

**Syncmold Enterprise Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2021 and 2020 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Syncmold Enterprise Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Syncmold Enterprise Corporation and its subsidiaries (collectively, the "Group") as of June 30, 2021 and 2020, the related consolidated statements of comprehensive income for the three months ended June 30, 2021 and 2020 and for the six months ended June 30, 2021 and 2020, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements of non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of June 30, 2021 and 2020, the combined total assets of these non-significant subsidiaries were NT\$3,856,596 thousand and NT\$4,365,789 thousand, respectively, representing 33.48% and 41.24%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT\$1,523,620 thousand and NT\$1,426,333 thousand, respectively, representing 29.24% and 27.99%, respectively, of the consolidated total liabilities; for the three-month and the six-month periods ended June 30, 2021 and 2020, the amounts of combined comprehensive income (loss) of these subsidiaries were NT\$(42,188) thousand, NT\$62,814 thousand, NT\$(15,462) thousand and NT\$37,628 thousand, respectively, representing 165.47%, 25.36%, (23.79%) and 11.47%, respectively, of the consolidated total comprehensive income. In addition, as disclosed in Note 12 to the consolidated financial statements, as of June 30, 2021 and 2020, the amounts of investments accounted for using the equity method were NT\$152,315 thousand and NT\$165,696 thousand, respectively; for the three-month and the

six-month periods ended June 30, 2021 and 2020, the shares of profit of associates amounted to NT\$(2,684) thousand, NT\$5,738 thousand, NT\$(841) thousand and NT\$8,844 thousand, respectively, was calculated based on financial statements which have not been reviewed. The disclosure of information related to the aforementioned non-significant subsidiaries and associates in Note 29 was based on these subsidiaries' and associates' unreviewed financial statements for the same reporting periods as those of the Group.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph and the financial statements for which investments were accounted for using the equity method been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of June 30, 2021 and 2020, its consolidated financial performance for the three months ended June 30, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chih-Yuan Chen and Yao-Ling Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 5, 2021

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance 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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	June 30, 2021 (Reviewed)		December 31, 2020 (Audited)		June 30, 2020 (Reviewed)	
	Amount	%	Amount	%	Amount	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents (Notes 4 and 6)	\$ 2,238,141	19	\$ 2,420,807	21	\$ 2,568,011	24
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	188,286	2	375,949	3	417,933	4
Financial assets at amortized cost - current (Notes 4, 8 and 26)	400,580	3	605,827	5	414,347	4
Notes receivable	333,444	3	392,958	3	325,832	3
Trade receivables, net (Notes 4 and 9)	3,351,688	29	3,616,529	31	3,387,850	32
Inventories (Notes 4 and 10)	1,115,624	10	967,154	8	746,987	7
Other current assets (Notes 4 and 25)	450,829	4	429,744	4	338,339	3
Total current assets	<u>8,078,592</u>	<u>70</u>	<u>8,808,968</u>	<u>75</u>	<u>8,199,299</u>	<u>77</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	60,753	1	70,286	1	59,732	1
Financial assets at amortized cost - non-current (Notes 4 and 8)	480	-	-	-	-	-
Investments accounted for using the equity method (Notes 4 and 12)	152,315	1	164,556	1	165,696	2
Property, plant and equipment (Notes 4, 13 and 26)	2,061,206	18	1,686,017	14	1,203,291	11
Right-of-use assets (Notes 4 and 14)	578,782	5	495,502	4	383,701	4
Goodwill (Notes 4 and 15)	324,597	3	324,597	3	324,597	3
Intangible assets (Notes 4 and 16)	32,181	-	34,250	-	25,248	-
Deferred tax assets (Notes 4 and 22)	95,932	1	79,720	1	65,376	1
Prepayments for land, property and equipment	81,958	1	66,967	1	28,524	-
Refundable deposits	48,657	-	37,202	-	24,886	-
Defined benefit assets (Notes 4 and 19)	2,708	-	2,567	-	2,273	-
Prepayments for land use right	-	-	-	-	96,457	1
Other non-current assets (Note 4)	314	-	279	-	6,094	-
Total non-current assets	<u>3,439,883</u>	<u>30</u>	<u>2,961,943</u>	<u>25</u>	<u>2,385,875</u>	<u>23</u>
TOTAL	<u>\$ 11,518,475</u>	<u>100</u>	<u>\$ 11,770,911</u>	<u>100</u>	<u>\$ 10,585,174</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 4, 17 and 26)	\$ 2,019,296	18	\$ 1,867,695	16	\$ 1,436,300	14
Short-term bills payable (Notes 4 and 17)	-	-	29,981	-	30,000	-
Notes and trade payables	1,812,846	16	2,183,688	19	1,868,664	18
Other payables (Notes 18 and 25)	472,941	4	498,717	4	944,203	9
Current tax liabilities (Notes 4 and 22)	82,349	1	181,357	2	131,662	1
Lease liabilities - current (Notes 4, 14 and 25)	165,258	1	133,785	1	126,200	1
Current portion of long-term borrowings (Notes 4, 17 and 26)	17,671	-	16,909	-	-	-
Other current liabilities	19,689	-	17,314	-	3,315	-
Total current liabilities	<u>4,590,050</u>	<u>40</u>	<u>4,929,446</u>	<u>42</u>	<u>4,540,344</u>	<u>43</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 4, 17 and 26)	101,567	1	56,227	1	-	-
Deferred tax liabilities (Notes 4 and 22)	273,934	2	331,939	3	359,660	3
Lease liabilities - non-current (Notes 4, 14 and 25)	216,151	2	170,268	1	186,286	2
Net defined benefit liabilities (Notes 4 and 19)	12,116	-	20,763	-	9,200	-
Guarantee deposits received	1,442	-	1,308	-	-	-
Other non-current liabilities	16,357	-	19,125	-	-	-
Total non-current liabilities	<u>621,567</u>	<u>5</u>	<u>599,630</u>	<u>5</u>	<u>555,146</u>	<u>5</u>
Total liabilities	<u>5,211,617</u>	<u>45</u>	<u>5,529,076</u>	<u>47</u>	<u>5,095,490</u>	<u>48</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION						
Ordinary shares	1,237,242	11	1,237,242	10	1,237,242	12
Capital surplus	2,592,879	22	2,592,857	22	2,591,336	25
Retained earnings						
Legal reserve	904,665	8	904,665	8	904,665	8
Special reserve	634,020	6	634,020	5	634,020	6
Unappropriated earnings	1,317,226	11	1,165,528	10	697,812	7
Total retained earnings	<u>2,855,911</u>	<u>25</u>	<u>2,704,213</u>	<u>23</u>	<u>2,236,497</u>	<u>21</u>
Other equity						
Exchange differences on translation of the financial statements of foreign operations	(713,734)	(6)	(639,134)	(5)	(806,959)	(8)
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	5,064	-	3,519	-	(236)	-
Total other equity	<u>(708,670)</u>	<u>(6)</u>	<u>(635,615)</u>	<u>(5)</u>	<u>(807,195)</u>	<u>(8)</u>
Total equity attributable to owners of the Corporation	5,977,362	52	5,898,697	50	5,257,880	50
NON-CONTROLLING INTERESTS	<u>329,496</u>	<u>3</u>	<u>343,138</u>	<u>3</u>	<u>231,804</u>	<u>2</u>
Total equity	<u>6,306,858</u>	<u>55</u>	<u>6,241,835</u>	<u>53</u>	<u>5,489,684</u>	<u>52</u>
TOTAL	<u>\$ 11,518,475</u>	<u>100</u>	<u>\$ 11,770,911</u>	<u>100</u>	<u>\$ 10,585,174</u>	<u>100</u>

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

(With Deloitte & Touche auditors' review report dated August 5, 2021)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Note 4)	\$ 2,525,003	100	\$ 2,679,991	100	\$ 4,818,994	100	\$ 4,400,500	100
OPERATING COSTS (Notes 4, 10 and 21)	<u>2,192,668</u>	<u>87</u>	<u>1,917,561</u>	<u>72</u>	<u>4,019,984</u>	<u>83</u>	<u>3,210,556</u>	<u>73</u>
GROSS PROFIT	<u>332,335</u>	<u>13</u>	<u>762,430</u>	<u>28</u>	<u>799,010</u>	<u>17</u>	<u>1,189,944</u>	<u>27</u>
OPERATING EXPENSES (Notes 9, 21 and 25)								
Selling and marketing expenses	79,441	3	64,911	2	147,548	3	120,159	2
General and administrative expenses	157,041	6	134,925	5	341,188	7	254,099	6
Research and development expenses	39,608	2	46,494	2	87,159	2	83,114	2
Expected credit loss (gain)	<u>(1,802)</u>	<u>-</u>	<u>9,052</u>	<u>-</u>	<u>(1,263)</u>	<u>-</u>	<u>5,096</u>	<u>-</u>
Total operating expenses	<u>274,288</u>	<u>11</u>	<u>255,382</u>	<u>9</u>	<u>574,632</u>	<u>12</u>	<u>462,468</u>	<u>10</u>
PROFIT FROM OPERATIONS	<u>58,047</u>	<u>2</u>	<u>507,048</u>	<u>19</u>	<u>224,378</u>	<u>5</u>	<u>727,476</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES								
Other income (Notes 4 and 14)	21,659	1	18,340	1	24,499	-	25,407	1
Other gains and losses (Note 27)	483	-	(6,423)	-	(16,641)	-	(5,633)	-
Interest income	6,913	-	13,593	-	16,725	-	21,525	-
Net foreign exchange gain (loss) (Note 28)	(31,293)	(1)	3,085	-	(28,860)	(1)	22,449	-
Net gain (loss) on financial assets at fair value through profit or loss (Notes 4 and 7)	(11,047)	(1)	25,614	1	34,074	1	525	-
Share of profit (loss) of associates (Notes 4 and 12)	(3,652)	-	5,738	-	(3,263)	-	8,844	-
Interest expenses (Note 25)	<u>(8,707)</u>	<u>-</u>	<u>(7,530)</u>	<u>-</u>	<u>(16,888)</u>	<u>-</u>	<u>(14,981)</u>	<u>-</u>
Total non-operating income and expenses	<u>(25,644)</u>	<u>(1)</u>	<u>52,417</u>	<u>2</u>	<u>9,646</u>	<u>-</u>	<u>58,136</u>	<u>1</u>
PROFIT BEFORE INCOME TAX FROM OPERATIONS	32,403	1	559,465	21	234,024	5	785,612	18
INCOME TAX EXPENSE (Notes 4 and 22)	<u>10,474</u>	<u>-</u>	<u>189,466</u>	<u>7</u>	<u>87,062</u>	<u>2</u>	<u>279,851</u>	<u>7</u>
NET PROFIT FOR THE PERIOD	<u>21,929</u>	<u>1</u>	<u>369,999</u>	<u>14</u>	<u>146,962</u>	<u>3</u>	<u>505,761</u>	<u>11</u>

