduled agenda including extraordinary motions have been resolved.

After the adjournment of the meeting, shareholders may not nominate another chairperson to continue the meeting at the original venue or another venue. In the event that the chairperson announces adjournment of the meeting against the Rules Governing the Proceedings of Shareholder Meetings, however, another chairperson may be elected by a majority of the present shareholders to continue the meeting.

- X. Prior to speaking at the meeting, an attending shareholder shall submit a slip of paper summarizing his/her/its comments and/or questions and specifying his/her/its shareholder account number(or the attendance ID number)and the account name of the shareholder, in order for the chairperson to determine the speaking order.

An attending shareholder who submits a slip of paper but does not speak at the meeting is deemed to have not spoken. In the event of any inconsistency bet ween the contents of the shareholder's speech and those recorded on the slip, the contents of the shareholder's speech shall prevail.

When an attending shareholder is speaking at the meeting, other shareholders shall not interrupt the speaking shareholder unless permitted by the chairperson and such speaking shareholder. The chairperson shall stop any such violations.

- XI. When a shareholder proposes other agendas or an amendment or an alternative to the original proposal, such proposal shall be seconded by other shareholders, provided that the number of shares represented by the proposer and the seconder shall reach 0.1% of the total number of issued ordinary shares.

- XII. Unless otherwise permitted by the chairperson, a shareholder may only speak up to two times on a single proposal, each of which shall not exceed five minutes. The chairperson may stop the speech of any shareholder that is in violation of the preceding paragraph or exceeds the scope of the proposal.

- XIII. If a juristic person is entrusted to attend the shareholders' meeting, such juristic person may only appoint one person to be its representative at the meeting. In the event that a juristic shareholder appoints two or more representatives to participate in a shareholder meeting, only one representative may s peak for the same issue.

- XIV. After the speech is given by an attending shareholder, the chairperson may personally respond or designate relevant personnel to respond.

- XV. If the chairperson believes that the discussion for a proposal has reached a level where a vote may be called, the chairperson may announce to end such discussion and call for a vote.

- XVI. The person(s) supervising the casting of the ballots and the person(s) counting the ballots are designated by the chairperson, provided that the person(s) supervising the casting of the ballots shall be a shareholder. The voting results shall be announced at the meeting and recorded in writing.

- XVII. During the process of the meeting, the chairperson may announce a recess at an appropriate time.

- XVIII. Except otherwise provided under the Company Act and the Company's Articles of Incorporation, a resolution shall be adopted with the approval of a majority of the attending

shareholders. If, in the course of the vote, no objections are made by the shareholders present after an inquiry by the chairperson, such proposal is deemed to be adopted with the same effect as if it had been adopted through a voting process.

- XIX. In the event there is an amendment or an alternative for the same proposal, the chairperson shall set the voting order together with the original proposal. When one of them is resolved, other proposal(s) is (are) deemed to have been rejected and no voting is required. A shareholder who exercises his/her voting rights by mail or electronically is deemed to have forfeited his/her voting rights on any extraordinary motions and amendments to the original proposals at such shareholders' meeting.
- XX. The chairperson may instruct the person responsible for maintaining order or security to assist in maintaining the order of the meeting. Such person or security shall wear arm badges marked "Security" while assisting in maintaining the order of the meeting.
- XXI. These Rules and any amendments thereof shall be effective upon approval at the shareholders' meeting.

## 【Appendix II】

# Silicon Integrated Systems Corp.

## Articles of Incorporation

### Chapter 1. General Provisions

- Article 1: The Company was incorporated in accordance with the Company Act of the Republic of China, and is named Silicon Integrated Systems Corp. ( 矽統科技股份有限公司 ). The English name of the Company is Silicon Integrated Systems Corporation.
- Article 2: The business of the Company is as follows: R&D, production, manufacture, and sales of the following products:
1. CC01080 Electronics Components Manufacturing.
  2. I501010 Product Designing.
  3. F401010 International Trade.
- Article 3: The Company may provide guarantees for other companies.
- Article 4: If the Company is a shareholder of another company, its total investment in such company is exempted from the 40% restriction in paid-in capital prescribed in Article 13 of the Company Act.
- Article 5: The Company is based in Hsinchu City and may set up domestic or overseas subsidiaries or offices when necessary upon resolution of the Board of Directors and approval of the competent authority.
- Article 6: The announcement method of the Company shall comply with Article 28 of the Company Act.

