



Stock Code : 2363

The Form of Shareholders' Meeting: Physical

Silicon Integrated Systems Corp.

2023 Annual Shareholders' Meeting

Meeting Minutes

June 6, 2023

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THIS IS A TRANSLATION OF THE MINUTES FOR THE 2023 ANNUAL SHAREHOLDERS' MEETING ("THE MINUTES") 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 MINUTES SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.



Silicon Integrated Systems Corp.

2023 Annual Shareholders' Meeting Minutes

Time: Thursday, June 6, 2023 9:00 am

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

Attendants: All shareholders and their proxy holders, representing 483,541,820 shares (among them, 220,878,966 shares voted via electronic transmission), or 64.5% of the total 749,589,356 outstanding shares

Directors Present: Cheng-Chien Chien, Kuei-Hung Tseng, Shur-Jung Shyi,
Woan-Fen Chow, Chia-Wei Tai(Independent Director),
Ching-Liu Hsiao(Independent Director)
More than one-half of all 9 directors are in attendance.

Attendees: Shan-Pin Kuo (Partner of Ernst & Young, Taiwan)

Xin-Hui Yu (Partner of Chen & Lin Attorneys-at-Law)

Chairman: Cheng-Chien Chien, the Chairman of the Board of Directors

Minute Recorder: Yuan-Kwei Chen

I. Chairman announced commencement.

II. Chairman's Speech (omitted)

III. Report Items

Report 1: 2022 Business Report

Acknowledged

Report 2: Audit Committee's Review Report on the 2022 Financial Statements

Acknowledged

Report 3: Report on the shareholders' proposal at the Annual Shareholders' Meeting

Acknowledged

Report 4: Report on 2022 employees' and directors' compensation

Acknowledged

Report 5: Amendments to certain provisions of the "Rules of Procedure for Board of Directors Meetings"

Acknowledged



IV. Proposed Resolutions

Proposal 1:

Proposal: Ratification of the 2022 Business Report and Financial Statements.

Description:

1. The 2022 Business Report and Financial Statements have been approved by Board of Directors at the 5th Meeting of the 12th Board of Directors, reviewed by 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.
2. Concerning the attached Business Report, please refer to Attachment I. Concerning Independent Auditors' Report and the above financial statements, please refer to Attachments III to V.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 483,541,820 shares were represented at the time of voting
(including 220,878,966 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 474,541,033 votes (including 212,008,567 shares voted via electronic transmission)	98.13%
Votes against: 669,608 votes (including 669,608 shares voted via electronic transmission)	0.13%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 8,331,179 votes (including 8,200,791 shares voted via electronic transmission)	1.72%



Proposal 2:

Proposal: Ratification of the 2022 Earnings Distribution Proposal

Description:

1. With the Company's earnings after tax for 2022 of NT\$483,656,432, plus the undistributed earnings at the beginning of 2022 of NT\$1,558,715,514, the remeasurement of the defined benefit plan of NT\$14,866,041, and the gain on sale - equity instrument investment at fair value through other comprehensive income of NT\$361,420,911, while less the legal reserve of NT\$(85,994,338), the distributable earnings for the period is NT\$2,332,664,560. The Company proposed to distribute cash dividends of \$749,589,353, or NT\$1.0 per share.
2. Please refer to the following 2022 Earnings Distribution Table.

Silicon Integrated Systems Corp.

2022 Earnings Distribution Table

Unit: NT\$

No.	Amount
Undistributed earnings at the beginning of the period	1,558,715,514
Plus: Remeasurement of defined benefit plans	14,866,041
Plus: Gain on sale - investments in equity instruments at fair value through other comprehensive income	361,420,911
Undistributed earnings at the beginning of the period after adjustment	1,935,002,466
Earnings after tax for the period	483,656,432
Less: Provision of legal reserve	(85,994,338)
Distributable earnings for the period	2,332,664,560
Less: Cash dividend NT\$1.0/share	(749,589,353)
Undistributed earnings at the end of the period	1,583,075,207

Chairman: Cheng-Chien Chien

Manager: Shur-Jung Shyi

Chief Accountant: Yuan-Kwei Chen



Note : The cash dividends are calculated by "unconditionally rounded up to the nearest dollar," and the total amount of distribution less than one dollar is recognized as other income of the Company. The Board of Directors is authorized to set the ex-dividend date. If the number of outstanding shares is subsequently affected by the repurchase of the Company's shares, the transfer or cancellation of treasury shares, the addition or issuance or withdrawal of restricted employee shares, which result in a change of the dividend distribution rate, Board of Directors is authorized by the shareholders' meeting to make appropriate adjustments.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 483,541,820 shares were represented at the time of voting
(including 220,878,966 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 473,536,606 votes (including 212,004,140 shares voted via electronic transmission)	98.13%
Votes against: 675,665 votes (including 675,665 shares voted via electronic transmission)	0.13%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 8,329,549 votes (including 8,199,161 shares voted via electronic transmission)	1.72%



V. Discussion Items

Proposal 1:

Proposal: Amendment to the Articles of Incorporation

Description:

1. Handled in accordance with Order Hua-Tsung (1)-Jing-Tzu No.11000115851 on December 29, 2021.
2. Please refer to page 31 [Attachment VII] of this Handbook for the comparison table of the amendment on provisions of the Company's "Articles of Incorporation".

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 483,541,820 shares were represented at the time of voting
(including 220,878,966 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 474,533,491 votes (including 212,001,025 shares voted via electronic transmission)	98.13%
Votes against: 679,622 votes (including 679,622 shares voted via electronic transmission)	0.14%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 8,328,707 votes (including 8,198,319 shares voted via electronic transmission)	1.72%



Proposal 2:

Proposal: Amendments to “Procedures of Acquisition and Disposal of Assets”

Description:

1. Handled in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" as amended by Financial Supervisory Commission's Financial-Supervisory-Securities-Corporate 1110380465 dated January 28, 2022.
2. Please refer Attachment VIII for the comparison table of the amendment on provisions of the Company's "Regulations Governing the Acquisition and Disposal of Assets."

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 483,541,820 shares were represented at the time of voting
(including 220,878,966 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 474,529,137 votes (including 211,996,671 shares voted via electronic transmission)	98.13%
Votes against: 685,221 votes (including 685,221 shares voted via electronic transmission)	0.14%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 8,327,462 votes (including 8,197,074 shares voted via electronic transmission)	1.72%

VI. Extraordinary Motions: None

VII. Adjournment: Meeting ended at 09:23 am

【Attachments I】

Silicon Integrated Systems Corp.