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SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Share of other comprehensive income of subsidiaries accounted for using the equity method	\$ 968	-	\$ -	-	\$ 2,422	-	\$ -	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	(48,393)	(2)	(122,346)	(5)	(84,383)	(2)	(177,660)	(4)
Other comprehensive loss for the period, net of income tax	(47,425)	(2)	(122,346)	(5)	(81,961)	(2)	(177,660)	(4)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ (25,496)</u>	<u>(1)</u>	<u>\$ 247,653</u>	<u>9</u>	<u>\$ 65,001</u>	<u>1</u>	<u>\$ 328,101</u>	<u>7</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Corporation	\$ 24,706	1	\$ 364,610	14	\$ 150,821	3	\$ 497,384	11
Non-controlling interests	(2,777)	-	5,389	-	(3,859)	-	8,377	-
	<u>\$ 21,929</u>	<u>1</u>	<u>\$ 369,999</u>	<u>14</u>	<u>\$ 146,962</u>	<u>3</u>	<u>\$ 505,761</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Corporation	\$ (15,862)	(1)	\$ 245,296	9	\$ 78,643	1	\$ 324,209	7
Non-controlling interests	(9,634)	-	2,357	-	(13,642)	-	3,892	-
	<u>\$ (25,496)</u>	<u>(1)</u>	<u>\$ 247,653</u>	<u>9</u>	<u>\$ 65,001</u>	<u>1</u>	<u>\$ 328,101</u>	<u>7</u>
EARNINGS PER SHARE (Note 23)								
Basic	<u>\$ 0.20</u>		<u>\$ 2.95</u>		<u>\$ 1.22</u>		<u>\$ 4.02</u>	
Diluted	<u>\$ 0.20</u>		<u>\$ 2.93</u>		<u>\$ 1.21</u>		<u>\$ 3.99</u>	

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

(With Deloitte & Touche auditors' review report dated August 5, 2021)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Corporation (Notes 4 and 20)																
	Capital Surplus						Retained Earnings				Other Equity			Non-controlling Interests (Notes 4 and 20)	Total Equity		
	Ordinary Shares	Issuance of Ordinary Shares	Difference Between the Consideration Paid and the Carrying Amount of the Subsidiaries' Net Assets During Actual Acquisition	Changes in Percentage of Ownership Interests in Subsidiaries	Consolidation Excess	Other	Total	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			Total Other Equity	Total
BALANCE AT JANUARY 1, 2020	\$ 1,237,242	\$ 1,184,809	\$ 410,949	\$ 143,150	\$ 852,372	\$ -	\$ 2,591,280	\$ 810,515	\$ 431,506	\$ 1,053,851	\$ 2,295,872	\$ (633,784)	\$ (236)	\$ (634,020)	\$ 5,490,374	\$ 229,257	\$ 5,719,631
Appropriation of 2019 earnings	-	-	-	-	-	-	-	94,150	-	(94,150)	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	94,150	-	(94,150)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	-	-	202,514	(202,514)	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	-	-	-	-	(556,759)	(556,759)	-	-	-	(556,759)	-	(556,759)
	-	-	-	-	-	-	-	94,150	202,514	(853,423)	(556,759)	-	-	-	(556,759)	-	(556,759)
Unclaimed dividends	-	-	-	-	-	56	56	-	-	-	-	-	-	-	56	-	56
Net profit for the six months ended June 30, 2020	-	-	-	-	-	-	-	-	-	497,384	497,384	-	-	-	497,384	8,377	505,761
Other comprehensive loss for the six months ended June 30, 2020, net of income tax	-	-	-	-	-	-	-	-	-	-	-	(173,175)	-	(173,175)	(173,175)	(4,485)	(177,660)
Total comprehensive income (loss) for the six months ended June 30, 2020	-	-	-	-	-	-	-	-	-	497,384	497,384	(173,175)	-	(173,175)	324,209	3,892	328,101
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,345)	(1,345)
BALANCE AT JUNE 30, 2020	\$ 1,237,242	\$ 1,184,809	\$ 410,949	\$ 143,150	\$ 852,372	\$ 56	\$ 2,591,336	\$ 904,665	\$ 634,020	\$ 697,812	\$ 2,236,497	\$ (806,959)	\$ (236)	\$ (807,195)	\$ 5,257,880	\$ 231,804	\$ 5,489,684
BALANCE AT JANUARY 1, 2021	\$ 1,237,242	\$ 1,184,809	\$ 412,470	\$ 143,150	\$ 852,372	\$ 56	\$ 2,592,857	\$ 904,665	\$ 634,020	\$ 1,165,528	\$ 2,704,213	\$ (639,134)	\$ 3,519	\$ (635,615)	\$ 5,898,697	\$ 343,138	\$ 6,241,835
Unclaimed dividends	-	-	-	-	-	22	22	-	-	-	-	-	-	-	22	-	22
Net profit (loss) for the six months ended June 30, 2021	-	-	-	-	-	-	-	-	-	150,821	150,821	-	-	-	150,821	(3,859)	146,962
Other comprehensive income (loss) for the six months ended June 30, 2021, net of income tax	-	-	-	-	-	-	-	-	-	-	-	(74,600)	2,422	(72,178)	(72,178)	(9,783)	(81,961)
Total comprehensive income (loss) for the six months ended June 30, 2021	-	-	-	-	-	-	-	-	-	150,821	150,821	(74,600)	2,422	(72,178)	78,643	(13,642)	65,001
Disposal of investment in equity instrument designated as at fair value through other comprehensive income by associates	-	-	-	-	-	-	-	-	-	877	877	-	(877)	(877)	-	-	-
BALANCE AT JUNE 30, 2021	\$ 1,237,242	\$ 1,184,809	\$ 412,470	\$ 143,150	\$ 852,372	\$ 78	\$ 2,592,879	\$ 904,665	\$ 634,020	\$ 1,317,226	\$ 2,855,911	\$ (713,734)	\$ 5,064	\$ (708,670)	\$ 5,977,362	\$ 329,496	\$ 6,306,858

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

(With Deloitte & Touche auditors' review report dated August 5, 2021)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 234,024	\$ 785,612
Adjustments for:		
Depreciation expenses	193,494	140,210
Amortization expenses	8,396	6,780
Expected credit loss (gain)	(1,263)	5,096
Net gain on financial assets at fair value through profit or loss	(34,074)	(525)
Interest expenses	16,888	14,981
Interest income	(16,725)	(21,525)
Dividend income	(19,148)	(4,745)
Share of loss (profit) of associates	3,263	(8,844)
Loss (gain) on disposal of property, plant and equipment	(1,193)	1,368
Loss on disposal of intangible assets	485	-
Write-downs (reversal) of inventories	25,969	(12,728)
Net unrealized gain on foreign currency exchange	(51,795)	(14,742)
Impairment loss on property, plant and equipment	570	-
Gain on lease modification	(9)	-
Changes in operating assets and liabilities		
Notes receivable	63,213	72,256
Trade receivables	360,933	(317,375)
Inventories	(169,030)	5,251
Other current assets	(25,287)	(93,653)
Notes payable and trade payables	(411,280)	(65,539)
Other payables	(27,213)	(27,790)
Other current liabilities	2,412	(11,955)
Net defined benefit assets and liabilities	(8,788)	(1,760)
Other non-current liabilities	(2,768)	-
Cash generated from operations	141,074	450,373
Interest paid	(17,124)	(14,954)
Income tax paid	(306,031)	(177,957)
Net cash generated from (used in) operating activities	<u>(182,081)</u>	<u>257,462</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	-	(244,645)
Purchase of financial assets at fair value through profit or loss	(190,616)	(869,284)
Proceeds from sale of financial assets at amortized cost	207,370	-
Proceeds from sale of financial assets at fair value through profit or loss	420,327	538,428
Payments for property, plant and equipment	(449,737)	(42,845)
Proceeds from disposal of property, plant and equipment	13,809	5,161
Decrease in (proceeds from) refundable deposits	(11,363)	6,147

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SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2021	2020
Payments for intangible assets	\$ (7,023)	\$ (5,639)
Decrease in non-current assets	2,300	-
Increase in prepayments for equipment	(47,124)	(2,587)
Increase in prepayments for land use right	-	(96,961)
Interest received	16,725	21,525
Dividends received	<u>30,548</u>	<u>16,145</u>
Net cash used in investing activities	<u>(14,784)</u>	<u>(674,555)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	149,057	429,318
Proceeds from (decrease in) short-term bills payable	(29,981)	30,000
Repayments of bond payables	-	(150,000)
Proceeds from long-term borrowings	46,102	-
Proceeds from guarantee deposits received	347	-
Refunds of guarantee deposits received	-	(223)
Repayment of the principal portion of lease liabilities	(101,903)	(70,015)
Changes in non-controlling interests	<u>-</u>	<u>(1,345)</u>
Net cash generated from financing activities	<u>63,622</u>	<u>237,735</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(49,423)</u>	<u>(141,938)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(182,666)	(321,296)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>2,420,807</u>	<u>2,889,307</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 2,238,141</u>	<u>\$ 2,568,011</u>

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

(With Deloitte & Touche auditors' review report dated August 5, 2021)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Syncmold Enterprise Corporation (the “Corporation”) was incorporated in the Republic of China (ROC) in July 1979 and is mainly engaged in the processing, manufacturing, trading, technology licensing and related import and export business of various metal molds, plastic molds and electronic parts.

The Corporation’s shares were approved for listing on the emerging stock board of the Taipei Exchange (TPEX) in December 2005, and after obtaining approval from the Financial Supervisory Commission, Executive Yuan in November 2006, the Corporation’s shares were listed on the over-the-counter market (OTC) on January 11, 2007. In November 2009, the Corporation obtained approval to transfer listing of its shares to the Taiwan Stock Exchange (TWSE) and they were officially listed and started trading its shares on December 17, 2009.

The consolidated financial statements are presented in the Corporation’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by Corporation’s board of directors on August 5, 2021.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. The IFRSs endorsed by the FSC for application starting from 2022

New IFRSs	Effective Date Announced by IASB
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 1)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 2)
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022 (Note 3)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 2)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 3)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 4)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities (assets) which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note 11 and Tables 6 and 7 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2020.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Group considers the recent development of the COVID-19 in Taiwan and its economic environment implications when making its critical accounting estimates in cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

6. CASH AND CASH EQUIVALENTS

	June 30, 2021	December 31, 2020	June 30, 2020
Cash on hand	\$ 2,567	\$ 2,058	\$ 2,066
Checking accounts and demand deposits	1,986,320	2,188,915	2,249,346
Cash equivalents			
Time deposits with original maturities within 3 months	<u>249,254</u>	<u>229,834</u>	<u>316,599</u>
	<u>\$ 2,238,141</u>	<u>\$ 2,420,807</u>	<u>\$ 2,568,011</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2021	December 31, 2020	June 30, 2020
Financial assets at fair value through profit or loss (FVTPL) - current			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets			
Foreign exchange forward contracts (a)	\$ 1,861	\$ 22,322	\$ -
Non-derivative financial assets			
Domestic listed shares	78,472	200,701	81,401
Mutual funds	-	-	21,400
Hybrid financial assets			
Structured deposits (b)	<u>107,953</u>	<u>152,926</u>	<u>315,132</u>
	<u>\$ 188,286</u>	<u>\$ 375,949</u>	<u>\$ 417,933</u>

(Continued)

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Financial assets at FVTPL - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic emerging market shares	\$ 15,621	\$ 15,619	\$ 13,547
Overseas unlisted shares	37,136	51,579	46,185
Private funds	<u>7,996</u>	<u>3,088</u>	<u>-</u>
	<u>\$ 60,753</u>	<u>\$ 70,286</u>	<u>\$ 59,732</u> (Concluded)

- a. At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

June 30, 2021

	Currency	Maturity Date	Notional Amount (In Thousands)
Sell	US\$/RMB	2021.07	US\$1,000/RMB6,522
Sell	US\$/RMB	2021.07	US\$1,000/RMB6,537
Sell	US\$/RMB	2021.07	US\$1,000/RMB6,539
Sell	US\$/RMB	2021.08	US\$1,000/RMB6,553
Sell	US\$/RMB	2021.08	US\$1,000/RMB6,561
Sell	US\$/RMB	2021.08	US\$1,000/RMB6,562
Sell	US\$/RMB	2021.09	US\$1,000/RMB6,600

December 31, 2020

	Currency	Maturity Date	Notional Amount (In Thousands)
Sell	US\$/RMB	2021.01	US\$1,000/RMB6,528
Sell	US\$/RMB	2021.02	US\$1,000/RMB6,973
Sell	US\$/RMB	2021.02	US\$1,000/RMB6,854
Sell	US\$/RMB	2021.02	US\$1,000/RMB6,890
Sell	US\$/RMB	2021.02	US\$1,000/RMB6,891
Sell	US\$/RMB	2021.03	US\$1,000/RMB6,987
Sell	US\$/RMB	2021.03	US\$2,000/RMB13,882
Sell	US\$/RMB	2021.03	US\$2,000/RMB13,842
Sell	US\$/RMB	2021.03	US\$2,000/RMB13,682
Sell	US\$/RMB	2021.04	US\$1,000/RMB6,760
Sell	US\$/RMB	2021.05	US\$1,000/RMB6,832
Sell	US\$/RMB	2021.06	US\$1,000/RMB6,670
Sell	US\$/RMB	2021.06	US\$1,000/RMB6,612
Sell	US\$/RMB	2021.06	US\$1,000/RMB6,597

The Group entered into foreign exchange forward contracts to manage exposures due to exchange rate fluctuations of foreign currency denominated assets and liabilities.

