

Catcher Technology Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
First Quarter of 2022 and 2021
Independent Auditors' Review Report**

Independent Auditors' Review Report

The Board of Directors and Shareholders
Catcher Technology Co., Ltd.

Introduction

Catcher Technology Co., Ltd. and its subsidiaries' (Catcher Group) Consolidated Balance Sheets for the three months ended March 31, 2022 and 2021, in addition to the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) from January 1 to March 31, 2022 and 2021, have been reviewed by the CPAs. The management is responsible for the preparation and fair presentation of the 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. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope

We conducted our reviews in accordance with the Statement of Auditing Standards No. 65, "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. 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.

Conclusion

Based on our review, we are not aware of any material respects in which the consolidated financial statements referred to above do not comply 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, and which do not present fairly the consolidated financial position of Catcher Group as of March 31, 2022 and 2021, and the consolidated financial results and consolidated cash flows from January 1 to March 31, 2022 and 2021.

Other Matter

Among the subsidiaries included in the consolidated financial report of Catcher Group for the first quarter of 2022, the financial reports of Ke Yue, Yi Sheng and Yi De have not been reviewed by the CPA but have been reviewed by other accountants. Thus, the conclusion made by the CPA on the consolidated financial report, regarding the amounts listed in the financial reports of Ke Yue, Yi Sheng and Yi De, is based on the review reports of other accountants. The total assets of Ke Yue, Yi Sheng and Yi De as of March 31, 2022 accounted for 2% of the total consolidated assets, and the comprehensive profit and loss from January 1 to March 31, 2022 accounted for 1% of the consolidated comprehensive profit and loss.

The engagement partners on the audits resulting in this independent auditors' report are Hung-Ju Liao and Chi-Chen Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China
May 10, 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 audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2022, DECEMBER 31, 2021, AND MARCH 31, 2021

(In Thousands of New Taiwan Dollars)

	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)		March 31, 2021 (Reviewed)	
ASSETS	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 41,423,875	17	\$ 53,115,285	22	\$ 20,657,329	8
Financial assets at FVTPL - current (Note 7)	4,578,527	2	3,967,937	2	443,703	-
Financial assets at FVTOCI – current (Note 8)	2,232,178	1	1,870,987	1	-	-
Financial assets at amortized cost - current (Note 9)	133,305,085	55	122,046,739	49	156,328,122	63
Trade receivables (Notes 11 and 25)	7,714,410	3	9,665,413	4	15,249,430	6
Other receivables (Note 11)	294,585	-	503,406	-	257,671	-
Current tax assets (Note 4)	429,727	-	425,494	-	98,666	-
Inventories (Note 12)	3,330,577	1	3,316,762	1	4,552,885	2
Other current assets (Note 19)	358,788	-	406,109	-	690,045	-
Total current assets	<u>193,667,752</u>	<u>79</u>	<u>195,318,132</u>	<u>79</u>	<u>198,277,851</u>	<u>79</u>
NON-CURRENT ASSETS						
Financial assets at FVTPL - non-current (Note 7)	1,093,629	1	958,795	-	77,045	-
Financial assets at FVTOCI - non-current (Note 8)	4,516,503	2	5,430,345	2	786,783	-
Financial assets at amortized cost - non-current (Note 9)	22,474,719	9	21,891,382	9	24,632,964	10
Investments accounted for using the equity method (Note 14)	6,181	-	8,050	-	9,681	-
Property, plant and equipment (Note 15)	17,558,695	7	17,868,347	7	21,186,791	8
Right-of-use assets (Note 16)	1,039,819	-	1,016,568	1	1,227,381	1
Investment properties (Note 17)	220,118	-	221,565	-	488,100	-
Intangible assets (Note 18)	48,470	-	57,707	-	54,769	-
Deferred tax assets (Note 4)	4,102,859	2	4,058,919	2	4,046,454	2
Other non-current assets (Note 19)	41,490	-	72,993	-	84,157	-
Total non-current assets	<u>51,102,483</u>	<u>21</u>	<u>51,584,671</u>	<u>21</u>	<u>52,594,125</u>	<u>21</u>
TOTAL	<u>\$ 244,770,235</u>	<u>100</u>	<u>\$ 246,902,803</u>	<u>100</u>	<u>\$ 250,871,976</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 20)	\$ 71,022,726	29	\$ 78,031,726	32	\$ 70,148,726	28
Contract liabilities - current (Note 25)	6,333	-	32,742	-	44,160	-
Trade payables (Note 21)	2,878,134	1	3,465,780	1	4,796,007	2
Other payables (Note 22)	5,513,110	2	5,983,148	2	5,986,842	2
Current tax liabilities (Note 4)	883,614	1	309,608	-	422,979	-
Lease liabilities - current (Note 16)	13,192	-	13,168	-	14,448	-
Other current liabilities (Note 22)	826,044	-	1,396,923	1	2,358,170	1
Total current liabilities	<u>81,143,153</u>	<u>33</u>	<u>89,233,095</u>	<u>36</u>	<u>83,771,332</u>	<u>33</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities (Note 4)	6,467,011	3	6,100,759	3	6,383,746	3
Lease liabilities - non-current (Note 16)	124,601	-	126,873	-	142,006	-
Net defined benefit liabilities - non-current (Note 4)	6,580	-	6,578	-	6,549	-
Other non-current liabilities (Note 22)	8,935	-	8,776	-	21,410	-
Total non-current liabilities	<u>6,607,127</u>	<u>3</u>	<u>6,242,986</u>	<u>3</u>	<u>6,553,711</u>	<u>3</u>
Total liabilities	<u>87,750,280</u>	<u>36</u>	<u>95,476,081</u>	<u>39</u>	<u>90,325,043</u>	<u>36</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Share capital						
Ordinary shares	<u>7,297,531</u>	<u>3</u>	<u>7,616,181</u>	<u>3</u>	<u>7,616,181</u>	<u>3</u>
Capital surplus	<u>19,173,040</u>	<u>8</u>	<u>20,008,824</u>	<u>8</u>	<u>20,008,824</u>	<u>8</u>
Retained earnings						
Legal reserve	21,497,294	9	21,497,294	8	19,532,131	8
Special reserve	14,394,310	6	14,394,310	6	12,188,506	5
Unappropriated earnings	<u>106,405,526</u>	<u>43</u>	<u>108,287,799</u>	<u>44</u>	<u>115,537,428</u>	<u>46</u>
Total retained earnings	<u>142,297,130</u>	<u>58</u>	<u>144,179,403</u>	<u>58</u>	<u>147,258,065</u>	<u>59</u>
Other equity	(11,757,929)	(5)	(16,961,466)	(7)	(14,441,564)	(6)
Treasure shares	-	-	(3,465,809)	(1)	-	-
Total equity attributable to owners of the Company	<u>157,009,772</u>	<u>64</u>	<u>151,377,133</u>	<u>61</u>	<u>160,441,506</u>	<u>64</u>
NON-CONTROLLING INTERESTS	<u>10,183</u>	<u>-</u>	<u>49,589</u>	<u>-</u>	<u>105,427</u>	<u>-</u>
Total equity	<u>157,019,955</u>	<u>64</u>	<u>151,426,722</u>	<u>61</u>	<u>160,546,933</u>	<u>64</u>
TOTAL	<u>\$ 244,770,235</u>	<u>100</u>	<u>\$ 246,902,803</u>	<u>100</u>	<u>\$ 250,871,976</u>	<u>100</u>

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

(Refer to the review report of Deloitte & Touche on May 10, 2022)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

JANUARY 1 TO MARCH 31, 2022 AND 2021

(Reviewed only, not audited in accordance with generally accepted auditing standards)

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	January 1 to March 31, 2022		January 1 to March 31, 2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 16 and 25)	\$ 7,220,830	100	\$ 12,629,378	100
OPERATING COSTS (Notes 12 and 26)	<u>5,082,009</u>	<u>70</u>	<u>8,610,015</u>	<u>68</u>
GROSS PROFIT	<u>2,138,821</u>	<u>30</u>	<u>4,019,363</u>	<u>32</u>
OPERATING EXPENSES (Note 26)				
Selling and marketing expenses	97,137	1	110,414	1
General and administrative expenses	544,167	8	752,476	6
Research and development expenses	<u>404,242</u>	<u>6</u>	<u>353,109</u>	<u>3</u>
Total operating expenses	<u>1,045,546</u>	<u>15</u>	<u>1,215,999</u>	<u>10</u>
PROFIT FROM OPERATIONS	<u>1,093,275</u>	<u>15</u>	<u>2,803,364</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES (Notes 10, 14 and 26)				
Interest income	238,896	3	207,760	2
Other income	35,789	1	270,706	2
Foreign exchange gains (losses), net	2,201,502	30	306,587	2
Other gains	(316,162)	(4)	82,100	1
Interest expense	(130,132)	(2)	(113,348)	(1)
Expected credit losses	(76,671)	(1)	-	-
Share of profit (loss) of associates	(<u>1,870</u>)	<u>-</u>	(<u>1,902</u>)	<u>-</u>
Total non-operating income and expenses	<u>1,951,352</u>	<u>27</u>	<u>751,903</u>	<u>6</u>
PROFIT BEFORE INCOME TAX	3,044,627	42	3,555,267	28
INCOME TAX EXPENSE (Notes 4 and 27)	<u>993,570</u>	<u>13</u>	<u>1,032,707</u>	<u>8</u>

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	January 1 to March 31, 2022		January 1 to March 31, 2021	
	Amount	%	Amount	%
NET PROFIT	<u>\$ 2,051,057</u>	<u>29</u>	<u>\$ 2,522,560</u>	<u>20</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 24)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(81,964)	(1)	(12,595)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	5,413,296	75	(35,227)	-
Unrealized gain (loss) on investment in debt instrument at fair value through other comprehensive income	(123,983)	(2)	-	-
Current period other comprehensive income (post-tax profit or loss)	<u>5,207,349</u>	<u>72</u>	<u>(47,822)</u>	<u>-</u>
Total comprehensive income	<u>\$ 7,258,406</u>	<u>101</u>	<u>\$ 2,474,738</u>	<u>20</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,057,118	28	\$ 2,513,102	20
Non-controlling interests	(6,061)	-	9,458	-
	<u>\$ 2,051,057</u>	<u>28</u>	<u>\$ 2,522,560</u>	<u>20</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 7,260,655	101	\$ 2,465,848	20
Non-controlling interests	(2,249)	-	8,890	-
	<u>\$ 7,258,406</u>	<u>101</u>	<u>\$ 2,474,738</u>	<u>20</u>
EARNINGS PER SHARE (Note 28)				
Basic	\$ 2.81		\$ 3.30	
Diluted	2.80		3.28	

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

(Refer to the review report of Deloitte & Touche on May 10, 2022)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

JANUARY 1 TO MARCH 31, 2022 AND 2021

(Reviewed only, not audited in accordance with generally accepted auditing standards)

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											Non-controlling Interests	Total Equity
	Retained Earnings					Other Equity							
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at FVTOCI	Total	Treasure Shares	Total			
BALANCE AT JANUARY 1, 2022	\$ 7,616,181	\$ 20,008,824	\$ 21,497,294	\$ 14,394,310	\$108,287,799	(\$ 16,859,133)	(\$ 102,333)	(\$ 16,961,466)	(\$ 3,465,809)	\$151,377,133	\$ 49,589	\$151,426,722	
Changes in Capital Surplus from Donations from Shareholders	-	1,192	-	-	-	-	-	-	-	1,192	-	1,192	
Net Profit (Loss) from January 1 to March 31, 2022	-	-	-	-	2,057,118	-	-	-	-	2,057,118	(6,061)	2,051,057	
Other Comprehensive Income after Tax for the Three Months Ended March 31, 2022	-	-	-	-	-	5,409,484	(205,947)	5,203,537	-	5,203,537	3,812	5,207,349	
Total Comprehensive Income/(Loss) for the Three Months Ended March 31, 2022	-	-	-	-	2,057,118	5,409,484	(205,947)	5,203,537	-	7,260,655	(2,249)	7,258,406	
Buy Back of Ordinary Shares (Note 24)	-	-	-	-	-	-	-	-	(1,629,208)	(1,629,208)	-	(1,629,208)	
Cancellation of Treasury Shares (Note 24)	(318,650)	(836,976)	-	-	(3,939,391)	-	-	-	5,095,017	-	-	-	
Decrease in Non-controlling Interest	-	-	-	-	-	-	-	-	-	-	(37,157)	(37,157)	
BALANCE AT MARCH 31, 2022	<u>\$ 7,297,531</u>	<u>\$ 19,173,040</u>	<u>\$ 21,497,294</u>	<u>\$ 14,394,310</u>	<u>\$106,405,526</u>	<u>(\$ 11,449,649)</u>	<u>(\$ 308,280)</u>	<u>(\$ 11,757,929)</u>	<u>\$ -</u>	<u>\$157,009,772</u>	<u>\$ 10,183</u>	<u>\$157,019,955</u>	
BALANCE AT JANUARY 1, 2021	\$ 7,616,181	\$ 20,008,231	\$ 19,532,131	\$ 12,188,506	\$113,024,326	(\$ 14,326,474)	(\$ 67,836)	(\$ 14,394,310)	\$ -	\$157,975,065	\$ 96,537	\$158,071,602	
Changes in Capital Surplus from Donations from Shareholders	-	593	-	-	-	-	-	-	-	593	-	593	
Net Profit for the Three Months Ended March 31, 2021	-	-	-	-	2,513,102	-	-	-	-	2,513,102	9,458	2,522,560	
Other Comprehensive Income after Tax for the Three Months Ended March 31, 2021	-	-	-	-	-	(34,659)	(12,595)	(47,254)	-	(47,254)	(568)	(47,822)	
Total Comprehensive Income/(Loss) for the Three Months Ended March 31, 2021	-	-	-	-	2,513,102	(34,659)	(12,595)	(47,254)	-	2,465,848	8,890	2,474,738	
BALANCE AT MARCH 31, 2021	<u>\$ 7,616,181</u>	<u>\$ 20,008,824</u>	<u>\$ 19,532,131</u>	<u>\$ 12,188,506</u>	<u>\$115,537,428</u>	<u>(\$ 14,361,133)</u>	<u>(\$ 80,431)</u>	<u>(\$ 14,441,564)</u>	<u>\$ -</u>	<u>\$160,441,506</u>	<u>\$ 105,427</u>	<u>\$160,546,933</u>	

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

(Refer to the review report of Deloitte & Touche on May 10, 2022)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

JANUARY 1 TO MARCH 31, 2022 AND 2021

(Reviewed only, not audited in accordance with generally accepted auditing standards)

(In Thousands of New Taiwan Dollars)

	January 1 to March 31, 2022	January 1 to March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	\$ 3,044,627	\$ 3,555,267
Adjustments for:		
Depreciation expense	918,255	1,405,009
Amortization expense	13,152	13,967
Expected credit losses	76,671	-
Net loss (gain) on financial instruments at fair value through profit or loss	291,066 (93,902)
Interest expense	130,132	113,348
Interest income	(238,896)	(207,760)
Dividend income	(24,951)	-
Share of (profit) loss of associates	1,870	1,902
Proceeds from disposal of property, plant and equipment	(32,065)	(89,540)
Net (gain) loss on disposal of financial assets	35,269	-
Loss on disposal of subsidiaries	9,883	-
Unrealized proceeds from foreign currency exchange	(1,712,626)	(812,087)
Changes in operating assets and liabilities		
Notes receivable	-	21
Trade receivables	2,167,982	2,018,298
Other receivables	21,031	66,817
Inventories	72,561	1,415,641
Other current assets	39,073	(101,333)
Contract liabilities	(26,409)	31,615
Trade payables	(685,047)	(2,869,320)
Other payables	(519,297)	(886,489)
Other current liabilities	(602,639)	687
Net defined benefit liabilities	2	(9)
Other non-current liabilities	-	(10)
Cash generated from operations	2,979,644	3,562,122
Dividends received	24,906	-
Income tax paid	(12,913)	(4,131,291)
Net cash generated from (used in) operating activities	<u>2,991,637</u>	<u>(569,169)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(481,188)	(144,556)