### Chapter 2. Shares

- Article 7: The total capital of the Company is eighteen billion New Taiwan Dollars (NT\$18,000,000,000), which is divided into one thousand eight hundred million (1,800,000,000) shares with a par value of ten New Taiwan Dollars (NT\$10) per share. The Board of Directors is authorized to issue outstanding shares in installments as required. For the total capital referred to in the previous paragraph, NT\$2 billion of which may be used to issue stock option warrants, preferred shares with attached warrants, or corporate bonds with attached warrants, with a total of 200 million shares and a par value of NT\$10 per share. The Board of Directors is authorized to issue such shares in installments as required.
- If the Company intends to issue employee stock options at a price lower than the market price or transfer treasury shares to employees at a price lower than the average purchase price of the shares, the issuance is subject to the resolution of the shareholders' meeting.
- Article 8: The Company's shares are registered. The issuing company may be exempted from printing any share certificate for the shares issued. The shares are delivered to the directors and registered with a centralized securities depository enterprise, and shall be handled by way of book-entry transfer in accordance to regulations.
- Article 9: If a shareholder of the Company wishes to transfer his/her shares to another person, he/she shall complete an application form and the transferor and the transferee shall endorse the share certificate and enter it in the shareholder register of the Company. Until the transfer is completed, the original shareholder shall continue to entitle the rights of a shareholder. The combine stock printing issuance under the guidance in the



previous article are not applicable to the above mentioned endorsement and transfer stipulated in the preceding paragraph.

Article 10: Shareholders shall leave their signature or seal samples at the Company for verification when they receive dividends or when they exercise their voting rights in writing.

Article 11: Registration for the transfer of shares shall be closed sixty days before the date of each annual shareholders' meeting, thirty days before the date of each extraordinary meeting, or five days before the date on which dividends, bonuses, or any other benefits are distributed by the Company.

### **Chapter 3. Shareholders' Meeting**

Article 12: The Company's shareholders' meetings are classified into two types: annual shareholders' meetings and extraordinary meetings. Annual shareholders' meetings are convened once a year, and shall be convened within six months after the end of each fiscal year starting from the previous meeting according to laws and regulations, unless otherwise approved by the competent authority for good cause shown. Extraordinary meetings may be convened according to laws and regulations whenever the Company deems necessary.

The Company's shareholders' meeting may be convened by video conference or in other methods as announced by the central competent authority.

Article 13: Shareholders shall be notified thirty days before the date of an annual shareholders' meeting. Shareholders shall be notified fifteen days before the date of an extraordinary meeting. The notice or announcement shall specify the reasons for convening meetings.

Article 14: Each share of the shareholders of the Company is entitled to one voting right. However, the shares of shareholders are not entitled to any voting right under the circumstances described in Article 179 of the Company Act.

Article 15: Unless as otherwise provided by the Company Act, the shareholders' resolutions shall be adopted upon the approval of a majority of the attending shareholders at a meeting attended by a majority of the total issued shares.

Article 16: A shareholder who is unable to attend the shareholders' meeting may appoint a proxy to attend the meeting on his/her behalf by submitting a proxy form provided by the Company, which sets forth the scope of the authorization. Proxies attending the meeting are governed by the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" prescribed by the competent authority.

Article 17: The shareholders' meetings shall be presided by the Chairman. If the Chairman is absent, the Chairman shall designate a director as the proxy. If a director is not designated by the Chairman, the directors shall elect a chairperson among themselves. If the meeting is convened by a person, other than the Board of Directors, with the authority to convene a meeting, such person shall act as the chairperson at that meeting. If there is more than one person with the authority to convene a meeting, they shall elect a chairperson among themselves.

Article 18: Resolutions at the shareholders' meeting shall be recorded in the meeting minutes, which shall be signed or sealed by the chairperson. A copy of which shall be distributed to each shareholder within twenty days after the conclusion of the meeting. The preparation and distribution of the meeting minutes may be conducted by way of public announcement.