- b. The Group successively entered into 1-6 month structured time deposit contracts with bank for the three months ended June 30, 2021 and 2020. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract is assessed and mandatorily classified as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

8. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 392,672	\$ 601,313	\$ 414,347
Time deposits pledged as collateral with original maturities of more than 3 months	6,808	3,964	-
Restricted deposit	<u>1,100</u>	<u>550</u>	<u>-</u>
	<u>\$ 400,580</u>	<u>\$ 605,827</u>	<u>\$ 414,347</u>
<u>Non-current</u>			
Time deposits with original maturities of more than 1 year	<u>\$ 480</u>	<u>\$ -</u>	<u>\$ -</u>

See Note 26 for detailed information on financial assets at amortized cost pledged as collateral.

9. TRADE RECEIVABLES, NET

	June 30, 2021	December 31, 2020	June 30, 2020
At amortized cost			
Gross carrying amount	\$ 3,361,061	\$ 3,627,405	\$ 3,407,544
Less: Allowance for impairment loss	<u>(9,373)</u>	<u>(10,876)</u>	<u>(19,694)</u>
	<u>\$ 3,351,688</u>	<u>\$ 3,616,529</u>	<u>\$ 3,387,850</u>

The average credit period of sales of goods was 130-160 days. No interest was charged on trade receivables. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

The Group applies the simplified approach to providing for expected credit losses prescribed, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

June 30, 2021

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	3.95%	19.45%	46.45%	100%	
Gross carrying amount	\$ 3,278,284	\$ 54,687	\$ 24,474	\$ 1,985	\$ 1,531	\$ 3,361,061
Loss allowance (Lifetime ECLs)	-	(2,159)	(4,761)	(922)	(1,531)	(9,373)
Amortized cost	<u>\$ 3,278,284</u>	<u>\$ 52,528</u>	<u>\$ 19,713</u>	<u>\$ 1,063</u>	<u>\$ -</u>	<u>\$ 3,351,688</u>

December 31, 2020

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	5.51%	14.83%	42.93%	100%	
Gross carrying amount	\$ 3,542,654	\$ 41,942	\$ 38,235	\$ 2,944	\$ 1,630	\$ 3,627,405
Loss allowance (Lifetime ECLs)	-	(2,313)	(5,669)	(1,264)	(1,630)	(10,876)
Amortized cost	<u>\$ 3,542,654</u>	<u>\$ 39,629</u>	<u>\$ 32,566</u>	<u>\$ 1,680</u>	<u>\$ -</u>	<u>\$ 3,616,529</u>

June 30, 2020

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	4.39%	19.28%	39.74%	79.66%	
Gross carrying amount	\$ 3,294,516	\$ 51,695	\$ 38,728	\$ 20,152	\$ 2,453	\$ 3,407,544
Loss allowance (Lifetime ECLs)	-	(2,267)	(7,465)	(8,008)	(1,954)	(19,694)
Amortized cost	<u>\$ 3,294,516</u>	<u>\$ 49,428</u>	<u>\$ 31,263</u>	<u>\$ 12,144</u>	<u>\$ 499</u>	<u>\$ 3,387,850</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Six Months Ended June 30	
	2021	2020
Balance at January 1	\$ 10,876	\$ 14,444
Add: Net remeasurement of loss allowance	-	5,096
Less: Reversal of loss allowance	(1,263)	-
Foreign exchange gains and losses	<u>(240)</u>	<u>154</u>
Balance at June 30	<u>\$ 9,373</u>	<u>\$ 19,694</u>

10. INVENTORIES

	June 30, 2021	December 31, 2020	June 30, 2020
Finished goods	\$ 423,476	\$ 327,374	\$ 304,934
Work in progress	260,886	234,759	167,070
Raw materials	<u>431,262</u>	<u>405,021</u>	<u>274,983</u>
	<u>\$ 1,115,624</u>	<u>\$ 967,154</u>	<u>\$ 746,987</u>

The cost of goods sold for the three months and the six months ended June 30, 2021, included inventory write-downs of \$5,524 thousand and \$25,969 thousand, respectively. The cost of goods sold for the three months and the six months ended June 30, 2020, included reversals of inventory \$14,412 thousand and \$12,728 thousand, respectively. The reversals of inventory write-downs resulted from selling of slow-moving inventories.

11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
Syncmold Enterprise Corp.	Syncmold Enterprise (Samoa) Corp.	The trading and commercial related practices of all metal molds and plastic molds as well as the reinvestment of subsidiaries in mainland China.	100.00	100.00	100.00	Note 1
	Grand Advance Inc.	The trading, imports, exports and investments of electronic parts.	100.00	100.00	100.00	Note 1
	Syncmold Enterprise (USA) Corp.	The trading, imports and exports of electronic parts.	100.00	100.00	100.00	Note 2
	Gatetech Technology Inc.	Precision molding and magnesium alloy die caster manufacturing and transaction business	73.43	73.43	72.98	Note 4
	Syncmold Enterprise Vietnam Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business.	100.00	100.00	100.00	Note 2
	Syncmold Enterprise (Malaysia) Sdn. Bhd.	The trading, imports and exports of electronic parts.	100.00	100.00	100.00	Note 2
	Syncmold Enterprise (Singapore) Pte. Ltd.	The trading, imports and exports of electronic parts.	100.00	100.00	100.00	Note 2
	Syncmold Enterprise (Thailand) Co., Ltd.	Electronic parts processing manufacturing, trading and related import and export business.	100.00	100.00	100.00	Note 2
	Leohab Enterprise Co., Ltd.	Precision hardware components manufacturing.	70.00	70.00	-	Note 3
Grand Advance Inc.	Canford International Limited	Import and export trade and investment business.	100.00	100.00	100.00	Note 2
	Fullking Development Limited	Import and export trade and investment business.	100.00	100.00	100.00	Note 2
	Full Glary Holding Limited	Import and export trade and investment business.	100.00	100.00	100.00	Note 2
Syncmold Enterprise (Samoa) Corp.	Full Big Limited	Reinvesting subsidiaries of mainland China and international business.	100.00	100.00	100.00	Note 2
	Forever Business Development Limited	Reinvesting subsidiaries of mainland China and international business.	100.00	100.00	100.00	Note 2
	Full Celebration Limited	Reinvesting subsidiaries of mainland China and international business.	100.00	100.00	100.00	Note 2
	Fuzhou Fulfil Tech Co., Ltd.	Electronic parts processing and manufacturing, trading and related import and export business.	100.00	100.00	100.00	Note 1
	Fujian Khuan Hua Precise Mold Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds.	100.00	100.00	100.00	Note 2
	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Electronic parts processing and manufacturing, trading and related import and export business.	100.00	100.00	100.00	Note 2
Gatetech Technology Inc.	Gatech Holding Ltd.	General investment business.	100.00	100.00	100.00	Note 2
Leohab Enterprise Co., Ltd.	Sweet International Group Ltd.	General investment business.	100.00	100.00	-	Note 3

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
Forever Business Development Limited	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds.	100.00	100.00	100.00	Note 2
Canford International Limited	Suzhou Fulfil Electronics Co., Ltd.	Electronic parts processing and manufacturing, trading and related import and export business.	100.00	100.00	100.00	Note 1
Fullking Development Limited	Zhongshan Fulfil Tech. Co., Ltd.	Electronic parts processing and manufacturing, trading and related import and export business.	100.00	100.00	100.00	Note 1
Full Glary Holding Limited	Kunshan Fulfil Tech Co., Ltd.	Manufacturing and assembling of laptop components such as precision bearing, hardware and related accessories.	100.00	100.00	100.00	Note 2
Full Celebration Limited	Chongqing Fulfil Tech Co., Ltd.	The processing, manufacturing, related imports and exports of all electronic, plastic and electronic parts.	100.00	100.00	100.00	Note 2
Gatech Holding Ltd.	Gatech International Ltd.	General investment business	100.00	100.00	100.00	Note 2
Gatech International Ltd.	Gatetech (Suzhou) Technology Co., Ltd.	Aluminum and magnesium alloy manufacturing and trading.	100.00	100.00	100.00	Note 2
Sweet International Group Ltd.	Lucky King Holdings Ltd.	General investment business.	100.00	100.00	-	Note 3
Lucky King Holdings Ltd.	Suzhou Leoho Electronics Co., Ltd.	Precision hardware components manufacturing.	100.00	100.00	-	Note 3
	Commuwel Enterprise (Thailand) Co., Ltd.	Plastic shot and hardware components manufacturing.	100.00	100.00	-	Note 3

(Concluded)

Note 1: Its financial statements for the six months ended June 30, 2021 and 2020 have been reviewed.

Note 2: As the subsidiary is not a major subsidiary, its financial statements for the six months ended June 30, 2021 and 2020 have not been reviewed.

Note 3: The subsidiary is not a major subsidiary. On November 30, 2020, the Corporation completed the acquisition of Leohab Enterprise Co., Ltd. for a cash consideration of \$232,677 thousand after the acquisition, the Corporations percentage of ownership in Leohab Enterprise Co., Ltd. was 70%. Its financial statements for the six months ended June 30, 2021 have not been reviewed.

Note 4: The subsidiary is not a major subsidiary. On July 27, 2020, the Corporation acquired additional 0.45% ownerships in Gatetech Technology Inc. for a cash consideration of \$2,470 thousand. Except for 2020, its financial statements for the six months ended June 30, 2021 have been reviewed.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2021	December 31, 2020	June 30, 2020
Associates that are not individually material			
Unlisted company			
High Grade Tech Co., Ltd.	\$ 120,125	\$ 128,639	\$ 123,380
Corebio technologies Co., Ltd.	<u>32,190</u>	<u>35,917</u>	<u>42,316</u>
	<u>\$ 152,315</u>	<u>\$ 164,556</u>	<u>\$ 165,696</u>

Investments were accounted for using the equity method and the share of profit or loss for the six months ended June 30, 2021 and 2020 was calculated based on financial statements which have not been reviewed.

13. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Equipment	Transportation Equipment	Office Equipment	Other Equipment	Property Under Construction	Total
Cost								
Balance at January 1, 2021	\$ 714,292	\$ 883,285	\$ 1,497,074	\$ 41,069	\$ 50,318	\$ 250,313	\$ -	\$ 3,436,351
Additions	46,172	40,455	105,345	1,354	10,254	41,806	204,351	449,737
Disposals	-	(10,402)	(37,066)	(933)	(3,070)	(16,704)	-	(68,175)
Transfer from prepayments for equipment	10,673	3,927	15,358	-	2,560	-	-	32,518
Reclassifications	-	9,418	(12,130)	87	(461)	(6,187)	-	(9,273)
Effect of foreign currency exchange differences	(406)	(20,782)	(40,206)	(1,510)	(589)	(15,137)	16,569	(62,061)
Balance at June 30, 2021	<u>\$ 770,731</u>	<u>\$ 905,901</u>	<u>\$ 1,528,375</u>	<u>\$ 40,067</u>	<u>\$ 59,012</u>	<u>\$ 254,091</u>	<u>\$ 220,920</u>	<u>\$ 3,779,097</u>
Accumulated depreciation and impairment								
Balance at January 1, 2021	\$ -	\$ 444,043	\$ 1,056,696	\$ 24,956	\$ 32,117	\$ 192,522	\$ -	\$ 1,750,334
Disposals	-	(10,402)	(25,782)	(840)	(2,893)	(15,642)	-	(55,559)
Depreciation expenses	-	33,489	40,167	2,013	3,762	12,260	-	91,691
Impairment losses recognized	-	-	340	-	-	230	-	570
Reclassifications	-	8,461	(8,456)	289	(415)	(6,818)	-	(6,939)
Effect of foreign currency exchange differences	-	(13,227)	(28,436)	173	578	(21,294)	-	(62,206)
Balance at June 30, 2021	<u>\$ -</u>	<u>\$ 462,364</u>	<u>\$ 1,034,529</u>	<u>\$ 26,591</u>	<u>\$ 33,149</u>	<u>\$ 161,258</u>	<u>\$ -</u>	<u>\$ 1,717,891</u>
Carrying amounts at June 30, 2021	<u>\$ 770,731</u>	<u>\$ 443,537</u>	<u>\$ 493,846</u>	<u>\$ 13,476</u>	<u>\$ 25,863</u>	<u>\$ 92,833</u>	<u>\$ 220,920</u>	<u>\$ 2,061,206</u>
Cost								
Balance at January 1, 2020	\$ 495,581	\$ 641,034	\$ 1,119,133	\$ 32,396	\$ 41,780	\$ 84,415	\$ -	\$ 2,414,339
Additions	-	4,258	31,392	1,834	1,084	4,277	-	42,845
Disposals	-	(17,848)	(23,409)	(916)	(1,063)	(93)	-	(43,329)
Transfer from prepayments for equipment	-	-	7,790	-	-	1,667	-	9,457
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Reclassifications	-	537	665	-	(429)	429	-	1,202
Effect of foreign currency exchange differences	-	(11,478)	(22,097)	(716)	(949)	(3,943)	-	(39,183)
Balance at June 30, 2020	<u>\$ 495,581</u>	<u>\$ 616,503</u>	<u>\$ 1,113,474</u>	<u>\$ 32,598</u>	<u>\$ 40,423</u>	<u>\$ 86,752</u>	<u>\$ -</u>	<u>\$ 2,385,331</u>
Accumulated depreciation and impairment								
Balance at January 1, 2020	\$ -	\$ 320,970	\$ 747,814	\$ 19,070	\$ 29,435	\$ 60,339	\$ -	\$ 1,177,628
Disposals	-	(13,969)	(21,183)	(824)	(740)	(84)	-	(36,800)
Depreciation expenses	-	14,200	40,026	2,021	2,076	3,607	-	61,930
Reclassifications	-	1,473	(182)	-	(131)	257	-	1,417
Effect of foreign currency exchange differences	-	(6,540)	(15,003)	(652)	(1,260)	(1,320)	-	(22,135)
Balance at June 30, 2020	<u>\$ -</u>	<u>\$ 316,134</u>	<u>\$ 751,472</u>	<u>\$ 19,615</u>	<u>\$ 29,380</u>	<u>\$ 65,439</u>	<u>\$ -</u>	<u>\$ 1,182,040</u>
Carrying amounts at June 30, 2020	<u>\$ 495,581</u>	<u>\$ 300,369</u>	<u>\$ 362,002</u>	<u>\$ 12,983</u>	<u>\$ 11,043</u>	<u>\$ 21,313</u>	<u>\$ -</u>	<u>\$ 1,203,291</u>

The above items of property, plant and equipment used by the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Building	
Main building	5-60 years
Electromechanical power equipment	4-5 years
Equipment	1-23 years
Transportation equipment	5-10 years
Office equipment	3-10 years
Other equipment	1-20 years

See Note 26 for detailed information on property, plant and equipment pledged as collateral.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2021		December 31, 2020		June 30, 2020
<u>Carrying amounts</u>					
Lands	\$ 180,284		\$ 174,905		\$ 52,073
Buildings	396,902		318,942		331,238
Transportation equipment	<u>1,596</u>		<u>1,655</u>		<u>390</u>
	<u>\$ 578,782</u>		<u>\$ 495,502</u>		<u>\$ 383,701</u>
	For the Three Months Ended June 30		For the Six Months Ended June 30		
	2021	2020	2021	2020	
Additions to right-of-use assets			\$ 184,891	\$ 34,200	
Depreciation charge for right-of-use assets					
Lands	\$ 1,146	\$ 98	\$ 2,047	\$ 249	
Buildings	52,404	44,269	99,180	77,845	
Transportation equipment	<u>286</u>	<u>93</u>	<u>576</u>	<u>186</u>	
	<u>\$ 53,836</u>	<u>\$ 44,460</u>	<u>\$ 101,803</u>	<u>\$ 78,280</u>	
Income from the subleasing of right-of-use assets (presented in other income)	\$ -	\$ (4,695)	\$ -	\$ (9,612)	

Except for the recognized depreciation, the Group did not have any significant impairment of right-of-use assets during the six months ended June 30, 2021 and 2020.

b. Lease liabilities

	June 30, 2021		December 31, 2020		June 30, 2020
<u>Carrying amounts</u>					
Current	\$ 165,258		\$ 133,785		\$ 126,200
Non-current	<u>\$ 216,151</u>		<u>\$ 170,268</u>		<u>\$ 186,286</u>

Range of discount rate for lease liabilities was as follows:

	June 30, 2021		December 31, 2020		June 30, 2020
Buildings	0.94%-4.90%		0.94%-4.90%		0.94%-4.90%
Transportation equipment	0.94%-4.55%		0.94%-1.69%		0.94%

c. Subleases

The Group subleases its right-of-use assets for buildings under operating leases with lease terms of 5 years and with the priority to extend the lease. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend.

d. Other lease information

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2021	2020	2021	2020
Expenses relating to short-term leases	<u>\$ 7,894</u>	<u>\$ 4,970</u>	<u>\$ 16,433</u>	<u>\$ 8,995</u>
Total cash outflow for leases			<u>\$(126,429)</u>	<u>\$(91,272)</u>

The Group's leases of certain building and transportation equipment qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

15. GOODWILL

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Cost</u>			
Balance at January 1	<u>\$ 366,777</u>	<u>\$ 366,777</u>	<u>\$ 366,777</u>
Balance at end of period	<u>\$ 366,777</u>	<u>\$ 366,777</u>	<u>\$ 366,777</u>
<u>Accumulated impairment losses</u>			
Balance at January 1	<u>\$ (42,180)</u>	<u>\$ (42,180)</u>	<u>\$ (42,180)</u>
Balance at end of period	<u>\$ (42,180)</u>	<u>\$ (42,180)</u>	<u>\$ (42,180)</u>
Carrying amounts at end of period	<u>\$ 324,597</u>	<u>\$ 324,597</u>	<u>\$ 324,597</u>

16. INTANGIBLE ASSETS

	June 30, 2021	December 31, 2020	June 30, 2020
Trademarks	\$ 58	\$ 66	\$ -
Computer software	30,574	31,545	25,248
Patents	<u>1,549</u>	<u>2,639</u>	<u>-</u>
	<u>\$ 32,181</u>	<u>\$ 34,250</u>	<u>\$ 25,248</u>

Except for the recognized amortization, the Group did not have any significant additions, disposals or impairment of intangible assets during the six months ended June 30, 2021 and 2020. The above items of intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Trademarks	7-10 years
Computer software	1-5 years
Patents	1-19 years

17. BORROWINGS

a. Short-term borrowings

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Secured borrowings</u>			
Mortgage loans	\$ 524,000	\$ 484,000	\$ 390,000
Bank loans	6,314	8,895	-
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>1,488,982</u>	<u>1,374,800</u>	<u>1,046,300</u>
	<u>\$ 2,019,296</u>	<u>\$ 1,867,695</u>	<u>\$ 1,436,300</u>

The range of interest rates on bank loans was 0.57%-3.75%, 0.67%-3.75% and 0.84%-1.05% on June 30, 2021, December 31, 2020 and June 30, 2020, respectively.

b. Short-term bills payable

	June 30, 2021	December 31, 2020	June 30, 2020
Commercial paper	\$ -	\$ 30,000	\$ 30,000
Less: Unamortized discounts on bills payable	<u>-</u>	<u>(19)</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 29,981</u>	<u>\$ 30,000</u>

c. Long-term borrowings

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Secured borrowings</u>			
Mortgage loans	\$ 111,056	\$ 59,500	\$ -
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>8,182</u>	<u>13,636</u>	<u>-</u>
	119,238	73,136	-
Less: Current portion	<u>(17,671)</u>	<u>(16,909)</u>	<u>-</u>
	<u>\$ 101,567</u>	<u>\$ 56,227</u>	<u>\$ -</u>

18. OTHER PAYABLES

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Current</u>			
Other payables			
Payables for salaries or bonuses	\$ 224,132	\$ 280,535	\$ 243,557
Payables for dividends	-	-	556,759
Others	<u>248,809</u>	<u>218,182</u>	<u>143,887</u>
	<u>\$ 472,941</u>	<u>\$ 498,717</u>	<u>\$ 944,203</u>

19. RETIREMENT BENEFIT PLANS

For the three months and six months ended June 30, 2021 and 2020, the pension expenses of defined benefit plans were \$118 thousand, \$124 thousand, \$234 thousand and \$243 thousand, respectively, and these were calculated based on the actuarially determined pension cost rate on December 31, 2020 and 2019, respectively.

20. EQUITY

a. Share capital

Ordinary shares

	June 30, 2021	December 31, 2020	June 30, 2020
Number of shares authorized (in thousands)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Amount of shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>123,724</u>	<u>123,724</u>	<u>123,724</u>
Amount of shares issued	<u>\$ 1,237,242</u>	<u>\$ 1,237,242</u>	<u>\$ 1,237,242</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and a right to dividends.

The authorized shares include 3,000 thousand shares allocated for the exercise of employee share options.

b. Capital surplus

Capital surplus may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Group's capital surplus and to once a year).

Capital surplus arises from the effect of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method and unclaimed dividends may be only use to offset a deficit.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Group made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Group’s board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders’ meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors after the amendment, refer to compensation of employees and remuneration of directors and supervisors in Note 21-b.

As the Group is currently in the growth stage, the Group considers its industry development and long-term interests of shareholders as well as its programs to maintain operating efficiency and meet its financial goals when determining the distribution of bonuses in shares or cash. The board of directors shall propose allocation ratios every year and propose such allocation ratio at the shareholder’s meeting. For the distribution of bonuses to shareholders, cash dividends are preferred. Distribution of earnings may also be made in the form of share dividends; provided that the ratio of cash dividends distributed is 5% to 100% of the total dividends distributed.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Group’s paid-in capital. The legal reserve may be used to offset deficits. If the Group has no deficit and the legal reserve has exceeded 25% of the Group’s paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and in the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs” should be appropriated to or reversed from a special reserve by the Group.

