KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

WITH REPORT OF INDEPENDENT AUDITORS

FOR THE YEARS ENDED

DECEMBER 31, 2021 AND 2020

Address : 10F, No.99, Sec. 5, Nanjing E. Rd., Songshan Dist., Taipei City 105, Taiwan (R.O.C.)
Telephone : 886-2-2662-2660

The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

REPRESENTATION LETTER

English Translation of the Representation Letter Originally Issued in Chinese

The companies that are required to be included in the combined financial statements of Kinpo Electronics, Inc. as of and for the year ended December 31, 2021, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, " Consolidated Financial Statements.". In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Kinpo Electronics, Inc. and Subsidiaries do not prepared a separate set of combined financial statements.

Very truly yours,

Kinpo Electronics, Inc.

By

HSU, SHENG-HSIUNG
Chairman
March 10, 2022

EY安永
Building a better working world

安永聯合會計師事務所

11012 台北市基隆路一段333號9樓
9F, No. 333, Sec. 1, Keelung Road
Taipei City, Taiwan, R.O.C.

Tel: 886 2 2757 8888
Fax: 886 2 2757 6050
www.ey.com/taiwan

English Translation of Auditors' Report Originally Issued in Chinese

Report of Independent Auditors

To Kinpo Electronics, Inc.

Opinion

We have audited the accompanying consolidated balance sheets of Kinpo Electronics, Inc. and its subsidiaries (the "Company" and its subsidiaries) as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the consolidated financial statements including the summary of significant accounting policies (collectively referred to "the consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of Component Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2021 and 2020, and its consolidated financial performance and cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

A member firm of Ernst & Young Global Limited

EY安永
Building a better working world

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Timing of Revenue Recognition

The Company and its subsidiaries recognized operating revenue in the amount of NTD 139,778,507 thousand in 2021. The main source of revenue was from the production and sales of a variety of consumer electronic products, which were not manufactured until orders were received. As the Company and its subsidiaries had a large number of customers and products were sold to domestic and international markets involving a various commercial terms, the correctness of revenue recognition timing by transferring commodity control on merchandise to customers was material to the consolidated financial statements, we therefore considered this key audit matter.

For the revenue recognition, we have conducted audit procedures including but not limited to evaluating and testing the design and operating effectiveness of internal controls with respect to the revenue cycle; selecting representative samples to conduct test of details by inspecting transaction record and verifying the key conditions of the orders or agreements to confirm the timing when a performance obligation is satisfied, and conducting cutoff test on transactions recognized within a certain period of time before and after the balance sheet date by selecting samples to review the conditions of transactions and vouch relevant transaction documents as evidence to confirm that a performance obligation is satisfied. We also considered the appropriateness of operating revenue disclosure in Note 6 of consolidated financial statements.

Business Combination

According to IFRS 10, regardless of the nature of the investment, it is necessary for the investor to re-assess whether or not it controls an investee when deciding whether the investor is the parent company. Since the Company and its subsidiaries holds less than 50% of the shares of some consolidated entities, whether the Company has control over the consolidated entities would directly affect the consolidated financial statements. Therefore, we considered this a key audit matter.

We have conducted audit procedures including but not limited to obtaining the Company and its subsidiaries' latest organizational chart of the affiliates and reviewing relevant changes. In addition, we reviewed the overall shareholding percentage of each consolidated entity and analyzed the composition of the board of directors and management, the holding percentages of the top ten shareholders, the level of ownership dispersion, attendance rate in shareholders' meetings, and the power of the shareholders to direct the relevant activities to confirm the Company's evaluation of the control over its consolidated entities. We also considered the appropriateness of the disclosure in respect of business combination in Notes 4 and 5 of the consolidated financial statement.

EY安永
Building a better working world

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain consolidated subsidiaries, which statements reflect total assets of NTD 8,538,312 thousand and NTD 8,415,570 thousand, constituting 8% and 8% of consolidated total assets as of December 31, 2021 and 2020, respectively, and total operating revenues of NTD 5,833,124 thousand and NTD 4,661,549 thousand, constituting 4% and 4% of consolidated operating revenue for the years ended December 31, 2021 and 2020, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors. We did not audit the financial statements of certain investments accounted for using equity method whose statements are based solely on the reports of other auditors. These investments accounted for using equity method to NTD 3,935,802 thousand and NTD 3,646,802 thousand, constituting 4% and 4% of consolidated total assets as of December 31, 2021 and 2020, respectively. The related shares of profit (loss) of associates and joint ventures accounted for using equity method amounted to NTD 352,893 thousand and NTD 363,771 thousand, constituting 39% and 53% of the consolidated net profit before tax for the years ended December 31, 2021 and 2020, respectively, and the related shares of other comprehensive income of associates and joint ventures accounted for using equity method amounted to NTD 89,971 thousand and NTD (124,510) thousand, constituting (34)% and 23% of the consolidated other comprehensive income for the years ended December 31, 2021 and 2020, respectively.