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	January 1 to March 31, 2022	January 1 to March 31, 2021
Proceeds from sale of financial assets at fair value through other comprehensive income	\$ 896,599	\$ -
Purchase of financial assets at amortized cost	(119,198,534)	(203,969,144)
Proceeds from sale of financial assets at amortized cost	112,426,834	114,285,358
Purchase of financial assets at fair value through profit or loss	(2,799,926)	(76,588)
Proceeds from disposals of financial assets at fair value through profit or loss	2,038,709	-
Acquisition of property, plant and equipment	(147,160)	(142,005)
Proceeds from disposal of property, plant and equipment	41,164	97,334
Increase in refundable deposits	(1,322)	(43,785)
Decrease in refundable deposits	17	8,762
Payments for intangible assets	-	(26,382)
Payments for investment properties	-	(170)
Interest received	<u>205,648</u>	<u>189,137</u>
Net cash used in investing activities	(<u>7,019,159</u>)	(<u>89,822,039</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	76,596,726	69,120,726
Repayments of short-term borrowings	(83,605,726)	(69,437,726)
Proceeds from guarantee deposits received	560	5,233
Refunds of guarantee deposits received	(1,963)	(838)
Repayment of the principal portion of lease liabilities	(2,249)	(2,490)
Payments for buy-back of ordinary shares	(1,673,843)	-
Interest paid	(131,914)	(113,893)
Decrease in non-controlling interests	(37,157)	-
Proceeds from unclaimed dividends	<u>1,192</u>	<u>593</u>
Net cash used in financing activities	(<u>8,854,374</u>)	(<u>428,395</u>)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>1,190,486</u>	(<u>406,049</u>)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,691,410)	(91,225,652)
OPENING CASH AND CASH EQUIVALENTS	<u>53,115,285</u>	<u>111,882,981</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>\$ 41,423,875</u>	<u>\$ 20,657,329</u>

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

(Refer to the review report of Deloitte & Touche on May 10, 2022)

Refunds of guarantee deposits received

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JANUARY 1 TO MARCH 31, 2022 AND 2021

(Reviewed only, not audited in accordance with generally accepted auditing standards)

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

1. GENERAL INFORMATION

Catcher Technology Co., Ltd. (the “Company”) was incorporated in November 1984 under the laws of the Republic of China (R.O.C.). The Company mainly manufactures and sells aluminum and magnesium extrusion and stamping products and molds. It also provides leasing services.

The Company’s shares were listed and traded on the Taipei Exchange (formerly called the GreTai Securities Market) from November 1999 until September 2001, when the Company listed its shares on the Taiwan Stock Exchange (TWSE) under stock number “2474” and ceased listing and trading on the Taipei Exchange.

The Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs) on the Luxembourg Stock Exchange (Euro MTF) in June 2011.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the Group, are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were published after being approved by the Board of Directors on May 10, 2022.

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

- a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) (collectively, “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 any material impact on the accounting policies of the Company and its subsidiaries (collectively referred to as the “Group”).

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

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

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. This consolidated financial report does not include all the IFRSs disclosures required by the annual financial report.

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 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 based on 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 assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for assets or liabilities.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group. 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 Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 13, tables 7 and 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other significant accounting policies

In addition to the following description, please refer to the summary of significant accounting policies in the 2021 Consolidated Financial Report.

1) Defined retirement benefits

The pension cost in the interim period is calculated based on the actuarially determined pension cost rate at the end of the previous year, from the beginning of the year to the end of the current period. Adjustments are also made for major market fluctuations in the current period, as well as major plan revisions, liquidations, or other major one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax for the interim period is assessed on an annual basis and is calculated on the interim pre-tax profit at the tax rate applicable to the expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Please refer to the description of the major sources of uncertainty in significant accounting judgments, estimates and assumptions in the 2021 Consolidated Financial Report.

6. CASH AND CASH EQUIVALENTS

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	\$ 2,709	\$ 1,794	\$ 3,774
Demand deposits in banks	9,981,653	11,352,246	4,706,662
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	31,205,060	41,597,648	15,342,780
Repurchase agreements	136,836	66,050	604,113
Commercial paper	97,617	97,547	-
	<u>\$41,423,875</u>	<u>\$53,115,285</u>	<u>\$20,657,329</u>

The interest rate intervals of time deposits, repurchase agreements and commercial paper were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Time deposits	0.25% ~ 2.1%	0.17% ~ 2.95%	0.17% ~ 2.8%
Repurchase agreements	1%	1%	1%
Commercial paper	0.47%	0.30%	-

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets at FVTPL - current</u>			
Mandatorily classified as at FVTPL			
Non-derivative financial assets			
Mutual funds	\$ 2,290,833	\$ 2,223,491	\$ -
Domestic quoted shares	<u>2,287,694</u>	<u>1,744,446</u>	<u>443,703</u>
	<u>\$ 4,578,527</u>	<u>\$ 3,967,937</u>	<u>\$ 443,703</u>
<u>Financial assets at FVTPL - non-current</u>			
Mandatorily classified as at FVTPL			
Non-derivative financial assets			
Private equity funds	\$ 823,841	\$ 661,216	\$ -
Private equity securities	59,553	90,286	-
Limited partnerships	132,947	132,557	-
Simple Agreement for Future Equity (SAFE)	<u>77,288</u>	<u>74,736</u>	<u>77,045</u>
	<u>\$ 1,093,629</u>	<u>\$ 958,795</u>	<u>\$ 77,045</u>

8. FINANCIAL ASSETS AT FVTOCI

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	<u>\$ 2,232,178</u>	<u>\$ 1,870,987</u>	<u>\$ -</u>
<u>Non-current</u>			
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	\$ 919,000	\$ 859,146	\$ 786,783
Investments in debt instruments at FVTOCI	<u>3,597,503</u>	<u>4,571,199</u>	<u>-</u>
	<u>\$ 4,516,503</u>	<u>\$ 5,430,345</u>	<u>\$ 786,783</u>

a. Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Domestic investments			
Listed shares	<u>\$ 2,232,178</u>	<u>\$ 1,870,987</u>	<u>\$ -</u>
<u>Non-current</u>			
Domestic investments			
Unlisted shares	\$ 36,630	\$ 36,240	\$ 74,625
Foreign investments			
Limited partnerships	<u>882,370</u>	<u>822,906</u>	<u>712,158</u>
	<u>\$ 919,000</u>	<u>\$ 859,146</u>	<u>\$ 786,783</u>

These investments in equity instruments are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group invested US\$5,290 thousand and US\$5,096 thousand in China Renewable Energy Fund, L.P. in November 2021 and February 2021, respectively. The Group accounted for 23.51% of the total investment. In addition, the Group only holds 1 out of 5 seats in the Operation Committee. Therefore, the Group's management considered that it has no significant influence over the investee and classified the investment as financial assets at FVTOCI - non-current.

b. Investments in debt instruments at FVTOCI

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Non-current</u>			
Foreign corporate bonds	<u>\$ 3,597,503</u>	<u>\$ 4,571,199</u>	<u>\$ -</u>

Refer to Note 10 for information relating to the credit risk management and impairment of investments in debt instruments at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Current</u>			
Domestic investments			
Time deposits with original maturity of more than 3 months (a)	\$132,827,448	\$ 121,521,790	\$156,273,918
Repurchase agreements (a)	475,005	523,700	-
Refundable deposits	<u>2,632</u>	<u>1,249</u>	<u>54,204</u>
	<u>\$133,305,085</u>	<u>\$ 122,046,739</u>	<u>\$156,328,122</u>
<u>Non-current</u>			
Domestic investments			
Restricted bank deposits (a and b)	\$ 22,210,079	\$ 21,635,436	\$ 24,369,032
Time deposits with original maturity of more than 1 year (a)	262,890	254,196	262,062
Refundable deposits	<u>1,750</u>	<u>1,750</u>	<u>1,870</u>
	<u>\$ 22,474,719</u>	<u>\$ 21,891,382</u>	<u>\$ 24,632,964</u>

a. The interest rates intervals of time deposits and repurchase agreements:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Time deposits	0.12% ~ 1.12%	0.12% ~ 2.72%	0.16% ~ 2.82%
Repurchase agreements	1.20%	1% ~ 1.2%	-

b. Restricted bank deposits are the funds deposited into designated bank accounts by the Group in accordance with The Management, Utilization, and Taxation of Repatriated Offshore Funds Act.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Debt instruments invested by the Group are financial assets measured at amortized cost or at fair value through other comprehensive income:

March 31, 2022

	<u>Financial Assets at FVTOCI</u>
Gross carrying amount	\$ 3,675,903
Allowance for impairment loss	(<u>78,400</u>)
	<u>\$ 3,597,503</u>

December 31, 2021

	<u>Financial Assets at FVTOCI</u>
Gross carrying amount	<u>\$ 4,571,199</u>

The Group invests in debt instruments with credit rating information supplied by independent rating agencies. The Group continues to track external rating information to monitor changes in the credit risk of the debt instruments it invests in, and reviews other information such as bond yield curves and major debtor information to assess whether the credit risk of debt instrument investments has increased significantly since the initial recognition.

The Group considers the historical probability of default and loss given default of each rating provided by the external rating agency, the current financial situation of the debtor and the prospect forecast of the industry in which it is located, to measure the 12-month expected credit loss or the expected credit loss of the duration of the debt instrument investment.

The current credit risk rating mechanism of the Group is as follows:

Credit rating	Definition	Expected credit loss recognition basis
Normal	The debtor's credit risk is low, and the debtor has sufficient ability to repay the contractual cash flow	12-month expected credit losses
Abnormal	Credit risk has increased significantly since initial recognition	Expected credit loss for the duration of the debt instrument investment (without credit impairment)
Default	Evidence of credit impairment	Expected credit loss for the duration of the debt instrument investment (with credit impairment)
Offset	There is evidence that the debtor is in serious financial difficulty and that the Group has no reasonable expectation of recovery	Direct offset

The total carrying amount and applicable expected credit loss rate of debt instrument investments of each credit rating are as follows:

March 31, 2022

Credit rating	Expected credit loss rate	Gross carrying amount Financial assets at FVTOCI
Normal	0%	\$ 3,597,503
Abnormal	100%	78,400

In the first quarter of 2022, the subsequent development of the conflict between Russia and Ukraine and the related international sanctions resulted in greater financial uncertainty for the debtor. The Group considered that if the conflict continues, the probability of default would increase and the expected credit loss rate would increase.

Information on changes in loss allowances on debt instrument investments measured at fair value through other comprehensive income

	Credit rating
	Abnormal (expected credit loss for the duration of the debt instrument investment without credit impairment)
BALANCE AT JANUARY 1, 2022	\$ -
Changes in credit rating of debt instruments initially recognized	
- normal to abnormal	76,671
Exchange rates and other changes	1,729
BALANCE AT MARCH 31, 2022	<u>\$ 78,400</u>

The increase in expected credit loss rate due to the conflict between Russia and Ukraine and related international sanctions resulted in an increase of NT\$ 76,671 thousand in the allowance for abnormal credit rating of financial assets measured at fair value through other comprehensive income.

11. TRADE RECEIVABLES AND OTHER RECEIVABLES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 7,772,692	\$ 9,722,596	\$15,306,613
Less: Allowance for impairment loss	(<u>58,282</u>)	(<u>57,183</u>)	(<u>57,183</u>)
	<u>\$ 7,714,410</u>	<u>\$ 9,665,413</u>	<u>\$15,249,430</u>
Other receivables	<u>\$ 294,585</u>	<u>\$ 503,406</u>	<u>\$ 257,671</u>

a. Trade receivables

The average credit period of sales of goods was 30 to 180 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amount. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The expected credit losses on trade receivables are estimated using a provision matrix by reference to the 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 debtor operates and an assessment of both the current as well as the forecasted 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 bases.

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, e.g. when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables past 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 60 Days	61 to 120 Days	Total
Expected credit loss rate	0% ~ 0.798%	0% ~ 2.366%	0%	
Gross carrying amount	\$ 7,055,354	\$ 676,715	\$ 40,623	\$ 7,772,692
Loss allowance (lifetime ECLs)	(56,295)	(1,987)	-	(58,282)
Amortized cost	<u>\$ 6,999,059</u>	<u>\$ 674,728</u>	<u>\$ 40,623</u>	<u>\$ 7,714,410</u>

December 31, 2021

	Not Past Due	Less than 60 Days	61 to 120 Days	Total
Expected credit loss rate	0% ~ 0.494%	0% ~ 2.366%	0%	
Gross carrying amount	\$ 9,524,803	\$ 197,793	\$ -	\$ 9,722,596
Loss allowance (lifetime ECLs)	(57,109)	(74)	-	(57,183)
Amortized cost	<u>\$ 9,467,694</u>	<u>\$ 197,719</u>	<u>\$ -</u>	<u>\$ 9,665,413</u>

March 31, 2021

	Not Past Due	Less than 60 Days	Exceed 180 Days Past Due	Total
Expected credit loss rate	0% ~ 0.392%	0% ~ 2.291%	100%	
Gross carrying amount	\$ 14,455,986	\$ 850,247	\$ 380	\$ 15,306,613
Loss allowance (lifetime ECLs)	(56,616)	(187)	(380)	(57,183)
Amortized cost	<u>\$ 14,399,370</u>	<u>\$ 850,060</u>	<u>\$ -</u>	<u>\$ 15,249,430</u>

Information on the changes in loss allowances for accounts receivable is as follows:

	January 1 to March 31, 2022
Opening balance	\$ 57,183
Effects of foreign currency exchange differences	1,099
Ending balance	<u>\$ 58,282</u>

b. Other receivables

The Group analyzed other receivables that were not past due based on the past due status, and the Group did not recognize an allowance for loss on other receivables.

12. INVENTORIES

	March 31, 2022	December 31, 2021	March 31, 2021
Merchandise	\$ 4,443	\$ 11,033	\$ 47,574
Finished goods	1,757,050	2,045,964	3,019,681
Work-in-process and semi-finished goods	1,172,343	934,852	1,143,272
Raw materials and supplies	<u>396,741</u>	<u>324,913</u>	<u>342,358</u>
	<u>\$ 3,330,577</u>	<u>\$ 3,316,762</u>	<u>\$ 4,552,885</u>

The nature of the cost of goods sold is as follows:

	January 1 to March 31, 2022	January 1 to March 31, 2021
Cost of inventories sold	\$ 5,112,098	\$ 8,688,093
Others	(30,089)	(78,078)
	<u>\$ 5,082,009</u>	<u>\$ 8,610,015</u>

13. SUBSIDIARY

Subsidiaries included in the consolidated financial statements

Subsidiaries included in the consolidated financial statements were as follows:

Investor Company	Investee	Main Business	% of Ownership			Remark
			March 31, 2022	December 31, 2021	March 31, 2021	
Catcher Technology Co., Ltd.	Nanomag International Co., Ltd.	Investing activities	100	100	100	
	Gigamag Co., Ltd.	Investing activities	100	100	100	
	Ke Yue Co., Ltd.	Investing activities	100	100	100	
	Yi Sheng Co., Ltd.	Investing activities	100	100	100	
	Yi De Co., Ltd.	Investing activities	100	100	100	
	Catcher Medtech Co., Ltd.	Manufacturing, and selling medical devices	100	100	-	Note 1
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Investing activities	100	100	100	
	Stella International Co., Ltd.	Investing activities	100	100	100	
	Uranus International Co., Ltd.	Investing activities	100	100	100	
	Aquila International Co., Ltd.	Investing activities	75	75	75	
	Norma International Co., Ltd.	Investing activities	100	100	100	
	Next Level Ltd.	Investing activities	100	100	100	
Castmate International Co., Ltd.	Cor Ventures Pte. Ltd.	Investing activities	100	100	100	
	Cygnus International Co., Ltd.	Investing activities	100	100	100	
Cygnus International Co., Ltd.	Meecca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	-	100	Note 2
Stella International Co., Ltd.	Lyra International Co., Ltd.	Investing activities	100	100	100	
Lyra International Co., Ltd.	Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	-	100	Note 2
Uranus International Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	100	
	Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	100	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Investing activities	100	100	100	
Cepheus International Co., Ltd.	Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling molds and electronic parts	-	100	100	Note 3
Norma International Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	100	
	Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	100	
Gigamag Co., Ltd.	Neat Co., Ltd.	International trade	100	100	100	

Note 1: Catcher Technology Co., Ltd. incorporated its 100% owned subsidiary, Catcher Medtech Co., Ltd., in September 2021.