The appropriations of earnings for 2020 and 2019 which were approved in the shareholders’ meetings on March 16, 2021 and board of director’ meeting on June 18, 2020, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For the Year Ended December 31		For the Year Ended December 31	
	2020	2019	2020	2019
Legal reserve	\$ 96,510	\$ 94,150		
Special reserve	1,595	202,514		
Cash dividends	618,621	556,759	\$5.00	\$4.50

In response to the “Relevant Measures for Postponement of Shareholders’ Meetings of Public Offering Companies in Response to the Epidemic” announced by the Financial Management Committee, the Corporation and its subsidiaries suspended the original schedule of the convening of their shareholders’ meetings. The appropriations of earnings for 2020 have been resolved at the shareholders’ meeting held on July 30, 2021.

d. Special reserve

	For the Six Months Ended June 30	
	2021	2020
Balance at January 1	\$ 634,020	\$ 431,506
Appropriated special reserve		
Debits to other equity items	<u> -</u>	<u> 202,514</u>
Balance at June 30	<u>\$ 634,020</u>	<u>\$ 634,020</u>

On the initial application of the IFRSs, the net increase arising from the retained earnings was not enough for the special reserve appropriation; thus, the Group appropriated a special reserve at the amount of \$230,916 thousand. Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRSs. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter, distributed.

e. Non-controlling interests

	For the Six Months Ended June 30	
	2021	2020
Balance at January 1	\$ 343,138	\$ 229,257
Non-controlling interests arising from acquisition of subsidiaries	-	(1,345)
Share of profit (loss) for the year	(3,859)	8,377
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign operations	<u>(9,783)</u>	<u>(4,485)</u>
Balance at June 30	<u>\$ 329,496</u>	<u>\$ 231,804</u>

21. NET PROFIT

a. Employee benefits expense, depreciation and amortization

	For the Three Months Ended June 30					
	2021			2020		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Defined contribution plan	\$ 15,786	\$ 5,566	\$ 21,352	\$ 5,836	\$ 2,811	\$ 8,647
Defined benefit plan	71	47	118	66	58	124
Other employee benefits	<u>460,685</u>	<u>110,779</u>	<u>571,464</u>	<u>363,302</u>	<u>110,934</u>	<u>474,236</u>
	<u>\$ 476,542</u>	<u>\$ 116,392</u>	<u>\$ 592,934</u>	<u>\$ 369,204</u>	<u>\$ 113,803</u>	<u>\$ 483,007</u>
Depreciation	<u>\$ 62,626</u>	<u>\$ 36,263</u>	<u>\$ 98,889</u>	<u>\$ 48,400</u>	<u>\$ 21,391</u>	<u>\$ 69,791</u>
Amortization	<u>\$ 1</u>	<u>\$ 3,823</u>	<u>\$ 3,824</u>	<u>\$ 66</u>	<u>\$ 3,385</u>	<u>\$ 3,451</u>

	For the Six Months Ended June 30					
	2021			2020		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Defined contribution plan	\$ 36,717	\$ 10,997	\$ 47,714	\$ 15,861	\$ 6,216	\$ 22,077
Defined benefit plan	141	93	234	150	93	243
Other employee benefits	<u>917,095</u>	<u>253,382</u>	<u>1,170,377</u>	<u>651,236</u>	<u>203,966</u>	<u>855,202</u>
	<u>\$ 953,953</u>	<u>\$ 264,372</u>	<u>\$ 1,218,325</u>	<u>\$ 667,247</u>	<u>\$ 210,275</u>	<u>\$ 877,522</u>
Depreciation	\$ 122,719	\$ 70,775	\$ 193,494	\$ 93,154	\$ 47,056	\$ 140,210
Amortization	<u>\$ 515</u>	<u>\$ 7,881</u>	<u>\$ 8,396</u>	<u>\$ 146</u>	<u>\$ 6,634</u>	<u>\$ 6,780</u>

b. Compensation of employees and remuneration of directors

According to the Corporation's Articles of Incorporation, the Corporation accrues compensation of employees and remuneration of directors at rates of no less than 3% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. The compensation of employees and the remuneration of directors and supervisors for the three months and the six months ended June 30, 2021 and 2020, respectively, are as follows:

Accrual rate

	For the Six Months Ended June 30	
	2021	2020
Compensation of employees	6.55%	6.58%
Remuneration of directors and supervisors	1.57%	1.45%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2021	2020	2021	2020
Compensation of employees	\$ <u>1,441</u>	\$ <u>30,629</u>	\$ <u>12,431</u>	\$ <u>41,652</u>
Remuneration of directors and supervisors	\$ <u>569</u>	\$ <u>6,723</u>	\$ <u>2,982</u>	\$ <u>9,143</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of compensation of employees and remuneration of directors for 2020 and 2019 that were resolved by the board of directors on March 16, 2021 and March 13, 2020, respectively, are as shown below:

Amount

	For the Year Ended December 31	
	2020	2019
	Cash	Cash
Compensation of employees	\$ 80,000	\$ 79,000
Remuneration of directors and supervisors	18,000	18,000

The Corporation held board of directors' meetings on March 16, 2021 and March 13, 2020 and the meetings resulted in the actual amounts of the compensation of employees and remuneration of directors and supervisors paid for 2020 and 2019 to differ from the amounts recognized in the consolidated financial statements. The adjustment for differences was recognized in profit and loss for the years ended December 31, 2021 and 2020.

	For the Year Ended December 31			
	2020		2019	
	Compensation of Employees	Remuneration of Directors and Supervisors	Compensation of Employees	Remuneration of Directors and Supervisors
Amounts approved in the board of director's meeting	\$ 80,000	\$ 18,000	\$ 79,000	\$ 18,000
Amounts recognized in the annual consolidated financial statements	\$ 80,847	\$ 17,747	\$ 79,339	\$ 17,416

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Corporation's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

22. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2021	2020	2021	2020
Current tax				
In respect of the current period	\$ 92,948	\$ 133,981	\$ 167,280	\$ 202,761
Income tax on unappropriated earnings	-	4,404	-	4,404
Adjustments for prior periods	<u>(2,752)</u>	<u>2,488</u>	<u>(2,752)</u>	<u>2,488</u>
	<u>90,196</u>	<u>140,873</u>	<u>164,528</u>	<u>209,653</u>
Deferred tax				
In respect of the current period	(79,722)	46,234	(77,466)	67,839
Adjustments for prior periods	<u>-</u>	<u>2,359</u>	<u>-</u>	<u>2,359</u>
	<u>(79,722)</u>	<u>48,593</u>	<u>(77,466)</u>	<u>70,198</u>
Income tax expense recognized in profit or loss	<u>\$ 10,474</u>	<u>\$ 189,466</u>	<u>\$ 87,062</u>	<u>\$ 279,851</u>

b. Income tax assessments

The income tax returns of the Leohab Enterprise Co., Ltd. through 2017 have been assessed by the tax authorities.

The income tax returns of the Corporation and Gatetech Technology Inc. through 2018 have been assessed by the tax authorities.

23. EARNINGS PER SHARE

Net Profit for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2021	2020	2021	2020
Earning used in the computation of diluted earnings per share	<u>\$ 24,706</u>	<u>\$ 364,610</u>	<u>\$ 150,821</u>	<u>\$ 497,384</u>

Shares

The weighted average number of ordinary shares outstanding (in thousands of shares) is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2021	2020	2021	2020
Weighted average number of ordinary shares used in the computation of basic earnings per share	123,724	123,724	123,724	123,724
Effect of potentially dilutive ordinary shares				
Compensation of employees	<u>149</u>	<u>514</u>	<u>522</u>	<u>920</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>123,873</u>	<u>124,238</u>	<u>124,246</u>	<u>124,644</u>

If the Group offered to settle the compensation paid to employees in cash or shares, the Group assumed that the entire amount of the compensation will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

24. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

The carrying amounts of the financial assets and financial liabilities that are not measured at fair value are approximately equal to their fair value.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange				
forward contracts	\$ -	\$ 1,861	\$ -	\$ 1,861
Listed shares	78,472	-	-	78,472
Structured deposits	107,953	-	-	107,953
Emerging market shares	7,691	-	7,930	15,621
Overseas unlisted shares	-	-	37,136	37,136
Private funds	<u>-</u>	<u>-</u>	<u>7,996</u>	<u>7,996</u>
	<u>\$ 194,116</u>	<u>\$ 1,861</u>	<u>\$ 53,062</u>	<u>\$ 249,039</u>

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange				
forward contracts	\$ -	\$ 22,322	\$ -	\$ 22,322
Listed shares	200,701	-	-	200,701
Structured deposits	152,926	-	-	152,926
Emerging market shares	6,708	-	8,911	15,619
Overseas unlisted shares	-	-	51,579	51,579
Private funds	<u>-</u>	<u>-</u>	<u>3,088</u>	<u>3,088</u>
	<u>\$ 360,335</u>	<u>\$ 22,322</u>	<u>\$ 63,578</u>	<u>\$ 446,235</u>

June 30, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares	\$ 81,401	\$ -	\$ -	\$ 81,401
Mutual funds	21,400	-	-	21,400
Structured deposits	315,132	-	-	315,132
Emerging market shares	5,116	-	8,431	13,547
Overseas unlisted shares	<u>-</u>	<u>-</u>	<u>46,185</u>	<u>46,185</u>
	<u>\$ 423,049</u>	<u>\$ -</u>	<u>\$ 54,616</u>	<u>\$ 477,665</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the six months ended June 30, 2021

	Financial Assets at FVTPL Equity Instruments
Balance at January 1, 2021	\$ 63,578
Purchase	8,105
Recognized in profit or loss (included in net gain on fair value changes of financial assets at fair value through profit or loss)	<u>(18,621)</u>
Balance at June 30, 2021	<u>\$ 53,062</u>

For the six months ended June 30, 2020

	Financial Assets at FVTPL Equity Instruments
Balance at January 1, 2020	\$ 57,409
Recognized in profit or loss (included in net gain on fair value changes of financial assets at fair value through profit or loss)	<u>(2,793)</u>
Balance at June 30, 2020	<u>\$ 54,616</u>

3) Valuation techniques and inputs applied for level 2 fair value measurement

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>
Foreign exchange forward contracts	Discounted cash flows Future cash flows are estimated based on observable forward exchange rates at the end of the year and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

Fair values of emerging market shares are measured using the market approach, while the fair values of overseas unlisted shares are measured using the asset approach.

c. Categories of financial instruments

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Financial assets</u>			
Mandatorily classified as at FVTPL	\$ 249,039	\$ 446,235	\$ 477,665
Financial assets at amortized cost (Note 1)	6,430,158	7,124,038	6,769,713
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (Note 2)	4,201,631	4,373,990	4,035,610

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable and trade receivables, other receivables and refundable deposits.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes payable and trade payables, other payable, long-term borrowings, and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other prices (see (c) below).

There is no change in the method of the measurement of market risk.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

Several subsidiaries of the Group have sales and purchases denominated in foreign currencies, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 28.

Sensitivity analysis

The Group is mainly exposed to the USD and RMB.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A negative number below indicates a decrease in pre-tax profit associated with the New Taiwan dollar strengthening 1% against the relevant currency. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be positive.