### **Chapter 4. Board of Directors and Committees**

- Article 19: The Company shall have seven to nine directors and adopt a candidates nomination system. The directors shall be elected from the list of candidates at the shareholders' meeting for a term of three years and are subject to re-election.  
The Company may purchase liability insurance for directors to protect them against liabilities arising from exercising their duties during their tenure.
- Article 20: The number of independent directors shall be no less than two and represent no less than one fifth of all directors. Independent directors and non independent directors shall be elected separately based on the number of votes they receive respectively. The professional qualifications, restrictions on shareholding and concurrent positions held, assessment of independence, the nomination method and other related matters of the independent directors shall comply with the laws and regulations prescribed by the competent authority.
- Article 21: The Company shall establish the Auditing Committee according to the laws and regulations. The Audit Committee shall be consisted of all independent directors and act as supervisors pursuant to the Company Act, Securities and Exchange Act, and other related laws and regulations. The number of Audit Committee members, their term of office, duties, meeting rules, and the resources to be provided by the Company when exercising their duties shall be governed by the Audit Committee Charter.
- Article 22: The Board meeting shall be convened at least once a quarter. Board meetings shall be convened by the Chairman. The procedures of convening Board meetings shall be governed by Article 203 of the Company Act. Notice shall be made to the directors for the reasons of convening Board meetings, the date, and venue in writing, by e-mail, or fax. In case of an emergency, the notice for convening Board meetings may be made in writing, by e mail, or fax.
- Article 23: A chairperson shall be elected among the directors with the approval of the majority of the directors present at a meeting attended by over two thirds of all directors. the Chairman is the chairperson of the Board meeting and represents the Company. If the Chairman is unable to perform his/her duties for any reason, the Chairman shall designate a director to preside as the chairperson. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as the chairperson.
- Article 24: The Board of Directors is authorized to distribute the remuneration of all directors, taking into account their participation in and contribution to the Company's operation, as well as the general industry standard.
- Article 25: The Board of Directors shall have the following powers and duties:
1. Review of operational policy and medium and long-term development plans.
  2. Approve the review and supervision of the business plan.
  3. Review the budget and financial statements.
  4. Appointment and dismissal of President and Vice President
  5. Proposal for earnings distribution or deficit compensation of the Company.
  6. Approval of capital increase or reduction.
  7. Approval of establishment, reforms, or cancellation of subsidiaries.
  8. Approval of material capital expenditure plans.
  9. Approval of the purchase and disposal of material properties of the Company.
  10. Approval of organizational procedures and material business principles.
  11. Approval of the amendments to the Articles of Incorporation.
  12. Execution of resolutions approved at the shareholders' meetings.
  13. Convening shareholders' meetings and business report.
  14. Other powers and duties conferred by the Company Act or by the shareholders' meeting.

- Article 26: The directors shall attend Board meetings in person. Directors who are unable to attend may appoint other directors in writing to attend on their behalf. However, each director may only represent one director who is unable to attend. If a Board meeting is conducted by means of video conferencing, directors who participate in the meeting by such means shall be deemed to have attended such meeting in person.
- Article 27: The Board of Directors may recruit a secretary to handle affairs of the Board of Directors at its direction.

## **Chapter 5. Managers**

- Article 28: The Company shall have several managers. Their appointment, dismissal, and remuneration shall be subject to Article 29 of the Company Act and internal organization procedures.
- Article 29: The president shall be nominated by the Chairman and appointed by the Board of Directors. The dismissal of the President is also performed by the Board of Directors. Other managers shall be nominated by the President and appointed and dismissed by the Board of Directors.

## **Chapter 6. Accounting**

- Article 30: The fiscal year of the Company shall begin on January 1 and end on December 31 of each year. At the end of the fiscal year, the accounts of the Company shall be finalized. The Company shall prepare and submit the financial statements to the Audit Committee for auditing 30 days prior to the annual shareholders' meeting. The Audit Committee shall submit a report to the shareholders' meeting for ratification after auditing or after the auditing of an appointed lawyer, accountant, or other professionals. Including:
1. Business report.
  2. Financial statements.
  3. Proposal for earnings distribution or deficit compensation.
- Article 31: After the annual general meeting, the Board of Directors shall distribute to each shareholder the copies of ratified financial statements and the proposal for earnings distribution or deficit compensation. The abovementioned financial statements and earnings distribution or deficit compensation may be distributed by way of a public announcement (including electronic).
- Article 32: The Company shall contribute the remaining balance of profit before tax after offsetting the accumulated loss to employees' and directors' compensation. The percentage of employees' compensation shall be no less than 5% of the aforementioned balance and the percentage of directors' compensation shall be no more than 2% of the aforementioned balance. Employees' compensation may be distributed in the form of shares or cash, while directors' compensation may be distributed in the form of cash. The distribution method, total amount, or the number of shares of employees' compensation, as well as the total amount of directors' compensation shall be approved by the majority of the directors present at a meeting attended by over two thirds of all directors. Employees' compensation in stock or cash includes employees of companies in which the Company holds more than 50% of the shares.
- If the Company has earnings for the fiscal year after the accounts are closed, the Company shall first offset the tax and losses of previous years, and set aside 10% of the balance as the legal reserve, and shall, pursuant to applicable laws and regulations, set aside provision or reversal of special reserve. If there are any earnings, together with the retained earnings of the previous years, the Board of Directors may propose

