

**Syncmold Enterprise Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2022 and 2021 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 March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three 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 March 31, 2022 and 2021, the combined total assets of these non-significant subsidiaries were NT\$4,279,523 thousand and NT\$4,001,747 thousand, respectively, representing 34.53% and 33.40%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were NT\$1,748,472 thousand and NT\$1,535,362 thousand, respectively, representing 28.44% and 27.17%, respectively, of the consolidated total liabilities; for the three months ended March 31, 2022 and 2021, the amounts of combined comprehensive income of these subsidiaries were NT\$(7,735) thousand and NT\$26,726 thousand, respectively, representing (2.88%) and 29.53%, respectively, of the consolidated total comprehensive income. In addition, as disclosed in Note 12 to the consolidated financial statements, the amounts of investments accounted for using the equity method as of March 31, 2022 and 2021 were NT\$177,569 thousand and NT\$166,399 thousand, respectively; for the three months ended March 31, 2022 and 2021, the share of profit of associates of NT\$5,511 thousand and NT\$1,843 thousand, respectively, was calculated based on financial statements which have not been reviewed.

The disclosure information in Note 30 about the aforementioned non-significant subsidiaries and associates was based on the unreviewed financial statements of the subsidiaries and associates for the same reporting periods as those of the Group.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and associates accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 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

May 5, 2022

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)

	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)		March 31, 2021 (Reviewed)	
	Amount	%	Amount	%	Amount	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 2,229,900	18	\$ 2,059,537	17	\$ 2,611,471	22
Financial assets at fair value through profit or loss - current (Note 7)	150,781	1	146,753	1	281,406	2
Financial assets at amortized cost - current (Notes 8 and 27)	260,865	2	338,700	3	540,060	4
Notes receivable	377,705	3	357,113	3	372,637	3
Trade receivables, net (Note 9)	3,669,101	30	3,416,893	29	3,110,349	26
Inventories (Note 10)	1,368,736	11	1,285,141	11	1,259,407	11
Other current assets	455,708	4	437,325	4	428,505	4
Total current assets	<u>8,512,796</u>	<u>69</u>	<u>8,041,462</u>	<u>68</u>	<u>8,603,835</u>	<u>72</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 7 and 18)	63,000	1	65,430	1	69,949	1
Financial assets at amortized cost - non-current (Note 8)	496	-	480	-	-	-
Investments accounted for using the equity method (Note 12)	177,569	1	172,058	2	166,399	1
Property, plant and equipment (Notes 13 and 27)	2,262,460	18	2,149,209	18	1,885,616	16
Right-of-use assets (Notes 14 and 26)	769,357	6	744,012	6	620,756	5
Intangible assets (Note 16)	56,885	1	52,980	-	33,973	-
Goodwill (Note 15)	324,597	3	324,597	3	324,597	3
Deferred tax assets (Notes 4 and 23)	123,564	1	106,378	1	86,530	1
Prepayments for equipment	53,926	-	90,606	1	137,604	1
Refundable deposits	44,130	-	41,452	-	41,999	-
Net defined benefit assets (Notes 4 and 20)	2,898	-	2,898	-	2,638	-
Other non-current assets	1,114	-	731	-	8,355	-
Total non-current assets	<u>3,879,996</u>	<u>31</u>	<u>3,750,831</u>	<u>32</u>	<u>3,378,416</u>	<u>28</u>
TOTAL	<u>\$ 12,392,792</u>	<u>100</u>	<u>\$ 11,792,293</u>	<u>100</u>	<u>\$ 11,982,251</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 17 and 27)	\$ 905,432	7	\$ 895,836	8	\$ 1,876,528	16
Financial liabilities at fair value through profit or loss - current (Note 7)	-	-	41	-	2,444	-
Notes payable and trade payables	2,470,751	20	2,210,109	19	2,167,863	18
Other payables (Note 19)	417,438	3	405,745	3	508,777	4
Current tax liabilities (Note 23)	178,271	2	161,944	1	161,440	1
Lease liabilities - current (Notes 14 and 26)	204,043	2	182,430	2	170,530	2
Current portion of long-term borrowings (Notes 17 and 27)	16,555	-	16,545	-	16,162	-
Other current liabilities	20,046	-	6,284	-	17,322	-
Total current liabilities	<u>4,212,536</u>	<u>34</u>	<u>3,878,934</u>	<u>33</u>	<u>4,921,066</u>	<u>41</u>
NON-CURRENT LIABILITIES						
Bonds payable (Note 18)	1,169,344	9	1,166,288	10	-	-
Long-term borrowings (Notes 17 and 27)	190,043	2	194,185	2	108,170	1
Deferred tax liabilities (Note 23)	179,110	2	179,383	1	339,329	3
Lease liabilities - non-current (Notes 14 and 26)	369,655	3	368,731	3	242,075	2
Net defined benefit liabilities (Notes 4 and 20)	10,129	-	11,676	-	20,763	-
Guarantee deposits received	1,226	-	1,443	-	1,389	-
Other non-current liabilities	15,132	-	14,381	-	17,127	-
Total non-current liabilities	<u>1,934,639</u>	<u>16</u>	<u>1,936,087</u>	<u>16</u>	<u>728,853</u>	<u>6</u>
Total liabilities	<u>6,147,175</u>	<u>50</u>	<u>5,815,021</u>	<u>49</u>	<u>5,649,919</u>	<u>47</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION						
Ordinary shares	1,237,242	10	1,237,242	11	1,237,242	10
Capital surplus	2,769,360	23	2,769,331	23	2,592,857	22
Retained earnings						
Legal reserve	1,001,175	8	1,001,175	9	904,665	8
Special reserve	635,615	5	635,615	5	634,020	5
Unappropriated earnings	731,832	6	700,911	6	1,292,169	11
Total retained earnings	<u>2,368,622</u>	<u>19</u>	<u>2,337,701</u>	<u>20</u>	<u>2,830,854</u>	<u>24</u>
Other equity						
Exchange differences on translating the financial statements of foreign operations	(467,360)	(4)	(698,561)	(6)	(672,198)	(6)
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	8,785	-	11,371	-	4,447	-
Total other equity	<u>(458,575)</u>	<u>(4)</u>	<u>(687,190)</u>	<u>(6)</u>	<u>(667,751)</u>	<u>(6)</u>
Total equity attributable to owners of the Corporation	<u>5,916,649</u>	<u>48</u>	<u>5,657,084</u>	<u>48</u>	<u>5,993,202</u>	<u>50</u>
NON-CONTROLLING INTERESTS	<u>328,968</u>	<u>2</u>	<u>320,188</u>	<u>3</u>	<u>339,130</u>	<u>3</u>
Total equity	<u>6,245,617</u>	<u>50</u>	<u>5,977,272</u>	<u>51</u>	<u>6,332,332</u>	<u>53</u>
TOTAL	<u>\$ 12,392,792</u>	<u>100</u>	<u>\$ 11,792,293</u>	<u>100</u>	<u>\$ 11,982,251</u>	<u>100</u>

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

(With Deloitte & Touche auditors' review report dated May 5, 2022)

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 March 31			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 2,765,060	100	\$ 2,293,991	100
OPERATING COSTS (Notes 10 and 22)	<u>2,398,165</u>	<u>87</u>	<u>1,827,316</u>	<u>80</u>
GROSS PROFIT	<u>366,895</u>	<u>13</u>	<u>466,675</u>	<u>20</u>
OPERATING EXPENSES (Notes 9 and 22)				
Selling and marketing expenses	83,336	3	68,107	3
General and administrative expenses	185,089	6	184,147	8
Research and development expenses	46,966	2	47,551	2
Expected credit loss	<u>8</u>	<u>-</u>	<u>539</u>	<u>-</u>
Total operating expenses	<u>315,399</u>	<u>11</u>	<u>300,344</u>	<u>13</u>
PROFIT FROM OPERATIONS	<u>51,496</u>	<u>2</u>	<u>166,331</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 14)	5,347	-	2,840	-
Other gains and losses (Note 28)	(2,450)	-	(17,124)	(1)
Interest income	3,953	-	9,812	1
Net foreign exchange gain (Note 29)	7,917	-	2,433	-
Net gain on financial assets at fair value through profit or loss (Note 7)	1,165	-	45,121	2
Share of profit of associates (Note 12)	8,097	-	389	-
Interest expenses (Note 26)	<u>(12,006)</u>	<u>-</u>	<u>(8,181)</u>	<u>-</u>
Total non-operating income and expenses	<u>12,023</u>	<u>-</u>	<u>35,290</u>	<u>2</u>
PROFIT BEFORE INCOME TAX FROM OPERATIONS	63,519	2	201,621	9
INCOME TAX EXPENSE (Notes 4 and 23)	<u>35,172</u>	<u>1</u>	<u>76,588</u>	<u>4</u>
NET PROFIT FOR THE PERIOD	28,347	1	125,033	5