	For the Six Months Ended	
	June 30	
	2021	2020
<u>USD impact</u>		
USD:NTD	\$ 3,563	\$ 5,982
USD:RMB	\$ (15,401)	\$ (20,904)
USD:VND	\$ (135)	\$ -
<u>RMB impact</u>		
RMB:NTD	\$ (1,821)	\$ (1,507)
RMB:USD	\$ (4,042)	\$ (1,429)

This was mainly attributable to the exposure on outstanding receivables in USD and RMB which were not hedged at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
Fair value interest rate risk			
Financial assets	\$ 758,267	\$ 988,587	\$ 1,046,078
Financial liabilities	2,519,943	2,274,865	1,778,786
Cash flow interest rate risk			
Financial assets	1,980,427	2,185,789	2,245,861

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets, the analysis was prepared assuming the amount of the assets outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis point higher/lower and all other variables were held constant, the Group's pre-tax profit for the six months ended June 30, 2021 and 2020 would increase/decrease by \$9,902 thousand and \$11,229 thousand, respectively.

The Group's sensitivity to interest rates has not changed significantly from the prior period.

c) Other price risk

The Group was exposed to equity price risk through its investments in domestic listed shares, domestic emerging market shares, mutual funds and overseas unlisted shares. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, pre-tax profit for the six months ended June 30, 2021 and 2020 would have increased/decreased by \$1,312 thousand and \$1,625 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

The Group's sensitivity to other price risk has not changed significantly from the prior period.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to reduce credit risk, the management team of the Group designated a special team to decide the credit ratings of counterparties and other monitoring procedures to make sure there are appropriate actions taken to collect the overdue receivables. Additionally, on each balance sheet date, the Group reviews the recoverable amounts to ensure appropriate allowances have been made for doubtful accounts. Therefore, the Group considers its credit risk to be significantly reduced.

The Group continuously assesses the financial conditions of customers with outstanding receivables.

As the counterparties of the Group are financial institutions and companies with good credit ratings, the Group has limited credit risk.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2021, December 31, 2020 and June 30, 2020, the Group had available unutilized short-term bank loan facilities set out in (b) below.

Financing facilities

	June 30, 2021	December 31, 2020	June 30, 2020
Unsecured bank overdraft facilities, reviewed annually and payable on demand			
Amount used	\$ 1,497,164	\$ 1,388,436	\$ 1,046,300
Amount unused	<u>2,026,018</u>	<u>1,930,200</u>	<u>1,703,700</u>
	<u>\$ 3,523,182</u>	<u>\$ 3,318,636</u>	<u>\$ 2,750,000</u>
Secured bank overdraft facilities			
Amount used	\$ 641,370	\$ 552,395	\$ 390,000
Amount unused	<u>110,808</u>	<u>169,493</u>	<u>10,000</u>
	<u>\$ 752,178</u>	<u>\$ 721,888</u>	<u>\$ 400,000</u>

25. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Group and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
High Grade Tech Co., Ltd.	Associate
Chen Chien Hung	Related party in substance
Chen Chien Yuan	The legal representative of the Corporation's director (Note)

Note: Before June 2020, Chen Chien Yuan was related party in substance.

b. Operating expenses

Related Party Category	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2021	2020	2021	2020
Associate	\$ -	\$ -	\$ -	\$ 4

c. Leases agreements

Line Item	Related Party Category	June 30, 2021		December 31, 2020		June 30, 2020	
Lease liabilities	Related party in substance	\$	965	\$	1,685	\$	2,401
	The legal representative of the Corporation's director		<u>527</u>		<u>921</u>		<u>1,313</u>
		\$	<u>1,492</u>	\$	<u>2,606</u>	\$	<u>3,714</u>
		For the Three Months Ended June 30		For the Six Months Ended June 30			
Related Party Category		2021	2020	2021	2020		
<u>Interest expense</u>							
Related party in substance The legal representative of the Corporation's director		\$	3	\$	6	\$	6
			<u>2</u>		<u>3</u>		<u>4</u>
		\$	<u>5</u>	\$	<u>9</u>	\$	<u>10</u>
<u>Lease expense</u>							
The legal representative of the Corporation's director		\$	<u>-</u>	\$	<u>233</u>	\$	<u>-</u>

Lease expenses included expenses relating to short-term leases.

The rental amounts agreed in lease contracts between the Group and other related parties are determined based on market prices and general payment terms.

d. Prepayments

Line Item	Related Party Category	June 30, 2021		December 31, 2020		June 30, 2020	
Prepaid expense (including other current assets)	The legal representative of the Corporation's director	\$	<u>-</u>	\$	<u>-</u>	\$	<u>76</u>

e. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2021	2020	2021	2020
Short-term employee benefits	\$ 14,914	\$ 12,097	\$ 29,828	\$ 24,194
Post-employment benefits	<u>78</u>	<u>70</u>	<u>157</u>	<u>140</u>
	<u>\$ 14,992</u>	<u>\$ 12,167</u>	<u>\$ 29,985</u>	<u>\$ 24,334</u>

The remuneration of directors and key executives, as determined by the remuneration committee, was based on the performance of individuals and on market trends.

26. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for short-term borrowings and current portion of bonds payable:

	June 30, 2021	December 31, 2020	June 30, 2020
Financial assets at amortized cost - current	\$ 6,808	\$ 3,964	\$ -
Property, plant and equipment	<u>825,859</u>	<u>706,058</u>	<u>512,830</u>
	<u>\$ 832,667</u>	<u>\$ 710,022</u>	<u>\$ 512,830</u>

27. OTHER ITEMS

A fire broke out in the premises of Suzhou Fulfil Electronics Co., Ltd. on January 20, 2021, which caused damage to some of the plant, machinery, equipment and inventories. The Corporation has property insurance and public liability insurance for the aforementioned plant, machinery, equipment and inventories. The estimated cost of damage in the amount of NT\$17,833 thousand was recognized in other gains and losses.

28. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

June 30, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 39,074	27.86 (USD:NTD)	\$ 1,088,602
USD	58,217	6.4601 (USD:RMB)	1,621,926
USD	484	24,804 (USD:VND)	13,484
RMB	52,535	4.3090 (RMB:NTD)	226,373
RMB	93,793	0.1547 (RMB:USD)	404,154
THB	8,108	0.8744 (THB:NTD)	7,090
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	1,333	27.86 (USD:NTD)	37,136
<u>Financial liabilities</u>			
Monetary items			
USD	51,862	27.86 (USD:NTD)	1,444,875
USD	2,938	6.4601 (USD:RMB)	81,853
RMB	10,286	4.3090 (RMB:NTD)	44,322

December 31, 2020

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 45,597	28.480 (USD:NTD)	\$ 1,298,603
USD	89,596	6.5423 (USD:RMB)	2,551,694
USD	4,686	25,689 (USD:VND)	133,457
RMB	64,678	4.3770 (RMB:NTD)	283,096
RMB	10,167	0.1537 (RMB:USD)	44,501
THB	5,874	0.9556 (THB:NTD)	5,613
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	1,342	28.480 (USD:NTD)	51,579

Financial liabilities

Monetary items			
USD	69,530	28.480 (USD:NTD)	1,980,214
USD	4,083	6.5423 (USD:RMB)	116,284
RMB	8,095	6.5423 (USD:NTD)	35,432

June 30, 2020

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 46,964	29.63 (USD:NTD)	\$ 1,391,543
USD	73,102	7.0795 (USD:RMB)	2,166,012
RMB	39,393	4.1910 (RMB:NTD)	165,096
RMB	34,107	0.1413 (RMB:USD)	142,942
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	1,500	29.63 (USD:NTD)	46,185
<u>Financial liabilities</u>			
Monetary items			
USD	67,154	29.63 (USD:NTD)	1,989,773
USD	2,553	7.0795 (USD:RMB)	75,645
RMB	3,442	4.1910 (RMB:NTD)	14,425

The Group is mainly exposed to the USD and RMB. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

For the Three Months Ended June 30				
2021			2020	
Foreign Currency	Exchange Rate	Net Foreign Exchange Losses	Exchange Rate	Net Foreign Exchange Gains
NTD	1 (NTD:NTD)	\$ 10,167	1 (NTD:NTD)	\$ 9,327
USD	27.86 (USD:NTD)	748	30.001 (USD:NTD)	(593)
RMB	4.309 (RMB:NTD)	(42,201)	4.261 (RMB:NTD)	(3,047)
VND	0.0012 (VND:NTD)	(245)	0.00116 (VND:NTD)	(2,602)
THB	0.8744 (THB:NTD)	239	-	-
SGD	20.73 (SGD:NTD)	(1)	-	-
		<u>\$ (31,293)</u>		<u>\$ 3,085</u>

For the Six Months Ended June 30				
2021			2020	
Foreign Currency	Exchange Rate	Net Foreign Exchange Losses	Exchange Rate	Net Foreign Exchange Gains
NTD	1 (NTD:NTD)	\$ 6,594	1 (NTD:NTD)	\$ 5,740
USD	27.86 (USD:NTD)	436	30.001 (USD:NTD)	(13,385)
RMB	4.309 (RMB:NTD)	(36,388)	4.261 (RMB:NTD)	31,374
VND	0.0012 (VND:NTD)	(194)	0.00116 (VND:NTD)	(1,280)
THB	0.8744 (THB:NTD)	688	-	-
SGD	20.73 (SGD:NTD)	4	-	-
		<u>\$ (28,860)</u>		<u>\$ 22,449</u>

29. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)

- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
 - 9) Trading in derivative instruments (Table 7)
 - 10) Intercompany relationships and significant intercompany transactions (Table 8)
- b. Information about significant investees (Table 6)
- c. Information on investments in mainland China:
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 7)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 1, 2, 4, 5 and 8)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
 - c) The amount of property transactions and the amount of the resultant gains or losses
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (None)

30. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

No operating segments were closed during the year.

a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments:

	Income		Loss	
	2021	2020	2021	2020
Equipment - electronic parts	\$ 4,647,891	\$ 4,170,252	\$ 548,750	\$ 939,367
- plastic molding	171,103	230,248	16,816	42,208
Revenue from continuing operations	\$ 4,818,994	\$ 4,400,500	565,566	981,575
Other income			24,499	25,407
Other gains and losses			(16,641)	(5,633)
Interest income			16,725	21,525
Net foreign exchange gain			(28,860)	22,449
Net gain (loss) on financial assets at fair value through profit or loss			34,074	525
Share of profit of associates			(3,263)	8,844
Interest expenses			(16,888)	(14,981)
General and administrative expenses			(341,188)	(254,099)
Income before tax			\$ 234,024	\$ 785,612

The above segment revenue and results were generated from the transactions with external customers. There were no inter-segment transactions for the six months ended June 30, 2021 and 2020.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, interest income, gain from bargain purchase - acquisitions of subsidiaries, other gains and losses, net foreign exchange gain, net gain on financial assets at fair value through profit or loss, share of profit of associates, interest expense, goodwill impairment loss and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets

The Group has no key operational personnel to monitor segment performance, and thus, the amount of segment assets is zero.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
0	Syncmold Enterprise Corporation	Syncmold Enterprise (Samoa) Corp.	Other receivables from related parties	Yes	\$ 100,000	\$ 100,000	\$ -	-	Short-term financing	\$ -	Operating capital	\$ -	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,390,945 (40% of the net worth of the Corporation)
		Grand Advance Inc.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,390,945 (40% of the net worth of the Corporation)
		Syncmold Enterprise Vietnam Co., Ltd.	Other receivables from related parties	Yes	250,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,390,945 (40% of the net worth of the Corporation)
		Gatetech Technology Inc.	Other receivables from related parties	Yes	200,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,390,945 (40% of the net worth of the Corporation)
		Leohab Enterprise Co., Ltd.	Other receivables from related parties	Yes	300,000	100,000	-	1.55	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,390,945 (40% of the net worth of the Corporation)
1	Syncmold Enterprise (Samoa) Corp.	Fujian Khuan Hua Precise Mold Co., Ltd.	Other receivables from related parties	Yes	55,720	55,720	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Forever Business Development Limited	Other receivables from related parties	Yes	83,580	-	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Other receivables from related parties	Yes	83,580	55,720	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Syncmold Enterprise Corporation	Other receivables from related parties	Yes	208,950	153,230	41,790	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
2	Grand Advance Inc.	Kunshan Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	83,580	55,720	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Syncmold Enterprise (Samoa) Corp.	Other receivables from related parties	Yes	83,580	55,720	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Full Big Limited	Other receivables from related parties	Yes	83,580	-	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Zhongshan Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	83,580	-	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Chongqing Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	83,580	83,580	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Fuzhou Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	83,580	-	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Suzhou Fulfil Electronics Co., Ltd.	Other receivables from related parties	Yes	83,580	55,720	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Syncmold Enterprise (USA) Corp.	Other receivables from related parties	Yes	25,074	25,074	11,144	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Fullking Development Limited	Other receivables from related parties	Yes	125,370	97,510	41,790	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Syncmold Enterprise Corporation	Other receivables from related parties	Yes	403,970	334,320	250,740	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
3	Full Big Limited	Fulking Development Limited	Other receivables from related parties	Yes	\$ 22,288	\$ 22,288	\$ 22,288	0.00	Short-term financing	\$ -	Operating capital	\$ -	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
4	Fuzhou Fulfil Tech Co., Ltd.	Fujian Khuan Hua Precise Mold., Ltd.	Other receivables from related parties	Yes	69,002	43,126	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Other receivables from related parties	Yes	69,002	56,064	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Suzhou Fulfil Electronics Co., Ltd.	Other receivables from related parties	Yes	69,002	69,002	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
5	Suzhou Fulfil Electronics Co., Ltd.	Kunshan Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	38,813	38,813	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
6	Zhongshan Fulfil Tech. Co., Ltd.	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Other receivables from related parties	Yes	34,501	34,501	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Chongqing Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	43,126	43,126	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)
		Suzhou Fulfil Electronics Co., Ltd.	Other receivables from related parties	Yes	34,501	34,501	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,195,472 (20% of the net worth of the Corporation)	\$2,988,681 (50% of the net worth of the Corporation)

Note 1: The authorized amount of loans was approved by the board of directors.

Note 2: The highest balance, ending balance, and the actual amount borrowed were calculated based on the exchange rate at the end of June 2021.

Note 3: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Syncmold Enterprise Corporation	Syncmold Enterprise (Samoa) Corp.	Subsidiary	\$1,793,209 (30% of the net worth of the Corporation)	\$ 55,720 (US\$ 2,000 thousand)	\$ -	\$ -	\$ -	0.00	\$2,988,681 (50% of the net worth of the Corporation)	Y	N	N
		Fullking Development Limited	Subsidiary	\$1,793,209 (30% of the net worth of the Corporation)	278,600 (US\$ 10,000 thousand)	-	-	-	0.00	\$2,988,681 (50% of the net worth of the Corporation)	Y	N	N
		Forever Business Development Limited	Subsidiary	\$1,793,209 (30% of the net worth of the Corporation)	612,920 (US\$ 22,000 thousand)	-	-	-	0.00	\$2,988,681 (50% of the net worth of the Corporation)	Y	N	N
		Gatetech Technology Inc.	Subsidiary	\$1,793,209 (30% of the net worth of the Corporation)	100,000	100,000	30,000	-	1.67	\$2,988,681 (50% of the net worth of the Corporation)	Y	N	N
		Leohab Enterprise Co., Ltd.	Subsidiary	\$1,793,209 (30% of the net worth of the Corporation)	234,650 (US\$ 2,500 thousand) (NT\$ 165,000 thousand)	234,650 (US\$ 2,500 thousand) (NT\$ 165,000 thousand)	145,000	-	3.93	\$2,988,681 (50% of the net worth of the Corporation)	Y	N	N
		Syncmold Enterprise Vietnam Co., Ltd.	Subsidiary	\$1,793,209 (30% of the net worth of the Corporation)	557,200 (US\$ 20,000 thousand)	557,200 (US\$ 20,000 thousand)	105,868	-	9.32	\$2,988,681 (50% of the net worth of the Corporation)	Y	N	N
1	Leohab Enterprise Co., Ltd.	Commuwell Enterprise (Thailand) Co., Ltd	Subsidiary	\$128,402 (50% of the net worth of Leohab Enterprise Co., Ltd.)	85,857 (THB 98,189 thousand)	-	-	-	0.00	\$256,803 (100% of the net worth of Leohab Enterprise Co., Ltd.)	N	N	N

Note: By the resolution of the board of directors of the Corporation on December 2, 2020, in order to obtain relatively favorable bank credit conditions, it is proposed that Syncmold Enterprise Corporation provide an endorsement guarantee within the limit of NT\$260,000 thousand for Leohab Enterprise Co., Ltd. As of June 30, 2021, the remaining NT\$25,350 thousand has not been implemented.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

JUNE 30, 2021

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2021				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Syncmold Enterprise Corporation	<u>Share</u>							
	Gigastone Corporation	-	Financial assets at FVTPL - non-current	847,011	\$ 7,691	1.66	\$ 7,691	(Notes 2 and 6)
	Tiga Gaming Inc.	-	Financial assets at FVTPL - non-current	1,332,132	7,930	5.06	7,930	(Notes 3 and 6)
	Foxfortune Technology Limited	-	Financial assets at FVTPL - non-current	1,000,000	24,600	5.80	24,600	(Notes 4 and 6)
	Hercules BioVenture, L.P.	-	Financial assets at FVTPL - non-current	342,105	12,536	2.63	12,536	(Notes 4 and 6)
	Winmate Inc.	-	Financial assets at FVTPL - current	1,038,000	78,472	1.44	78,472	(Notes 2 and 6)
	<u>Private funds</u>							
	China Development of Healthcare Venture of Limited Partnership	-	Financial assets at FVTPL - non-current	13,122,465	7,996	0.96	7,996	(Notes 4 and 6)
	<u>Structured commodity</u>							
Dongguan Khuan Huang Precise Mold Co., Ltd.	Peoples' profit 233 and 234	-	Financial assets at FVTPL - current	-	64,715	-	64,715	(Notes 5 and 6)
Zhongshan Fulfil Tech. Co., Ltd.	Monthly profit 21040131	-	Financial assets at FVTPL - current	-	43,238	-	43,238	(Notes 5 and 6)

Note 1: The negotiable securities in the table above are the shares, bonds and mutual funds recognized under IFRS 9 - financial instruments.

Note 2: The shares are calculated at the strike price as of June 30, 2021

Note 3: The shares are measured using the market approach.

Note 4: The shares are measured using the asset approach.

Note 5: The structured commodity is calculated at its contract worth as of June 30, 2021.

Note 6: No guarantees, pledged collateral or other restricted situations.

Note 7: Refer to Table 6 for information on investments in subsidiaries and associates.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2021

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Syncmold Enterprise Corporation	Zhongshan Fufil Tech. Co., Ltd.	Subsidiary	Purchase	\$ 613,287	50	Note 1	\$ -	-	\$ (431,092)	(57)	
	Suzhou Fulfil Electronics Co., Ltd.	Subsidiary	Purchase	272,432	22	Note 1	-	-	(184,449)	(24)	
	Fuzhou Fulfil Tech Co., Ltd.	Subsidiary	Purchase	203,091	17	Note 1	-	-	(48,232)	(6)	
Zhongshan Fufil Tech. Co., Ltd.	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Indirect subsidiary	Purchase	129,235	13	Note 1	-	-	(49,430)	(9)	
Suzhou Fulfil Electronics Co., Ltd.	Kunshan Fulfil Tech Co., Ltd.	Indirect subsidiary	Purchase	218,287	15	Note 1	-	-	(89,211)	(15)	
	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Indirect subsidiary	Purchase	101,793	7	Note 1	-	-	(36,680)	(6)	
Fuzhou Fulfil Tech Co., Ltd.	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Indirect subsidiary	Purchase	183,940	28	Note 1	-	-	(18,036)	(8)	
Zhongshan Fufil Tech. Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(613,287)	(47)	Note 1	-	-	431,092	42	
Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(272,432)	(18)	Note 1	-	-	184,449	14	
Fuzhou Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(203,091)	(25)	Note 1	-	-	48,232	7	
Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Zhongshan Fufil Tech. Co., Ltd.	Indirect subsidiary	Sales	(129,235)	(46)	Note 1	-	-	49,430	47	
Kunshan Fulfil Tech Co., Ltd.	Suzhou Fulfil Electronics Co., Ltd.	Indirect subsidiary	Sales	(218,287)	(100)	Note 1	-	-	89,211	100	
Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Fuzhou Fulfil Tech Co., Ltd.	Indirect subsidiary	Sales	(183,940)	(52)	Note 1	-	-	18,036	24	
	Suzhou Fulfil Electronics Co., Ltd.	Indirect subsidiary	Sales	(101,793)	(29)	Note 1	-	-	36,680	50	

Note 1: Payment terms are the same as the payment terms of non-related parties.

Note 2: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

JUNE 30, 2021

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Grand Advance Inc.	Syncmold Enterprise Corporation	Parent company	\$ 250,740 (Note 1)	-	\$ -	-	\$ 153,230	\$ -
Zhongshan Fufil Tech. Co., Ltd.	Syncmold Enterprise Corporation	Parent company	431,092	-	-	-	123,073	-
Suzhou Fufil Electronics Co., Ltd.	Syncmold Enterprise Corporation	Parent company	184,449	-	-	-	140,559	-
Suzhou Leoho Electronics Co., Ltd.	Leohab Enterprise Co., Ltd.	Indirect subsidiary	126,145	-	-	-	-	-

Note 1: Financing.