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

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

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

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

A member firm of Ernst & Young Global Limited

EY安永
Building a better working world

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A member firm of Ernst & Young Global Limited

EY安永
Building a better working world

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2021 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion with other matter paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2021 and 2020.

Lin, Su-Wen

Chen, Chih-Chung

Ernst & Young, Taiwan
March 10, 2022

Taipei, Taiwan
Republic of China

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

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

A member firm of Ernst & Young Global Limited

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2021 and December 31, 2020

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		December 31, 2021	%	December 31, 2020	%
Current assets					
Cash and cash equivalents	4,6	$8,067,899	7	$7,132,524	7
Current financial assets at fair value through profit or loss	4,6	565,631	1	1,742,291	2
Current financial assets at fair value through other comprehensive income	4,6	25,543	-	320,922	-
Current financial assets at amortised cost	4,6,8	2,001	-	33,617	-
Current contract assets		5,626	-	-	-
Notes receivable, net	4,6	102,963	-	161,012	-
Accounts receivable, net	4,6	25,064,034	23	26,101,151	26
Accounts receivable due from related parties, net	4,6,7	668,411	1	96,172	-
Other receivables	4,6,12	3,874,475	4	2,802,946	3
Other receivables due from related parties	4,7	79,138	-	42	-
Current tax assets	4	18,133	-	4,192	-
Current inventories	4,6	29,371,913	27	20,346,949	20
Prepayments	6	1,177,552	1	934,522	1
Non-current assets classified as held for sale, net	4,6	106,736	-	698,738	1
Other current assets		481,893	1	482,524	1
Total current assets		69,611,948	65	60,857,602	61
Non-current assets					
Non-current financial assets at fair value through profit or loss	4,6	1,465,382	1	1,608,961	2
Non-current financial assets at fair value through other comprehensive income	4,6	4,214,857	4	4,043,643	4
Non-current financial assets at amortised cost	4,6	9,096	-	10,352	-
Investments accounted for using equity method	4,6	4,043,968	4	3,757,732	4
Property, plant and equipment	4,6,8	22,600,963	21	23,062,630	23
Right-of-use assets	4,6,8	1,584,434	1	1,694,060	2
Investment property, net	4,6	131,834	-	155,224	-
Intangible assets	4,6	796,587	1	959,472	1
Deferred tax assets	4,6	2,409,749	2	2,511,459	2
Other non-current assets	6	1,049,008	1	614,022	1
Total non-current assets		38,305,878	35	38,417,555	39
Total assets		$107,917,826	100	$99,275,157	100

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (CONTINUED)

December 31, 2021 and December 31, 2020

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		December 31, 2021	%	December 31, 2020	%
Current liabilities					
Current borrowings	4,6	$28,066,102	26	$21,731,295	22
Short-term notes and bills payable	6	2,768,643	2	1,532,915	2
Current financial liabilities at fair value through profit or loss	4,6	-	-	374	-
Current contract liabilities	4,6	89,199	-	75,272	-
Notes payable		3,919	-	11,763	-
Accounts payable		24,588,349	23	25,502,701	26
Accounts payable to related parties	7	1,986,756	2	301,217	-
Other payables	6,12	5,347,672	5	4,647,953	5
Other payables to related parties	7	438	-	34,573	-
Current tax liabilities	4,5	277,988	-	172,145	-
Current lease liabilities	4,6	153,756	-	164,717	-
Long-term liabilities, current portion	4,6	1,914,283	2	3,594,200	3
Other current liabilities, others		1,076,445	1	739,218	1
Total current liabilities		66,273,550	61	58,508,343	59
Non-current liabilities					
Non-current portion of non-current borrowings	4,6	12,444,468	12	12,071,960	12
Deferred tax liabilities	4,6	2,115,457	2	2,082,957	2
Non-current lease liabilities	4,6	337,502	-	366,755	-
Net defined benefit liability, non-current	4,6	764,829	1	802,312	1
Other non-current liabilities, others		120,420	-	454,832	1
Total non-current liabilities		15,782,676	15	15,778,816	16
Total liabilities		82,056,226	76	74,287,159	75
Equity attributable to owners of parent	4,6				
Share capital					
Ordinary share		14,796,682	14	14,670,052	15
Capital surplus	6	662,371	1	704,818	1
Retained earnings	6				
Legal reserve		395,320	-	390,226	-
Special reserve		965,808	1	890,759	1
Unappropriated reatained earnings		(413,303)	(1)	745,013	1
Total retained earnings		947,825	-	2,025,998	2
Total other equity interest		(141,379)	-	(965,808)	(1)
Treasury shares	4,6	(331,782)	-	(1,526,353)	(2)
Total equity attributable to owners of parent		15,933,717	15	14,908,707	15
Non-controlling interests	6	9,927,883	9	10,079,291	10
Total equity		25,861,600	24	24,987,998	25
Total liabilities and equity		$107,917,826	100	$99,275,157	100