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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 March 31			
	2022		2021	
	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	\$ (2,586)	-	\$ 1,454	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>242,555</u>	<u>9</u>	<u>(35,990)</u>	<u>(1)</u>
Other comprehensive income (loss) for the period, net of income tax	<u>239,969</u>	<u>9</u>	<u>(34,536)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 268,316</u>	<u>10</u>	<u>\$ 90,497</u>	<u>4</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 30,921	1	\$ 126,115	5
Non-controlling interests	<u>(2,574)</u>	<u>-</u>	<u>(1,082)</u>	<u>-</u>
	<u>\$ 28,347</u>	<u>1</u>	<u>\$ 125,033</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 259,536	10	\$ 94,505	4
Non-controlling interests	<u>8,780</u>	<u>-</u>	<u>(4,008)</u>	<u>-</u>
	<u>\$ 268,316</u>	<u>10</u>	<u>\$ 90,497</u>	<u>4</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 0.25</u>		<u>\$ 1.02</u>	
Diluted	<u>\$ 0.24</u>		<u>\$ 1.01</u>	

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

(With Deloitte & Touche auditors' review report dated May 5, 2022)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Net Audited)

	Equity Attributable to Owners of the Corporation (Note 21)											
	Ordinary Shares	Capital Surplus	Retained Earnings				Exchange Differences on Translating the Financial Statements of Foreign Operations	Other Equity		Non-controlling Interests (Note 21)	Total Equity	
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total			
BALANCE AT JANUARY 1, 2021	\$ 1,237,242	\$ 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
Net profit (loss) for the three months ended March 31, 2021	-	-	-	-	126,115	126,115	-	-	-	126,115	(1,082)	125,033
Other comprehensive income (loss) for three months ended March 31, 2021, net of income tax	-	-	-	-	-	-	(33,064)	1,454	(31,610)	(31,610)	(2,926)	(34,536)
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	126,115	126,115	(33,064)	1,454	(31,610)	94,505	(4,008)	90,497
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	526	526	-	(526)	(526)	-	-	-
BALANCE AT MARCH 31, 2021	\$ 1,237,242	\$ 2,592,857	\$ 904,665	\$ 634,020	\$ 1,292,169	\$ 2,830,854	\$ (672,198)	\$ 4,447	\$ (667,751)	\$ 5,993,202	\$ 339,130	\$ 6,332,332
BALANCE AT JANUARY 1, 2022	\$ 1,237,242	\$ 2,769,331	\$ 1,001,175	\$ 635,615	\$ 700,911	\$ 2,337,701	\$ (698,561)	\$ 11,371	\$ (687,190)	\$ 5,657,084	\$ 320,188	\$ 5,977,272
Unclaimed dividends	-	29	-	-	-	-	-	-	-	29	-	29
Net profit (loss) for the three months ended March 31, 2022	-	-	-	-	30,921	30,921	-	-	-	30,921	(2,574)	28,347
Other comprehensive income (loss) for the three months ended March 31, 2022, net of income tax	-	-	-	-	-	-	231,201	(2,586)	228,615	228,615	11,354	239,969
Total comprehensive income (loss) for the three months ended March 31, 2022	-	-	-	-	30,921	30,921	231,201	(2,586)	228,615	259,536	8,780	268,316
BALANCE AT MARCH 31, 2022	\$ 1,237,242	\$ 2,769,360	\$ 1,001,175	\$ 635,615	\$ 731,832	\$ 2,368,622	\$ (467,360)	\$ 8,785	\$ (458,575)	\$ 5,916,649	\$ 328,968	\$ 6,245,617

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

(With Deloitte & Touche auditors' review report dated May 5, 2022)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 63,519	\$ 201,621
Adjustments for:		
Depreciation expenses	113,579	94,605
Amortization expenses	5,824	4,572
Expected credit loss	8	539
Net gain on financial assets at fair value through profit or loss	(1,165)	(45,121)
Interest expenses	12,006	8,181
Interest income	(3,953)	(9,812)
Share of profit of associates	(8,097)	(389)
Loss (gain) on disposal of property, plant and equipment	739	(1,615)
Loss on disposal of intangible assets	29	-
Write-downs of inventories	28,025	20,445
Net gain on unrealized foreign currency exchange	(18,314)	(38,700)
Impairment loss on property, plant and equipment	-	573
Gain on lease modification	-	(9)
Changes in operating assets and liabilities		
Notes receivable	(6,755)	20,971
Trade receivables	(37,922)	578,399
Inventories	(64,141)	(309,531)
Other current assets	9,947	3,493
Notes payable and trade payables	116,841	(43,655)
Other payables	(5,113)	7,063
Other current liabilities	13,506	292
Net defined benefit assets and liabilities	(1,547)	(71)
Other non-current liabilities	225	(1,998)
Cash generated from operations	217,241	489,853
Interest paid	(12,003)	(7,250)
Income tax paid	(35,172)	(99,362)
Net cash generated from operating activities	<u>170,066</u>	<u>383,241</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at amortized cost	88,153	65,767
Purchase of financial assets at fair value through profit or loss	(330,578)	(109,415)
Proceeds from sale of financial assets at fair value through profit or loss	332,620	251,629
Payments for property, plant and equipment	(79,886)	(255,642)
Proceeds from disposal of property, plant and equipment	348	10,047
Increase in refundable deposits	(1,198)	(4,715)
Payments for intangible assets	(8,104)	(4,095)

(Continued)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
Decrease (increase) in non-current assets	\$ 124	\$ (3,825)
Increase in prepayments for equipment	(9,872)	(85,817)
Interest received	<u>3,953</u>	<u>9,812</u>
Net cash used in investing activities	<u>(4,440)</u>	<u>(126,254)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	9,571	3,183
Decrease in short-term bills payable	-	(29,981)
Proceeds from long-term borrowings	-	51,196
Repayments of long-term borrowings	(4,132)	-
Proceeds from guarantee deposits received	-	80
Refunds of guarantee deposits received	(220)	-
Repayment of the principal portion of lease liabilities	<u>(55,390)</u>	<u>(65,537)</u>
Net cash used in financing activities	<u>(50,171)</u>	<u>(41,059)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>54,908</u>	<u>(25,264)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	170,363	190,664
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>2,059,537</u>	<u>2,420,807</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 2,229,900</u>	<u>\$ 2,611,471</u>

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

(With Deloitte & Touche auditors' review report dated May 5, 2022)

(Concluded)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021 (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 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 May 5, 2022.

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

<u>New IFRSs</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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 IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	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)

(Continued)

New IFRSs	Effective Date Announced by IASB (Note 1)
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)

(Concluded)

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 are recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments are 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 of the application of other standards and interpretations 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, 2021.

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 on 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 Corporation considers the possible impact of the recent development of the COVID-19 in Taiwan and its economic environment implications when making its critical accounting estimates on 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

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	\$ 2,701	\$ 2,067	\$ 2,704
Checking accounts and demand deposits	2,124,149	1,944,790	2,239,073
Cash equivalents (with original maturities within 3 months)			
Time deposits	<u>103,050</u>	<u>112,680</u>	<u>369,694</u>
	<u>\$ 2,229,900</u>	<u>\$ 2,059,537</u>	<u>\$ 2,611,471</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets at fair value through profit or loss (FVTPL) - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets			
Foreign exchange forward contracts (a)	\$ 1,030	\$ 4	\$ 2,189
Non-derivative financial assets			
Domestic listed shares	81,898	81,379	214,054
Hybrid financial assets			
Structured deposits (b)	<u>67,853</u>	<u>65,370</u>	<u>65,163</u>
	<u>\$ 150,781</u>	<u>\$ 146,753</u>	<u>\$ 281,406</u>
<u>Financial assets at FVTPL - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Domestic third convertible bonds (Note 18)	\$ 360	\$ 360	\$ -
Non-derivative financial assets			
Domestic emerging market shares	16,655	17,528	17,491
Overseas unlisted shares	36,692	38,508	49,965
Private funds	<u>9,293</u>	<u>9,034</u>	<u>2,493</u>
	<u>\$ 63,000</u>	<u>\$ 65,430</u>	<u>\$ 69,949</u>
<u>Financial liabilities at fair value through profit or loss (FVTPL) - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets			
Foreign exchange forward contracts (a)	<u>\$ -</u>	<u>\$ 41</u>	<u>\$ 2,444</u>

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

March 31, 2022

	Currency	Maturity Date	Notional Amount (In Thousands)
Sell	US\$/RMB	2022.07	US\$1,000/RMB6,460
Sell	US\$/RMB	2022.07	US\$1,000/RMB6,470
Sell	US\$/RMB	2022.08	US\$1,000/RMB6,452
Sell	US\$/RMB	2022.08	US\$1,000/RMB6,413
Sell	US\$/RMB	2022.08	US\$1,000/RMB6,418

December 31, 2021

	Currency	Maturity Date	Notional Amount (In Thousands)
Sell	US\$/RMB	2022.07	US\$1,000/RMB6,460
Sell	US\$/RMB	2022.07	US\$1,000/RMB6,470

March 31, 2021

	Currency	Maturity Date	Notional Amount (In Thousands)
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
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

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 March 31, 2022 and 2021. 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

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 259,071	\$ 336,972	\$ 537,617
Time deposits pledged as collateral with original maturities of more than 3 months	1,794	1,728	1,893
Restricted deposit	<u>-</u>	<u>-</u>	<u>550</u>
	<u>\$ 260,865</u>	<u>\$ 338,700</u>	<u>\$ 540,060</u>
<u>Non-current</u>			
Time deposits with original maturities of more than a year	\$ 496	\$ 480	\$ -

See Note 27 for detailed information on financial assets at amortized cost pledged as collateral.