Note 2: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE SIX MONTHS ENDED JUNE 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of June 30, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2021	December 31, 2020	Number of Shares	%	Carrying Amount			
Syncmold Enterprise Corporation	Syncmold Enterprise (Samoa) Corp.	Samoa	Trading and related import and export businesses of metal molds and plastic molds as well as the reinvestment of subsidiaries in mainland China	\$ 110,598	\$ 110,598	3,546	100.00	\$ 2,526,885	\$ 25,694	\$ 24,011	(Note 1)
	Grand Advance Inc.	Samoa	Trading, import and export and investment in electronic parts	506,240	506,240	-	100.00	2,734,533	30,297	30,807	(Note 1)
	Syncmold Enterprise (USA) Corp.	USA	Trading, import and export in electronic parts	32	32	-	100.00	(2,669)	(205)	(205)	(Note 2)
	High Grade Tech Co., Ltd.	Taiwan	The design and sale of television hangers and related import and export businesses	36,075	36,075	2,280	38.00	120,125	1,222	464	(Note 2)
	Corebio Technologies Co., Ltd.	Taiwan	Medical technology and precision instrument wholesale and retail	52,000	52,000	5,200	38.29	32,190	(9,735)	(3,727)	(Note 2)
	Leohab Enterprise Co., Ltd.	Taiwan	Precision hardware components manufacturing	232,677	232,677	16,620	70.00	246,383	10,489	6,633	(Note 2)
	Gatetech Technology Inc.	Taiwan	Precise molding and magnesium alloy die caster manufacturing and transaction business	553,815	553,815	42,207	73.43	622,690	(21,780)	(16,455)	(Note 2)
	Syncmold Enterprise Vietnam Co., Ltd.	Vietnam	Trading, import and export and investment in electronic parts	302,444	302,444	-	100.00	244,472	(16,272)	(16,272)	(Note 2)
	Syncmold Enterprise (Malaysia) Sdn. Bhd.	Malaysia	Trading, import and export in electronic parts, customer support and service center	7,192	3,639	-	100.00	3,463	(1,566)	(1,566)	(Note 2)
	Syncmold Enterprise (Singapore) Pte. Ltd.	Singapore	Trading, import and export in electronic parts, electronic components and parts design	1,100	1,100	-	100.00	1,586	1,034	1,034	(Note 2)
Syncmold Enterprise (Thailand) Co., Ltd.	Thailand	Trading, import and export and investment in electronic parts	33,638	19,920	-	100.00	21,780	(5,549)	(5,549)	(Note 2)	
Grand Advance Inc.	Canford International Limited	Samoa	Import and export trade and investment business	119,342	119,342	-	100.00	1,325,231	(73,808)	(73,808)	(Note 2)
	Fullking Development Limited	Hong Kong	Import and export trade and investment business	160,175	160,175	-	100.00	821,444	132,349	132,329	(Note 2)
	Full Glary Holding Limited	Hong Kong	Import and export trade and investment business	259,720	259,720	-	100.00	298,668	(9,310)	(8,113)	(Note 2)
Syncmold Enterprise (Samoa) Corp.	Full Big Limited	Samoa	Reinvestment in subsidiaries in mainland China and international trade	16,643	16,643	-	100.00	230,755	309	309	(Note 2)
	Forever Business Development Limited	Samoa	Reinvestment in subsidiaries in mainland China and international trade	125,957	125,957	-	100.00	333,255	2,331	2,352	(Note 2)
	Full Celebration Limited	Samoa	Reinvestment in subsidiaries in mainland China and international trade	147,710	147,710	-	100.00	213,762	(31,630)	(31,630)	(Note 2)
Gatetech Technology Inc.	Gatech Holdings Ltd.	Samoa	General investment business	647,041	647,041	20,130	100.00	612,814	(4,438)	(4,438)	(Note 2)
Gatech Holdings Ltd.	Gatech International Ltd.	Samoa	General investment business	657,284	657,284	20,268	100.00	612,814	(4,414)	(4,414)	(Note 2)
Leohab Enterprise Co., Ltd.	Sweet International Group Ltd.	British Virgin Islands	General investment business	280,368	280,368	-	100.00	513,285	23,951	25,501	(Note 2)
Sweet International Group Ltd.	Lucky King Holdings Ltd.	Mauritius	General investment business	280,368	280,368	-	100.00	507,865	23,774	23,951	(Note 2)
Lucky King Holdings Ltd.	Commuwell Enterprise (Thailand) Co., Ltd.	Thailand	Plastic shot and hardware components manufacturing	113,236	113,236	-	100.00	181,182	19,957	19,957	(Note 2)

Note 1: Calculated based on the audited financial statements of the investee company and the Corporation's shareholding ratio.

Note 2: Calculated based on the non-reviewed financial statements of the investee company and the Group's shareholding ratio.

Note 3: Refer to Table 7 for related information on investees from mainland China.

Note 4: The profit and loss of investments between reinvested companies, investments accounted for using the equity method, and the equity of investee companies were all eliminated during the preparation of the consolidated financial statements, except for High Grade Tech Co., Ltd. and Corebio Technology Co., Ltd.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2020	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of June 30, 2021	Accumulated Repatriation of Investment Income as of June 30, 2021
					Outward	Inward						
Fuzhou Fulfil Tech Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	\$ 41,794	Invested through Syncmold Enterprise (Samoa) Corp.	\$ 58,032 (US\$ 2,083 thousand)	\$ -	\$ -	\$ 58,032 (US\$ 2,083 thousand)	\$ 56,671	100.00	\$ 56,671 (Note 1)	\$ 806,858	\$ 1,887,905 (US\$ 67,764 thousand)
Fujian Khuan Hua Precise Mold Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds	107,016	Invested through Syncmold Enterprise (Samoa) Corp.	37,778 (US\$ 1,356 thousand)	-	-	37,778 (US\$ 1,356 thousand)	(12,039)	100.00	(12,039) (Note 2)	296,762	-
Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	57,033	Invested through Syncmold Enterprise (Samoa) Corp.	-	-	-	-	7,478	100.00	7,478 (Note 2)	162,592	22,344 (US\$ 802 thousand)
Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Processing, manufacturing, trading and related import and export business of various metal molds, plastic molds and plastic injection molds	120,928	Invested through Forever Business Development Limited	-	-	-	-	1,954	100.00	1,954 (Note 2)	251,179	-
Suzhou Fulfil Electronics Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	17,848	Invested through Canford International Limited	-	-	-	-	(73,808)	100.00	(73,808) (Note 1)	1,325,214	1,187,672 (US\$ 42,630 thousand)
Zhongshan Fulfil Tech. Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	147,178	Invested through Fullking Development Limited	-	-	-	-	132,349	100.00	132,349 (Note 1)	884,566	1,450,475 (US\$ 52,063 thousand)
Kunshan Fulfil Tech Co., Ltd.	Manufacturing and assembling of laptops uses precise bearing, hardware and related accessories	226,005	Invested through Full Glary Holding Limited	167,160 (US\$ 6,000 thousand)	-	-	167,160 (US\$ 6,000 thousand)	(9,310)	100.00	(9,310) (Note 2)	299,035	-
Chongqing Fulfil Tech Co., Ltd.	The processing, manufacturing, related imports and exports of all electronic, plastic and hardware parts	134,357	Invested through Full Celebration Limited	-	-	-	-	(31,630)	100.00	(31,630) (Note 2)	213,751	504,935 (US\$ 18,124 thousand)
Gatetech (Suzhou) Technology Co., Ltd.	Aluminum and magnesium alloy die caster	676,998	Invested through Gatech International	676,998 (US\$ 24,300 thousand)	-	-	676,998 (US\$ 24,300 thousand)	(7,282)	73.43	(5,347) (Note 2)	612,814	-
Suzhou Leoho Electronics Co., Ltd.	Precision hardware components manufacturing	199,343	Invested through Lucky King Holdings Ltd.	124,757 (US\$ 4,478 thousand)	-	-	124,757 (US\$ 4,478 thousand)	3,817	70.00	2,672 (Note 2)	327,453	-

(Continued)

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2021	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
\$1,272,506 (US\$45,675 thousand)	\$2,157,562 (US\$77,443 thousand)	\$3,784,115

Note 1: Calculated based on the audited financial statements of the investee company and the Corporation's shareholding ratio.

Note 2: Calculated based on the non-reviewed financial statements of the investee company and the Group's shareholding ratio.

Note 3: The profit and loss of investments between reinvested companies, investments accounted for using the equity method, and the equity of investee companies were all eliminated during the preparation of the consolidated financial statements

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2021

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details		Payment Terms	% of Total Sales or Asset (Note 3)
				Financial Statement Account	Price		
1	Zhongshan Fufil Tech. Co., Ltd.	Syncmold Enterprise Corporation Syncmold Enterprise Corporation	2 2	Sales	\$ 613,287	No significant difference with non-related parties	13
				Trade receivables from related parties	413,092	No significant difference with non-related parties	4
2	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Syncmold Enterprise Corporation Zhongshan Fufil Tech. Co., Ltd. Zhongshan Fufil Tech. Co., Ltd. Fuzhou Fufil Tech Co., Ltd. Suzhou Fufil Electronics Co., Ltd. Suzhou Fufil Electronics Co., Ltd.	2 3 3 3 3 3	Trade receivables from related parties	23,140	No significant difference with non-related parties	-
				Sales	129,235	No significant difference with non-related parties	3
				Trade receivables from related parties	49,430	No significant difference with non-related parties	-
				Sales	37,151	No significant difference with non-related parties	1
				Sales	80,128	No significant difference with non-related parties	2
				Trade receivables from related parties	20,848	No significant difference with non-related parties	-
3	Fuzhou Fufil Tech Co., Ltd.	Syncmold Enterprise Corporation Syncmold Enterprise Corporation	2 2	Sales	203,091	No significant difference with non-related parties	4
				Trade receivables from related parties	48,232	No significant difference with non-related parties	-
4	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Fuzhou Fufil Tech Co., Ltd. Fuzhou Fufil Tech Co., Ltd. Suzhou Fufil Electronics Co., Ltd. Suzhou Fufil Electronics Co., Ltd. Zhongshan Fufil Tech. Co., Ltd. Zhongshan Fufil Tech. Co., Ltd.	3 3 3 3 3 3	Sales	183,940	No significant difference with non-related parties	4
				Trade receivables from related parties	18,036	No significant difference with non-related parties	-
				Sales	101,793	No significant difference with non-related parties	2
				Trade receivables from related parties	36,680	No significant difference with non-related parties	-
				Sales	70,004	No significant difference with non-related parties	1
				Trade receivables from related parties	18,546	No significant difference with non-related parties	-
5	Grand Advance Inc.	Syncmold Enterprise Corporation Fullking Development Limited	2 3	Other receivables from related parties - financing	250,740	Based on the contract between both parties	2
				Other receivables from related parties - financing	41,790	Based on the contract between both parties	-
6	Suzhou Fufil Electronics Co., Ltd.	Syncmold Enterprise Corporation Syncmold Enterprise Corporation	2 2	Sales	272,432	No significant difference with non-related parties	6
				Trade receivables from related parties	184,449	No significant difference with non-related parties	2
7	Full Big Limited	Fullking Development Limited	3	Other receivables from related parties - financing	22,288	Based on the contract between both parties	-
8	Forever Business Development Limited	Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	3	Trade receivables from related parties	12,979	No significant difference with non-related parties	-
9	Kunshan Fufil Tech Co., Ltd.	Suzhou Fufil Electronics Co., Ltd. Suzhou Fufil Electronics Co., Ltd.	3 3	Sales	218,287	No significant difference with non-related parties	5
				Trade receivables from related parties	89,211	No significant difference with non-related parties	1

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details		Payment Terms	% of Total Sales or Asset (Note 3)
				Financial Statement Account	Price		
10	Chongqing Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	2	Sales	\$ 90,808	No significant difference with non-related parties	2
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	58,659	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Sales	68,933	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	39,354	No significant difference with non-related parties	-
11	Syncmold Enterprise (Samoa) Corp.	Fujian Khuan Hua Precise Mold Co., Ltd.	3	Other receivables from related parties - dividends	43,327	Based on the contract between both parties	-
		Syncmold Enterprise Corporation	2	Other receivables from related parties - financing	41,790	Based on the contract between both parties	-
12	Gatetech (Suzhou) Technology Co., Ltd.	Gatetech Technology Inc.	3	Trade receivables from related parties	22,940	No significant difference with non-related parties	-
13	Suzhou Leoho Electronics Co., Ltd.	Leohab Enterprise Co., Ltd	3	Trade receivables from related parties	126,145	No significant difference with non-related parties	1

Note 1: 0 represents the parent company and the subsidiaries are numbered from 1.

Note 2: 1 represents transactions from the parent company to the subsidiaries, 2 represents transactions from the subsidiaries to the parent company, and 3 represents transactions between the subsidiaries.

Note 3: The monetary amount of the transaction is calculated based on percentage of total sales or assets. If the account is an asset or a liability, the ratio is calculated using the ending balance. If the account is in the income statement, the ratio is calculated using cumulative amount during that period.

Note 4: The disclosure standard of the table above was 10% of the specified account and reached to \$10,000 thousand.

Note 5: All the transactions in the table above have been eliminated during the preparation of the consolidated financial statements.

(Concluded)