Note 2: The Board of Directors of the Company resolved to dispose of all shares of the subsidiaries on November 10, 2021, and the settlement was completed in December 2021. Refer to Note 29 for related disclosures of disposal of subsidiaries.

Note 3: Aquila Technology (Suqian) Co., Ltd. was liquidated and canceled in February 2022.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Investments in associates</u>			
Associates that are not individually material	\$ 6,181	\$ 8,050	\$ 9,681

Aggregate information of associates that are not individually material was as follows:

	January 1 to March 31, 2022	January 1 to March 31, 2021
The Group's share of:		
Net loss and total comprehensive income for current period	(\$ 1,870)	(\$ 1,902)

The investments accounted for using the equity method and the Group's profit and loss and other comprehensive income from January 1 to March 31, 2022 were calculated on March 31, 2022 based on the financial report that has not been reviewed by CPA. The management of the Group believes that the above-mentioned financial report of the subsidiaries which have not been reviewed by CPA does not have a significant impact.

15. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are used by the Group.

Please refer to Table 10 for the 2021 and 2022 changes in property, plant, and equipment of the Group from January 1, to March 31.

No impairment losses were recognized or reversed from January 1 to March 31 in 2021 and 2022.

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

Buildings	
Main buildings	20-50 years
Mechanical and electrical power equipment	5 years
Engineering systems	2-5 years
Machinery and equipment	2-10 years
Transportation equipment	5 years
Furniture and fixtures	2-5 years
Miscellaneous equipment	2-15 years
Leasehold improvements	3-5 years

All of the Group's property, plant and equipment were not pledged as collateral.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2022	December 31, 2021	March 31, 2021
Carrying amount			
Land	\$1,026,566	\$1,000,840	\$1,212,022
Buildings	<u>13,253</u>	<u>15,728</u>	<u>15,359</u>
	<u>\$1,039,819</u>	<u>\$1,016,568</u>	<u>\$1,227,381</u>
	January 1 to March 31, 2022	January 1 to March 31, 2021	
Depreciation charge for right-of-use assets			
Land	\$ 6,468	\$ 7,871	
Buildings	<u>2,475</u>	<u>3,100</u>	
	<u>\$ 8,943</u>	<u>\$ 10,971</u>	
Income from the subleasing of right-of-use assets (recognized as operating revenue)	<u>\$ 567</u>	<u>\$ 556</u>	

Except for the above-recognized depreciation expense, there was no significant sublease and impairment of the right-of-use assets of the Group from January 1 to March 31 in 2021 and 2022.

b. Lease liabilities

	March 31, 2022	December 31, 2021	March 31, 2021
Carrying amount			
Current	<u>\$ 13,192</u>	<u>\$ 13,168</u>	<u>\$ 14,448</u>
Non-current	<u>\$ 124,601</u>	<u>\$ 126,873</u>	<u>\$ 142,006</u>

Range of discount rates for lease liabilities was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Land	0.71%	0.71%	0.71%
Buildings	0.71%	0.71%	0.71% and 4.9%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of plants and office spaces with lease terms of 3 to 50 years. The lease contract for land located in Taiwan specifies that lease payments will be adjusted every year on the basis of changes in the announced land value prices. The lease contract for land located in China specifies that lease payments will be adjusted every year based on the lease

contract. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Sublease

The Group subleases its right-of-use assets for office spaces in Taipei under operating leases with a lease term of 1 year to associate Yue-Kang Health Control Technology Inc.

The maturity analysis of lease payments receivable was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Year 1	<u>\$ 800</u>	<u>\$ 2,269</u>	<u>\$ 1,112</u>

e. Other lease information

	January 1 to March 31, 2022	January 1 to March 31, 2021
Expenses relating to short-term leases	<u>\$ 836</u>	<u>\$ 1,306</u>
Expenses relating to low-value asset leases	<u>\$ 148</u>	<u>\$ 239</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 5,390</u>	<u>\$ 6,084</u>
Total cash outflow for leases	<u>\$ 14,184</u>	<u>\$ 20,377</u>

The Group leases certain assets which qualify as short-term leases and certain assets which qualify as low-value asset 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.

17. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2021	\$ 203,363	\$ 900,329	\$ 1,103,692
Additions	-	170	170
Effect of foreign currency exchange difference	-	(3,834)	(3,834)
Balance at March 31, 2021	<u>\$ 203,363</u>	<u>\$ 896,665</u>	<u>\$ 1,100,028</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2021	\$ -	\$ 603,393	\$ 603,393
Depreciation expense	-	11,039	11,039
Effect of foreign currency exchange difference	-	(2,504)	(2,504)
Balance at March 31, 2021	<u>\$ -</u>	<u>\$ 611,928</u>	<u>\$ 611,928</u>

(Continued)

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	Land	Buildings	Total
Net amount as of March 31, 2021	<u>\$ 203,363</u>	<u>\$ 284,737</u>	<u>\$ 488,100</u>
<u>Cost</u>			
Ending balance as of January 1, 2022 and March 31, 2022	<u>\$ 203,363</u>	<u>\$ 155,287</u>	<u>\$ 358,650</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2022	\$ -	\$ 137,085	\$ 137,085
Depreciation expense	-	1,447	1,447
Balance at March 31, 2022	<u>\$ -</u>	<u>\$ 138,532</u>	<u>\$ 138,532</u>
Net amount as of January 1, 2022	<u>\$ 203,363</u>	<u>\$ 18,202</u>	<u>\$ 221,565</u>
Net amount as of March 31, 2022	<u>\$ 203,363</u>	<u>\$ 16,755</u>	<u>\$ 220,118</u>

The investment properties are depreciated by the straight-line method over their estimated useful lives as follows:

Main buildings	20-35 years
Elevators	15 years
Heat dissipation system	5 years

Due to the impact of the COVID-19 pandemic on the market and economy in 2021, the Group agreed to defer the rental collection for the period between June 5, 2021 and December 5, 2021 to the period between December 5, 2021 and June 5, 2022.

The fair values of the Company's investment properties as of December 31, 2020 and 2021 were NT\$768,833 thousand and NT\$2,334,976 thousand respectively. As assessed by the management of the Group, there was no significant change in fair value on March 31, 2021 and 2022 compared to December 31, 2020 and 2021.

All of the Group's investment properties were not pledged as collateral.

The investment properties are leased out from February 2017 to March 2027. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Year 1	\$ 18,190	\$ 10,037	\$ 65,162
Year 2	19,320	7,560	50,685
Year 3	19,560	7,560	7,560
Year 4	19,560	7,560	7,560
Year 5	18,835	7,560	7,560
Year 6 onwards	500	1,565	7,235
	<u>\$ 95,965</u>	<u>\$ 41,842</u>	<u>\$ 145,762</u>

18. INTANGIBLE ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
Computer Software	\$ 27,906	\$ 34,507	\$ 54,769
Technical Skill	20,564	23,200	-
	<u>\$ 48,470</u>	<u>\$ 57,707</u>	<u>\$ 54,769</u>

Except for the recognition of amortization expenses, there was no significant increase, disposal or impairment of the intangible assets of the Group from January 1 to March 31 in 2021 and 2022. The above intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer Software	2-10 Years
Technical Skill	2.5 years

19. OTHER ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Office supplies	\$ 164,128	\$ 174,945	\$ 229,687
Prepaid expenses	125,473	140,863	307,842
Net input VAT	67,132	89,292	145,165
Others	2,055	1,009	7,351
	<u>\$ 358,788</u>	<u>\$ 406,109</u>	<u>\$ 690,045</u>
<u>Non-current</u>			
Prepaid equipment	\$ 40,649	\$ 60,922	\$ 83,614
Others	841	12,071	543
	<u>\$ 41,490</u>	<u>\$ 72,993</u>	<u>\$ 84,157</u>

20. SHORT-TERM BORROWINGS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Unsecured borrowings</u>			
Bank unsecured loans	<u>\$71,022,726</u>	<u>\$78,031,726</u>	<u>\$70,148,726</u>

The range of interest rates of short-term borrowings was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Bank unsecured loans	0.60% ~ 0.89%	0.60% ~ 0.88%	0.59% ~ 0.87%

21. TRADE PAYABLES

Trade payables resulted from operating activities.

The Group has financial risk management policies in place to ensure that all payables are paid in accordance with the pre-agreed credit terms.

22. OTHER LIABILITIES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Other payables			
Payables for employees' compensation	\$ 2,484,273	\$ 2,705,255	\$ 2,961,866
Payables for salaries and bonuses	826,721	1,287,033	1,155,899
Payables for technical service fees	1,220,462	708,463	440,354
Payables for office supplies	158,546	224,733	171,403
Payables for annual leave	127,412	132,498	129,410
Payables for utilities	65,508	71,357	86,938
Payables for taxes	77,511	70,675	105,570
Payables for rework cost	-	-	90,364
Payables for purchases of equipment	94,253	111,709	87,692
Payables for meals	23,340	47,714	51,728
Payables for maintenance	42,878	50,573	54,380
Payables for shipping expenses and warehousing	29,057	39,845	44,571
Payables for professional service fees	18,476	34,999	219,596
Payables for interest	11,863	13,836	11,907
Others	332,810	484,458	375,164
	<u>\$ 5,513,110</u>	<u>\$ 5,983,148</u>	<u>\$ 5,986,842</u>
Other liabilities			
Advance receipts	\$ 770,975	\$ 748,548	\$ 1,720,016
Deferred revenue	-	584,546	602,602
Guarantee deposits received	14,764	15,952	18,170
Payables for value-added tax	24,286	32,406	3,798
Others	16,019	15,471	13,584
	<u>\$ 826,044</u>	<u>\$ 1,396,923</u>	<u>\$ 2,358,170</u>
<u>Non-current</u>			
Other liabilities			
Guarantee deposits received	<u>\$ 8,935</u>	<u>\$ 8,776</u>	<u>\$ 21,410</u>

23. RETIREMENT BENEFIT PLANS

The pension expenses related to the defined benefit plan recognized from January 1 to March 31 in 2021 and 2022 are calculated based on the pension cost rate actuarially determined on December 31, 2021, and 2020, and the amount is NT\$562 thousand and NT\$485 thousand respectively.

24. EQUITY

a. Share capital

1) Ordinary shares

	March 31, 2022	December 31, 2021	March 31, 2021
Number of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Shares authorized	<u>\$10,000,000</u>	<u>\$10,000,000</u>	<u>\$10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>729,753</u>	<u>761,618</u>	<u>761,618</u>
Shares issued	<u>\$ 7,297,531</u>	<u>\$ 7,616,181</u>	<u>\$ 7,616,181</u>

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

On February 24, 2022, the Company's Board of Directors approved a capital reduction to cancel the Company's 31,865 thousand treasury shares, and the record date was February 28, 2022. The Company's paid-in capital was \$7,297,531 thousand after the capital reduction.

A total of 23,000 thousand shares of the Company's authorized shares were reserved for the issuance of employee share options.

2) Global depositary receipts

In June 2011, the Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs). Each GDR was issued at US\$32.84 and represented 5 ordinary shares. The Company issued 6,700 thousand units of GDRs, representing 33,500 thousand ordinary shares.

According to the regulations of the competent authority, the holder of depositary receipts may request to be redeemed and circulated in the domestic securities exchange market, and foreign investors may request to reissue depositary receipts within the scope of the original issuance amount. As of March 31, 2022, and December 31, 2021, and March 31, 2021, the outstanding GDRs were 311 thousand, 417 thousand and 833 thousand units respectively, equivalent to approximately 1,556 thousand, 2,084 thousand and 4,163 thousand common shares respectively.

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)</u>			
Arising from issuance of ordinary shares	\$7,066,754	\$ 7,375,327	\$ 7,375,327
Arising from conversion of bonds	12,101,150	12,629,553	12,629,553
<u>May only be used to offset a deficit</u>			
Donations from shareholders	<u>5,136</u>	<u>3,944</u>	<u>3,944</u>
	<u>\$19,173,040</u>	<u>\$ 20,008,824</u>	<u>\$ 20,008,824</u>

Note: Such capital surplus 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 once a year).

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, the proposal for profit distribution or offsetting of losses can be made at the end of each six months of the fiscal year, when the Company makes a profit in the first half of the fiscal year, the profit should be appropriated as follows:

- 1) Pay taxes;
- 2) Offset against deficit, if any;
- 3) Estimate compensation of employees and remuneration of directors;
- 4) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;
- 5) Reverse a special reserve in accordance with the laws or operating needs; and
- 6) Any remaining profit together with any undistributed retained earnings shall be used by the Company's Board of Directors as the basis for proposing a distribution plan. For distribution via issuance of new shares, the proposal shall be submitted to the shareholders' meeting for resolution; for cash distribution, it shall be subject to a resolution of the Board of Directors.

When the Company makes a profit in a fiscal year, the profit should be appropriated as follows:

- 1) Pay taxes;
- 2) Offset against deficit, if any;
- 3) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;
- 4) Reverse a special reserve in accordance with the laws or operating needs; and
- 5) Any remaining profit together with any undistributed retained earnings shall be used by the Company'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.

The Company is still in the growing stage and is continuing to expand its operating scale with due consideration of the viability of the economic situation. The Board of Directors shall be focusing on growing dividends in a stable manner when proposing the appropriation of annual earnings. However, cash dividends shall not be less than 10% of the total dividends, and cash dividends shall not be distributed if the dividends per share is less than NT\$0.5.

For the policies on the distribution of the compensation of employees and remuneration of directors after amendment, refer to "Compensation of employees and remuneration of directors" in Note 26(h).

The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2021 and 2020 were as follows:

	2021	2020
Legal reserve	\$ 857,386	\$ 1,965,163
Special reserve	\$ 2,567,156	\$ 2,205,804
Cash dividends	\$ 7,297,531	\$ 9,139,417
Cash dividends per share (NT\$)	\$ 10	\$ 12

The Company's Board of Directors has resolved to distribute cash dividends on April 6, 2022 and April 20, 2021; the 2020 and 2021 retained earnings were resolved by the shareholders' meetings on August 27, 2021 and May 27, 2022 respectively.

d. Other equity

- 1) Exchange differences on translating the financial statements of foreign operations

	January 1 to March 31, 2022	January 1 to March 31, 2021
Opening balance	(\$ 16,859,133)	(\$ 14,326,474)
Exchange differences on translating the financial statements of foreign operations	5,409,484	(34,659)
Ending balance	(\$ 11,449,649)	(\$ 14,361,133)

- 2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	January 1 to March 31, 2022	January 1 to March 31, 2021
Opening balance	(\$ 102,333)	(\$ 67,836)
Unrealized gain (loss)		
Equity instruments	(81,964)	(12,595)
Debt instruments	(159,252)	-
Reclassification adjustments		
Disposal of investments in debt instruments	35,269	-
Ending balance	(\$ 308,280)	(\$ 80,431)

e. Non-controlling interests

	January 1 to March 31, 2022	January 1 to March 31, 2021
Opening balance	\$ 49,589	\$ 96,537
Current period net profit (loss)	(6,061)	9,458
Other comprehensive income in the current period		
Exchange differences on translating the financial statements of foreign	3,812	(568)

operations		
Distribution of earnings from		
subsidiaries	(37,157)	-
Ending balance	<u>\$ 10,183</u>	<u>\$ 105,427</u>

f. Treasury shares

Purpose of Buy-back	Shares Cancelled (In Thousands of Shares)
Number of shares at January 1, 2022	21,567
Increase in current period	10,298
Decrease in current period	<u>31,865</u>
Number of shares at March 31, 2022	<u>-</u>

To maintain the Company's credit and shareholders' equity, on December 8, 2021, the Company's board of directors resolved to buy back 25,000 thousand shares from December 9, 2021 to February 8, 2022 at a price ranging from \$106.80 per share to \$238.50 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, a total of 16,332 thousand shares were repurchased at a total cost of NT\$2,560,844 thousand.