9. TRADE RECEIVABLES, NET

	March 31, 2022	December 31, 2021	March 31, 2021
At amortized cost			
Gross carrying amount	\$ 3,674,389	\$ 3,421,964	\$ 3,121,662
Less: Allowance for impairment loss	<u>(5,288)</u>	<u>(5,071)</u>	<u>(11,313)</u>
	<u>\$ 3,669,101</u>	<u>\$ 3,416,893</u>	<u>\$ 3,110,349</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.

March 31, 2022

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	1.53%	4.83%	49.19%	100%	
Gross carrying amount	\$ 3,620,842	\$ 17,984	\$ 31,872	\$ 431	\$ 3,260	\$ 3,674,389
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>(276)</u>	<u>(1,540)</u>	<u>(212)</u>	<u>(3,260)</u>	<u>(5,288)</u>
Amortized cost	<u>\$ 3,620,842</u>	<u>\$ 17,708</u>	<u>\$ 30,332</u>	<u>\$ 219</u>	<u>\$ -</u>	<u>\$ 3,669,101</u>

December 31, 2021

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	2.86%	3.74%	46.27%	100%	
Gross carrying amount	\$ 3,376,504	\$ 30,590	\$ 9,039	\$ 3,674	\$ 2,157	\$ 3,421,964
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>(876)</u>	<u>(338)</u>	<u>(1,700)</u>	<u>(2,157)</u>	<u>(5,071)</u>
Amortized cost	<u>\$ 3,376,504</u>	<u>\$ 29,714</u>	<u>\$ 8,701</u>	<u>\$ 1,974</u>	<u>\$ -</u>	<u>\$ 3,416,893</u>

March 31, 2021

	Not Past Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	3.81%	18.04%	42.86%	100%	
Gross carrying amount	\$ 3,048,263	\$ 24,391	\$ 46,382	\$ 1,064	\$ 1,562	\$ 3,121,662
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>(930)</u>	<u>(8,365)</u>	<u>(456)</u>	<u>(1,562)</u>	<u>(11,313)</u>
Amortized cost	<u>\$ 3,048,263</u>	<u>\$ 23,461</u>	<u>\$ 38,017</u>	<u>\$ 608</u>	<u>\$ -</u>	<u>\$ 3,110,349</u>

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

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 5,071	\$ 10,876
Add: Net remeasurement of loss allowance	8	539
Foreign exchange gains and losses	<u>209</u>	<u>(102)</u>
Balance at March 31	<u>\$ 5,288</u>	<u>\$ 11,313</u>

10. INVENTORIES

	March 31, 2022	December 31, 2021	March 31, 2021
Finished goods	\$ 465,688	\$ 476,793	\$ 404,928
Work in progress	341,938	309,137	340,502
Raw materials	<u>561,110</u>	<u>499,211</u>	<u>513,977</u>
	<u>\$ 1,368,736</u>	<u>\$ 1,285,141</u>	<u>\$ 1,259,407</u>

The cost of goods sold for the three months ended March 31, 2022 and 2021 included inventory write-downs of \$28,025 thousand and \$20,445 thousand, respectively.

11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
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	73.82	73.82	73.43	Notes 1 and 3
	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	70.00	Note 2
	Grand Advance Inc.	Canford International Limited	Import and export trade and investment business.	100.00	100.00	100.00
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	100.00	Note 2

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
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	100.00	Note 2
Lucky King Holdings Ltd.	Suzhou Leoho Electronics Co., Ltd.	Precision hardware components manufacturing	100.00	100.00	100.00	Note 2
	Commuwell Enterprise (Thailand) Co., Ltd.	Plastic shot and hardware components manufacturing	100.00	100.00	100.00	Note 2

(Concluded)

Note 1: Its financial statements for the three months ended March 31, 2022 and 2021 have been reviewed.

Note 2: As the subsidiary is not a major subsidiary, its financial statements for the three months ended March 31, 2022 and 2021 have not been reviewed.

Note 3: On December 15, 2021, the Corporation acquired additional 0.39% ownerships in Gatetech Technology Inc. for a cash consideration of \$2,248 thousand.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2022	December 31, 2021	March 31, 2021
Associates that are not individually material			
Unlisted company			
High Grade Tech Co., Ltd.	\$ 143,678	\$ 136,170	\$ 132,523
Corebio technologies Co., Ltd.	19,835	20,730	33,876
Smart Automation Technology Inc. (Note)	<u>14,056</u>	<u>15,158</u>	<u>-</u>
	<u>\$ 177,569</u>	<u>\$ 172,058</u>	<u>\$ 166,399</u>

Note: On July 5, 2021, the Corporation completed the acquisition of Smart Automation Technology Inc. for a cash consideration of \$15,680 thousand; after the acquisition, the Corporation's percentage of ownership in Smart Automation Technology Inc. was 49%.

Investments were accounted for using the equity method and the share of profit or loss for the three months ended March 31, 2022 and 2021 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
<u>Cost</u>								
Balance at January 1, 2022	\$ 770,538	\$ 924,441	\$ 1,581,096	\$ 41,549	\$ 63,002	\$ 212,698	\$ 268,260	\$ 3,861,584
Additions	-	4,378	22,780	423	584	3,441	48,280	79,886
Transfer from prepayments for equipment	-	495	48,116	-	-	259	-	48,870
Disposals	-	(4,973)	(15,981)	(513)	(345)	(5,034)	-	(26,846)
Reclassifications	-	(1,172)	570	-	-	-	-	(602)
Effect of foreign currency exchange differences	141	22,079	54,291	1,328	1,753	6,491	9,734	95,817
Balance at March 31, 2022	\$ 770,679	\$ 945,248	\$ 1,690,872	\$ 42,787	\$ 64,994	\$ 217,855	\$ 326,274	\$ 4,058,709
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2022	\$ -	\$ 483,380	\$ 1,045,195	\$ 28,462	\$ 36,460	\$ 118,878	\$ -	\$ 1,712,375
Depreciation expense	-	18,233	26,541	1,000	2,153	8,300	-	56,227
Disposals	-	(4,973)	(15,651)	(461)	(235)	(4,439)	-	(25,759)
Reclassifications	-	(122)	(207)	16	-	-	-	(313)
Effect of foreign currency exchange differences	-	14,539	33,530	927	1,162	3,561	-	53,719
Balance at March 31, 2022	\$ -	\$ 511,057	\$ 1,089,408	\$ 29,944	\$ 39,540	\$ 126,300	\$ -	\$ 1,796,249
Carrying amount at March 31, 2022	\$ 770,679	\$ 434,191	\$ 601,464	\$ 12,843	\$ 25,454	\$ 91,555	\$ 326,274	\$ 2,262,460
<u>Cost</u>								
Balance at January 1, 2021	\$ 714,292	\$ 883,285	\$ 1,497,074	\$ 41,069	\$ 50,318	\$ 250,313	\$ -	\$ 3,436,351
Additions	45,441	24,089	57,311	259	5,059	3,770	119,713	255,642
Disposals	-	(9,782)	(23,938)	-	(1,311)	(2,022)	-	(37,053)
Transfer from prepayments for equipment	11,404	4,196	-	-	-	-	-	15,600
Reclassifications	-	(215)	(4,786)	17	52	3,380	(3,341)	(4,893)
Effect of foreign currency exchange differences	(203)	(14,591)	(36,847)	(1,273)	(200)	(9,731)	(3,149)	(65,994)
Balance at March 31, 2021	\$ 770,934	\$ 886,982	\$ 1,488,814	\$ 40,072	\$ 53,918	\$ 245,710	\$ 113,223	\$ 3,599,653
<u>Accumulated depreciation and impairment</u>								
Balance at January 1, 2021	\$ -	\$ 444,043	\$ 1,056,696	\$ 24,956	\$ 32,117	\$ 192,522	\$ -	\$ 1,750,334
Depreciation expense	-	18,549	20,740	1,005	1,812	4,532	-	46,638
Disposals	-	(9,782)	(15,849)	-	(1,230)	(1,760)	-	(28,621)
Impairment losses recognized	-	-	342	-	-	231	-	573
Reclassifications	-	(202)	(2,330)	199	46	1,645	-	(642)
Effect of foreign currency exchange differences	-	(8,818)	(29,174)	391	896	(17,540)	-	(54,245)
Balance at March 31, 2021	\$ -	\$ 443,790	\$ 1,030,425	\$ 26,551	\$ 33,641	\$ 179,630	\$ -	\$ 1,714,037
Carrying amount at March 31, 2021	\$ 770,934	\$ 443,192	\$ 458,389	\$ 13,521	\$ 20,277	\$ 66,080	\$ 113,223	\$ 1,885,616

The above items of property, plant and equipment 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 27 for detailed information on property, plant and equipment pledged as collateral.