an earnings distribution plan for approval at the shareholders' meeting. If the Company's earnings are insufficient, the Company may not use its capital as interest payment.

Article 33: The Company's dividends are determined with reference to industry trends, future revenue and profitability, capital expenditure estimates, and working capital requirements. Therefore, dividends may be distributed by way of cash dividends or share dividends. Cash dividends shall be no less than 20% of the total dividends distributed in the fiscal year.

## **Chapter 7. Miscellaneous**

Article 34: The Company's organizational procedures shall be established by the Board of Directors.

Article 35: Matters not prescribed herein shall comply with the Company Act and other related laws and regulations.

Article 36: The Company's Articles of Incorporation was established on August 8, 1987. The 1st amendment was made on May 27, 1989. The 2nd amendment was made on May 26, 1990. The 3rd amendment was made on June 22, 1991. The 4th amendment was made on May 23, 1992. The 5th amendment was made on September 9, 1994. The 6th amendment was made on June 8, 1995. The 7th amendment was made on May 4, 1996. The 8th amendment was made on June 27, 1996. The 9th amendment was made on April 15, 1997. The 10th amendment was made on May 15, 1998. The 11th amendment was made on June 23, 1999. The 12th amendment was made on May 25, 2000. The 13th amendment was made on May 22, 2001. The 14th amendment was made on December 4, 2001. The 15th amendment was made on June 26, 2002. The 16th amendment was made on June 27, 2003. The 17th amendment was made on June 1, 2004. The 18th amendment was made on June 13, 2005. The 19th amendment was made on June 12, 2006. The 20th amendment was made on June 11, 2007. The 21st amendment was made on June 16, 2009. The 22nd amendment was made on June 17, 2010. The 23rd amendment was made on June 15, 2011. The 24th amendment was made on June 28, 2013. The 25th amendment was made on June 15, 2015. The 26th amendment was made on June 21, 2016. The 27th amendment was made on June 8, 2018. The 28th amendment was made on June 21, 2019. The 29th amendment was made on June 21, 2022. The 30th amendment was made on June 6, 2023. The amendments thereto are effective upon approval at the shareholders' meeting.

【Appendix III】

## Silicon Integrated Systems Corp.

### Total number of shares held by all directors and the minimum shareholding

I. The statutory number of shares owned by the Company's 13th directors are as follows:

The number of ordinary shares issued by the Company: 514,988,161 shares

(including treasury shares: 1 shares)

The statutory number of shares owned by all directors is 16,479,621 shares.

II. The shareholdings of all directors as of the date of closure of the share register at the shareholders' meeting on March 24, 2025 are as follows:

Position	Name	Types of shares	Number of Shares	Shareholding (%)
Chairman	United Microelectronics Corp. Representative: Stan Hung	Ordinary share	92,647,863	17.99%
Director	United Microelectronics Corp. Representative: Mo Ya Nan	Ordinary share		
Director	Liang Hsun Investment Co., Ltd. Representative: Tsai-Feng Hou	Ordinary share	1,100,775	0.21%
Director	Le-Tien Jung	Ordinary share	0	0.00%
Director	Ting-Yu Lin	Ordinary share	0	0.00%
Director	Cheng Wan-Ling	Ordinary share	0	0.00%
Total shareholding of directors (Note)		Ordinary share	93,748,638	18.20%
Independent Director	Ya-Ching Li	Ordinary share	0	0.00%
Independent Director	Chia-Wei Tai	Ordinary share	0	0.00%
Independent Director	Ching-Liu Hsiao	Ordinary share	0	0.00%
Note: The shareholding of independent directors are not included in the shareholding of directors				

※The percentage of shareholding is calculated by unconditionally rounding off to the second decimal place.