To maintain the Company's credit and shareholders' equity, on September 16, 2021, the Company's board of directors resolved to buy back 25,000 thousand shares from September 16, 2021 to November 15, 2021 at a price ranging from \$109.2 per share to \$256.8 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, the Company bought back 15,533 thousand shares at a total cost of \$2,533,309 thousand.

On February 24, 2022, the Company's board of directors approved a capital reduction to cancel the Company's 31,865 thousand treasury shares, and the record date was February 28, 2022.

According to the Securities and Exchange Act, treasury shares should not exceed 10% of the Company's issued and outstanding shares and the total amount of treasury shares should not exceed the total retained earnings and realized additional paid-in capital.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

25. REVENUE

	January 1 to March 31, 2022	January 1 to March 31, 2021
Revenue from contracts with customers		
Revenue from the sale of metal casing	\$ 7,216,339	\$ 12,612,410
Rental income	<u>4,491</u>	<u>16,968</u>
	<u><u>\$ 7,220,830</u></u>	<u><u>\$ 12,629,378</u></u>

a. Contract information

The Group sells metal casing to customers. All goods are sold at respective fixed amounts as agreed in the contracts.

b. Contract balances

	March 31, 2022	December 31, 2021	March 31, 2021	January 1, 2021
Trade receivables				
Gross carrying amount	\$ 7,772,692	\$ 9,722,596	\$ 15,306,613	\$ 17,374,684
Less: Allowance for impairment loss	<u>(58,282)</u>	<u>(57,183)</u>	<u>(57,183)</u>	<u>(57,183)</u>
	<u><u>\$ 7,714,410</u></u>	<u><u>\$ 9,665,413</u></u>	<u><u>\$ 15,249,430</u></u>	<u><u>\$ 17,317,501</u></u>
Contract liabilities - current				
Sale of goods	<u>\$ 6,333</u>	<u>\$ 32,742</u>	<u>\$ 44,160</u>	<u>\$ 12,545</u>

26. NET PROFIT

a. Interest income

	January 1 to March 31, 2022	January 1 to March 31, 2021
Bank deposits	\$ 190,668	\$ 206,236
Investments in debt instruments at FVTOCI	46,498	-
Repurchase agreements	<u>1,730</u>	<u>1,524</u>
	<u><u>\$ 238,896</u></u>	<u><u>\$ 207,760</u></u>

b. Other income

	January 1 to March 31, 2022	January 1 to March 31, 2021
Government grants	\$ 2,563	\$ 226,094
Recycling income	6,247	27,217
Dividend income	24,951	-
Other income	<u>2,028</u>	<u>17,395</u>
	<u><u>\$ 35,789</u></u>	<u><u>\$ 270,706</u></u>

c. Other gains and losses

	January 1 to March 31, 2022	January 1 to March 31, 2021
Fair value changes of financial assets mandatorily classified as at FVTPL	(\$ 291,066)	\$ 93,902
Loss of liquidation of subsidiary	(9,883)	-
Loss on disposal of investment in debt instruments at FVTOCI	(35,269)	-
Others	<u>20,056</u>	(<u>11,802</u>)
	<u>(\$ 316,162)</u>	<u>\$ 82,100</u>

d. Interest expense

	January 1 to March 31, 2022	January 1 to March 31, 2021
Interest on bank loans	\$ 129,886	\$ 113,025
Interest on lease liabilities	<u>246</u>	<u>323</u>
	<u>\$ 130,132</u>	<u>\$ 113,348</u>

e. Depreciation and amortization

	January 1 to March 31, 2022	January 1 to March 31, 2021
An analysis of depreciation by function		
Operating costs	\$ 814,208	\$ 1,248,694
Operating expenses	<u>104,047</u>	<u>156,315</u>
	<u>\$ 918,255</u>	<u>\$ 1,405,009</u>
An analysis of amortization by function		
Operating costs	\$ 4,392	\$ 8,496
Operating expenses	<u>8,760</u>	<u>5,471</u>
	<u>\$ 13,152</u>	<u>\$ 13,967</u>

f. Operating expenses directly related to investment properties

	January 1 to March 31, 2022	January 1 to March 31, 2021
Direct operating expenses from investment properties generating rental income	<u>\$ 1,995</u>	<u>\$ 11,462</u>

g. Employee benefits expense

	January 1 to March 31, 2022	January 1 to March 31, 2021
Short-term employee benefits	\$ 2,100,049	\$ 3,021,998
Retirement benefits		
Defined contribution plan	131,968	139,792
Defined benefit plans (Note 23)	<u>562</u>	<u>485</u>
	<u>132,530</u>	<u>140,277</u>
	<u>\$ 2,232,579</u>	<u>\$ 3,162,275</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 1,636,509	\$ 2,488,270
Operating expenses	<u>596,070</u>	<u>674,005</u>
	<u>\$ 2,232,579</u>	<u>\$ 3,162,275</u>

h. Compensation of employees and remuneration of directors

The Company accrued the compensation of employees and remuneration of directors at the rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. Estimated employee compensation and director remuneration from January 1 to March 31 in 2021 and 2022 are as follows:

Accrual rate

	January 1 to March 31, 2022	January 1 to March 31, 2021
Compensation of employees	1.21%	4.84%
Remuneration of directors	0.14%	0.15%

Amount

	January 1 to March 31, 2022	January 1 to March 31, 2021
Compensation of employees	\$ 36,055	\$ 139,528
Remuneration of directors	4,250	4,250

If there are changes 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 compensation of employees and remuneration of directors for the years ended December 31, 2021 and 2020, which were approved by the Company's board of directors on February 24, 2022 and March 10, 2021, respectively, were as follows:

	2021		2020	
	Cash	Shares	Cash	Shares
Compensation of employees	<u>\$ 521,976</u>	\$ -	<u>\$1,164,883</u>	\$ -
Remuneration of directors	<u>\$ 16,400</u>	-	<u>\$ 15,523</u>	-

There was no difference between the actual amount of compensation of employees and remuneration of directors paid and the amount recognized in the consolidated financial statements for the years ended December 31, 2020 and 2021.

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

i. Foreign exchange gains (losses), net

	January 1 to March 31, 2022	January 1 to March 31, 2021
Foreign exchange gains	\$ 2,493,443	\$ 2,161,761
Foreign exchange losses	(<u>291,941</u>)	(<u>1,855,174</u>)
Net profit	<u>\$ 2,201,502</u>	<u>\$ 306,587</u>

27. TAXATION

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	January 1 to March 31, 2022	January 1 to March 31, 2021
Current tax		
In respect of the current year	\$ 576,885	\$ 561,085
Deferred tax		
In respect of the current year	<u>416,685</u>	<u>471,622</u>
	<u>\$ 993,570</u>	<u>\$ 1,032,707</u>

The applicable corporate income tax rate used by the Group is 20%; the tax rate applicable to the subsidiaries in China is 25%; the tax amount incurred in other jurisdictions is calculated based on the applicable tax rate of each relevant jurisdiction.

b. Income tax assessments

The income tax declaration proposal for the Company and its subsidiaries Ke Yue, Yi Sheng and Yi De has been approved by the tax collection authority until 2020.

28. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit

	January 1 to March 31, 2022	January 1 to March 31, 2021
Profit for the year attributable to owners of the Company	<u>\$ 2,057,118</u>	<u>\$ 2,513,102</u>

Number of shares

	January 1 to March 31, 2022	January 1 to March 31, 2021
		In thousand shares
Weighted average number of ordinary shares in computation of basic earnings per share	732,153	761,618
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>2,362</u>	<u>5,263</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>734,515</u>	<u>766,881</u>

The Group may settle 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.

29. DISPOSALS OF SUBSIDIARIES

On November 10, 2021, the Group signed an agreement to dispose of its Suzhou subsidiaries (Topo Technology (Suzhou) Co., Ltd. and Meecca Technology (Suzhou Industrial Park) Co., Ltd. The Group completed the disposal on December 3, 2021 and lost control of these subsidiaries.

- a. Consideration received from disposals

	Suzhou Subsidiaries
Cash and cash equivalents	<u>\$ 5,547,314</u>

b. Analysis of assets and liabilities on the date control was lost

	Suzhou Subsidiaries
Current assets	
Cash and cash equivalents	\$ 532,552
Financial assets at amortized cost	707
Other receivables	26,443
Other current assets	1
Non-current assets	
Property, plant and equipment	872,415
Right-of-use assets	177,096
Investment properties	238,186
Intangible assets	10
Current liabilities	
Contract liabilities	(9,873)
Other payables	(11,702)
Other current liabilities	(297)
Non-current liabilities	
Other non-current liabilities	(12,996)
Net assets disposed of	<u>\$ 1,812,542</u>

c. Gain on disposal of subsidiaries

	Suzhou Subsidiaries
Consideration received from disposals	\$ 5,547,314
Net assets disposed of	(1,812,542)
Reclassification of other comprehensive income in respect of subsidiaries	(920,542)
Related fees and taxes	(31,862)
Gain on disposal (recognized as other gains and losses)	2,782,368
Less: Capital gains tax (recognized as income tax expense)	498,481
Net gain on disposals	<u>\$ 2,283,887</u>

d. Net cash inflow on disposals of subsidiaries

	Suzhou Subsidiaries
Consideration received in cash and cash equivalents	\$ 5,547,314
Less: Cash and cash equivalent balances disposed of	(532,552)
	<u>\$ 5,014,762</u>

30. CAPITAL MANAGEMENT

The Group requires significant amount of capital to build and expand its production facilities and equipment. The Group manages its capital in a manner to ensure that it has sufficient and necessary financial resources to fund its working capital needs, capital asset purchases, research and development activities, dividend payment, debt service requirements and other business requirements associated with its existing operations over the next 12 months.

31. FINANCIAL INSTRUMENTS

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

The carrying amounts of financial instruments that are not measured at fair value approximate their fair value recognized in the consolidated financial statements; these financial instruments include cash and cash equivalents, financial assets at amortized cost, accounts receivable, other receivables, refundable deposits, short-term loans, accounts payable, other payables, and guarantee deposits received.

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

1) Fair value hierarchy

March 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Exchange-listed or OTC-listed stock or an emerging stock	\$2,287,694	\$ -	\$ -	\$2,287,694
Beneficiaries certificates	2,290,833	-	-	2,290,833
Simple Agreement for Future Equity (SAFE)	-	-	77,288	77,288
Private equity fund	-	-	823,841	823,841
Private equity securities	-	-	59,553	59,553
Limited partnerships	-	-	132,947	132,947
	<u>\$4,578,527</u>	<u>\$ -</u>	<u>\$1,093,629</u>	<u>\$5,672,156</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)				
Exchange-listed or OTC-listed stock or an emerging stock	\$2,232,178	\$ -	\$ -	\$2,232,178

	(Continued from previous page)			
	Level 1	Level 2	Level 3	Total
Stock not listed on the exchange, OTC, or emerging stock market	-	-	36,630	36,630
Limited partnerships	-	-	882,370	882,370
Investments in debt instruments at FVTOCI				
Bond	-	3,597,503	-	3,597,503
	<u>\$ 2,232,178</u>	<u>\$ 3,597,503</u>	<u>\$ 919,000</u>	<u>\$ 6,748,681</u>

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares and emerging market shares	\$1,744,446	\$ -	\$ -	\$1,744,446
Beneficiaries certificates	2,223,491	-	-	2,223,491
Simple Agreement for Future Equity (SAFE)	-	-	74,736	74,736
Private equity fund	-	-	661,216	661,216
Private equity securities	-	-	90,286	90,286
Limited partnerships	-	-	132,557	132,557
	<u>\$3,967,937</u>	<u>\$ -</u>	<u>\$ 958,795</u>	<u>\$4,926,732</u>

Financial assets at FVTOCI

Investments in equity instruments at fair value through other comprehensive income (FVTOCI)				
Listed shares and emerging market shares	\$1,870,987	\$ -	\$ -	\$1,870,987
Stock not listed on the exchange, OTC, or emerging stock market	-	-	36,240	36,240
Limited partnerships	-	-	822,906	822,906
Investments in debt instruments at FVTOCI				
Bond	-	4,571,199	-	4,571,199
	<u>\$1,870,987</u>	<u>\$4,571,199</u>	<u>\$ 859,146</u>	<u>\$7,301,332</u>

March 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Listed shares and emerging market shares	\$ 443,703	\$ -	\$ -	\$ 443,703
Simple Agreement for Future Equity (SAFE)	-	-	77,045	77,045
	<u>\$ 443,703</u>	<u>\$ -</u>	<u>\$ 77,045</u>	<u>\$ 520,748</u>
Financial assets at FVTOCI				
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)				
Stock not listed on the exchange, OTC, or emerging stock market	\$ -	\$ -	\$ 74,625	\$ 74,625
Limited partnerships	-	-	712,158	712,158
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 786,783</u>	<u>\$ 786,783</u>

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

January 1 to March 31, 2022

	Financial Assets at FVTPL	Financial Assets at FVTOCI	
	Equity Instruments	Equity Instruments	Total
Financial assets			
Opening balance	\$ 958,795	\$ 859,146	\$ 1,817,941
Purchases	122,264	-	122,264
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	31,068	31,068
Effects of foreign currency exchange differences	12,570	28,786	41,356
Ending balance	<u>\$ 1,093,629</u>	<u>\$ 919,000</u>	<u>\$ 2,012,629</u>

January 1 to March 31, 2021

	Financial Assets at FVTPL	Financial Assets at FVTOCI	
	Equity Instruments	Equity Instruments	Total
Financial assets			
Opening balance	\$ -	\$ 652,880	\$ 652,880
Purchases	76,588	144,556	221,144
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	(12,595)	(12,595)
Effects of foreign currency exchange differences	457	1,942	2,399
Ending balance	<u>\$ 77,045</u>	<u>\$ 786,783</u>	<u>\$ 863,828</u>

- 3) Valuation techniques and inputs applied for Level 2 fair value measurement
Domestic government bonds are determined by quoted market prices provided by the independent third party.
- 4) Valuation techniques and inputs applied for Level 3 fair value measurement
The fair value of unlisted equity securities in the R.O.C., limited partnerships, private equity securities and SAFE were estimated using the market approach and based on the recent net equity of the target asset. In the market approach, the selling price of comparable companies was used to estimate the fair value of the target asset through comparison, analysis and adjustments. The fair value of private equity fund was estimated using the asset approach.

c. Categories of financial instruments

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 5,672,156	\$ 4,926,732	\$ 520,748
Financial assets at amortized cost (Note 1)	205,212,674	207,222,225	217,125,516
Financial assets at FVTOCI			
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	3,151,178	2,730,133	786,783
Investments in debt instruments at FVTOCI	3,597,503	4,571,199	-
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	79,437,669	87,505,382	80,971,155

Note 1: The balance includes financial assets measured at amortized cost including cash and cash equivalents, accounts receivable, other receivables and deposits.

Note 2: The balance includes financial liabilities measured at amortized cost, which comprise short-term loans, trade payables, other payables, and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, borrowings, and lease liabilities. The Group's Corporate Treasury function provides services to the business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to operations 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.

The plans for material treasury activities are reviewed by the board of directors in accordance with procedures required by relevant regulations or internal controls. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

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

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

a) Foreign currency risk

The Group had foreign currency sales and purchases, 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) at the end of the reporting period are set out in Note 34.