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Carrying amount</u>			
Lands	\$ 181,087	\$ 178,078	\$ 174,723
Buildings	586,468	564,917	444,132
Transportation equipment	<u>1,802</u>	<u>1,017</u>	<u>1,901</u>
	<u>\$ 769,357</u>	<u>\$ 744,012</u>	<u>\$ 620,756</u>
		For the Three Months Ended March 31	
		2022	2021
Additions to right-of-use assets		<u>\$ 57,080</u>	<u>\$ 177,138</u>
Depreciation charge for right-of-use assets			
Lands		\$ 1,204	\$ 901
Buildings		55,861	46,776
Transportation equipment		<u>287</u>	<u>290</u>
		<u>\$ 57,352</u>	<u>\$ 47,967</u>
Income from the subleasing of right-of-use assets (presented in other income)		<u>\$ (144)</u>	<u>\$ -</u>

Except for the additions, recognized depreciation and subleasing the Group did not have any significant impairment of right-of-use assets during the three months ended March 31, 2022 and 2021.

b. Lease liabilities

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Carrying amount</u>			
Current	<u>\$ 204,043</u>	<u>\$ 182,430</u>	<u>\$ 170,530</u>
Non-current	<u>\$ 369,655</u>	<u>\$ 368,731</u>	<u>\$ 242,075</u>

Range of discount rate for lease liabilities was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Buildings	0.94%-4.90%	0.94%-4.90%	0.94%-4.90%
Transportation equipment	0.94%-4.55%	0.94%-4.55%	0.94%-4.55%

c. Subleases

The Group subleases its right-of-use assets for buildings under operating leases with lease terms of 1 year 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.

The maturity analysis of lease payments receivable under operating subleases was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Year 1	\$ <u>409</u>	\$ <u>357</u>	\$ <u>-</u>

d. Other lease information

	For the Three Months Ended March 31	
	2022	2021
Expenses relating to short-term leases	\$ <u>5,459</u>	\$ <u>8,539</u>
Total cash outflow for leases	\$ <u>(67,381)</u>	\$ <u>(77,774)</u>

The Group leases certain building and transportation equipment which 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

	March 31, 2022	December 31, 2021	March 31, 2021
<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 amount at end of period	\$ <u>324,597</u>	\$ <u>324,597</u>	\$ <u>324,597</u>

16. INTANGIBLE ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
Trademarks	\$ 46	\$ 49	\$ 61
Computer software	56,064	52,104	31,785
Patents	<u>775</u>	<u>827</u>	<u>2,127</u>
	\$ <u>56,885</u>	\$ <u>52,980</u>	\$ <u>33,973</u>

Except for the recognized amortization, the Group did not have any significant additions, disposals or impairment of intangible assets during the three months ended March 31, 2022 and 2021. 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

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Secured borrowings</u> (Note 27)			
Mortgage loans	\$ 400,432	\$ 400,836	\$ 479,804
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>505,000</u>	<u>495,000</u>	<u>1,396,724</u>
	<u>\$ 905,432</u>	<u>\$ 895,836</u>	<u>\$ 1,876,528</u>

The weighted average effective interest rates on bank loans was 0.61%-3.75%, 0.61%-3.75% and 0.67%-3.75%, on March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

b. Long-term borrowings

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Secured borrowings</u> (Note 27)			
Mortgage loans	\$ 206,598	\$ 210,730	\$ 113,423
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>-</u>	<u>-</u>	<u>10,909</u>
	206,598	210,730	124,332
Less: Current portions	<u>(16,555)</u>	<u>(16,545)</u>	<u>(16,162)</u>
	<u>\$ 190,043</u>	<u>\$ 194,185</u>	<u>\$ 108,170</u>

The effective interest rate on long-term borrowings was 0.9%-1%, 0.9%-1% and 1%-1.745%, on March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

18. BONDS PAYABLE

	March 31, 2022	December 31, 2021	March 31, 2021
Domestic third unsecured convertible bonds	\$ <u>1,169,344</u>	\$ <u>1,166,288</u>	\$ <u> -</u>

On September 9, 2021, the Company issued 12,000 units NTD denominated unsecured convertible corporate bonds with 0% coupon rate, 3 years issue period and total principal amount of NT\$1,200,000 thousand.

The bonds are exchangeable into ordinary shares of the Company at any time on or after December 10, 2021 and prior to September 9, 2024 except during closed period or suspension period.

The conversion price of bonds is set based on the arithmetic mean of the business day's closing share price multiplied by 102% premium rate before the effective date on August 20, 2021. In accordance with above method, the conversion price at the time of issuance of the convertible corporate bond is NT\$66.8 per share on March 31, 2022.

If the bonds are not converted between December 10, 2021 and July 31, 2024, and the closing price of ordinary shares has exceeded 30% of the current conversion price for 30 consecutive business days, the Company may send a copy of "Bond Redemption Notice" with expiration of one month by registered mail, and the expiration date of the period is determined as the base date for recovery of bonds. The Company will redeem the bonds at their par value within 5 business days following the base date.

If the bonds are not converted between December 10, 2021 and July 31, 2024, and the closing price of ordinary shares is lower than 10% of original total issue amount, the Company will therefore be entitled to send out a 30-day-expiration "Bond Redemption Notice" based on names recorded on bondholder's name list 5 business days prior to the mailing day. The Company will redeem the bonds at their par value within 5 business days following the base date.

The convertible bonds contain both liability and equity components: The equity components are presented in equity under the heading of capital surplus-options. The liability components are recognized as liabilities of embedded derivative financial instruments and non-derivative products. Such embedded derivative financial instruments were assessed at fair value of NT\$360 thousand and NT\$360 thousand (included in financial assets - non-current which were measured at fair value through profit or loss); non-derivative product liabilities of NT\$1,169,344 thousand and NT\$1,166,288 thousand (included in bonds payable) were measured at amortized cost on March 31, 2022 and December 31, 2021, respectively, and its effective interest rate which was originally recognized was 1.0663%.

Proceeds from insurance (less transaction cost of NT\$4,998 thousand)	\$ 1,337,453
Equity component	<u>(175,396)</u>
Liability component at the date of issue (including NT\$1,162,417 thousand of bonds payable and NT\$360 thousand of financial asset at fair value - non-current)	1,162,057
Interest charged at an effective interest rate of 1.0663%	<u>3,871</u>
Liability component on December 31, 2021	1,165,928
Interest charged at an effective interest rate of 1.0663%	<u>3,056</u>
Liability component on March 31, 2022	<u>\$ 1,168,984</u>

As of March 31, 2022, the third unsecured convertible bonds have no conversion.

19. OTHER PAYABLES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Other payables			
Payables for salaries or bonuses	\$ 191,693	\$ 201,376	\$ 263,372
Others	<u>225,745</u>	<u>204,369</u>	<u>245,405</u>
	<u>\$ 417,438</u>	<u>\$ 405,745</u>	<u>\$ 508,777</u>

20. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2022 and 2021, the pension expenses of defined benefit plans were \$109 thousand and \$116 thousand, respectively, and these were calculated based on the actuarially determined pension cost rate on December 31, 2021 and 2020, respectively.

21. EQUITY

a. Share capital

Ordinary shares

	March 31, 2022	December 31, 2021	March 31, 2021
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

	March 31, 2022	December 31, 2021	March 31, 2021
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)</u>			
Issuance of ordinary shares	\$ 1,184,809	\$ 1,184,809	\$ 1,184,809
The difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	413,526	413,526	412,470
Consolidation excess	852,372	852,372	852,372
Unclaimed dividends	107	78	56
<u>May only be used to offset a deficit (Note 2)</u>			
Changes in percentage of ownership interests in subsidiaries	143,150	143,150	143,150
<u>May not be used for any purpose</u>			
Convertible bonds option	<u>175,396</u>	<u>175,396</u>	<u>-</u>
	<u>\$ 2,769,360</u>	<u>\$ 2,769,331</u>	<u>\$ 2,592,857</u>

Note 1: Such capital surplus, which includes the amount in excess of par value of issued stocks (including the issuance of ordinary shares at the excess premium, the conversion premium of bonds, and the premium of stocks due to the consolidation excess, etc.), unclaimed dividends, and the difference between the consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition, may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

Note 2: Such capital surplus which arises from the effects of changes in ownership interests in subsidiaries may only be used to offset a deficit.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Corporation 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 Corporation'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 22-b.