Business Report

Although the global pandemic has gradually slowed down in 2022, the willingness to purchase consumer electronics products has been greatly reduced due to factors such as inflation and interest rate hikes. In addition, excessive stocking during the pandemic has resulted in high inventory levels, which created an extreme imbalance where supply far exceeds demand in the overall consumer electronics supply chain. The Company's IC design business failed to achieve the expected performance targets due to the impact of inventory depletion on the customer side and sluggish consumer demand. However, with the significant growth in non-operating income, the profit and loss for 2022 reached NT\$519 million before tax and NT\$0.65 per share.

Looking forward to 2023, we are launching a new generation of active pen ICs and touch ICs with improved functional integration and reduced power consumption, as well as support for multiple active pen protocols. In addition, we rolled out the first-generation 3 immersive live streaming products, integrated with software, hardware, and algorithms, to provide a cost-effective 3 immersive live streaming experience which contributes to the growth of the overall revenue.

2022 Business Performance

Results of the Business Plan

We continued to devote time and effort to develop large-capacity capacitive touch chips and chips for active stylus pens within the touchscreen sector to be used in markets such as laptops and smart interactive white boards for various commercial, business, education, industrial control, and automotive applications. At the same time, we continue to improve and enhance the performance of smart white boards combined with wireless transmission and cloud technology for intelligent presentation products, which can be applied to office business presentations, teaching at schools, and other applications. In addition, we also launched the first-generation 3D immersive live streaming products, integrated with software, hardware, and algorithms, to achieve an easy-to-operate and cost-effective 3D immersive live streaming experience, which can be widely used in business live streaming promotion, distance learning and self-media education, online entertainment and theater performances, as well as other applications.

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	2022	2021	Increase (decrease) amount
Revenue	143,354	237,235	(93,881)
Gross profit	(9,558)	78,255	(87,813)
Operating loss	(404,595)	(285,299)	(119,296)
Net income for the period	483,657	198,311	285,346

(II) Consolidated Financial Statements Unit: NT\$'000

Item	2022	2021	Increase (decrease) amount
Revenue	182,202	252,153	(69,951)
Gross profit	4,640	84,487	(79,847)
Operating loss	(463,840)	(355,457)	(108,383)
Net income for the period	463,903	184,678	279,225

Profitability

(I) Parent Company Only Financial Statements

Item	2022	2021	
Return on assets (%)	2.49	0.97	
Return on equity (%)	2.51	0.97	
Ratio to paid-in capital (%)	Net operating loss	(5.40)	(4.19)
	Profit before income tax	7.18	3.07
Net profit margin (%)	337.39	83.59	
Earnings per share (NTD)	0.65	0.26	

(II) Consolidated Financial Statements

Item	2022	2021	
Return on assets (%)	2.39	0.90	
Return on equity (%)	2.40	0.91	
Ratio to paid-in capital (%)	Net operating loss	(6.19)	(5.22)
	Profit before income tax	6.92	2.88
Net profit margin (%)	254.61	73.24	
Earnings per share (NTD)	0.65	0.26	

Research and development

- Continued to improve touch chip performance and improve the existing business, education, industrial control, and smart white board markets. Develop highly cost-effective touch screens in various sizes and smart (cloud) white board touch modules.
- Introduced the next generation of USI and MPP specification stylus pens and Bluetooth touch feedback for laptops and tablets.
- Continued to develop microelectromechanical sound control products for AI applications.
- Continued to develop a 3D live streaming product integrated with software, hardware, and algorithm with added motion detecting functions to cater to the new online and self media streaming applications.

Summary of 2023 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: Cheng-Chien Chien Manager: Shur-Jung Shyi Chief Accountant: Yuan-Kwei Chen

【Attachments II】

Silicon Integrated Systems Corp.
Audit Committee's Report

The 2022 financial statements and consolidated financial statements of the Company prepared and delivered by the Board of Directors had been jointly audited by CPA Shao-Pin Kuo 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. The Business Report and earnings distribution have been reviewed by the Audit Committee, which has not found any inconsistencies. Therefore, the Audit Committee hereby issues this report in compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely,

2023 Annual Shareholders' Meeting of Silicon Integrated Systems Corp.

Convener of the Audit Committee: Ya-Ching Li

March 2, 2023

【Attachments III】

Independent Auditors' Report

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, 2022 and 2021, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter – Making Reference to the Audits of Component 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, 2022 and 2021, and its financial performance and cash flows for the years ended December 31, 2022 and 2021, 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the 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 other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2022 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\$ 143,354 thousand as net sales for the year ended December 31, 2022. 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 Component 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\$119,839 thousand and NT\$134,901 thousand, accounting for 1% and 1% of total assets as of December 31, 2022 and 2021, respectively. The related shares of losses recognized from these subsidiaries, associates and joint ventures under the equity method amounted to NT\$43,633 thousand and NT\$52,720 thousand, accounting for (8)% and (25)% of the net income before tax for the years ended December 31, 2022 and 2021, respectively.

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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.

Auditor's 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 auditor's 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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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 auditor's 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 auditor's 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 and its subsidiaries 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.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2022 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

Kuo, Shao-Pin

Hsu, Hsin-Min

Ernst & Young, Taiwan

March 2, 2023

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in 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

To Silicon Integrated Systems Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Silicon Integrated Systems Corporation and its subsidiaries (“the Company”) as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter – Making Reference to the Audits of Component Auditors section of our report), the consolidated financial position of the Company as of December 31, 2022 and 2021, and their consolidated financial performance and cash flows for the years ended December 31, 2022 and 2021, 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 Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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 other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2022 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 Company recognized NT\$182,202 thousand as net sales for the year ended December 31, 2022. 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 consolidated financial statements.

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain consolidated subsidiaries, whose statements reflected total assets in the amount of NT\$86,792 thousand, constituting 1% of the consolidated total assets as of December 31, 2022; and total operating revenue in the amount of NT\$17,589 thousand, constituting 10% of the consolidated operating revenue for the year ended December 31, 2022. 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.