Sensitivity analysis

The Group was mainly exposed to the United States dollars (USD) and the renminbi (RMB).

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (NTD, the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign-currency denominated monetary items. A positive number below indicates an increase in profit before income tax that would result in when the NTD weakens by 1% against the relevant currency. For a 1% strengthening of the NTD against the relevant currency, there would be an equal and opposite impact on profit before income tax and the balances below would be negative.

	USD Impact	
	January 1 to March 31, 2022	January 1 to March 31, 2021
Income (loss)	\$ 743,972	\$ 976,331

	RMB Impact	
	January 1 to March 31, 2022	January 1 to March 31, 2021
Income (loss)	(\$ 399)	\$ 29,115

The result was mainly attributable to the exposure on outstanding USD-denominated and RMB-denominated cash and cash equivalents, financial assets at amortized cost, and receivables and payables which were not hedged at the end of the reporting period.

The decrease in the sensitivity of the Group to the exchange rate of US dollars and RMB in the current period was mainly due to the decrease

in net assets of US dollars and RMB. The management believes that the sensitivity analysis cannot represent the inherent risk of exchange rate, because the foreign currency exposure on the consolidated balance sheet date cannot reflect the mid-period risk where the sales denominated in USD currency will vary with customer orders and investment in assets.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

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:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Fair value interest rate risk			
Financial assets	\$187,214,935	\$185,696,367	\$196,851,905
Financial liabilities	137,793	140,041	156,454
Cash flow interest rate risk			
Financial assets	9,981,653	11,352,246	4,706,662
Financial liabilities	71,022,726	78,031,726	70,148,726

Sensitivity analysis

The sensitivity analysis below was based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's profit before tax for the period from January 1 to March 31 in 2020 and 2022 would have decreased/increased by NT\$15,260 thousand and NT\$16,361 thousand respectively; the change would have been mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings of cash flow.

c) Other price risk

The Group has equity price exposure due to its investment in listed (over-the-counter) equity securities and fund beneficial certificates, and has managed risks by holding different risk investment portfolios and asset allocation.

Sensitivity analysis

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

If the price of equity increases/decreases by 1%, the pre-tax profit and

loss from January 1 to March 31, 2022 will increase/decrease by NT\$45,785 thousand and NT\$4,437 thousand respectively due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income. Other comprehensive profit and loss before tax from January 1 to March 31 in 2021 and 2022 will increase/decrease by NT\$22,322 thousand and NT\$0 thousand respectively due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income.

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 could cause a financial loss to the Group due to the failure of a counterparty to discharge an obligation, could at most amount to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The counterparties to the foregoing financial instruments are reputable business organizations. Management does not expect the Group's exposure to default by those parties to be material; ongoing credit evaluation is also performed on the financial conditions of customers with whom the Group has accounts receivable.

Information on credit risk concentration was as follows:

	March 31, 2022		December 31, 2021		March 31, 2021	
	Amount	%	Amount	%	Amount	%
Customer A	\$1,977,932	26	\$2,913,268	30	\$6,171,671	40
Customer B	1,808,811	23	2,727,725	28	4,123,422	27
Customer C	1,544,143	20	2,100,204	22	1,669,290	11
Customer D	1,100,955	14	651,548	7	363,212	2

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's operating funds and bank loan credit line are deemed sufficient to meet cash flow demands; therefore, liquidity risk is not considered to be significant.

a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group would be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other

non-derivative financial liabilities are based on the agreed repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

March 31, 2022

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 7,073,034	\$ 1,332,397	\$ 8,935	\$ -
Lease liabilities	6,620	7,486	19,878	116,897
Variable interest rate liabilities	13,604,479	57,678,288	-	-
	<u>\$20,684,133</u>	<u>\$59,018,171</u>	<u>\$ 28,813</u>	<u>\$ 116,897</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$14,106</u>	<u>\$19,878</u>	<u>\$20,626</u>	<u>\$20,626</u>	<u>\$46,769</u>	<u>\$28,876</u>

December 31, 2021

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 7,628,317	\$ 1,836,563	\$ 8,776	\$ -
Lease liabilities	2,495	11,611	22,374	116,896
Variable interest rate liabilities	40,388,313	37,837,915	-	-
	<u>\$48,019,125</u>	<u>\$39,686,089</u>	<u>\$ 31,150</u>	<u>\$ 116,896</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$14,106</u>	<u>\$22,374</u>	<u>\$20,626</u>	<u>\$20,626</u>	<u>\$42,643</u>	<u>\$33,001</u>

March 31, 2021

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 8,089,671	\$ 2,711,348	\$ 21,410	\$ -
Lease liabilities	9,758	5,713	24,191	132,023
Variable interest rate liabilities	60,642,490	9,592,957	-	-
	<u>\$68,741,919</u>	<u>\$12,310,018</u>	<u>\$ 45,601</u>	<u>\$ 132,023</u>

Further information on the maturity analysis of the above financial liabilities was as follows:

	<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>	<u>15-20 Years</u>	<u>Over 20 Years</u>
Lease liabilities	<u>\$15,471</u>	<u>\$24,191</u>	<u>\$22,918</u>	<u>\$22,918</u>	<u>\$44,935</u>	<u>\$41,252</u>

The amounts included for variable interest rate instruments for both non-derivative financial assets and liabilities would change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Unsecured bank loan facilities			
Amount used	\$71,590,137	\$78,384,829	\$70,158,726
Amount unused	<u>28,171,294</u>	<u>18,968,953</u>	<u>17,825,096</u>
	<u>\$99,761,431</u>	<u>\$97,353,782</u>	<u>\$87,983,822</u>

32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below:

Compensation of key management personnel

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Short-term employee benefits	\$ 52,067	\$ 85,777
Retirement benefits	<u>7,324</u>	<u>7,486</u>
	<u>\$ 59,391</u>	<u>\$ 93,263</u>

The remuneration of directors and key executives are determined by the remuneration committee with due regard to the performance of individuals, the performance of the Group, and future risk.

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of the balance sheet date were as follows:

Unrecognized commitments are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Acquisition of property, plant and equipment	<u>\$ 133,519</u>	<u>\$ 113,324</u>	<u>\$ 173,208</u>
Acquisition of inventories	<u>\$ 123,767</u>	<u>\$ 105,067</u>	<u>\$ 68,913</u>

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is an aggregation of foreign currencies other than the functional currencies of the entities in the Group and disclosure of the exchange rates between the foreign currencies and the respective functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

March 31, 2022

Financial assets	Foreign Currency	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 2,128,496	28.57 (USD:NTD)	\$ 60,821,778
USD	566,031	6.3482 (USD:RMB)	15,430,616
RMB	2,165	4.4810 (RMB:NTD)	9,701
Financial liabilities			
<u>Monetary items</u>			
USD	24,713	28.675 (USD:NTD)	708,646
USD	42,059	6.3482 (USD:RMB)	1,146,574
RMB	10,952	4.5310 (RMB:NTD)	49,624
JPY	64,350	0.2373 (JPY:NTD)	15,270

December 31, 2021

Financial assets	Foreign Currency	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 2,476,972	27.63 (USD:NTD)	\$ 68,438,741
USD	580,509	6.3757 (USD:RMB)	15,893,872
RMB	61,535	4.319 (RMB:NTD)	265,769
RMB	1,450,686	0.1568 (RMB:USD)	6,334,970
Financial liabilities			
<u>Monetary items</u>			
USD	33,236	27.72 (USD:NTD)	921,327
USD	52,725	6.3757 (USD:RMB)	1,443,575
RMB	6,824	4.3690 (RMB:NTD)	29,813

March 31, 2021

Financial assets	Foreign Currency	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 2,749,805	28.485 (USD:NTD)	\$ 78,328,191
USD	815,408	6.5713 (USD:RMB)	23,267,676
RMB	223,793	4.319 (RMB:NTD)	966,564
RMB	473,554	0.1522 (RMB:USD)	2,056,660
 Financial liabilities			
<u>Monetary items</u>			
USD	54,093	28.585 (USD:NTD)	1,546,240
USD	84,687	6.5713 (USD:RMB)	2,416,533
RMB	25,572	4.369 (RMB:NTD)	111,724

The Group is mainly exposed to the USD. The following information is an aggregation of the functional currencies of the entities in the Group and disclosures of the exchange rates between the respective functional currencies and the presentation currency. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Foreign Currency	January 1 to March 31, 2022		January 1 to March 31, 2021	
	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	27.994 (USD:NTD)	\$ 19,724	28.366 (USD:NTD)	(\$ 5,754)
NTD	1 (NTD:NTD)	2,239,016	1 (NTD:NTD)	185,045
RMB	4.4082 (RMB:NTD)	(57,238)	4.3766 (RMB:NTD)	127,296
		<u>\$ 2,201,502</u>		<u>\$ 306,587</u>

35. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions
 - 1) Financing provided to others (Table 1)
 - 2) Endorsements/guarantees provided (Table 2)
 - 3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)
 - 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
 - 5) Acquisitions of individual real estate at cost of at least NT\$300 million or 20% of the paid-in capital (N/A)
 - 6) Disposals of individual real estate at a price of at least NT\$300 million or

- 20% of the paid-in capital (N/A)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
 - 9) Trading in derivative instruments (N/A)
 - 10) Other: Intercompany relationships and significant intercompany transactions (Table 9)
- b. Information on investees (Table 7)
 - 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 or loss of investee, investment income or loss, carrying amount of the investment at the end of the period, and repatriations of investment from the Mainland China area (Table 8)
 - 2) 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 as follows (Tables 1, 2, 5, 6 and 9)
 - a) Purchases - the amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
 - b) Sales - the amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
 - c) Property transactions - the amount of property transactions and the amount of the resultant gains or losses
 - d) Endorsements and guarantees - the balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
 - e) Financing - the highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds
 - f) Other - the transactions with material effect on 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. (N/A)

36. INFORMATION

For the purpose of resources allocation and performance assessment, the Group's chief operating decision maker reviews operating results and financial information on a plant by plant basis with a focus on the operating results of each plant. As each plant shares similar economic characteristics, produces similar products using similar production process and all products are distributed and sold to same-level customers through a central sales function, the Group's operating segments are aggregated into a single reportable segment. The Group's chief operating decision maker reviews segment information measured on the same basis as the consolidated financial statements. Information about reportable segment sales and profit or loss is referenced from the consolidated statements of comprehensive income from January 1 to March 31 in 2021 and 2022 and information on assets is referenced from the consolidated income statements from January 1 to March 31 in 2021 and 2022 and the consolidated balance sheets as of March 31 in 2021 and 2022.

TABLE 1

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
JANUARY 1 TO MARCH 31, 2022
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 2)
													Item	Value		
1	Catcher Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	\$ 873,000	<u>\$ -</u>	\$ -	1.5	For short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 785,048,860	<u>\$ 785,048,860</u>
2	Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	611,100	<u>\$ -</u>	-	1.5	For short-term financing	-	Operating capital	-	-	-	785,048,860	<u>\$ 785,048,860</u>
3	Lyra International Co., Ltd.	Next Level Ltd.	Other receivables - related parties	Yes	572,500	<u>\$ 572,500</u>	-	-	For short-term financing	-	Operating capital	-	-	-	785,048,860	<u>\$ 785,048,860</u>
4	Uranus International Co., Ltd.	Next Level Ltd.	Other receivables - related parties	Yes	858,750	<u>\$ 858,750</u>	-	-	For short-term financing	-	Operating capital	-	-	-	785,048,860	<u>\$ 785,048,860</u>

Note 1: The upper limit of the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 500% of the Company’s net asset value as of the end of the period; the upper limit of the subsidiaries is equivalent to 40% of the subsidiaries’ net asset value as of the end of the period, but the upper limit of those with business transactions is no more than the needed amount for operations.

Note 2: The upper limit of the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 50% of the Company’s net asset value as of the end of the period; the upper limit of the subsidiaries is equivalent to 40% of the subsidiaries’ net asset value as of the end of the period.

Note 3: The net asset value mentioned in Notes 1 and 2 above is the equity attributable to owners of the Company on the consolidated balance sheets.

TABLE 2

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS / GUARANTEES PROVIDED
JANUARY 1 TO MARCH 31, 2022
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	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 (Note 2)	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	Catcher Technology Co., Ltd.	Catcher Technology Co., Ltd.	Business relation	\$ 78,504,886	\$ 10,000	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>	0.01	<u>\$ 157,009,772</u>	N	N	N
1	Catcher Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Business relation	78,504,886	13,527	<u>\$ 13,527</u>	<u>\$ 13,527</u>	<u>\$ -</u>	0.01	<u>\$ 157,009,772</u>	N	N	Y
2	Vito Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Business relation	78,504,886	13,527	<u>\$ 13,527</u>	<u>\$ 13,527</u>	<u>\$ -</u>	0.01	<u>\$ 157,009,772</u>	N	N	Y
3	Arcadia Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Business relation	78,504,886	511,338	<u>\$ 511,338</u>	<u>\$ 511,338</u>	<u>\$ -</u>	0.34	<u>\$ 157,009,772</u>	N	N	Y
4	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Business relation	78,504,886	9,018	<u>\$ 9,018</u>	<u>\$ 9,018</u>	<u>\$ -</u>	0.01	<u>\$ 157,009,772</u>	N	N	Y

Note 1: The limit of endorsements/guarantees for a single enterprise by the Company and its foreign subsidiaries is 50% of the Company's net worth at the end of the period.

Note 2: The maximum amount of endorsements/guarantees by the Company and its foreign subsidiaries is 100% of the Company's net worth at the end of the period.

Note 3: The net asset value mentioned in Notes 1 and 2 above is the equity attributable to owners of the Company on the consolidated balance sheets.