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	For the years ended			
		December 31, 2021	%	December 31, 2020	%
Operating revenue	4,6,7	$139,778,507	100	$128,219,874	100
Operating costs	4,6,7	(130,936,677)	(94)	(120,255,664)	(94)
Gross profit from operations		8,841,830	6	7,964,210	6
Operating expenses	4,6,7				
Selling expenses		(1,481,550)	(1)	(1,108,448)	(1)
Administrative expenses		(3,217,593)	(3)	(3,416,542)	(3)
Research and development expenses		(2,914,140)	(2)	(2,700,112)	(2)
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9		4,798	-	(7,299)	-
Total operating expenses		(7,608,485)	(6)	(7,232,401)	(6)
Net operating income		1,233,345	-	731,809	-
Non-operating income and expenses	4,6				
Interest income		198,852	-	91,021	-
Other income		423,936	-	413,234	1
Other gains and losses, net		(416,803)	-	127,573	-
Finance costs, net		(885,821)	-	(1,028,881)	(1)
Share of profit (loss) of associates and joint ventures accounted for using equity method, net		356,038	-	353,003	-
Total non-operating income and expenses		(323,798)	-	(44,050)	-
Profit before tax		909,547	-	687,759	-
Total tax expense	4,6	(688,553)	-	(447,627)	-
Profit		220,994	-	240,132	-
Other comprehensive income	4,6				
Components of other comprehensive income that will not be reclassified to profit or loss:					
Gains (losses) on remeasurements of defined benefit plans		44,314	-	94,842	-
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		385,724	-	301,567	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		131,818	-	(65,732)	-
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		(26,220)	-	10,691	-
Components of other comprehensive income that will be reclassified to profit or loss:					
Exchange differences on translation		(845,118)	-	(969,591)	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		(45,030)	-	(56,954)	-
Other components of other comprehensive income that will be reclassified to profit or loss		528	-	991	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss		91,904	-	138,264	-
Total other comprehensive income		(262,080)	-	(545,922)	-
Total comprehensive income		$(41,086)	-	$(305,790)	-
Profit, attributable to:					
Profit, attributable to owners of parent		$14,270	-	$142,183	-
Profit, attributable to non-controlling interests		206,724	-	97,949	-
Total		$220,994	-	$240,132	-
Comprehensive income attributable to:					
Comprehensive income, attributable to owners of parent		$165,867	-	$(24,114)	-
Comprehensive income, attributable to non-controlling interests		(206,953)	-	(281,676)	-
Total		$(41,086)	-	$(305,790)	-
Earnings per share (in dollars)	6				
Basic earnings per share		$0.01		$0.11	
Diluted earnings per share		$0.01		$0.11	