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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 other auditors. The investment in these associates and joint ventures under equity method amounted to NT\$82,638 thousand and NT\$101,275 thousand, representing 1% and 1% of the consolidated total assets as of December 31, 2022 and 2021, respectively. The related shares of losses from the associates and joint ventures under the equity method amounted to NT\$18,970 thousand and NT\$22,214 thousand, representing (4)% and (11)% of the consolidated net income before tax for the years ended December 31, 2022 and 2021, 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 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.

Auditor's 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 auditor's 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 auditor's 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 auditor's 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 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 Company 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.

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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 2022 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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, 2022 and 2021.

Kuo, Shao-Pin

Hsu, Hsin-Min

Ernst & Young, Taiwan

March 2, 2023

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in 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

【Attachments IV】

As of December 31, 2022 and 2021

(Amounts in thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2022	December 31, 2021	%	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$ 1,391,733	\$ 578,548	9	2
Financial assets measured at amortized cost-current	4, 6(3), 12	9,641	9,624	-	-
Trade receivables, net	4, 6(4), 6(12), 12	12,528	15,165	-	-
Trade receivables-related parties, net	4, 6(4), 6(12), 7, 12	2,460	35,015	-	-
Other receivables	12	63,916	50,669	-	-
Other receivables-related parties	12	-	5	-	-
Inventories, net	4, 5, 6(5)	89,238	97,798	1	1
Prepayments		3,278	5,172	-	-
Other current assets		12,981	16,217	-	-
Total current assets		<u>1,585,775</u>	<u>808,213</u>	<u>10</u>	<u>3</u>
Non-current assets					
Financial assets at fair value through other comprehensive income-noncurrent	4, 6(2), 12	12,904,748	21,568,706	84	93
Investments accounted for using the equity method	4, 6(6)	149,115	152,154	1	1
Property, plant and equipment	4, 5, 6(7)	733,251	734,499	5	3
Right-of-use assets	4, 6(13)	533	99	-	-
Intangible assets	4, 6(8)	3,837	4,628	-	-
Deferred tax assets	4, 5, 6(17)	125	-	-	-
Prepayment for equipment		175	2,883	-	-
Refundable deposits	12	247	162	-	-
Net defined benefit assets-noncurrent	4, 6(9)	74,078	59,171	-	-
Total non-current assets		<u>13,866,109</u>	<u>22,522,302</u>	<u>90</u>	<u>97</u>
Total assets		<u>\$ 15,451,884</u>	<u>\$ 23,330,515</u>	<u>100</u>	<u>100</u>

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, 2022 and 2021

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2022	%	December 31, 2021	%
Current liabilities					
Contract liabilities-current	6(11)	1,192	-	304	-
Accounts payable	12	1,850	-	15,437	-
Accounts payable-related parties	7, 12	158	-	8,669	-
Other payables	12	71,746	1	52,329	-
Other payables-related parties	7, 12	897	-	2,639	-
Payables on equipment		2,058	-	1,943	-
Lease liabilities-current	4, 6(13), 12	160	-	102	-
Other current liabilities		2,931	-	3,128	-
Refund liabilities		3,621	-	3,492	-
Total current liabilities		84,613	1	88,043	-
Non-current liabilities					
Deferred tax liabilities	4, 5, 6(17)	2,612	-	2,487	-
Lease liabilities-noncurrent	4, 6(13), 12	378	-	-	-
Guarantee deposits	12	3,830	-	3,772	-
Total non-current liabilities		6,820	-	6,259	-
Total liabilities		91,433	1	94,302	-
Equity					
Share capital	6(10)				
Common stock		7,495,894	48	6,814,449	29
Capital surplus	4, 6(10)	85,303	1	81,798	1
Retained earnings	6(10)				
Legal reserve		429,146	3	402,492	2
Unappropriated earnings		2,418,660	15	2,811,971	12
Other equity		4,931,448	32	13,125,503	56
Total equity		15,360,451	99	23,236,213	100
Total liabilities and equity		\$ 15,451,884	100	\$ 23,330,515	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 STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	For the years ended December 31	
		2022	2021
Net sales	4, 6(1), 7	\$ 143,354	\$ 237,235
Operating costs	6(5), 6(13), 6(14), 7	(152,912)	(158,980)
Gross profit		(9,558)	78,255
Operating expenses	6(12), 6(13), 6(14), 7		
Selling expenses		(52,008)	(47,096)
General and administrative expenses		(107,946)	(96,655)
Research and development expenses		(235,053)	(219,813)
Expected credit losses		(30)	10
Total operating expenses		(395,037)	(363,554)
Operating loss		(404,595)	(285,299)
Non-operating income and expenses	4, 6(6), 6(15)		
Interest income		4,463	2,378
Other income		994,905	565,171
Other gains and losses		4,195	5,570
Finance costs		(13)	(6)
Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using equity method		(60,521)	(78,288)
Total non-operating income and expenses		943,029	494,825
Income before income tax		538,434	209,526
Income tax expense	4, 5, 6(17)	(54,777)	(11,215)
Net income	6(16)	483,657	198,311
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans	6(9)	14,866	1,773
Unrealized gains or losses from equity instrument investments measured at fair value through other comprehensive income		(7,832,837)	6,047,183
Items that may be reclassified subsequently to profit or loss			
Exchange differences resulting from translating the financial statements of foreign operations		203	(468)
Other comprehensive income, net of tax		(7,817,768)	6,048,488
Total comprehensive income		(7,334,111)	6,246,799
Earnings per share (NTD)			
Basic Earnings Per Share (in New Taiwan Dollars)	6(18)	\$ 0.65	\$ 0.26
Diluted Earnings Per Share (in New Taiwan Dollars)		\$ 0.64	\$ 0.26

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 STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars)