As the Corporation is currently in the growth stage, the Corporation 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 ratio every year and submit it to the shareholder' meeting for approval. 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 Corporation's paid-in capital. The legal reserve may be used to offset deficits. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation'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 Corporation.

The appropriations of earnings for 2021 and 2020 which were approved in board of directors' meeting on March 15, 2022 and the shareholders' meeting on July 30, 2021, respectively, were as follows:

	For the Three Months Ended March 31	
	2022	2021
Legal reserve	\$ 25,211	\$ 96,510
Special reserve	\$ 51,576	\$ 1,595
Cash dividends	\$ 247,448	\$ 618,621
Dividends per share	\$ 2.00	\$ 5.00

The board of directors proposed to allocate capital surplus of \$408,290 thousand for cash dividend of \$3.30 per share.

The appropriation of earnings and capital surplus for 2021 is subject to the resolution of the shareholders in the shareholders' meeting to be held on June 10, 2022.

d. Special reserve

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1 and March 31	\$ 635,615	\$ 634,020

On the initial application of the IFRSs, the balance of retained earnings was not enough to appropriate to special reserve the full amount of IFRS adjustments; the Group appropriated to special reserve only at the amount of \$230,916 thousand representing the remaining amount in retained earnings that resulted from the conversion to IFRSs. 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 Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 320,188	\$ 343,138
Share of loss for the year	(2,574)	(1,082)
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign operations	<u>11,354</u>	<u>(2,926)</u>
Balance at March 31	<u>\$ 328,968</u>	<u>\$ 339,130</u>

22. NET PROFIT

a. Employee benefits expense, depreciation and amortization

	For the Three Months Ended March 31					
	2022			2021		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Defined contribution plan	\$ 18,173	\$ 5,692	\$ 23,865	\$ 20,931	\$ 5,431	\$ 26,362
Defined benefit plan	59	50	109	70	46	116
Other employee benefits	<u>454,598</u>	<u>143,903</u>	<u>598,501</u>	<u>456,410</u>	<u>142,503</u>	<u>598,913</u>
	<u>\$ 472,830</u>	<u>\$ 149,645</u>	<u>\$ 622,475</u>	<u>\$ 477,411</u>	<u>\$ 147,980</u>	<u>\$ 625,391</u>
Depreciation	<u>\$ 79,142</u>	<u>\$ 34,437</u>	<u>\$ 113,579</u>	<u>\$ 60,093</u>	<u>\$ 34,512</u>	<u>\$ 94,605</u>
Amortization	<u>\$ 633</u>	<u>\$ 5,191</u>	<u>\$ 5,824</u>	<u>\$ 514</u>	<u>\$ 4,058</u>	<u>\$ 4,572</u>

b. Compensation of employees and remuneration of directors and supervisors

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. The compensation of employees and the remuneration of directors for the three months ended March 31, 2022 and 2021, respectively, are as follows:

Accrual rate

	For the Three Months Ended March 31	
	2022	2021
Compensation of employees	8.01%	7.21%
Remuneration of directors	1.76%	1.58%

Amount

	For the Three Months Ended March 31	
	2022	2021
Compensation of employees	\$ 3,616	\$ 10,990
Remuneration of directors	\$ 794	\$ 2,413

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 and supervisors for 2021 and 2020 that were resolved by the board of directors on March 15, 2022 and March 16, 2021, respectively, are as shown below:

Amount

	For the Year Ended December 31	
	2021	2020
	Cash	Cash
Compensation of employees	\$ 31,000	\$ 80,000
Remuneration of directors and supervisors	7,000	18,000

The Corporation's board of directors held their meetings on March 15, 2022 and March 16, 2021 to resolve the distribution of the compensation of employees and remuneration of directors and supervisors. The actual amounts of the compensation of employees and remuneration of directors and supervisors for 2021 and 2020 were different from the amounts recognized in the consolidated financial statements. Differences for 2020 were adjusted and recognized in the profit and loss for the year ended December 31, 2021.

	For the Year Ended December 31			
	2021		2020	
	Compensation of Employees	Remuneration of Directors and Supervisors	Compensation of Employees	Remuneration of Directors and Supervisors
Amounts approved in the board of directors' meeting	\$ 31,000	\$ 7,000	\$ 80,000	\$ 18,000
Amounts recognized in the annual consolidated financial statements	\$ 31,000	\$ 7,000	\$ 80,847	\$ 17,747

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.

23. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2022	2021
Current tax		
In respect of the current period	\$ 34,307	\$ 74,332
Deferred tax		
In respect of the current period	<u>865</u>	<u>2,256</u>
Income tax expense recognized in profit or loss	<u>\$ 35,172</u>	<u>\$ 76,588</u>

b. Income tax assessments

Except for the year 2018, the income tax returns of Leohab Enterprise Co., Ltd. through 2019 have been assessed by the tax authorities.

The income tax returns of the Corporation and Gatetech Technology Inc. through 2020 have been assessed by the tax authorities.

All the subsidiaries in China and Thailand have completed income tax returns within the time limit specified by the local tax collection authority.

24. EARNINGS PER SHARE

Net Profit for the Period

	For the Three Months Ended March 31	
	2022	2021
Earnings used in the computation of diluted earnings per share	\$ 30,921	\$ 126,115
Effect of potentially dilutive ordinary shares		
Interest on convertible bonds	<u>3,056</u>	<u>-</u>
	<u>\$ 33,977</u>	<u>\$ 126,115</u>

Shares

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

	For the Three Months Ended March 31	
	2022	2021
Weighted average number of ordinary shares used in the computation of basic earnings per share	123,724	123,724
Effect of potentially dilutive ordinary shares		
Convertible bonds	17,964	-
Compensation of employees	<u>414</u>	<u>887</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>142,102</u>	<u>124,611</u>

The Group may settle the compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be 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.

25. FINANCIAL INSTRUMENTS

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

March 31, 2022

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	\$ 1,169,344	\$ 1,425,120	\$ _____	\$ _____	\$ 1,425,120

December 31, 2021

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	\$ 1,166,288	\$ 1,390,200	\$ _____	\$ _____	\$ 1,390,200

March 31, 2021

None.

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

1) Fair value hierarchy

March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange				
forward contracts	\$ -	\$ 1,030	\$ -	\$ 1,030
Listed shares	81,898	-	-	81,898
Bonds payable	-	360	-	360
Structured deposits	67,853	-	-	67,853
Emerging market shares	9,783	-	6,872	16,655
Overseas unlisted shares	-	-	36,692	36,692
Private funds	-	-	9,293	9,293
	<u>\$ 159,534</u>	<u>\$ 1,390</u>	<u>\$ 52,857</u>	<u>\$ 213,781</u>

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange				
forward contracts	\$ -	\$ 4	\$ -	\$ 4
Listed shares	81,379	-	-	81,379
Bonds payable	-	360	-	360
Structured deposits	65,370	-	-	65,370
Emerging market shares	10,427	-	7,101	17,528
Overseas unlisted shares	-	-	38,508	38,508
Private funds	-	-	9,034	9,034
	<u>\$ 157,176</u>	<u>\$ 364</u>	<u>\$ 54,643</u>	<u>\$ 212,183</u>
Financial liabilities at FVTPL				
Foreign exchange				
forward contracts	\$ -	\$ 41	\$ -	\$ 41

March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange forward contracts	\$ -	\$ 2,189	\$ -	\$ 2,189
Listed shares	214,054	-	-	214,054
Structured deposits	65,163	-	-	65,163
Emerging market shares	10,215	-	7,276	17,491
Overseas unlisted shares	-	-	49,965	49,965
Private funds	<u>-</u>	<u>-</u>	<u>2,493</u>	<u>2,493</u>
	<u>\$ 289,432</u>	<u>\$ 2,189</u>	<u>\$ 59,734</u>	<u>\$ 351,355</u>
Financial liabilities at FVTPL				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 2,444</u>	<u>\$ -</u>	<u>\$ 2,444</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 Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 54,643	\$ 63,578
Recognized in profit or loss	<u>(1,786)</u>	<u>(3,844)</u>
Balance at March 31	<u>\$ 52,857</u>	<u>\$ 59,734</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.
Domestic third unsecured convertible bonds	Under the assumption that bonds will be redeemed on September 9, 2024, discount rate adopted is calculated via interpolation method using government bond yield rates from public offer 2-year and 5- year period.