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

Item	Equity attributable to owners of parent										Non-controlling interests	Total equity
			Retained earnings			Other equity interest						
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Others	Treasury shares	Total equity attributable to owners of parent		
Balance on January 1, 2020	$14,591,252	$701,047	$344,852	$565,160	$1,492,731	$(1,327,400)	$436,748	$(107)	$(1,492,651)	$15,311,632	$10,457,211	$25,768,843
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	45,374	-	(45,374)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	325,599	(325,599)	-	-	-	-	-	-	-
Cash divdends of ordinary share	-	-	-	-	(427,680)	-	-	-	-	(427,680)	-	(427,680)
Other changes in capital surplus:												
Changes in equity of associates and joint ventures accounted for using equity method	-	(987)	-	-	-	-	-	-	-	(987)	-	(987)
Profit for the year ended December 31, 2020	-	-	-	-	142,183	-	-	-	-	142,183	97,949	240,132
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	39,082	(539,320)	333,569	372	-	(166,297)	(379,625)	(545,922)
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	181,265	(539,320)	333,569	372	-	(24,114)	(281,676)	(305,790)
Purchase of treasury shares	-	-	-	-	-	-	-	-	(331,781)	(331,781)	-	(331,781)
Disposal of company's share by subsidiaries recognized as treasury share transactions	-	(79,073)	-	-	-	-	-	-	298,079	219,006	-	219,006
Adjustments of capital surplus for company's cash dividends received by subsudiaries	-	17,206	-	-	-	-	-	-	-	17,206	-	17,206
Changes in ownership interests in subsidiaries	-	8,229	-	-	-	-	-	-	-	8,229	3,798	12,027
Share-based payments	78,800	53,403	-	-	-	-	-	-	-	132,203	15,684	147,887
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(130,330)	-	130,330	-	-	-	-	-
Others	-	4,993	-	-	-	-	-	-	-	4,993	(115,726)	(110,733)
Balance on December 31, 2020	$14,670,052	$704,818	$390,226	$890,759	$745,013	$(1,866,720)	$900,647	$265	$(1,526,353)	$14,908,707	$10,079,291	$24,987,998
Balance on January 1, 2021	$14,670,052	$704,818	$390,226	$890,759	$745,013	$(1,866,720)	$900,647	$265	$(1,526,353)	$14,908,707	$10,079,291	$24,987,998
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	5,094	-	(5,094)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	75,049	(75,049)	-	-	-	-	-	-	-
Cash divdends of ordinary share	-	-	-	-	(419,611)	-	-	-	-	(419,611)	-	(419,611)
Other changes in capital surplus:												
Changes in equity of associates and joint ventures accounted for using equity method	-	956	-	-	-	-	-	-	-	956	-	956
Profit for the year ended December 31, 2021	-	-	-	-	14,270	-	-	-	-	14,270	206,724	220,994
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	13,933	(377,335)	514,765	234	-	151,597	(413,677)	(262,080)
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	28,203	(377,335)	514,765	234	-	165,867	(206,953)	(41,086)
Disposal of company's share by subsidiaries recognized as treasury share transactions	-	(165,243)	-	-	-	-	-	-	781,975	616,732	-	616,732
Changes in ownership interests in subsidiaries	-	(18,014)	-	-	-	-	-	-	-	(18,014)	10,923	(7,091)
Share-based payments	126,630	136,316	-	-	-	-	-	-	412,596	675,542	44,606	720,148
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(686,765)	-	686,765	-	-	-	-	-
Others	-	3,538	-	-	-	-	-	-	-	3,538	16	3,554
Balance on December 31, 2021	$14,796,682	$662,371	$395,320	$965,808	$(413,303)	$(2,244,055)	$2,102,177	$499	$(331,782)	$15,933,717	$9,927,883	$25,861,600