Description	Retained earnings			Other equity			Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	
Balance as of January 1, 2021	\$ 6,309,675	\$ 85,807	\$ 143,742	\$ 2,878,280	\$ 935,441	\$ (4,591)	\$ 7,149,843
Appropriation and distribution of 2021 retained earnings	-	-	258,750	-	(258,750)	-	-
Legal reserve	-	-	-	-	(504,774)	-	(504,774)
Cash dividends	-	-	-	-	(504,774)	-	-
Share dividends	504,774	-	-	(2,878,280)	2,878,280	-	-
Special reserve reversed	-	-	-	-	-	-	-
Other changes in capital surplus	-	-	-	-	-	-	-
Share of changes in associates and joint ventures accounted for using equity method	-	(10,889)	-	-	-	-	(10,889)
Net income for the year ended December 31, 2021	-	-	-	-	198,311	-	198,311
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	1,773	(468)	6,048,488
Total comprehensive income (loss)	-	-	-	-	200,084	(468)	6,246,799
Changes in subsidiaries' ownership	-	6,620	-	-	-	-	6,620
Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	66,464	-	(66,464)
Others	-	260	-	-	-	-	260
Balance as of December 31, 2021	\$ 6,814,449	\$ 81,798	\$ 402,492	\$ -	\$ 2,811,971	\$ (5,059)	\$ 13,130,562
Balance as of January 1, 2022	\$ 6,814,449	\$ 81,798	\$ 402,492	\$ -	\$ 2,811,971	\$ (5,059)	\$ 13,130,562
Appropriation and distribution of 2022 retained earnings	-	-	26,654	-	(26,654)	-	-
Legal reserve	-	-	-	-	(545,156)	-	(545,156)
Cash dividends	-	-	-	-	(681,445)	-	-
Share dividends	681,445	-	-	-	-	-	-
Special reserve reversed	-	-	-	-	-	-	-
Net income for the year ended December 31, 2022	-	-	-	-	483,657	-	483,657
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	14,866	203	(7,832,837)
Total comprehensive income (loss)	-	-	-	-	498,523	203	(7,334,111)
Changes in subsidiaries' ownership	-	3,238	-	-	-	-	3,238
Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	361,421	-	(361,421)
Others	-	267	-	-	-	-	267
Balance as of December 31, 2022	\$ 7,495,894	\$ 85,303	\$ 429,146	\$ -	\$ 2,418,660	\$ (4,856)	\$ 15,360,451

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 STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars)

Description	For the years ended December 31	
	2022	2021
Cash flows from operating activities :		
Net income before tax	\$ 538,434	\$ 209,526
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	14,654	14,683
Amortization	1,486	1,677
Expected credit gains	30	(10)
Interest expenses	13	6
Interest income	(4,463)	(2,378)
Dividend income	(955,802)	(532,886)
Share of loss of subsidiaries and joint ventures accounted for using the equity method	60,521	78,288
Losses on disposal of property, plant and equipment	14	-
(Gains) losses on disposal of investments	-	(6,922)
Changes in operating assets and liabilities:		
Trade receivables	2,607	1,568
Trade receivables-related parties	32,555	(23,427)
Other receivables	(1,874)	907
Other receivables-related parties	5	(5)
Inventories	8,560	(39,992)
Prepayments	1,894	(2,806)
Other current assets	3,236	(12,590)
Other operating assets	(41)	(34)
Contract liabilities	888	25
Accounts payable	(13,587)	5,167
Accounts payable-related parties	(8,511)	2,539
Other payables	19,417	16,359
Other payables-related parties	(1,742)	2,639
Other current liabilities	(68)	940
Cash generated from operating activities	(301,774)	(286,726)
Interest received	3,972	2,390
Income tax paid	(65,659)	(41,020)
Net cash used in operating activities	(363,461)	(325,356)
Cash flows from investing activities :		
Proceeds from disposal of financial assets at fair value through other comprehensive income	831,121	183,122
Acquisition of financial assets measured at amortized cost	(17)	(19)
Acquisition of investments accounted for using the equity method	(54,041)	(52,803)
Acquisition of property, plant and equipment	(13,058)	(4,127)
Proceeds from disposal of property, plant and equipment	10	-
Increase in refundable deposits	(85)	-
Acquisition of intangible assets	(695)	(541)
Decrease (increase) in prepayment for equipment	2,708	(2,883)
Dividends received	955,802	534,902
Net cash provided by investing activities	1,721,745	657,651
Cash flows from financing activities :		
Increase in guarantee deposits	58	367
Cash payment for the principle portion of lease liabilities	(268)	(262)
Cash dividends	(545,156)	(504,774)
Others	267	260
Net cash used in financing activities	(545,099)	(504,409)
Net increase (decrease) in cash and cash equivalents	813,185	(172,114)
Cash and cash equivalents at the beginning of the year	578,548	750,662
Cash and cash equivalents at the end of the year	\$ 1,391,733	\$ 578,548

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

【Attachments V】

English Translation of the Consolidated Financial Statements Originally Issued in Chinese
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
As of December 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars)

ASSETS	Notes	December 31, 2022	%	December 31, 2021	%
Current assets					
Cash and cash equivalents	4, 6(1)	\$ 1,475,986	10	\$ 654,921	3
Financial assets measured at amortized cost-current	4, 6(3), 12	9,641	-	9,624	-
Trade receivables, net	4, 6(4), 6(12), 12	15,315	-	17,530	-
Trade receivables-related parties, net	4, 6(4), 6(12), 7, 12	919	-	705	-
Other receivables	12	63,934	-	50,680	-
Inventories, net	4, 5, 6(5)	100,525	1	118,978	1
Prepayments		3,463	-	5,860	-
Other current assets		15,485	-	20,282	-
Total current assets		1,685,268	11	878,580	4
Non-current assets					
Financial assets at fair value through other comprehensive income-noncurrent	4, 6(2), 12	12,904,748	83	21,568,706	92
Investments accounted for using the equity method	4, 6(6)	82,638	1	101,275	1
Property, plant and equipment	4, 5, 6(7)	742,521	5	747,713	3
Right-of-use assets	4, 6(13)	7,954	-	7,721	-
Intangible assets	4, 6(8)	4,958	-	6,507	-
Deferred tax assets	4, 5, 6(17)	125	-	-	-
Prepayment for equipment		175	-	2,902	-
Refundable deposits	12	1,929	-	2,448	-
Net defined benefit assets-noncurrent	4, 6(9)	74,078	-	59,171	-
Total non-current assets		13,819,126	89	22,496,443	96
Total assets		\$ 15,504,394	100	\$ 23,375,023	100

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

English Translation of the Consolidated Financial Statements Originally Issued in Chinese

SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

As of December 31, 2022 and 2021

(Amounts in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2022	%	December 31, 2021	%
Current liabilities		\$	-	\$	-
Contract liabilities-current	6(11)	2,992	-	543	-
Accounts payable	12	1,863	-	15,443	-
Accounts payable-related parties	7, 12	158	-	8,669	-
Other payables	12	80,759	1	60,044	-
Other payables-related parties	7, 12	897	-	2,639	-
Payables on equipment		2,058	-	1,943	-
Lease liabilities-current	4, 6(13), 12	4,676	-	7,626	-
Other current liabilities		3,099	-	5,277	-
Refund liabilities		3,621	-	3,492	-
Total current liabilities		100,123	1	105,676	-
Non-current liabilities			-		-
Deferred tax liabilities	4, 5, 6(17)	2,612	-	2,487	-
Lease liabilities-noncurrent	4, 6(13), 12	3,303	-	250	-
Guarantee deposits	12	3,772	-	3,772	-
Total non-current liabilities		9,687	-	6,509	-
Total liabilities		109,810	1	112,185	-
Equity					
Share capital	6(10)				
Common stock		7,495,894	48	6,814,449	29
Capital surplus	4, 6(10)	85,303	1	81,798	1
Retained earnings	6(10)				
Legal reserve		429,146	3	402,492	2
Unappropriated earnings		2,418,660	15	2,811,971	12
Other equity		4,931,448	32	13,125,503	56
Equity attributable to owners of the parent		15,360,451	99	23,236,213	100
Non-controlling interests	4	34,133	-	26,625	-
Total equity		15,394,584	99	23,262,838	100
Total liabilities and equity		\$ 15,504,394	100	\$ 23,375,023	100

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

English Translation of the Consolidated Financial Statements Originally Issued in Chinese
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Notes	For the years ended December 31		
		2022	%	2021
Net sales	4, 6(11), 7, 14	\$ 182,202	100	\$ 252,153
Operating costs	6(5), 6(13), 6(14), 7	(177,562)	(98)	(167,666)
Gross profit		4,640	2	84,487
Operating expenses	6(12), 6(13), 6(14), 7			
Selling expenses		(74,211)	(41)	(71,921)
General and administrative expenses		(128,061)	(70)	(121,408)
Research and development expenses		(266,178)	(146)	(249,734)
Expected credit (loss) gain		(30)	-	3,119
Total operating expenses		(468,480)	(257)	(439,944)
Operating losses		(463,840)	(255)	(355,457)
Non-operating income and expenses	4, 6(6), 6(15)			
Interest income		4,645	3	2,506
Other income		994,464	546	565,202
Other gains and losses		2,576	1	6,309
Finance costs		(191)	-	(425)
Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using equity method		(18,970)	(10)	(22,214)
Total non-operating income and expenses		982,524	540	551,378
Income before income tax		518,684	285	195,921
Income tax expense	4, 5, 6(17)	(54,781)	(30)	(11,243)
Net income	6(16)	463,903	255	184,678
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit pension plans		14,866	8	1,773
Unrealized gains or losses from equity instrument investments measured at fair value through other comprehensive income	6(9)	(7,832,837)	(4,299)	6,047,183
Items that may be reclassified subsequently to profit or loss				
Exchange differences resulting from translating the financial statements of foreign operations		203	-	(468)
Other comprehensive income, net of tax		(7,817,768)	(4,291)	6,048,488
Total comprehensive income		(7,353,865)	(4,036)	6,233,166
Net income for the periods attributable to :				
Owners of the parent		\$483,657	266	\$198,311
Non-controlling interests		(19,754)	(11)	(13,633)
Total comprehensive income for the periods attributable to :		\$463,903	255	\$184,678
Owners of the parent				
Non-controlling interests				
Total comprehensive income for the periods attributable to :				
Owners of the parent				
Non-controlling interests				
Earnings per share (NTD)				
Basic Earnings Per Share (in New Taiwan Dollars)				
Diluted Earnings Per Share (in New Taiwan Dollars)	6(18)			
		\$ 0.65		\$ 0.26
		\$ 0.64		\$ 0.26

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

English Translation of the 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, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars)

Description	Equity attributable to owners of the parent										Non-controlling interests	Total equity	
	Common stock	Capital surplus	Retained earnings			Other equity			Equity attributable to owners of the parent	Non-controlling interests			Total equity
			Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains or losses from financial assets measured at fair value through other comprehensive income						
Balance as of January 1, 2021	\$ 6,309,675	\$ 85,807	\$ 143,742	\$ 2,878,280	\$ 935,441	\$ (4,591)	\$ 7,149,843	\$ 17,498,197	\$ 9,378	\$ 17,507,575			
Appropriation and distribution of 2021 retained earnings	-	-	258,750	-	(258,750)	-	-	-	-	-	-		
Legal reserve	-	-	258,750	-	(258,750)	-	-	-	-	-	-		
Cash dividends	-	-	-	-	(504,774)	-	-	(504,774)	-	-	(504,774)		
Share dividends	504,774	-	-	-	(504,774)	-	-	-	-	-	-		
Special reserve reversed	-	-	-	(2,878,280)	2,878,280	-	-	-	-	-	-		
Other changes in capital surplus	-	-	-	-	-	-	-	(10,889)	-	-	(10,889)		
Share of changes in associates and joint ventures accounted for using equity method	-	(10,889)	-	-	-	-	-	(10,889)	-	-	(10,889)		
Net income for the year ended December 31, 2021	-	-	-	-	198,311	-	-	198,311	(13,633)	184,678	184,678		
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	1,773	(468)	6,047,183	6,048,488	-	6,048,488	6,048,488		
Total comprehensive income (loss)	-	-	-	-	200,084	(468)	6,047,183	6,246,799	(13,633)	6,233,166	6,233,166		
Changes in subsidiaries' ownership	-	6,620	-	-	-	-	-	6,620	(6,620)	-	-		
Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	66,464	-	(66,464)	-	-	-	-		
Others	-	260	-	-	-	-	-	260	-	260	260		
Non-controlling Interests	-	-	-	-	-	-	-	-	37,500	37,500	37,500		
Balance as of December 31, 2021	\$ 6,814,449	\$ 81,798	\$ 402,492	\$ -	\$ 2,811,971	\$ (5,059)	\$ 13,130,562	\$ 23,236,213	\$ 26,625	\$ 23,262,838	\$ 23,262,838		
Balance as of January 1, 2022	\$ 6,814,449	\$ 81,798	\$ 402,492	\$ -	\$ 2,811,971	\$ (5,059)	\$ 13,130,562	\$ 23,236,213	\$ 26,625	\$ 23,262,838	\$ 23,262,838		
Appropriation and distribution of 2022 retained earnings	-	-	26,654	-	(26,654)	-	-	-	-	-	-		
Legal reserve	-	-	26,654	-	(26,654)	-	-	-	-	-	-		
Cash dividends	-	-	-	-	(545,156)	-	-	(545,156)	-	-	(545,156)		
Share dividends	681,445	-	-	-	(681,445)	-	-	-	-	-	-		
Net income for the year ended December 31, 2022	-	-	-	-	483,657	-	-	483,657	(19,754)	463,903	463,903		
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	14,866	203	(7,832,837)	(7,817,768)	-	(7,817,768)	(7,817,768)		
Total comprehensive income (loss)	-	-	-	-	498,523	203	(7,832,837)	(7,334,111)	(19,754)	(7,353,865)	(7,353,865)		
Changes in subsidiaries' ownership	-	3,238	-	-	-	-	-	3,238	(3,238)	-	-		
Disposal of equity instrument investments measured at fair value through other comprehensive income	-	-	-	-	361,421	-	(361,421)	-	-	-	-		
Others	-	267	-	-	-	-	-	267	-	267	267		
Non-controlling Interests	-	-	-	-	-	-	-	-	30,500	30,500	30,500		
Balance as of December 31, 2022	\$ 7,495,894	\$ 85,303	\$ 429,146	\$ -	\$ 2,418,660	\$ (4,856)	\$ 4,936,304	\$ 15,360,451	\$ 34,133	\$ 15,394,584	\$ 15,394,584		