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

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets</u>			
Mandatorily classified as at FVTPL	\$ 213,781	\$ 212,183	\$ 351,355
Financial assets at amortized cost (Note 1)	6,662,969	6,279,111	6,729,941
<u>Financial liabilities</u>			
Mandatorily classified as at FVTPL	-	41	2,444
Financial liabilities at amortized cost (Note 2)	4,979,096	4,688,776	4,415,517

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

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

d. Financial risk management objectives and policies

The Group's major financial instruments include cash and cash equivalents, financial assets mandatorily classified as at FVTPL, financial assets at amortized costs, equity investment, trade receivables, trade payables, accounts payable, bonds payable, short-term borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price 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) and interest rates (see (b) 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 29.

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 positive (negative) number below indicates increase (decrease) in pre-tax profit associated with the New Taiwan dollar weakening (strengthening) 1% against the relevant currency.

	For the Three Months Ended March 31	
	2021	2020
<u>USD impact</u>		
USD:NTD	\$ (1,201)	\$ 6,471
USD:RMB	\$ (22,741)	\$ (21,494)
USD:VND	\$ (825)	\$ (687)
<u>RMB impact</u>		
RMB:NTD	\$ (1,064)	\$ (820)
RMB:USD	\$ (458)	\$ (437)

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:

	March 31, 2022	December 31, 2021	March 31, 2021
Fair value interest rate risk			
Financial assets	\$ 432,264	\$ 517,230	\$ 974,917
Financial liabilities	2,855,072	2,824,014	2,413,465
Cash flow interest rate risk			
Financial assets	2,120,548	1,940,437	2,234,930

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 three months ended March 31, 2022 and 2021 would have increased/decreased by \$5,301 thousand and \$5,587 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 three months ended March 31, 2022 and 2021 would have increased/decreased by \$1,352 thousand and \$2,815 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, The Group had available unutilized short-term bank loan facilities set out in below.

Financing facilities

	March 31, 2022	December 31, 2021	March 31, 2021
Unsecured bank overdraft facilities, reviewed annually and payable on demand			
Amount used	\$ 505,000	\$ 495,000	\$ 1,407,633
Amount unused	<u>3,494,895</u>	<u>3,410,000</u>	<u>2,468,853</u>
	<u>\$ 3,999,895</u>	<u>\$ 3,905,000</u>	<u>\$ 3,876,486</u>
Secured bank overdraft facilities			
Amount used	\$ 607,030	\$ 611,566	\$ 593,227
Amount unused	<u>52,520</u>	<u>47,633</u>	<u>137,566</u>
	<u>\$ 659,550</u>	<u>\$ 659,199</u>	<u>\$ 730,793</u>

26. 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>
Chen Chien Hung	Related party in substance (first-degree relative of the Corporation's director)
Chen Chien Yuan	The legal representative of the Corporation's director
Dongguan Smart Automation Technology Inc.	The subsidiary of associate

b. Lease agreements

Related Party Category		For the Three Months Ended March 31		
		2022	2021	
<u>Lease assets acquired</u>				
Related party in substance		\$ 2,879	\$ -	
The legal representative of the Corporation's director		<u>1,574</u>	<u>-</u>	
		<u>\$ 4,453</u>	<u>\$ -</u>	
Line Item	Related Party Category	March 31, 2022	December 31, 2021	March 31, 2021
Lease liabilities	Related party in substance	\$ 2,758	\$ 242	\$ 1,325
	The legal representative of the Corporation's director	<u>1,508</u>	<u>132</u>	<u>724</u>
		<u>\$ 4,266</u>	<u>\$ 374</u>	<u>\$ 2,049</u>

Related Party Category		For the Three Months Ended March 31		
		2022	2021	
<u>Interest expense</u>				
Related party in substance		\$ 1	\$ 4	
The legal representative of the Corporation's director		<u>1</u>	<u>2</u>	
		<u>\$ 2</u>	<u>\$ 6</u>	

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

c. Acquisition of other assets

Line Item		Related Party Category		For the Three Months Ended March 31	
		2022	2021		
Intangible assets	The subsidiary of associate	<u>\$ 67</u>	<u>\$ -</u>		

d. Compensation of key management personnel

Related Party Category		For the Three Months Ended March 31	
		2022	2021
Short-term employee benefits		\$ 11,218	\$ 14,914
Post-employment benefits		<u>79</u>	<u>79</u>
		<u>\$ 11,297</u>	<u>\$ 14,993</u>

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

27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

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

	March 31, 2022	December 31, 2021	March 31, 2021
Financial assets at amortized cost	\$ 1,794	\$ 1,728	\$ 1,893
Property, plant and equipment	<u>822,410</u>	<u>822,189</u>	<u>835,227</u>
	<u>\$ 824,204</u>	<u>\$ 823,917</u>	<u>\$ 837,120</u>

28. SIGNIFICANT LOSSES ON DISASTER

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.

29. 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:

March 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 63,969	28.625 (USD:NTD)	\$ 1,831,113
USD	80,495	6.3482 (USD:RMB)	2,304,169
USD	3,594	23,120 (USD:VND)	102,878
RMB	27,530	4.5060 (RMB:NTD)	124,050
RMB	10,154	0.1574 (RMB:USD)	45,754
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	1,282	28.625 (USD:NTD)	36,692
<u>Financial liabilities</u>			
Monetary items			
USD	59,775	28.625 (USD:NTD)	1,711,059
USD	1,049	6.3482 (USD:RMB)	30,028
USD	713	23,120 (USD:VND)	20,410
RMB	3,922	4.5060 (RMB:NTD)	17,673

December 31, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 59,638	27.68 (USD:NTD)	\$ 1,650,780
USD	90,378	6.3757 (USD:RMB)	2,501,663
USD	4,417	23,130 (USD:VND)	122,263
RMB	58,264	4.3440 (RMB:NTD)	253,099
RMB	10,158	0.1569 (RMB:USD)	44,126
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	1,391	27.68 (USD:NTD)	38,508

Financial liabilities

Monetary items			
USD	59,940	27.68 (USD:NTD)	1,659,139
USD	1,967	6.3757 (USD:RMB)	54,447
USD	1,026	23,130 (USD:VND)	28,400
RMB	5,056	4.3440 (RMB:NTD)	21,963

March 31, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 36,775	28.535 (USD:NTD)	\$ 1,049,375
USD	80,772	6.5713 (USD:RMB)	2,304,829
USD	2,409	25,558 (USD:VND)	68,741
RMB	28,698	4.3440 (RMB:NTD)	124,664
RMB	10,052	0.1522 (RMB:USD)	43,666
Non-monetary items			
Financial assets at FVTPL - non-current			
USD	1,751	28.535 (USD:NTD)	49,965

Financial liabilities

Monetary items			
USD	59,452	28.535 (USD:NTD)	1,696,463
USD	5,446	6.5713 (USD:RMB)	155,402
RMB	9,829	4.3440 (RMB:NTD)	42,697

The Group is mainly exposed to the USD and the 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 March 31				
2022			2021	
Foreign Currency	Exchange Rate	Net Foreign Exchange Losses	Exchange Rate	Net Foreign Exchange Gains
NTD	1 (NTD:NTD)	\$ 15,557	1 (NTD:NTD)	\$ (3,573)
USD	28.625 (USD:NTD)	171	28.535 (USD:NTD)	(312)
RMB	4.506 (RMB:NTD)	(8,365)	4.344 (RMB:NTD)	5,813
Other		<u>554</u>		<u>505</u>
		<u>\$ 7,917</u>		<u>\$ 2,433</u>

30. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 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 on 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 (Table 9)

31. 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 have ceased operation 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	
	2022	2021	2022	2021
Equipment - electronic parts	\$ 2,678,627	\$ 2,192,987	\$ 236,337	\$ 332,755
- plastic molding	86,433	101,004	248	17,723
Revenue from continuing operations	\$ 2,765,060	\$ 2,293,991	236,585	350,478
Other income			5,347	2,840
Other gains and losses			(2,450)	(17,124)
Interest income			3,953	9,812
Net foreign exchange gain			7,917	2,433
Net gain on financial assets at fair value through profit or loss			1,165	45,121
Share of profit of associates			8,097	389
Interest expenses			(12,006)	(8,181)
General and administrative expenses			(185,089)	(184,147)
Income before tax			\$ 63,519	\$ 201,621

