



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

Silicon Integrated Systems Corp.

2025 Annual Shareholders' Meeting

Meeting Minutes

May 22, 2025

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THIS IS A TRANSLATION OF THE MINUTES FOR THE 2025 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.

2025 Annual Shareholders' Meeting Minutes

Time: Monday, May 22, 2025 9:00 am

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

Attendants: All shareholders and their proxy holders, representing 313,472,226 shares (among them, 140,589,793 shares voted via electronic transmission), or 60.86% of the total 514,988,793 outstanding shares

Directors Present: Stan Hung, Ya-Nan Mou, Wan-Ling Cheng,
Ya-Ching Li (Independent Director),
Chia-Wei Tai (Independent Director),
Ching-Liu Hsiao (Independent Director)
More than one-half of all 9 directors are in attendance.

Audit Committee Present: Ya-Ching Li (Convener), Chia-Wei Tai, Ching-Liu Hsiao
More than one-half of all 3 members are in attendance.

Attendees: Hsin-Min Hsu (Partner of Ernst & Young, Taiwan)
Chao-Tsung Huang (Partner of Chen & Lin Attorneys-at-Low)

Chairman: Stan Hung, the Chairman of the Board of Directors

Minute Recorder: Yuan-Kwei Chen

- I. Meeting Called to Order
- II. Chairman's Speech (omitted)
- III. Report Items

Proposal 1: 2024 Business Report

Acknowledged

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

Acknowledged

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

Acknowledged

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

Acknowledged

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

Acknowledged

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

Acknowledged

IV. Proposed Resolutions

Proposal 1:

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

Description:

1. The 2024 Business Report and Financial Statements have been approved by the Board of Directors at the 13th Meeting of the 7th Board of Directors, reviewed by the Audit Committee, which has issued a written review report, and submitted to the shareholders' meeting for ratification in accordance with the laws and regulations. Please refer to Attachment II.
2. For the attached Business Report, please refer to Attachment I. For the 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: 313,472,226 shares were represented at the time of voting

(including 140,589,793 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 305,490,994 votes (including 132,743,944 shares voted via electronic transmission)	97.45%
Votes against: 604,042 votes (including 604,042 shares voted via electronic transmission)	0.19%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 7,377,190 votes (including 7,241,807 shares voted via electronic transmission)	2.35%

Proposal 2:

Proposal: Ratification of the 2024 Earnings Distribution Proposal

Description:

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

Silicon Integrated Systems Corp.

2024 Earnings Distribution Table

Unit: NT\$

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

Chairman: Stan Hung

Manager: Le-Tien Jung

Chief Accountant: Yuan-Kwei Chen

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

Voting Result: 313,472,226 shares were represented at the time of voting

(including 140,589,793 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 305,458,373 votes (including 132,711,323 shares voted via electronic transmission)	97.44%
Votes against: 604,533 votes (including 604,533 shares voted via electronic transmission)	0.20%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 7,373,320 votes (including 7,237,937 shares voted via electronic transmission)	2.35%

V. Agenda Items

Proposal 1 :

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

Description:

1. To enhance decision-making and execution efficiency and improve organizational operational effectiveness, the position of Chief Executive Officer (CEO) shall be established. The CEO will serve as the highest executive management officer of the company, fully responsible for the Company's operational management and overall strategic planning.
2. In accordance with the Financial Supervisory Commission's Financial Supervisory Securities Corporate 1130385442, dated November 8, 2024, the Company shall offset accumulated losses with the pre-tax profit for the current year. The remaining balance shall be allocated for employee compensation, with the allocation percentage not being less than 5% of the remaining balance. Furthermore, at least 1% of the employee compensation amount shall be allocated for the distribution of compensation to junior -staff employees. Junior-staff employees are defined as those in the Company's job grades 7 and below. In the event of any other unresolved matters or adjustments to job grades, the Chairman of the Board is fully authorized to handle such matters.
3. Please refer to Attachment VII 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: 313,472,226 shares were represented at the time of voting

(including 140,589,793 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 305,524,198 votes (including 132,777,418 shares voted via electronic transmission)	97.46%
Votes against: 587,936 votes (including 587,936 shares voted via electronic transmission)	0.18%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 7,360,092 votes (including 7,224,709 shares voted via electronic transmission)	2.34%

Proposal 2 :

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

Description:

1. To improve the efficiency of the shareholders' meeting, certain provisions are proposed to be amended.
2. For the comparison table of revise provisions of the "Rules of Procedure for Shareholders' Meetings", Attachment VIII.