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

English Translation of the Consolidated Financial Statements Originally Issued in Chinese
SILICON INTEGRATED SYSTEMS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars)

Description	For the years ended December 31	
	2022	2021
Cash flows from operating activities :		
Net income before tax	\$ 518,684	\$ 195,921
Adjustments for:		
The profit or loss items which did not affect cash flows:		
Depreciation	26,245	26,566
Amortization	2,248	2,631
Expected credit losses (gains)	30	(3,119)
Interest expenses	191	425
Interest income	(4,645)	(2,506)
Dividend income	(955,802)	(532,886)
Share of loss of subsidiaries and joint ventures accounted for using the equity method	18,970	22,214
Losses (gains) on disposal of property, plant and equipment	238	(5)
Gains on disposal of investments	-	(6,922)
Others	(18)	-
Changes in operating assets and liabilities:		
Trade receivables	2,130	6,951
Trade receivables-related parties	(214)	1,926
Other receivables	(1,881)	1,178
Inventories	18,453	(45,851)
Prepayments	2,397	(1,277)
Other current assets	4,797	(15,515)
Other operating assets	(41)	(34)
Contract liabilities	2,449	115
Accounts payable	(13,580)	5,173
Accounts payable-related parties	(8,511)	2,539
Other payables	20,715	18,786
Other payables-related parties	(1,742)	2,639
Other current liabilities	(2,049)	2,995
Cash generated from operating activities	<u>(370,936)</u>	<u>(318,056)</u>
Interest received	4,155	2,518
Income tax paid	(65,664)	(41,047)
Net cash used in operating activities	<u>(432,445)</u>	<u>(356,585)</u>
Cash flows from investing activities :		
Proceeds from disposal of financial assets at fair value through other comprehensive income	831,121	183,122
Acquisition of financial assets measured at amortized cost	(17)	(19)
Acquisition of investments accounted for using the equity method	-	(30,000)
Acquisition of property, plant and equipment	(13,446)	(15,778)
Proceeds from disposal of property, plant and equipment	355	64
Decrease in refundable deposits	519	211
Acquisition of intangible assets	(695)	(2,091)
Decrease (increase) in prepayment for equipment	2,727	(2,197)
Dividends received	955,802	534,902
Net cash provided by investing activities	<u>1,776,366</u>	<u>668,214</u>
Cash flows from financing activities :		
Increase in guarantee deposits	-	367
Cash payment for the principle portion of lease liabilities	(8,365)	(9,119)
Cash dividends	(545,156)	(504,774)
Change in non-controlling interests	30,500	37,500
Others	267	260
Net cash used in financing activities	<u>(522,754)</u>	<u>(475,766)</u>
Effect of changes in exchange rate on cash and cash equivalents	(102)	(302)
Net increase (decrease) in cash and cash equivalents	821,065	(164,439)
Cash and cash equivalents at the beginning of the year	654,921	819,360
Cash and cash equivalents at the end of the year	<u>\$ 1,475,986</u>	<u>\$ 654,921</u>

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

【Attachments VI】

Comparison Table of amendments to certain provisions of the "Rules of Procedure for Board of Directors Meetings"

Provisions	Before amendment	After amendment	Description
Article 3.	<p>The Board meeting shall be convened at least once a quarter. Notice shall be made 7 days in advance to the directors for the reasons of convening Board meetings, the date, and venue in writing, by e-mail, or fax.</p> <p>Unless there is a sudden emergency or justifiable reason, the matters in Article 7, Paragraph 1 shall be listed in the reasons for convening the meeting, and shall not be raised by a temporary motion.</p>	<p>The Board meeting shall be convened at least once a quarter. Notice shall be made 7 days in advance to the directors for the reasons of convening Board meetings, the date, and venue in writing, by e-mail, or fax..... °</p> <p>The matters in Article 7, Paragraph 1 shall be listed in the reasons for convening the meeting, and shall not be raised by a temporary motion.</p>	Amendments in accordance with the law
Article 7.	<p>The following matters should be brought to the Board of Directors for discussion:</p> <p>I. The Company's operating plan</p> <p>II. Annual Financial Report and Semi-Annual Financial Report</p> <p>III. Establish or amend internal control in accordance with Article 14-1 of the Securities and Exchange Act....</p> <p>IV. Establish or amended in accordance with Article 36-1 of the Securities and Exchange Act...</p> <p>V. The offering, issuance, or private placement of any equity-type securities.</p> <p>VI. The appointment or discharge of a financial, accounting, or internal auditing officer.</p> <p>VII. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.</p> <p>VIII. A donation to a related party or a major donation to a non-related party. A public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p>IX. A matter bearing on the personal interest of a director.</p> <p>X. A material asset or derivatives transaction.</p> <p>XI. A material monetary loan, endorsement, or provision of guarantee.</p> <p>XII. The hiring or dismissal of an auditing CPA, or the compensation given thereto.</p>	<p>The following matters should be brought to the Board of Directors for discussion:</p> <p>I. The Company's operating plan</p> <p>II. Annual Financial Report and Semi-Annual Financial Report</p> <p>III. Establish or amend internal control in accordance with Article 14-1 of the Securities and Exchange Act...</p> <p>IV. Establish or amended in accordance with Article 36-1 of the Securities and Exchange Act...</p> <p>V. The offering, issuance, or private placement of any equity-type securities.</p> <p>VI. <u>Election or Dismissal of the Chairman</u></p> <p><u>VII.</u> The appointment or discharge of a financial, accounting, or internal auditing officer.</p> <p><u>VIII.</u> Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.</p> <p><u>IX.</u> A donation to a related party or a major donation to a non-related party. A public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p><u>X.</u> A matter bearing on the personal interest of a director.</p> <p><u>XI.</u> A material asset or derivatives transaction.</p> <p><u>XII.</u> A material monetary loan, endorsement, or provision of guarantee.</p> <p><u>XIII.</u> The hiring or dismissal of an auditing CPA, or the compensation given thereto.</p>	Amendments in accordance with the law