The above segment revenue and results were generated from the transactions with external customers. There were no inter-segment transactions for the three months ended March 31, 2022 and 2021.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, interest income, other income, 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 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 THREE MONTHS ENDED MARCH 31, 2022
(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	\$ -	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,366,660 (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	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,366,660 (40% of the net worth of the Corporation)
		Syncmold Enterprise Vietnam Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,366,660 (40% of the net worth of the Corporation)
		Gatetech Technology Inc.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,366,660 (40% of the net worth of the Corporation)
		Leohab Enterprise Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,366,660 (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	57,250	57,250	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Other receivables from related parties	Yes	57,250	57,250	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Syncmold Enterprise Corporation	Other receivables from related parties	Yes	157,438	157,438	42,938	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
2	Grand Advance Inc.	Kunshan Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	57,250	57,250	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Syncmold Enterprise (Samoa) Corp.	Other receivables from related parties	Yes	57,250	57,250	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Chongqing Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	85,875	85,875	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Suzhou Fulfil Electronics Co., Ltd.	Other receivables from related parties	Yes	57,250	57,250	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Syncmold Enterprise (USA) Corp.	Other receivables from related parties	Yes	25,763	25,763	11,450	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Fullking Development Limited	Other receivables from related parties	Yes	100,188	100,188	42,938	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Syncmold Enterprise Corporation	Other receivables from related parties	Yes	314,875	300,563	214,688	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
3	Full Big Limited	Fullking Development Limited	Other receivables from related parties	Yes	22,900	22,900	22,900	0.00	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (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		
4	Fuzhou Fulfil Tech Co., Ltd.	Fujian Khuan Hua Precise Mold Co., Ltd.	Other receivables from related parties	Yes	\$ 45,092	\$ 45,092	\$ -	-	Short-term financing	\$ -	Operating capital	\$ -	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Other receivables from related parties	Yes	58,620	58,620	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Suzhou Fulfil Electronics Co., Ltd.	Other receivables from related parties	Yes	72,147	72,147	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (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	40,583	40,583	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (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	36,074	36,074	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Chongqing Fulfil Tech Co., Ltd.	Other receivables from related parties	Yes	45,092	45,092	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (50% of the net worth of the Corporation)
		Suzhou Fulfil Electronics Co., Ltd.	Other receivables from related parties	Yes	36,074	36,074	-	-	Short-term financing	-	Operating capital	-	-	-	\$1,183,330 (20% of the net worth of the Corporation)	\$2,958,325 (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 March 2022.

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 THREE MONTHS ENDED MARCH 31, 2022
(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	Gatetech Technology Inc.	Subsidiary	\$1,183,330 (20% of the net worth of the Corporation)	\$ 200,000	\$ 200,000	\$ 70,000	\$ -	3.38	\$2,958,325 (50% of the net worth of the Corporation)	Y	N	N
		Leohab Enterprise Co., Ltd.	Subsidiary	\$1,183,330 (20% of the net worth of the Corporation)	255,000	255,000 (Note)	195,000	-	4.31	\$2,958,325 (50% of the net worth of the Corporation)	Y	N	N
		Syncmold Enterprise Vietnam Co., Ltd.	Subsidiary	\$1,774,995 (30% of the net worth of the Corporation)	572,500 (US\$ 20,000 thousand)	572,500 (US\$ 20,000 thousand)	-	-	9.68	\$2,958,325 (50% of the net worth of the Corporation)	Y	N	N

Note: By the resolution of the board of directors of the Corporation on March 15, 2022, 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 March 31, 2022, the remaining NT\$5,000 thousand has not been implemented.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

MARCH 31, 2022

(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	March 31, 2022				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Syncmold Enterprise Corporation	<u>Shares</u>							
	Gigastone Corporation	-	Financial assets at FVTPL - non-current	847,011	\$ 9,783	1.67	\$ 9,783	(Notes 2 and 6)
	Tiga Gaming Inc.	-	Financial assets at FVTPL - non-current	1,332,132	6,872	5.06	6,872	(Notes 3 and 6)
	Foxfortune Technology Ventures Ltd.,	-	Financial assets at FVTPL - non-current	1,000,000	25,889	5.80	25,889	(Notes 4 and 6)
	Hercules BioVenture, L.P.	-	Financial assets at FVTPL - non-current	342,105	10,803	2.63	10,803	(Notes 4 and 6)
	Winmate Inc.	-	Financial assets at FVTPL - current	1,038,000	81,898	1.44	81,898	(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	9,293	0.96	9,293	(Notes 4 and 6)
	<u>Structured commodity</u>							
Dongguan Khuan Huang Precise Mold Plastic Co., Ltd.	Peoples' profit 328 from E.SUN Bank	-	Financial assets at FVTPL - current	-	22,641	-	22,641	(Notes 5 and 6)
Zhongshan Fulfil Tech. Co., Ltd.	Monthly profit 22010367	-	Financial assets at FVTPL - current	-	45,212	-	45,212	(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 March 31, 2022.

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 March 31, 2022.

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

Note 7: Refer to Table 6 and 7 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 THREE MONTHS ENDED MARCH 31, 2022
(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 Fulfil Tech. Co., Ltd.	Subsidiary	Purchase	\$ 525,108	47	Note 1	\$ -	-	\$ (723,680)	55	
	Fuzhou Fulfil Tech Co., Ltd.	Subsidiary	Purchase	128,317	12	Note 1	-	-	(178,398)	14	
	Suzhou Fulfil Electronics Co., Ltd.	Subsidiary	Purchase	386,703	35	Note 1	-	-	(379,316)	29	
Suzhou Fulfil Electronics Co., Ltd.	Kunshan Fulfil Tech Co., Ltd.	Indirect subsidiary	Purchase	147,142	20	Note 1	-	-	(117,048)	21	
Zhongshan Fulfil Tech. Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(525,108)	66	Note 1	-	-	723,680	61	
Fuzhou Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(128,317)	25	Note 1	-	-	178,398	18	
Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	Parent company	Sales	(386,703)	48	Note 1	-	-	379,316	32	
Kunshan Fulfil Tech Co., Ltd.	Suzhou Fulfil Electronics Co., Ltd.	Indirect subsidiary	Sales	(147,142)	100	Note 1	-	-	117,048	100	

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

MARCH 31, 2022

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

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Grand Advance Inc.	Syncmold Enterprise Corporation	Parent company	\$ 214,688 (Note 1)	-	\$ -	-	\$ 14,313	\$ -
Zhongshan Fulfil Tech. Co., Ltd.	Syncmold Enterprise Corporation	Parent company	723,680	-	-	-	153,064	-
Fuzhou Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	Parent company	178,398	-	-	-	41,202	-
Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	Parent company	379,316	-	-	-	86,690	-
Kunshan Fulfil Tech Co., Ltd.	Suzhou Fulfil Electronics Co., Ltd.	Indirect subsidiary	117,048	-	-	-	61,966	-

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 THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2022	December 31, 2021	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	\$ 2,229,710	\$ 8,658	\$ 9,477	(Note 1)
	Grand Advance Inc.	Samoa	Trading, import and export and investment in electronic parts	506,240	506,240	-	100.00	2,835,827	(9,083)	(9,121)	(Note 1)
	Syncmold Enterprise (USA) Corp.	USA	Trading, import and export in electronic parts	32	32	-	100.00	(3,000)	(116)	(116)	(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	35.63	143,678	28,333	10,094	(Note 2)
	Corebio Technologies Co., Ltd.	Taiwan	Medical technology and precision instrument wholesale and retail	52,000	52,000	5,200	38.29	19,835	(2,337)	(895)	(Note 2)
	Smart Automation Technology Inc.	Taiwan	Software design services	15,680	15,680	1,568	49.00	14,056	(2,248)	(1,102)	(Note 2)
	Leohab Enterprise Co., Ltd.	Taiwan	Precision hardware components manufacturing	232,677	232,677	16,620	70.00	233,742	(10,916)	(7,996)	(Note 2)
	Gatotech Technology Inc.	Taiwan	Precise molding and magnesium alloy die caster manufacturing and transaction business	556,063	556,063	42,432	73.82	645,275	3,954	2,413	(Note 1)
	Syncmold Enterprise Vietnam Co., Ltd.	Vietnam	Trading, import and export and investment in electronic parts	579,944	579,944	-	100.00	508,197	(8,834)	(8,834)	(Note 2)
	Syncmold Enterprise (Malaysia) Sdn., Bhd.	Malaysia	Trading, import and export in electronic parts, customer support and service center	7,192	7,192	-	100.00	1,266	(938)	(938)	(Note 2)
Grand Advance Inc.	Syncmold Enterprise (Singapore) Pte., Ltd.	Singapore	Trading, import and export in electronic parts, electronic components and parts design	1,100	1,100	-	100.00	3,877	538	538	(Note 2)
	Syncmold Enterprise (Thailand) Co., Ltd.	Thailand	Trading, import and export and investment in electronic parts	33,638	33,638	-	100.00	12,405	108	108	(Note 2)
	Canford International Limited	Samoa	Import and export trade and investment business	119,342	119,342	-	100.00	1,352,566	(30,150)	(30,150)	(Note 2)
	Fullking Development Limited	Hong Kong	Import and export trade and investment business	160,175	160,175	-	100.00	946,159	60,228	60,227	(Note 2)
	Full Glary Holding Limited	Hong Kong	Import and export trade and investment business	259,720	259,720	-	100.00	283,935	(11,660)	(11,617)	(Note 2)
	Full Big Limited	Samoa	Reinvestment in subsidiaries in mainland China and international trade	16,643	16,643	-	100.00	237,480	136	136	(Note 2)
	Forever Business Development Limited	Samoa	Reinvestment in subsidiaries in mainland China and international trade	125,957	125,957	-	100.00	355,372	347	1,961	(Note 2)
	Full Celebration Limited	Samoa	Reinvestment in subsidiaries in mainland China and international trade	147,710	147,710	-	100.00	179,729	(15,721)	(15,721)	(Note 2)
	Gatech Holdings Ltd.	Samoa	General investment business	647,041	647,041	20,130	100.00	620,754	(7,854)	(7,854)	(Note 2)
	Gatech International Ltd.	Samoa	General investment business	657,284	657,284	20,268	100.00	620,754	(7,854)	(7,854)	(Note 2)
Leohab Enterprise Co., Ltd.	Sweet International Group Ltd.	British Virgin Islands	General investment business	280,368	280,368	-	100.00	518,283	(4,394)	(4,425)	(Note 2)
Sweet International Group Ltd.	Lucky King Holdings Ltd.	Mauritius	General investment business	280,368	280,368	-	100.00	512,101	(4,394)	(4,394)	(Note 2)
Lucky King Holdings Ltd.	Commuwell Enterprise (Thailand) Co., Ltd.	Thailand	Plastic shot and hardware components manufacturing	113,236	113,236	-	100.00	198,434	4,184	4,184	(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., Corebio Technology Co., Ltd. and Smart Automation Technology Inc.