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

Item	For the years ended	
	December 31, 2021	December 31, 2020
Cash flows from (used in) operating activities:		
Profit before tax	$909,547	$687,759
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	2,939,922	3,271,275
Amortization expense	104,738	119,013
Expected credit loss (gain)	(4,798)	7,299
Net gain on financial assets or liabilities at fair value through profit or loss	(56,478)	(12,400)
Interest expense	745,345	907,123
Interest income	(198,852)	(91,021)
Dividend income	(243,544)	(184,773)
Share-based payments	263,091	112,214
Share of loss (profit) of associates and joint ventures accounted for using equity method	(356,038)	(353,003)
Gain on disposal of property, plant and equipment	(13,317)	(171,106)
Gain on disposal of non-current assets classified as held for sale	(20,896)	-
Gain on disposal of investments	(39,436)	-
Impairment loss on non-financial assets	235,244	191,856
Other adjustments to reconcile profit (loss)	3,538	19,511
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	1,252,140	(1,620,954)
Decrease (increase) in contract assets	(5,626)	-
Decrease (increase) in notes receivable	58,049	(92,808)
Decrease (increase) in accounts receivable	1,070,026	(1,893,412)
Decrease (increase) in accounts receivable due from related parties	(572,239)	(42,118)
Decrease (increase) in other receivable	(1,010,838)	(1,346,497)
Decrease (increase) in other receivable due from related parties	(79,096)	29,447
Decrease (increase) in inventories	(9,024,964)	621,664
Decrease (increase) in prepayments	(189,671)	(76,134)
Decrease (increase) in other current assets	631	(120,344)
Increase (decrease) in contract liabilities	13,927	(31,742)
Increase (decrease) in notes payable	(7,844)	899
Increase (decrease) in accounts payable	(914,352)	2,861,818
Increase (decrease) in accounts payable to related parties	1,685,539	217,331
Increase (decrease) in other payable	732,116	934,684
Increase (decrease) in other payable to related parties	(34,135)	15,458
Increase (decrease) in other current liabilities	337,227	242,949
Increase (decrease) in net defined benefit liability	6,831	41,026
Cash inflow (outflow) generated from operations:	(2,414,213)	4,245,014
Interest received	65,355	89,672
Interest paid	(736,345)	(871,581)
Income taxes paid	(396,757)	(178,514)
Net cash flows from (used in) operating activities	(3,481,960)	3,284,591
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	490,402	145,515
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	1,777	1,802
Acquisition of financial assets at amortised cost	(2,233)	(6,984)
Proceeds from disposal of financial assets at amortised cost	6,984	9,737
Proceeds from repayments of financial assets at amortised cost	27,739	2,755
Proceeds from disposal of financial assets at fair value through other comprehensive income	52,340	-
Proceeds from disposal of subsidiaries	225,038	-
Disposal of non-current assets classified as held for sale	793,692	-
Acquisition of property, plant and equipment	(4,393,512)	(5,324,000)
Proceeds from disposal of property, plant and equipment	490,155	453,559
Acquisition of intangible assets	(144,731)	(373,048)
Acquisition of investment properties	-	(2,598)
Increase in other financial assets	(76,173)	-
Decrease in other financial assets	-	6,712
Increase in other non-current assets	(195,793)	(176,352)
Increase in prepayments for business facilities	(90,644)	(21,755)
Interest received	25,382	27,672
Dividends received	389,211	327,114
Other investing activities	767,232	1,229,094
Net cash flows from (used in) investing activities	(1,633,134)	(3,700,777)
Cash flows from (used in) financing activities:		
Increase in short-term loans	6,840,312	4,637,686
Decrease in short-term loans	(82,063)	(3,970,128)
Increase in short-term notes	1,290,000	14,000
Decrease in short-term notes	(54,000)	(150,000)
Proceeds from long-term debt	10,406,862	5,353,146
Repayments of long-term debt	(11,306,764)	(3,692,753)
Repayments of lease liabilities	(167,627)	(182,063)
Decrease in other non-current liabilities	(58,576)	(12,072)
Cash dividends paid	(419,611)	(410,474)
Employee execute stock options	141,777	86,760
Payments to acquire treasury shares	-	(331,781)
Proceeds from sale of treasury shares	616,732	-
Treasury shares sold to employees	411,163	-
Change in non-controlling interests	(102,958)	(154,787)
Other financing activities	-	219,006
Net cash flows from (used in) financing activities	7,515,247	1,406,540
Effect of exchange rate changes on cash and cash equivalents	(1,464,778)	(661,828)
Net increase (decrease) in cash and cash equivalents	935,375	328,526
Cash and cash equivalents at the beginning of period	7,132,524	6,803,998
Cash and cash equivalents at the end of period	$8,067,899	$7,132,524

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

English translation of consolidated financial statements originally issued in Chinese

KINPO ELECTRONICS, INC. AND SUBSIDIARIES

NOTES TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020

(Amounts are expressed in thousands of New Taiwan Dollars unless otherwise stated)

1. History and organization

Kinpo Electronics, Inc. (the "Company"), was established on April 24, 1973 under the Company Act of the Republic of China ("ROC"). On November 7, 1989, the Company's shares were listed on the Taiwan Stock Exchange. The Company primarily engages in trading consumer electronic products, computer and peripheral computer equipment, network communication equipment and image products. The Company's registered address and main operating site are located at 10F., No.99, Nanjing E. Rd., Sec. 5, Songshan Dist., Taipei City and No.147, Beishen Rd., Sec. 3, Shenkeng Dist., New Taipei City, respectively.

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of Kinpo Electronics, Inc. and its subsidiaries (the Group) for the years ended December 31, 2021 and 2020 were recommended and authorized for issue by the Board of Directors on March 10, 2022.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2021. The abovementioned amendments that are applicable for annual periods beginning on or after January 1, 2021 have no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which are endorsed by FSC, but not yet adopted by the Group as at the end of the reporting period are listed below.