Comparison Table of amendments to certain provisions of the "Rules of Procedure of Board of Directors Meetings"

Provisions	Before amendment	After amendment	Description
Article 10.	<p>Where a meeting of the board of directors is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However where the first meeting of each newl elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one persc by and from among themselves to chair the meeting.</p> <p>When the chairperson of the board is on leave or for any reason is unable to exercise the powers snall be of the chairperson, a director designated thereby, or, if the chairperson does not make such a designation,the dircofors shall,among the mselves,choose one as the designation.</p>	<p>Where a meeting of the board of directors is called by the chairperson of the board, the meeting shall be <u>chaired by the chairperson</u>. However where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves</p> <p><u>Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.</u></p> <p>When the chairperson of the board is on leave or for any reason is unable to exercise the powers shall be of the chairperson, a director designated thereby, or, if the chairperson does not make such a designation,the dircofors shall,among the mselves,choose one as the designation.</p>	Amendments made in accordance with the law
Article 16.	<p>If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the directo may not participate in discussion or voting on that agenda item and may not act as another director's proxy to exercise voting rights on that matter.</p> <p>The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 3 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding paragraph from exercising voting rights.</p>	<p>If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item and may not act as another director's proxy to exercise voting rights on that matter.</p> <p><u>Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.</u></p> <p>The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding paragraph from exercising voting rights.</p>	Amendments made in accordance with the law

【Attachments VII】

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

Provisions	Before amendment	After amendment	Description
Article 8	<p>Share issuance of the Company is subject to the signatures and seals from, at least, three directors; the stock shall contain serial numbers and items stipulated in Article 162 of the Company Act. New shares issued by the Company may be printed for the total number of shares issued or exempted from printing share certificates for the shares issued. According to the previous paragraph, the depository of the printed share certificates or the registration of the shares which are exempted from printing share certificates shall be handled by a centralized securities depository agency of the Company. Such shares may also be combined and replaced by new certificates of larger nominal values as requested by the centralized securities depository agency.</p>	<p><u>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 shareholders and registered with a centralized securities depository enterprise, and shall be handled by way of book-entry transfer in accordance to regulations.</u></p>	Amendments made in accordance with the law
Article 36.	<p>The Company's Articles of Incorporation was established on August 8, 1987.. The twenty-eighth amendment was made on June 21, 2018, and the twenty-ninth amendment was made on June 21, 2022, effective upon the resolution of the stockholders' meeting, as amended.</p>	<p>The Company's Articles of Incorporation was established on August 8, 1987.. The twenty-eighth amendment was made on June 21, 2018, the twenty-ninth amendment was made on June 21, 2022, and <u>the thirtieth amendment will be made on June 6, 2023,</u> effective upon the resolution of the stockholders' meeting, as amended.</p>	Addendum Date

【Attachments VIII】

Comparison table for the amendments to the [Procedures of Acquisition and Disposal of Assets]

Provisions	Before amendment	After amendment	Description
Article 3	<p>The price determination method and reference basis should depend on the nature of the individual assets. In principle, if market prices are available for reference....</p> <p>I. Acquisition and disposal in a centralized...</p> <p>II. Acquisition and disposal not in a centralized...</p> <p>III. Acquisition and disposal of real estate...</p> <p>IV. Acquisition and disposal of fixed...</p> <p>V. Acquisition and disposal of membership...</p> <p>VI. Acquisition and disposal of intangible assets...</p> <p>VII. Acquisition and disposal of derivative finances.</p> <p>VIII. Acquisition or disposal of assets in accordance with legal mergers, divisions, acquisitions, or share transfers shall be handled in accordance with the relevant provisions of the regulations.</p>	<p>The price determination method and reference basis should depend on the nature of the individual assets. In principle, if market prices are available for reference....</p> <p>I. Acquisition and disposal in a centralized...</p> <p>II. Acquisition and disposal not in a centralized...</p> <p>III. Acquisition and disposal of real estate...</p> <p>IV. Acquisition and disposal of fixed...</p> <p>V. Acquisition and disposal of membership...</p> <p>VI. Acquisition and disposal of intangible assets...</p> <p>VII. Acquisition and disposal of derivative finances.</p> <p>VIII. Acquisition or disposal of assets in accordance with legal mergers, divisions, acquisitions, or share transfers shall be handled in accordance with the relevant provisions of the regulations.</p> <p><u>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</u></p> <p>(I) <u>Shall not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</u></p> <p>(II) <u>Shall not be a related party or de facto related party of any party to the transaction.</u></p> <p>(III) <u>If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</u></p>	<p>Amendments made in accordance with the law</p>

Comparison table for the amendments to the Company’s [Procedures of Acquisition and Disposal of Assets]

Provisions	Before amendment	After amendment	Description
Article 3		<p><u>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</u></p> <p>(I) <u>Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</u></p> <p>(II) <u>When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</u></p> <p>(III) <u>They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</u></p> <p>(IV) <u>They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</u></p>	Amendments made in accordance with the law
Article 4	<p>In acquiring or disposing of real property, equipment, or right-of-use assets thereof</p> <p>I. due to special.....</p> <p>II. Transaction amount.....</p> <p>III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be contacted in accordance with Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation, and be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p>	<p>In acquiring or disposing of real property, equipment, or right-of-use assets thereof</p> <p>I. due to special.....</p> <p>II. Transaction amount.....</p> <p>III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p>	Amendments made in accordance with the law