TABLE 3

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES)

MARCH 31, 2022

(NT\$'000 or other foreign currencies in thousands)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of period				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Catcher Technology Co., Ltd.	LISTED SHARES							
	Sesoda Corporation	None	Financial assets at FVTPL - current	770,000	\$ 42,812	0.31	\$ 42,812	
	China Steel Corporation	None	Financial assets at FVTPL - current	1,030,000	40,118	0.01	40,118	
	Tung Ho Steel Enterprise Corp.	None	Financial assets at FVTPL - current	540,000	38,016	0.07	38,016	
	United Microelectronics Corp.	None	Financial assets at FVTPL - current	720,000	38,880	0.01	38,880	
	Taiwan Semiconductor Manufacturing Co., Ltd.	None	Financial assets at FVTPL - current	175,000	104,475	-	104,475	
	Winbond Electronics Corporation	None	Financial assets at FVTPL - current	1,300,000	40,560	0.03	40,560	
	Gold Circuit Electronics Ltd.	None	Financial assets at FVTPL - current	500,000	42,500	0.09	42,500	
	MediaTek Inc.	None	Financial assets at FVTPL - current	95,000	85,975	0.01	85,975	
	Evergreen Marine Corp. (Taiwan) Ltd.	None	Financial assets at FVTPL - current	500,000	67,500	0.01	67,500	
	Yang Ming Marine Transport Corporation	None	Financial assets at FVTPL - current	585,000	72,833	0.02	72,833	
	China Airlines Ltd.	None	Financial assets at FVTPL - current	2,100,000	55,965	0.04	55,965	
	CTBC Financial Holding Co., Ltd.	None	Financial assets at FVTPL - current	1,400,000	41,160	0.01	41,160	
	Asia Vital Components Co., Ltd.	None	Financial assets at FVTPL - current	360,000	41,940	0.10	41,940	
	Faraday Technology Corp.	None	Financial assets at FVTPL - current	330,000	100,815	0.13	100,815	
	Unimicron Technology Corp.	None	Financial assets at FVTPL - current	240,000	59,760	0.02	59,760	
	Global Unichip Corporation	None	Financial assets at FVTPL - current	80,000	40,400	0.06	40,400	
	Alltop Technology Co., Ltd.	None	Financial assets at FVTPL - current	200,000	39,100	0.34	39,100	
	eMemory Technology Inc.	None	Financial assets at FVTPL - current	30,000	55,500	0.04	55,500	
	Sinher Technology Inc.	None	Financial assets at FVTPL - current	5,169,917	203,436	6.95	203,436	
	Aspeed Technology Inc.	None	Financial assets at FVTPL - current	16,000	52,160	0.05	52,160	
	Shanghai Commercial & Savings Bank, Ltd.	None	Financial assets at FVTPL - current	780,000	39,156	0.02	39,156	
	Genesys Logic, Inc.	None	Financial assets at FVTPL - current	200,000	60,400	0.22	60,400	
	Nan Ya Printed Circuit Board Corporation	None	Financial assets at FVTPL - current	190,000	99,560	0.03	99,560	
	Beneficiaries certificates							
	Fuh Hwa US Equity Fund-NTD	None	Financial assets at FVTPL - current	4,205,844	80,920		80,920	
	Fuh Hwa Asia Pacific Tech Equity Fund-TWD	None	Financial assets at FVTPL - current	1,722,413	29,901		29,901	
	Fuh Hwa Developed Countries 300 Equity Index Fund-NTD	None	Financial assets at FVTPL - current	8,173,904	112,391		112,391	
	Fuh Hwa US S&P 500 Low Volatility Index Fund	None	Financial assets at FVTPL - current	1,910,855	21,612		21,612	
	Fuh Hwa Global Balanced Fund-NTD	None	Financial assets at FVTPL - current	4,490,106	121,143		121,143	
	Yuanta/p-shares Taiwan Top 50 ETF	None	Financial assets at FVTPL - current	384,000	53,030		53,030	
	Fubon Taiwan Technology Tracker Fund	None	Financial assets at FVTPL - current	696,000	88,775		88,775	
	Yuanta MSCI Taiwan Financials ETF	None	Financial assets at FVTPL - current	465,000	12,546		12,546	
	Yuanta/p-shares Taiwan Dividend Plus ETF	None	Financial assets at FVTPL - current	1,193,000	40,120		40,120	
	Yuanta S&P 500 ETF	None	Financial assets at FVTPL - current	1,166,000	47,141		47,141	
	Fubon NASDAQ-100 Index ETF	None	Financial assets at FVTPL - current	1,119,000	62,328		62,328	
	Yuanta U.s. Treasury 20+ Year Bond ETF	None	Financial assets at FVTPL - current	1,312,000	49,856		49,856	
	Cathay TIP TAIEX+ Low Volatility Select 30 ETF	None	Financial assets at FVTPL - current	5,185,000	140,358		140,358	
	Capital Dow Jones U.S. Real Estate Index ETF	None	Financial assets at FVTPL - current	1,141,000	26,049		26,049	
	Capital BofA Merrill Lynch 15+ Year US Telecommunications Index ETF	None	Financial assets at FVTPL - current	10,000	428		428	
	Cathay BBB Corporate Bond Ex China Coupon 4.5% 10yr plus 20% Sector Capped ETF	None	Financial assets at FVTPL - current	1,257,000	50,167		50,167	
	Cathay High Yield Ex China Cash Pay 1-5 Year 2% Issuer Capped ETF	None	Financial assets at FVTPL - current	3,606,000	134,937		134,937	
	Fubon Taiwan Small-Mid Cap Alpha Momentum 50	None	Financial assets at FVTPL - current	1,224,000	49,290		49,290	
	Upamc Nyse Fang+ ETF	None	Financial assets at FVTPL - current	2,680,000	127,729		127,729	
	Cathay U.S. PHLX Semiconductor Sector ETF	None	Financial assets at FVTPL - current	3,696,000	108,404		108,404	
	UPAMC 10y+ Aa-a USD Senior Corporate Bond ETF	None	Financial assets at FVTPL - current	2,048,000	66,355		66,355	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of period				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Ke Yue Co., Ltd.	Beneficiaries certificates							
	Cathay Taiwan 5g Plus ETF	None	Financial assets at FVTPL - current	4,700,000	\$ 79,007		\$ 79,007	
	Fubon FTSE Vietnam ETF	None	Financial assets at FVTPL - current	1,254,000	21,343		21,343	
	Fubon MSCI ACWI IMI Select Future Mobility Top 30 Capped ETF	None	Financial assets at FVTPL - current	5,393,000	94,593		94,593	
	Franklin Templeton SinoAm Global Clean Energy ETF	None	Financial assets at FVTPL - current	1,358,000	31,492		31,492	
	UPAMC JAMES BOND MONEY MARKET FUND	None	Financial assets at FVTPL - current	13,349,709	225,382		225,382	
	<u>Unlisted Shares</u>							
	AlphaInfo Inc.	None	Financial assets at FVTOCI - non-current	1,500,000	-	10.00	-	
	CDIB Capital Innovation Accelerator Co., Ltd.	None	Financial assets at FVTOCI - non-current	3,000,000	36,630	3.57	36,630	
	<u>LISTED SHARES</u>							
	Formosa Chemicals & Fibre Corporation	None	Financial assets at FVTPL - current	84,000	6,636	-	6,636	
	Delta Electronics, Inc.	None	Financial assets at FVTPL - current	50,000	13,400	-	13,400	
	Taiwan Semiconductor Manufacturing Co., Ltd.	None	Financial assets at FVTPL - current	10,000	5,970	-	5,970	
	King's Town Bank	None	Financial assets at FVTPL - current	498,000	20,069	0.04	20,069	
	Fubon Financial Holding Co., Ltd.	None	Financial assets at FVTPL - current	654,000	50,031	0.01	50,031	
	Cathay Financial Holding Co., Ltd.	None	Financial assets at FVTPL - current	750,000	48,375	0.01	48,375	
	CTBC Financial Holding Co., Ltd.	None	Financial assets at FVTPL - current	150,000	4,410	-	4,410	
	ASE Technology Holding Co., Ltd.	None	Financial assets at FVTPL - current	91,000	9,419	-	9,419	
	The Clorox Company	None	Financial assets at FVTPL - current	10,261	40,836	0.01	40,836	
	Intel Corporation	None	Financial assets at FVTPL - current	58,540	83,048	-	83,048	
	Verizon Communications Inc.	None	Financial assets at FVTPL - current	131,905	192,338	-	192,338	
	3M Company	None	Financial assets at FVTPL - current	14,337	61,100	-	61,100	
	Microsoft Corporation	None	Financial assets at FVTPL - current	3,745	33,051	-	33,051	
	Medtronic PLC	None	Financial assets at FVTPL - current	3,400	10,798	-	10,798	
	Nvidia Corporation	None	Financial assets at FVTPL - current	2,600	20,308	-	20,308	
	American Tower Corporation	None	Financial assets at FVTPL - current	2,270	16,324	-	16,324	
	Kimberly - Clark Corporation	None	Financial assets at FVTPL - current	20,818	73,393	0.01	73,393	
	The Goldman Sachs Group, Inc.	None	Financial assets at FVTPL - current	4,923	46,518	-	46,518	
	T. Rowe Price Group	None	Financial assets at FVTPL - current	2,370	10,257	-	10,257	
	Unilever PLC	None	Financial assets at FVTPL - current	45,725	59,646	0.03	59,646	
	V.F. Corporation	None	Financial assets at FVTPL - current	11,518	18,747	-	18,747	
	Wistron Corporation	None	Financial assets at FVTOCI - current	100,000	2,975	-	2,975	
	Excelsior Medical Co., Ltd.	None	Financial assets at FVTOCI - current	15,000	993	0.01	993	
	Bioteque Corporation	None	Financial assets at FVTOCI - current	5,410,000	586,985	7.81	586,985	
	Pacific Hospital Supply Co., Ltd.	None	Financial assets at FVTOCI - current	7,050,000	506,190	9.71	506,190	
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	204,000	5,998	0.26	5,998	
	INTAI Technology Corp.	None	Financial assets at FVTOCI - current	84,000	6,804	0.17	6,804	
	<u>Beneficiaries certificates</u>							
	UPAMC JAMES BOND MONEY MARKET FUND	None	Financial assets at FVTPL - current	17,823,056	300,905		300,905	
	<u>Limited partnerships</u>							
	Taiwania Capital Buffalo Fund V, LP	None	Financial assets at FVTPL - non-current	-	96,242	12.78	96,242	Note 3
	MESH Cooperative Ventures Fund LP	None	Financial assets at FVTPL - non-current	-	36,706	7.39	36,706	Note 3
	<u>LISTED SHARES</u>							
	Excelsior Medical Co., Ltd.	None	Financial assets at FVTOCI - current	20,000	1,324	0.01	1,324	
	Bioteque Corporation	None	Financial assets at FVTOCI - current	2,233,000	242,281	3.22	242,281	
	Pacific Hospital Supply Co., Ltd.	None	Financial assets at FVTOCI - current	4,047,000	290,575	5.57	290,575	
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	717,000	21,080	0.92	21,080	
	INTAI Technology Corp.	None	Financial assets at FVTOCI - current	489,000	39,609	1.01	39,609	
	<u>Beneficiaries certificates</u>							
	Capital Money Market Fund	None	Financial assets at FVTPL - current	4,573,268	74,577		74,577	
	<u>LISTED SHARES</u>							
	Bioteque Corporation	None	Financial assets at FVTOCI - current	2,589,000	280,907	3.74	280,907	
	Pacific Hospital Supply Co., Ltd.	None	Financial assets at FVTOCI - current	3,254,000	233,637	4.48	233,637	
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	100,000	2,940	0.13	2,940	
	INTAI Technology Corp.	None	Financial assets at FVTOCI - current	122,000	9,882	0.25	9,882	
	<u>Beneficiaries certificates</u>							
	PGIM Prudential Financial Money Market Fund	None	Financial assets at FVTPL - current	2,503,108	40,052		40,052	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of period					Note	
				Number of Shares	Carrying Amount		Percentage of Ownership (%)	Fair Value		
Nanomag International Co., Ltd.	Limited partnerships									
	China Renewable Energy Fund, L.P.	None	Financial assets at FVTOCI - non-current	-	USD	30,825	23.51	USD	30,825	Note 3
	<u>BONDS</u>									
	AMERICAN AIRLINES INC/AADVANTAGE	None	Financial assets at FVTOCI - non-current	-	USD	1,008		USD	1,008	
	AERCAP IRELAND CAPITAL DAC	None	Financial assets at FVTOCI - non-current	-	USD	1,028		USD	1,028	
	AERCAP IRELAND CAPITAL DAC / AERCA	None	Financial assets at FVTOCI - non-current	-	USD	957		USD	957	
	AIRCASTLE LTD	None	Financial assets at FVTOCI - non-current	-	USD	1,019		USD	1,019	
	ALLIED UNIVERSAL HOLDCO LLC	None	Financial assets at FVTOCI - non-current	-	USD	1,012		USD	1,012	
	ANGLO AMERICAN CAPITAL PLC	None	Financial assets at FVTOCI - non-current	-	USD	694		USD	694	
	ARES CAPITAL CORPORATION	None	Financial assets at FVTOCI - non-current	-	USD	1,007		USD	1,007	
	BAT CAPITAL CORP	None	Financial assets at FVTOCI - non-current	-	USD	1,499		USD	1,499	
	BANCOLOMBIA SA	None	Financial assets at FVTOCI - non-current	-	USD	973		USD	973	
	BACARDI LTD	None	Financial assets at FVTOCI - non-current	-	USD	1,653		USD	1,653	
	BROADCOM INC	None	Financial assets at FVTOCI - non-current	-	USD	1,557		USD	1,557	
	CCO HOLDINGS LLC	None	Financial assets at FVTOCI - non-current	-	USD	500		USD	500	
	CANADIAN NATURAL RESOURCES LTD	None	Financial assets at FVTOCI - non-current	-	USD	1,521		USD	1,521	
	CELANESE US HOLDINGS LLC	None	Financial assets at FVTOCI - non-current	-	USD	1,061		USD	1,061	
	CENTENE CORPORATION	None	Financial assets at FVTOCI - non-current	-	USD	1,004		USD	1,004	
	CENTURYLINK INC	None	Financial assets at FVTOCI - non-current	-	USD	476		USD	476	
	CHEMOURS COMPANY	None	Financial assets at FVTOCI - non-current	-	USD	998		USD	998	
	CHENIERE ENERGY PARTNERS LP	None	Financial assets at FVTOCI - non-current	-	USD	1,005		USD	1,005	
	DUKE ENERGY OHIO INC	None	Financial assets at FVTOCI - non-current	-	USD	1,118		USD	1,118	
	CLARIOS GLOBAL LP	None	Financial assets at FVTOCI - non-current	-	USD	1,036		USD	1,036	
	CLEAR CHANNEL INTERNATIONAL BV	None	Financial assets at FVTOCI - non-current	-	USD	1,018		USD	1,018	
	CLEVELAND-CLIFFS INC	None	Financial assets at FVTOCI - non-current	-	USD	1,050		USD	1,050	
	CONSTELLIUM SE	None	Financial assets at FVTOCI - non-current	-	USD	251		USD	251	
	CREDIT SUISSE GROUP AG	None	Financial assets at FVTOCI - non-current	-	USD	1,614		USD	1,614	
	DCP MIDSTREAM OPERATING LP	None	Financial assets at FVTOCI - non-current	-	USD	1,031		USD	1,031	
	DANSKE BANK A/S	None	Financial assets at FVTOCI - non-current	-	USD	1,821		USD	1,821	
	DELTA AIR LINES INC	None	Financial assets at FVTOCI - non-current	-	USD	978		USD	978	
	DELTA AIR LINES INC	None	Financial assets at FVTOCI - non-current	-	USD	1,086		USD	1,086	
	DISCOVER BANK	None	Financial assets at FVTOCI - non-current	-	USD	1,965		USD	1,965	
	DISCOVERY COMMUNICATIONS LLC	None	Financial assets at FVTOCI - non-current	-	USD	1,410		USD	1,410	
	EDP FINANCE BV	None	Financial assets at FVTOCI - non-current	-	USD	1,814		USD	1,814	
	EQT CORP	None	Financial assets at FVTOCI - non-current	-	USD	971		USD	971	
	EQT MIDSTREAM PARTNERS LP	None	Financial assets at FVTOCI - non-current	-	USD	989		USD	989	
	ECOPETROL SA	None	Financial assets at FVTOCI - non-current	-	USD	1,026		USD	1,026	
	ELDORADO RESORTS INC	None	Financial assets at FVTOCI - non-current	-	USD	1,032		USD	1,032	
	EMPRESA NACIONAL DE TELECOMUNICACI	None	Financial assets at FVTOCI - non-current	-	USD	1,023		USD	1,023	
	ENEL FINANCE INTERNATIONAL NV	None	Financial assets at FVTOCI - non-current	-	USD	1,060		USD	1,060	
	ENTERGY LOUISIANA LLC	None	Financial assets at FVTOCI - non-current	-	USD	1,048		USD	1,048	
	EXPEDIA INC	None	Financial assets at FVTOCI - non-current	-	USD	1,257		USD	1,257	
	EXPEDIA GROUP INC	None	Financial assets at FVTOCI - non-current	-	USD	855		USD	855	
	FIRST QUANTUM MINERALS LTD	None	Financial assets at FVTOCI - non-current	-	USD	1,015		USD	1,015	
	FORD MOTOR COMPANY	None	Financial assets at FVTOCI - non-current	-	USD	1,006		USD	1,006	
	GENERAL MOTORS FINANCIAL CO INC	None	Financial assets at FVTOCI - non-current	-	USD	1,503		USD	1,503	
	GLENCORE FUNDING LLC	None	Financial assets at FVTOCI - non-current	-	USD	1,024		USD	1,024	
	GOLDMAN SACHS GROUP INC/THE	None	Financial assets at FVTOCI - non-current	-	USD	1,952		USD	1,952	
	HCA INC	None	Financial assets at FVTOCI - non-current	-	USD	1,555		USD	1,555	
	HARLEY-DAVIDSON FINANCIAL SERVICES	None	Financial assets at FVTOCI - non-current	-	USD	1,081		USD	1,081	
	HYUNDAI CAPITAL AMERICA	None	Financial assets at FVTOCI - non-current	-	USD	1,996		USD	1,996	
	ILIAD HOLDING SAS	None	Financial assets at FVTOCI - non-current	-	USD	501		USD	501	
	INTESA SANPAOLO SPA	None	Financial assets at FVTOCI - non-current	-	USD	1,485		USD	1,485	
	IRON MOUNTAIN INC	None	Financial assets at FVTOCI - non-current	-	USD	989		USD	989	
	ISRAEL ELECTRIC CORPORATION LTD	None	Financial assets at FVTOCI - non-current	-	USD	1,564		USD	1,564	
	JDE PEETS NV	None	Financial assets at FVTOCI - non-current	-	USD	544		USD	544	
LABORATORY CORPORATION OF AMERICA	None	Financial assets at FVTOCI - non-current	-	USD	1,506		USD	1,506		