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(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 January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022
					Outward	Inward						
Fuzhou Fulfil Tech Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	\$ 43,699	Invested through Syncmold Enterprise (Samoa) Corp.	\$ 59,626 (US\$ 2,083 thousand)	\$ -	\$ -	\$ 59,626 (US\$ 2,083 thousand)	\$ 34,756	100.00	\$ 34,756 (Note 1)	\$ 928,505	\$ 2,263,207 (US\$ 79,064 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	111,893	Invested through Syncmold Enterprise (Samoa) Corp.	38,816 (US\$ 1,356 thousand)	-	-	38,816 (US\$ 1,356 thousand)	(10,196)	100.00	(10,196) (Note 2)	280,295	-
Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	59,632	Invested through Syncmold Enterprise (Samoa) Corp.	-	-	-	-	(2,526)	100.00	(2,526) (Note 2)	163,952	111,580 (US\$ 3,898 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	126,439	Invested through Forever Business Development Limited	-	-	-	-	299	100.00	299 (Note 2)	355,572	-
Suzhou Fulfil Electronics Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	18,661	Invested through Canford International Limited	-	-	-	-	(30,150)	100.00	(30,150) (Note 1)	1,352,548	1,220,284 (US\$ 42,630 thousand)
Zhongshan Fulfil Tech. Co., Ltd.	Electronic parts processing and manufacturing. Trading and related import and export business	153,885	Invested through Fullking Development Limited	-	-	-	-	60,288	100.00	60,288 (Note 1)	1,011,013	1,490,303 (US\$ 52,063 thousand)
Kunshan Fulfil Tech Co., Ltd.	Manufacturing and assembling of laptops uses precise bearing, hardware and related accessories	236,304	Invested through Full Glary Holding Limited	171,750 (US\$ 6,000 thousand)	-	-	171,750 (US\$ 6,000 thousand)	(11,660)	100.00	(11,660) (Note 2)	282,365	-
Chongqing Fulfil Tech Co., Ltd.	The processing, manufacturing, related imports and exports of all electronic, plastic and hardware parts	140,480	Invested through Full Celebration Limited	-	-	-	-	(15,721)	100.00	(15,721) (Note 2)	179,729	518,800 (US\$ 18,124 thousand)
Gatetech (Suzhou) Technology Co., Ltd.	Aluminum and magnesium alloy die caster	695,588	Invested through Gatech International Ltd.	695,588 (US\$ 24,300 thousand)	-	-	695,588 (US\$ 24,300 thousand)	(9,246)	73.82	(6,826) (Note 2)	620,754	-
Suzhou Leoho Electronics Co., Ltd.	Precision hardware components manufacturing	208,426	Invested through Lucky King Holdings Ltd.	128,183 (US\$ 4,478 thousand)	-	-	128,183 (US\$ 4,478 thousand)	(8,578)	70.00	(6,005) (Note 2)	313,669	-

(Continued)

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2022	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
\$1,307,447 (US\$45,675 thousand)	\$2,216,806 (US\$77,443 thousand)	\$3,747,370

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 THREE MONTHS ENDED MARCH 31, 2022

(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		
0	Syncmold Enterprise Corporation	Gatetech (Suzhou) Technology Co., Ltd.	1	Other receivables from related parties	\$ 15,283	Based on the contract between both parties	-
1	Zhongshan Fulfil Tech. Co., Ltd.	Syncmold Enterprise Corporation	2	Sale	525,108	No significant difference with non-related parties	19
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	723,680	No significant difference with non-related parties	6
2	Dongguan Kwan Huang Precision Mold Plastic Co., Ltd.	Zhongshan Fulfil Tech. Co., Ltd.	3	Sale	61,490	No significant difference with non-related parties	2
		Zhongshan Fulfil Tech. Co., Ltd.	3	Trade receivables from related parties	59,690	No significant difference with non-related parties	-
		Fuzhou Fulfil Tech Co., Ltd.	3	Sale	26,373	No significant difference with non-related parties	1
		Fuzhou Fulfil Tech Co., Ltd.	3	Trade receivables from related parties	12,658	No significant difference with non-related parties	-
		Suzhou Fulfil Electronics Co., Ltd.	3	Sale	22,322	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	16,598	No significant difference with non-related parties	-
3	Fuzhou Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	2	Sale	128,317	No significant difference with non-related parties	5
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	178,398	No significant difference with non-related parties	1
4	Fuqing Fuqun Electronic Hardware Tech Co., Ltd.	Fuzhou Fulfil Tech Co., Ltd.	3	Sale	77,886	No significant difference with non-related parties	3
		Fuzhou Fulfil Tech Co., Ltd.	3	Trade receivables from related parties	38,158	No significant difference with non-related parties	-
		Suzhou Fulfil Electronics Co., Ltd.	3	Sale	39,647	No significant difference with non-related parties	1
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	29,135	No significant difference with non-related parties	-
		Zhongshan Fulfil Tech. Co., Ltd.	3	Sale	39,847	No significant difference with non-related parties	1
		Zhongshan Fulfil Tech. Co., Ltd.	3	Trade receivables from related parties	36,620	No significant difference with non-related parties	-
5	Grand Advance Inc.	Syncmold Enterprise Corporation	2	Other receivables from related parties - financing	214,688	Based on the contract between both parties	2
		Fullking Development Limited	3	Other receivables from related parties - financing	42,938	Based on the contract between both parties	-
6	Suzhou Fulfil Electronics Co., Ltd.	Syncmold Enterprise Corporation	2	Sale	386,703	No significant difference with non-related parties	14
		Syncmold Enterprise Corporation	2	Trade receivables from related parties	379,316	No significant difference with non-related parties	3
7	Full Big Limited	Fullking Development Limited	3	Other receivables from related parties - financing	22,900	Based on the contract between both parties	-
8	Kunshan Fulfil Tech Co., Ltd.	Suzhou Fulfil Electronics Co., Ltd.	3	Sale	147,142	No significant difference with non-related parties	5
		Suzhou Fulfil Electronics Co., Ltd.	3	Trade receivables from related parties	117,048	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		
9	Suzhou Leoho Electronics Co., Ltd.	Leohab Enterprise Co., Ltd.	3	Trade receivables from related parties	\$ 78,799	No significant difference with non-related parties	1
10	Chongqing Fulfil Tech Co., Ltd.	Syncmold Enterprise Corporation	2	Sale	36,510	No significant difference with non-related parties	1
11	Syncmold Enterprise (Samoa) Corp.	Syncmold Enterprise Corporation	2	Other receivables from related parties - financing	42,938	Based on the contract between both parties	-
		Fujian Khuan Hua Precise Mold Co., Ltd.	3	Other receivables from related parties - dividend	45,301	Based on the contract between both parties	-
12	Gatetech (Suzhou) Technology Co., Ltd.	Gatetech Technology Inc.	3	Sale	31,063	No significant difference with non-related parties	1
		Gatetech Technology Inc.	3	Trade receivables from related parties	60,290	No significant difference with non-related parties	-

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)

SYNCMOLD ENTERPRISE CORPORATION AND SUBSIDIARIES**INFORMATION ON MAJOR SHAREHOLDERS
MARCH 31, 2022**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Chen Chiu-Lang	8,708,211	7.03

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.