【Attachments VIII】

Comparison table for the amendments to the [Procedures of Acquisition and Disposal of Assets]

Provisions	Before amendment	After amendment	Description
Article 5	<p>When acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, and the SiS used as reference in appraising the transaction price.</p> <p>If the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPAs need professional reports, they shall act in accordance with provisions in Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>When acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, and the SiS used as reference in appraising the transaction price.</p> <p>If the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	Amendments made in accordance with the law
Article 6	<p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price, and the CPA acts. in accordance with provisions in Statement of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation.</p>	<p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price, and the CPA acts.</p>	Amendments made in accordance with the law

【Attachments VIII】

Comparison table for the amendments to the [Procedures of Acquisition and Disposal of Assets]

Provisions	Before amendment	After amendment	Description
Article 7	<p>The Company acquires or disposes of real property, or right-of-use assets thereof...amount:</p> <p>I. The purpose of the acquisition or disposal of assets</p> <p>II. The reason for choosing...</p> <p>III. From a related party...</p> <p>IV. Related party...</p> <p>V. Forecast...</p> <p>VI. According to regulations...</p> <p>VII. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding articles shall be done in accordance with Article 12, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Parts that have been approved by the audit committee and submitted to the board of directors for approval in accordance with the provisions of this regulation need not be counted toward the transaction amount. When to be conducted between the Company and its parent or subsidiaries, or in which it directly or indirectly holds 100 percent of the issued shares or authorized capital...submitted and ratified. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. The matters for which paragraph 1 shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 6, paragraphs 4 and 5.</p>	<p>The Company acquires or disposes of real property, or right-of-use assets thereof...amount:</p> <p>I. The purpose of the acquisition or disposal of assets</p> <p>II. The reason for choosing...</p> <p>III. From a related party...</p> <p>IV. Related party...</p> <p>V. Forecast...</p> <p>VI. According to regulations...</p> <p>VII. Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>Where the Company or a subsidiary thereof that is not a domestic public company has a transaction set out in paragraph 1 and the transaction amount reaches 10 percent or more of the public company's total assets, the Company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders meeting for approval before the transaction contract being entered into and any payment made. However, this restriction does not apply to transactions between the Company and subsidiaries or between its subsidiaries.</u></p> <p>The calculation of the transaction amounts referred to in Article 1 and preceding articles shall be done in accordance with Article 12, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Parts that have been approved by the audit committee and submitted to the <u>Shareholders' Meeting</u>, board of directors for approval in accordance with the provisions of this regulation need not be counted toward the transaction amount. When to be conducted between the Company and its parent or subsidiaries, or in which it directly or indirectly holds 100 percent of the issued shares or authorized capital...submitted and ratified. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. The matters for which paragraph 1 shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 6, paragraphs 4 and 5.</p>	<p>Added and amended according to laws and regulations</p>

【Attachments VIII】

Comparison table for the amendments to the [Procedures of Acquisition and Disposal of Assets]

Provisions	Before amendment	After amendment	Description
Article 8	<p>The Company's acquisition of real property or right-of-use assets thereof from a related party... Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>The Company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the paragraphs 1 and 2 shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Article 5, and the preceding three paragraphs do not apply:</p>	<p>The Company's acquisition of real property or right-of-use assets thereof from a related party... Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>The Company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the paragraphs 1 and 2 shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding preceding paragraph, and the preceding three paragraphs do not apply:</p>	Article Revisions
Article 11	<p>When the Company conducts a merger, demerger, acquisition, or transfer of shares, shall engage a CPA...</p> <p>When the Company resolves a merge demerger, acquisition, or resolution of shares...</p> <p>The Company and other companies that are participating in a transfer of shares, unless...</p> <p>The Company's participation in a merger, demerger, acquisition, or transfer of another company's shares shall be effective on the date of the Board of Directors' resolution</p> <p>Where any the company participating in a merger, demerger, acquisition, or transfer of another company's shares that are neither listed on an exchange nor has its shares traded on an OTC market, the Company shall sign an agreement with such company and abide by the provisions of paragraphs 4 and 5.</p>	<p>When the Company conducts a merger, demerger, acquisition, or transfer of shares, shall engage a CPA...</p> <p>When the Company resolves a merger, demerger, acquisition, or resolution of shares...</p> <p>The Company and other companies that are participating in a transfer of shares, unless...</p> <p>The Company's participation in a merger, demerger, acquisition, or transfer of another company's shares shall be effective on the date of the Board of Directors' resolution</p> <p>Where any the company participating in a merger, demerger, acquisition, or transfer of another company's shares there are neither listed on an exchange nor has its shares traded on an OTC market, the Company so listed or traded shall sign an agreement with such company and abide by the provisions of <u>preceding two paragraphs</u>.</p>	Revisions

【Attachments VIII】

Comparison table for the amendments to the [Procedures of Acquisition and Disposal of Assets]

Provisions	Before amendment	After amendment	Description
Article 12	<p>Under any of the following circumstances, when the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>I. From a related party...</p> <p>II. Acquisitions conducted...</p> <p>III. Engage in derivatives...</p> <p>IV. Acquisition...</p> <p>V. Where land is acquired to build on the company's own land</p> <p>VI. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. This shall not apply to the following circumstances:</p> <p>(I) Trading of domestic government bonds or foreign government bonds.</p> <p>(II) Where done by professional investors—securities trading on both domestic and overseas securities exchanges or OTC markets, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(III) Trading of bonds...</p>	<p>Under any of the following circumstances, when the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>I. From a related party...</p> <p>II. Acquisitions conducted...</p> <p>III. Engage in derivatives...</p> <p>IV. Acquisition...</p> <p>V. Where land is acquired to build on the company's own land</p> <p>VI. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. This shall not apply to the following circumstances:</p> <p>(I) Trading of domestic government bonds or <u>foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>(II) Where done by professional investors—securities trading on both domestic and overseas securities exchanges or OTC markets, or subscription of <u>foreign government bonds</u>, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, <u>or subscription or redemption of exchange traded notes</u>, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(III) Trading of bonds...</p>	Amendments made in accordance with the law