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of period				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	LENNAR CORPORATION	None	Financial assets at FVTOCI - non-current	-	USD 1,398		USD 1,398	
	MPLX LP	None	Financial assets at FVTOCI - non-current	-	USD 1,036		USD 1,036	
	MATTEL INC	None	Financial assets at FVTOCI - non-current	-	USD 979		USD 979	
	NRG ENERGY INC	None	Financial assets at FVTOCI - non-current	-	USD 1,694		USD 1,694	
	NAVIENT CORP	None	Financial assets at FVTOCI - non-current	-	USD 1,027		USD 1,027	
	NEXTERA ENERGY OPERATING PARTNERS	None	Financial assets at FVTOCI - non-current	-	USD 1,012		USD 1,012	
	NOVELIS CORP	None	Financial assets at FVTOCI - non-current	-	USD 955		USD 955	
	OMEGA HLTHCARE INVESTORS	None	Financial assets at FVTOCI - non-current	-	USD 726		USD 726	
	POSCO	None	Financial assets at FVTOCI - non-current	-	USD 1,487		USD 1,487	
	PACIFIC GAS AND ELECTRIC COMPANY	None	Financial assets at FVTOCI - non-current	-	USD 790		USD 790	
	PARK AEROSPACE HOLDINGS LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,023		USD 1,023	
	PARK INTERMEDIATE HOLDINGS LLC	None	Financial assets at FVTOCI - non-current	-	USD 520		USD 520	
	PLAINS ALL AMERICAN PIPELINE LP /	None	Financial assets at FVTOCI - non-current	-	USD 3,025		USD 3,025	
	PRIME SECURITY SERVICES BORROWER L	None	Financial assets at FVTOCI - non-current	-	USD 1,020		USD 1,020	
	RANGE RESOURCES CORP	None	Financial assets at FVTOCI - non-current	-	USD 1,007		USD 1,007	
	ROYAL CARIBBEAN CRUISES LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,041		USD 1,041	
	SA GLOBAL SUKUK LTD	None	Financial assets at FVTOCI - non-current	-	USD 956		USD 956	
	SANTANDER HOLDINGS USA INC	None	Financial assets at FVTOCI - non-current	-	USD 1,003		USD 1,003	
	SASOL FINANCING USA LLC	None	Financial assets at FVTOCI - non-current	-	USD 507		USD 507	
	SCHLUMBERGER HOLDINGS CORP	None	Financial assets at FVTOCI - non-current	-	USD 1,528		USD 1,528	
	OFFICE PROPERTIES INCOME TRUST	None	Financial assets at FVTOCI - non-current	-	USD 1,996		USD 1,996	
	SIRIUS XM RADIO INC	None	Financial assets at FVTOCI - non-current	-	USD 331		USD 331	
	SOUTHERN CALIFORNIA EDISON COMPANY	None	Financial assets at FVTOCI - non-current	-	USD 1,334		USD 1,334	
	SOUTHWESTERN ENERGY COMPANY	None	Financial assets at FVTOCI - non-current	-	USD 1,098		USD 1,098	
	SPIRIT LOYALTY CAYMAN LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,065		USD 1,065	
	SPRINGLEAF FINANCE CORP	None	Financial assets at FVTOCI - non-current	-	USD 1,025		USD 1,025	
	SPRINT CORP	None	Financial assets at FVTOCI - non-current	-	USD 531		USD 531	
	STANDARD CHARTERED PLC	None	Financial assets at FVTOCI - non-current	-	USD 1,988		USD 1,988	
	SURA ASSET MANAGEMENT SA	None	Financial assets at FVTOCI - non-current	-	USD 1,016		USD 1,016	
	SUNOCO LOGISTICS PARTNERS OPERATIO	None	Financial assets at FVTOCI - non-current	-	USD 765		USD 765	
	SYNCHRONY FINANCIAL	None	Financial assets at FVTOCI - non-current	-	USD 1,014		USD 1,014	
	TELECOM ITALIA SPA	None	Financial assets at FVTOCI - non-current	-	USD 1,008		USD 1,008	
	TENET HEALTHCARE CORPORATION	None	Financial assets at FVTOCI - non-current	-	USD 504		USD 504	
	TRANSDIGM INC	None	Financial assets at FVTOCI - non-current	-	USD 513		USD 513	
	TRONOX INC	None	Financial assets at FVTOCI - non-current	-	USD 1,034		USD 1,034	
	UNITED AIRLINES INC	None	Financial assets at FVTOCI - non-current	-	USD 984		USD 984	
	VALERO ENERGY CORPORATION	None	Financial assets at FVTOCI - non-current	-	USD 363		USD 363	
	VENTAS REALTY LP	None	Financial assets at FVTOCI - non-current	-	USD 2,006		USD 2,006	
	VICI PROPERTIES LP/VICI NOTE CO IN	None	Financial assets at FVTOCI - non-current	-	USD 996		USD 996	
	VISTRA OPERATIONS COMPANY LLC	None	Financial assets at FVTOCI - non-current	-	USD 999		USD 999	
	VISTRA OPERATIONS CO LLC VISTRA OPERATIONS CO LLC	None	Financial assets at FVTOCI - non-current	-	USD 991		USD 991	
	VMWARE INC	None	Financial assets at FVTOCI - non-current	-	USD 2,060		USD 2,060	
	WESTINGHOUSE AIR BRAKE TECHNOLOGIE	None	Financial assets at FVTOCI - non-current	-	USD 1,528		USD 1,528	
	WYNDHAM HOTELS & RESORTS INC	None	Financial assets at FVTOCI - non-current	-	USD 963		USD 963	
	ALFA SAB DE CV	None	Financial assets at FVTOCI - non-current	-	USD 1,026		USD 1,026	
	BANCO SANTANDER MEXICO SA INSTITUC	None	Financial assets at FVTOCI - non-current	-	USD 1,044		USD 1,044	
	COMISION FEDERAL DE ELECTRICIDAD	None	Financial assets at FVTOCI - non-current	-	USD 1,022		USD 1,022	
	INDONESIA ASAHAN ALUMINIUM PERSERO	None	Financial assets at FVTOCI - non-current	-	USD 1,019		USD 1,019	
	ARCELIK AS	None	Financial assets at FVTOCI - non-current	-	USD 499		USD 499	
	MAF GLOBAL SECURITIES LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,021		USD 1,021	
	ONGC VIDESH LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,020		USD 1,020	
	NTPC LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,013		USD 1,013	
	DP WORLD LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,010		USD 1,010	
	PT BANK MANDIRI (PERSERO) TBK (SYA)	None	Financial assets at FVTOCI - non-current	-	USD 996		USD 996	
	JSW STEEL LTD	None	Financial assets at FVTOCI - non-current	-	USD 1,018		USD 1,018	
	CNAC HK FINBRIDGE CO LTD	None	Financial assets at FVTOCI - non-current	-	USD 996		USD 996	

(Continued)

(Continued from previous page)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	End of period				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Cor Ventures Pte. Ltd.	POWER FINANCE CORP LTD	None	Financial assets at FVTOCI - non-current	-	USD 986		USD 986	
	SAMBA FUNDING LTD	None	Financial assets at FVTOCI - non-current	-	USD 988		USD 988	
	MEGLOBAL CANADA INC	None	Financial assets at FVTOCI - non-current	-	USD 1,031		USD 1,031	
	VEB FINANCE PLC	None	Financial assets at FVTOCI - non-current	-	-		-	
	LUKOIL INTERNATIONAL FINANCE BV	None	Financial assets at FVTOCI - non-current	-	-		-	
	VIMPELCOM HOLDINGS BV	None	Financial assets at FVTOCI - non-current	-	-		-	
	<u>Simple Agreement for Future Equity (SAFE)</u>							
	Via Surgical Ltd.	None	Financial assets at FVTPL - non-current	-	USD 1,700		USD 1,700	
	Vyisoneer Inc.	None	Financial assets at FVTPL - non-current	-	USD 1,000		USD 1,000	
	<u>Private equity fund</u>							
	Ally Bridge Group LP	None	Financial assets at FVTPL - non-current	-	USD 14,348	2.54	USD 14,348	Note 3
	ABG-CMRCO LP	None	Financial assets at FVTPL - non-current	-	USD 6,881	25.32	USD 6,881	Note 3
	Altara Ventures Fund LP	None	Financial assets at FVTPL - non-current	-	USD 2,219	5.21	USD 2,219	Note 3
	New Economy Ventures LP	None	Financial assets at FVTPL - non-current	-	USD 985	14.37	USD 985	Note 3
	<u>Private equity securities</u>							
	Link Wood Limited	None	Financial assets at FVTPL - non-current	-	USD 2,080	13.33	USD 2,080	Note 3
	Silver Lake Alpine Fund II	None	Financial assets at FVTPL - non-current	-	USD 4,349	0.38	USD 4,349	Note 3

Note 1: Securities in this table are shares, bonds, beneficiary certificates and those derived from the above-mentioned items which are within the scope of IFRS 9 “Financial Instrument: Recognition and Measurement”.

Note 2: Refer to Tables 7 and 8 for information on subsidiaries and associates.

Note 3: Percentage of Ownership is the fund share ratio.

TABLE 4

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL.
JANUARY 1 TO MARCH 31, 2022
(NT\$'000 or other foreign currencies in thousands)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance (Note)	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Price	Book value	Disposal (loss) profit	Number of Shares	Amount
Catcher Technology Co., Ltd.	Beneficiaries certificates Fuh Hwa Developed Countries 300 Equity Index Fund-NTD	Financial assets at FVTPL - current	—	—	-	\$ -	11,964,240.30	\$ 162,286	3,790,336.70	\$ 49,009	\$ 53,893	(\$ 4,884)	8,173,903.60	\$ 112,391
	Fuh Hwa Global IoT and Tech Fund-TWD	Financial assets at FVTPL - current	—	—	-	-	1,979,159.90	53,893	1,979,159.90	45,164	53,893	(8,729)	-	-
	Fuh Hwa Asia Pacific Tech Equity Fund-TWD	Financial assets at FVTPL - current	—	—	-	-	4,291,237.10	82,636	2,568,824.30	45,879	53,355	(7,476)	1,722,412.80	29,901
Ke Yue Co., Ltd.	Beneficiaries certificates UPAMC JAMES BOND MONEY MARKET FUND	Financial assets at FVTPL - current	—	—	35,598,056.18	600,621	-	-	17,775,000	300,015	300,015	-	17,823,056.18	300,905

Note: The amount at the end of the period includes fair value adjustments.

TABLE 5

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
JANUARY 1 TO MARCH 31, 2022
(In Thousands of New Taiwan Dollars)

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	
Catcher Technology Co., Ltd.	Next Level Ltd.	Subsidiary	Purchases	\$ 419,264	44	Net 30 to 120 days after month end close	No comparable sales prices for general customers	Equivalent	(\$ 175,188)	26	
Catcher Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sale	(558,350)	55	Net 30 to 90 days after month end close	Equivalent	Equivalent	1,699,845	66	
Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sale	(676,601)	45	Net 30 to 90 days after month end close	Equivalent	Equivalent	2,405,934	64	
Envio Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sale	(415,771)	100	Net 30 to 90 days after month end close	No comparable sales prices for general customers	Equivalent	860,773	98	

TABLE 6

CATCHER TECHNOLOGY CO., LTD. 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)

Company Name	Related Party	Relationship	Ending Balance	Turnover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	\$ 175,233	1.67	\$ -	Not applicable	\$ 548	\$ -
			834,362	- (Note 1)	-	Not applicable	119,598	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	1,699,845	1.48	-	Not applicable	182,315	-
Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	165,942	1.88	-	Not applicable	11,417	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	2,405,934	1.12	-	Not applicable	331,646	-
Arcadia Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	111,422	2.01	-	Not applicable	18,777	-
	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	159,272	1.17	-	Not applicable	21,330	-
Envio Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	120,648	- (Note 1)	-	Not applicable	11,526	-
	Next Level Ltd.	Same ultimate parent company	860,773	1.79	-	Not applicable	5,730	-
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Same ultimate parent company	2,764,937	- (Note 2)	-	Not applicable	2,764,937	-
Next Level Ltd.	Catcher Technology Co., Ltd.	Ultimate parent company	175,188	10.89	-	Not applicable	175,188	-
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Same ultimate parent company	2,764,937	- (Note 2)	-	Not applicable	2,764,937	-

Note 1: The receivables are processed, and the calculation of turnover rate is not applicable.
Note 2: Receivables due to repatriation of surplus are not applicable to the calculation of turnover ratio.

TABLE 7

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES

JANUARY 1 TO MARCH 31, 2022

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Investment Amount at the end of period			Net Income (Loss) of the Investee	Share of Profits (Loss) (Note 1)	Note
				End of the Current Period	End of Last Year	Number of Shares	Proportion %	Carrying Amount			
Catcher Technology Co., Ltd.	Gigamag Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	\$ 484,941	\$ 484,941	14,377,642	100	\$ 1,768,421	\$ 892,872	\$ 892,872	
	Nanomag International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	1	1	30	100	157,587,540	(12,282)	22,701	
	Yue-Kang Health Control Technology Inc.	13F., No. 97, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Health and medical treatment consultant	72,000	72,000	7,200,000	45	6,180	(4,156)	(1,870)	
	Ke Yue Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Investing activities	3,000,000	3,000,000	198,390,000	100	2,933,174	13,544	13,544	
	Yi Sheng Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Investing activities	1,000,000	1,000,000	73,270,000	100	999,403	7,868	7,868	
	Yi De Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an District, Taipei City 106, Taiwan (R.O.C.)	Investing activities	1,000,000	1,000,000	73,270,000	100	999,390	7,881	7,881	
	Catcher Medtech Co., Ltd.	No. 10, Yongke 5th Rd., Yongkang District, Tainan City 710, Taiwan (R.O.C.)	Manufacturing, and selling medical devices	200,000	200,000	2,000,000	100	199,410	(599)	(599)	
Gigamag Co., Ltd.	Neat Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	International trade	279 (USD 10,000)	279 (USD 10,000)	10,000	100	216	-	-	
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investing activities	28,127 (USD 1,009,592)	28,127 (USD 1,009,592)	1,009,592	100	439,204	10,998	10,998	
	Stella International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	9,251,725 (USD 332,079,144)	9,251,725 (USD 332,079,144)	332,079,144	100	14,056,640	(1,348,157)	(1,348,157)	
	Aquila International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	31,203 (USD 1,120,000)	31,203 (USD 1,120,000)	1,050,000	75	30,545	(24,244)	(24,244)	
	Uranus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	11,116,401 (USD 399,009,383)	11,116,401 (USD 399,009,383)	399,009,383	100	22,609,404	(288,283)	(288,283)	
	Norma International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	8,345,009 (USD 299,533,691)	8,345,009 (USD 299,533,691)	299,533,691	100	10,158,242	970,973	970,973	
	Next Level Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	279 (USD 10,000)	279 (USD 10,000)	10,000	100	331,894	1,129	1,129	
	Cor Ventures Pte. Ltd.	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore 068914	Investing activities	1,536,919 (USD 55,165,797)	1,536,919 (USD 55,165,797)	55,165,797	100	1,645,457	(22,031)	(22,031)	
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	278,747 (USD 10,005,259)	278,747 (USD 10,005,259)	10,005,259	100	297,120	10,484	10,484	
Stella International Co., Ltd.	Lyra International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	9,251,008 (USD 332,053,412)	9,251,008 (USD 332,053,412)	332,053,412	100	9,512,882	7,680	7,680	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	39,004 (USD 1,400,000)	39,004 (USD 1,400,000)	1,400,000	100	39,876	(26,504)	(26,504)	

Note 1: Share of profit (loss) is only reflected for the subsidiaries invested in directly and the investments accounted for by using the equity method.