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

Voting Result: 313,472,226 shares were represented at the time of voting

(including 140,589,793 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 305,519,080 votes (including 132,772,030 shares voted via electronic transmission)	97.46%
Votes against: 593,115 votes (including 593,115 shares voted via electronic transmission)	0.18%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 7,360,031 votes (including 7,224,648 shares voted via electronic transmission)	2.34%

Proposal 3 :

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

Description:

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

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

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

Voting Result: 313,472,226 shares were represented at the time of voting

(including 140,589,793 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor: 304,459,734 votes (including 131,712,684 shares voted via electronic transmission)	97.12%
Votes against: 774,005 votes (including 774,005 shares voted via electronic transmission)	0.24%
Votes invalid: 0 votes (including 0 shares voted via electronic transmission)	0.00%
Votes abstained: 8,238,487 votes (including 8,103,104 shares voted via electronic transmission)	2.62%

VI. Extraordinary Motions: None

VII. Adjournment: Meeting ended at 09:51 am

【Attachments I】

Silicon Integrated Systems Corp. Business Report

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

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

2024 Business Performance Results of the Business Plan

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

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

Financial Condition

I. Parent Company Only Financial Statements

Unit: NT\$'000

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

II. Consolidated Financial Statements

Unit: NT\$'000

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

Profitability

(I) Parent Company Only Financial Statements

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

(II) Consolidated Financial Statements

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

Research and development

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

Summary of 2025 Business Plan

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

Sincerely,

We wish you all health and good fortune.

Chairman: Stan Hung

Manager: Le-Tien Jung

Chief Accountant: Yuan-Kwei Chen

【Attachments II】

Silicon Integrated Systems Corp.
Audit Committee's Report

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

Sincerely,

2025 Annual Shareholders' Meeting of Silicon Integrated Systems Corp.

Convener of the Audit Committee: Ya-Ching Li

February 27, 2025

Independent Auditors' Report Originally Issued in Chinese

To Silicon Integrated Systems Corporation

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

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

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

Other Matter – Making Reference to the Audits of Other Auditors

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

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

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

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/ Hu, Shen-Chieh

/s/ Hsu, Hsin-Min

Ernst & Young, Taiwan

February 27, 2025

Notice to Readers

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

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

Independent Auditors' Report Originally Issued in Chinese

To Silicon Integrated Systems Corporation

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

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

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

Other Matter – Making Reference to the Audits of Other Auditors

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

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

/s/ Hu, Shen-Chieh

/s/ Hsu, Hsin-Min

Ernst & Young, Taiwan

February 27, 2025

Notice to Readers

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

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

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

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

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

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

SILICON INTEGRATED SYSTEMS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan Dollars)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

【Attachments VI】

Execution Status of Related Party Transactions 2024

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

1. Date of Board Approval: October 21, 2024
2. Related Party approved by the Board of Directors: United Microelectronics Corporation (including subsidiaries)
3. Annual Transaction Amount Limit approved by the Board of Directors for the Year 2024: NT\$ 388,033 thousand.
4. Actual Transaction Amount for the Year 2024: NT\$ 365,508 thousand, which is within the transaction amount limit approved by the Board of Directors.
5. Related Conditions approved by the Board of Directors:
 - I. Transaction Items, Purpose, Necessity, and Expected Benefits:
 1. Transaction Items: Purchase of goods, technical services, and other transactions.
 2. Purpose and Necessity: Required for the overall operational planning of the Company.
 3. Expected Benefits: The transactions, including the purchase of goods and technical services, are expected to generate operational and sales benefits.
 - II. The reason for choosing the related party as a transaction counterparty:
Required for the overall operational planning of the Company.
 - III. Principles for Calculating Transaction Prices and Expected Annual Transaction Amount Limit:
 1. The transaction price is based on the prevailing market price at the time, and is negotiated by both parties. The transaction price and terms are equivalent to those provided to general customers. (However, if there is long-term cooperation or other special factors between the Company and its related parties that differ from general counterparties, discounts may be offered or received within a reasonable range.)
 2. Expected Annual Transaction Amount Limit: NT\$ 388,033 thousand.
 - IV. Explanation of Whether the Transaction Terms Comply with Normal Business Terms and No Damage to the Company's Interests or Shareholders' Rights:

As stated in the previous three sections, the transaction price and terms are equivalent to those provided to general customers, no damage to the Company's interests or shareholders' rights.
 - V. Restrictive covenants and other important stipulations associated with the transaction:
None.
 1. The actual transaction terms for the year 2024 (including the principles for calculating the transaction price) fully adhere to and comply with the related conditions approved by the Board of Directors, and no circumstances have arisen that would harm the Company's interests or shareholders' rights.
 - 2.

【Attachments VII】

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

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

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

【Attachments VIII】

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

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