Note 2: Information on investments in Mainland China is provided in Table 8.

TABLE 8

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

JANUARY 1 TO MARCH 31, 2022

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

Investee Company	Main Businesses and Products	Paid-in Capital (Note 13)	Method of Investment (Note 1)	The Accumulated Investment Amount Remitted from Taiwan at the Beginning of the Current Period (Note 13)	Remittance of Funds		The Accumulated Investment Amount Remitted from Taiwan at the End of the Current Period (Note 13)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Share of Profits (Loss) (Note 2)	Investments Book Value of at the End of the Period	Investment Income Remittance Up to the Current Period
					Outward	Inward						
Catcher Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	\$ -	(2) Cygnus International Co., Ltd. (Note 8)	\$ 954,358 (USD 33,340,000)	\$ -	\$ -	\$ 954,358 (USD 33,340,000)	\$ -	-	\$ -	\$ -	\$ -
Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	(2) Lyra International Co., Ltd. (Notes 4 and 5)	1,154,733 (USD 40,340,000)	-	-	1,154,733 (USD 40,340,000)	-	-	-	-	-
Topo Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	(2) Lyra International Co., Ltd. (Note 9)	-	-	-	-	-	-	-	-	5,482,243
Meecca Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	(2) Lyra International Co., Ltd. (Note 12)	-	-	-	-	-	-	-	-	-
Meecca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	(2) Cygnus International Co., Ltd. (Note 6)	-	-	-	-	-	-	-	-	-
Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,725,000 (USD 200,000,000)	(2) Uranus International Co., Ltd. (Note 7)	2,719,346 (USD 94,999,000)	-	-	2,719,346 (USD 94,999,000)	(326,849)	100	(273,697) (2)A.	12,480,018	10,597,814
Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,633,295 (RMB 409,431,280) (USD 132,300,000)	(2) Uranus International Co., Ltd. (Note 10)	-	-	-	-	(48,541)	100	(14,605) (2)A.	10,168,090	-
Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,770,164 (RMB 398,499,193) (USD 138,803,527)	(2) Norma International Co., Ltd. (Note 11)	-	-	-	-	1,189,143	100	977,787 (2)A.	6,675,099	-
Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	2,884,705 (RMB 188,956,820) (USD 71,010,000)	(2) Norma International Co., Ltd. (Note 16)	-	-	-	-	(7,122)	100	(7,122) (2)A.	3,568,641	-
Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling molds and electronic parts	40,075 (USD 1,400,000)	(2) Cepheus International Co., Ltd. (Note 17)	32,060 (USD 1,120,000)	-	-	32,060 (USD 1,120,000)	675	75	675 (2)A.	-	169,684
WIT Technology (Taizhou) Co., Ltd. (Note 14)	Researching, developing and manufacturing communication electronic products	-	(2) Cetus International Co., Ltd.	-	-	-	-	-	-	-	-	-
Chaohu Yunhai Magnesium Co., Ltd. (Note 15)	Manufacturing and selling dolomite, aluminum, magnesium alloy and other alkaline-earth metals	-	(2) Sagitta International Co., Ltd.	632,095 (USD 22,081,923)	-	-	632,095 (USD 22,081,923)	-	-	-	-	-

The Accumulated Investment Amount Remitted from Taiwan to the Mainland China at the End of the Current Period (Note 13)	Investment Amounts Authorized by Investment Commission, MOEA (Note 13 and 14)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
\$ 5,492,591 (USD 191,880,923)	\$ 41,537,532 (USD 1,035,015,100) (RMB 2,641,316,560)	\$ 94,211,973

Note 1: The investing methods are categorized as follows:

- 1: Direct investment in companies in Mainland China.
- 2: Investment in companies in Mainland China, which is made by a company incorporated via a third region.
- 3: Others.

Note 2: In the investment gains or losses recognized for the period:

- 1: This means the investee is under initial preparation and there were no gains or losses on investment.
- 2: The recognition of gains or losses on investment is based on:
 - (1) The financial statements reviewed by global accounting firms, which are affiliated with the accounting firms in Taiwan.
 - (2) Financial statements reviewed by CPA of the parent company in Taiwan.
 - (3) Others.

Note 3: The upper limit on investment in Mainland China is calculated as $\$157,019,955 \times 60\% = \$94,211,973$.

Note 4: The paid-in capital of US\$6,670,000, which is self-funding of Nanomag International Co., Ltd., is invested in Topo Technology (Suzhou) Co., Ltd. through Stella International Co., Ltd., and the paid-in capital of US\$33,300,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of US\$33,300,000 is returned by capital reduction in the fourth quarter of 2014.

Note 5: The paid-in capital of US\$30,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then invested in Topo Technology (Suzhou) Co., Ltd. Thereafter, the amount of US\$67,000,000 was returned by capital reduction in the first quarter of 2016. Cygnus International Co., Ltd. sold all of its equity in November 2021, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 6: The paid-in capital of US\$106,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Meecca Technology (Suzhou Industrial Park) Co., Ltd., and the paid-in capital of US\$16,670,000 is earnings distributed in the third quarter of 2011. The amount of US\$16,670,000 was returned by capital reduction in the fourth quarter of 2014 and the amount of US\$32,000,000 in the third quarter of 2016. Thereafter, the amount of US\$32,000,000 was returned by capital reduction in the second quarter of 2017, and the amount of US\$32,000,000 was returned by capital reduction in the third quarter of 2017. Lyra International Co., Ltd. sold all of its equity in November 2021, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 7: The paid-in capital of US\$5,001,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Catcher Technology (Suqian) Co., Ltd. The paid-in capital of US\$100,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were invested in Catcher Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 8: The paid-in capital of US\$16,670,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of US\$40,000,000 was returned by capital reduction in the second quarter of 2014, and due to dissolution, US\$10,010,000 of capital was returned in August 2016; the remaining amount of capital has not been wired back to Taiwan.

Note 9: The paid-in capital of RMB227,510,746 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then invested in Topo Technology (Taizhou) Co., Ltd. On the other hand, US\$65,979,240 and RMB602,268,326 are earnings distributed from investees in Mainland China to Nanomag International Co., Ltd., which were then invested in Topo Technology (Taizhou) Co., Ltd. via Lyra International Co., Ltd. Lyra International Co., Ltd. sold all of its equity in December 2020, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 10: The paid-in capital of US\$99,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. via Uranus International Co., Ltd. The paid-in capital of US\$33,300,000 and RMB409,431,280 are earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 11: The paid-in capital of US\$27,332,360 and RMB398,499,193 are earnings distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of US\$89,970,000, which is the proceeds arising from the capital reduction of Catcher Technology (Suzhou) Co., Ltd., Topo Technology (Suzhou) Co., Ltd., and Meecca Technology (Suzhou Industrial Park) Co., Ltd., was invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of US\$21,501,167 is earning distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Note 12: The paid-in capital of US\$17,610,861 and RMB529,989,796 are earnings distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., which were then invested in Meecca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of US\$20,000,000 and RMB284,660,400 are earnings and liquidation income distributed from Catcher Technology (Suzhou) Co., Ltd. and earnings distributed from Topo Technology (Suzhou) Co., Ltd. and Meecca Technology (Suzhou Industrial Park) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Meecca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of USD18,000,000 is earning distributed from Lyra International Co., Ltd. to Topo Technology (Taizhou) Co., Ltd., which were then invested in Meecca Technology (Taizhou) Co., Ltd. Lyra International Co., Ltd. sold all of its equity in December 2020, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 13: The relevant amount is converted at the end-of-period exchange rate of one US dollar to NT\$28.625.

The relevant amount is converted at the end-of-period exchange rate of one RMB to NT\$4.5092.

Note 14: WIT Technology (Taizhou) Co., Ltd. was dissolved in June 2012, and the remaining amount of capital has not been wired back to Taiwan.

Note 15: Sagitta International Co., Ltd. sold all of its shares of Chaohu Yunhai Magnesium Co., Ltd. in June 2016, and the remaining amount of capital has not been wired back to Taiwan.

Note 16: The paid-in capital of US\$71,010,000 and RMB\$ 188,956,820, which is the proceeds arising from returned capital of the liquidation from Catcher Technology (Suzhou) Co., Ltd. and the returned capital reduction from Topo Technology (Suzhou) Co., Ltd. and Meecca Technology (Suzhou Industrial Park) Co., Ltd., is invested in Envio Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Note 17: Aquila Technology (Suqian) Co., Ltd. was dissolved in February 2022, and the remaining amount of capital has not been wired back to Taiwan.

TABLE 9

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
JANUARY 1 TO MARCH 31, 2022
(In Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Account	Amount (Note 2)	Payment Terms	% of Total Sales or Assets
0	Catcher Technology Co., Ltd.	Next Level Ltd.	1	Purchases	\$ 419,264	The purchase prices have no comparison with those from third parties, net 30 to 120 days after month end close.	5.81
1	Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	3	Payables to related parties	175,188	The sales prices were not different from third parties, net 30 to 90 days after month end close. The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.07
				Sales income	79,801		1.11
				Processing income	251,375		3.48
				Receivables from related parties	175,233		0.07
		Arcadia Technology (Suqian) Co., Ltd.	3	Other receivables - related parties	834,362	The sales prices were not different from third parties, net 30 to 90 days after month end close. The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.34
				Sales income	558,350		7.73
				Purchases	50,827		0.70
				Receivables from related parties	1,699,845		0.69
				Payables to related parties	111,422		0.05
				Other receivables from related parties	92,873		0.04
		Catcher Technology (Suqian) Co., Ltd.	3	Sales income	75,981	The sales prices were not different from third parties, net 30 to 90 days after month end close.	1.05
				Receivables from related parties	165,942		0.07
				Other receivables - related parties	53,476		0.02
				Sales income	676,601		9.37
2	Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	3	Receivables from related parties	2,405,934	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.98
				Payables to related parties	159,272		0.07
				Other payables to related parties	120,648		0.05
				Sales income	415,771		5.76
3	Envio Technology (Suqian) Co., Ltd.	Next Level Ltd.	3	Sales income	415,771	The sale prices have no comparison with those from third parties, net 30 to 90 days after month end close.	5.76
				Receivables from related parties	860,773		0.35
4	Nanomag International Co., Ltd.	Castmate International Co., Ltd.	3	Other receivables - related parties	2,764,937		1.13
5	Castmate International Co., Ltd.	Cygnus International Co., Ltd.	3	Other receivables - related parties	2,764,937		1.13

Note 1: The investors relationship are categorized as follows:

No. 1 Represents transactions from parent company to subsidiaries.

No. 2 Represents transactions from subsidiaries to parent company.

No. 3 Represents transactions among subsidiaries

Note 2: Written off at the time of preparing the consolidated financial report

TABLE 10

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
JANUARY 1 TO MARCH 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Land	House and Building	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Miscellaneous Equipment	Leasehold Improvements	Unfinished Construction and Equipments Pending Acceptance	Total
<u>Cost</u>									
Balance at January 1, 2021	\$ 2,179,324	\$ 18,944,392	\$ 54,185,876	\$ 157,114	\$ 2,207,868	\$ 3,615,781	\$ 271	\$ 132,738	\$ 81,423,364
Additions	-	2,343	23,613	143	2,617	9,008	-	853	38,577
Disposal	-	-	(296,666)	(124)	(798)	(3,133)	-	-	(300,721)
Reclassifications	-	6,309	40,300	-	-	5,900	-	(6,309)	46,200
Effect of foreign currency exchange difference	-	(82,601)	(224,062)	(513)	(7,717)	(12,071)	(2)	15	(326,951)
Balance at March 31, 2021	<u>\$ 2,179,324</u>	<u>\$ 18,870,443</u>	<u>\$ 53,729,061</u>	<u>\$ 156,620</u>	<u>\$ 2,201,970</u>	<u>\$ 3,615,485</u>	<u>\$ 269</u>	<u>\$ 127,297</u>	<u>\$ 80,880,469</u>
<u>Accumulated depreciation and impairment</u>									
Balance at January 1, 2021	\$ -	\$ 7,706,082	\$ 46,120,913	\$ 126,284	\$ 1,982,490	\$ 2,919,641	\$ 248	\$ -	\$ 58,855,658
Depreciation expense	-	256,599	963,433	4,729	53,974	104,250	14	-	1,382,999
Disposal	-	-	(288,872)	(124)	(798)	(3,133)	-	-	(292,927)
Effect of foreign currency exchange difference	-	(38,500)	(196,876)	(408)	(6,386)	(9,880)	(2)	-	(252,052)
Balance at March 31, 2021	<u>\$ -</u>	<u>\$ 7,924,181</u>	<u>\$ 46,598,598</u>	<u>\$ 130,481</u>	<u>\$ 2,029,280</u>	<u>\$ 3,010,878</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ 59,693,678</u>
Net amount as of March 31, 2021	<u>\$ 2,179,324</u>	<u>\$ 10,946,262</u>	<u>\$ 7,130,463</u>	<u>\$ 26,139</u>	<u>\$ 172,690</u>	<u>\$ 604,607</u>	<u>\$ 9</u>	<u>\$ 127,297</u>	<u>\$ 21,186,791</u>
<u>Cost</u>									
Balance at January 1, 2022	\$ 2,577,548	\$ 15,919,559	\$ 53,309,912	\$ 151,685	\$ 2,174,579	\$ 3,778,489	\$ -	\$ -	\$ 77,911,772
Additions	-	22,172	32,557	39	11,982	49,655	-	-	116,405
Disposal	-	-	(95,227)	(454)	-	(23,241)	-	-	(118,922)
Reclassifications	-	5,125	55,502	-	-	1,308	-	-	61,935
Effect of foreign currency exchange difference	-	496,176	947,183	3,640	56,735	96,025	-	-	1,599,759
Balance at March 31, 2022	<u>\$ 2,577,548</u>	<u>\$ 16,443,032</u>	<u>\$ 54,249,927</u>	<u>\$ 154,910</u>	<u>\$ 2,243,296</u>	<u>\$ 3,902,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,570,949</u>
<u>Accumulated depreciation and impairment</u>									
Balance at January 1, 2022	\$ -	\$ 6,343,048	\$ 48,164,442	\$ 138,110	\$ 2,127,677	\$ 3,270,148	\$ -	\$ -	\$ 60,043,425
Depreciation expense	-	195,324	571,418	3,692	39,221	98,210	-	-	907,865
Disposal	-	-	(95,182)	(255)	-	(23,221)	-	-	(118,658)
Effect of foreign currency exchange difference	-	223,466	820,555	3,223	51,183	81,195	-	-	1,179,622
Balance at March 31, 2022	<u>\$ -</u>	<u>\$ 6,761,838</u>	<u>\$ 49,461,233</u>	<u>\$ 144,770</u>	<u>\$ 2,218,081</u>	<u>\$ 3,426,332</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,012,254</u>
Net amount as of January 1, 2022	<u>\$ 2,577,548</u>	<u>\$ 9,576,511</u>	<u>\$ 5,145,470</u>	<u>\$ 13,575</u>	<u>\$ 46,902</u>	<u>\$ 508,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,868,347</u>
Net amount as of March 31, 2022	<u>\$ 2,577,548</u>	<u>\$ 9,681,194</u>	<u>\$ 4,788,694</u>	<u>\$ 10,140</u>	<u>\$ 25,215</u>	<u>\$ 475,904</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,558,695</u>