Item	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	Narrow-scope amendments of IFRS, including Amendments to IFRS 3, Amendments to IAS 16, Amendments to IAS 37 and the Annual Improvements	January 1, 2022

A. Narrow-scope amendments of IFRS, including Amendments to IFRS 3, Amendments to IAS 16, Amendments to IAS 37 and the Annual Improvements

(a) Updating a Reference to the Conceptual Framework (Amendments to IFRS 3)

The amendments updated IFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version, which was issued in March 2018. The amendments also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential “day 2” gains or losses arising for liabilities and contingent liabilities. Besides, the amendments clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Conceptual Framework.

(b) Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

(c) Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments clarify what costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

(d) Annual Improvements to IFRS Standards 2018 - 2020

Amendment to IFRS 1
The amendment simplifies the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

Amendment to IFRS 9 Financial Instruments
The amendment clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

Amendment to Illustrative Examples Accompanying IFRS 16 Leases
The amendment to Illustrative Example 13 accompanying IFRS 16 modifies the treatment of lease incentives relating to lessee's leasehold improvements.

Amendment to IAS 41
The amendment removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in IAS 41 with those in other IFRS Standards.

The abovementioned standards and interpretations were issued by IASB and endorsed by FSC so that they are applicable for annual periods beginning on or after January 1, 2022. The Group determined the potential impact of the aforementioned standards and interpretations have no material impact on the Group.

(3) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
A	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
B	IFRS 17 "Insurance Contracts"	January 1, 2023
C	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2023
D	Disclosure Initiative - Accounting Policies – Amendments to IAS 1	January 1, 2023
E	Definition of Accounting Estimates – Amendments to IAS 8	January 1, 2023
F	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 1, 2023

A. IFRS 10"Consolidated Financial Statements" and IAS 28"Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

B. IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

C. Classification of Liabilities as Current or Non-current – Amendments to IAS 1

These are the amendments to paragraphs 69-76 of IAS 1 Presentation of Financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

D. Disclosure Initiative - Accounting Policies – Amendments to IAS 1

The amendments improve accounting policy disclosures that to provide more useful information to investors and other primary users of the financial statements.

E. Definition of Accounting Estimates – Amendments to IAS 8

The amendments introduce the definition of accounting estimates and included other amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to help companies distinguish changes in accounting estimates from changes in accounting policies.

F. Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group's financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the new or amended standards and interpretations listed under B. have no material impact on the Group, the Group is still currently determining the potential impact of the remaining standards and interpretations. The impact will be disclosed after evaluation completed.

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The consolidated financial statements of the Group for the years ended December 31, 2021 and 2020 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations"), IFRSs, IASSs, IFRIC and SIC which are endorsed by the FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NTD") unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

A. power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
B. exposure, or rights, to variable returns from its involvement with the investee, and

C. the ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

A. the contractual arrangement with the other vote holders of the investee
B. rights arising from other contractual arrangements
C. the Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control of a subsidiary, it:

A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
B. derecognizes the carrying amount of any non-controlling interest;
C. recognizes the fair value of the consideration received;
D. recognizes the fair value of any investment retained;
E. recognizes any surplus or deficit in profit or loss; and
F. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are listed as follows:

			Percentage of ownership (%)	
Investor	Subsidiary	Main businesses	December 31, 2021	December 31, 2020
The Company	Kinpo International (Singapore) Pte. Ltd.	Reinvestment on domestic and overseas business	100.00%	100.00%
The Company	Kinpo International Ltd.	Holding Company	100.00%	100.00%
The Company	Jipo Investment Co., Ltd. (Note 7)	General investment	-	100.00%

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2021	Percentage of ownership (%) December 31, 2020
The Company	Cal-Comp Biotech Co., Ltd. (Note 6)	Cultivation and retail of agricultural products	-	100.00%
The Company	Lipo Holding Co., Ltd.	Holding Company	51.00%	51.00%
The Company	Crownpo Technology Inc.	Manufacturing and sales of chip diodes, etc.	51.61%	51.61%
The Company	XYZprinting, Inc. (Note 1)	Trading 3D printer	46.40%	46.40%
The Company	Cal-Comp Electronics (Thailand) Public Company Limited (Note 2)	Manufacturing of computers and peripheral devices, telecommunication products and automatic equipment	46.75%	46.99%
The Company	CastleNet Technology Inc.	Development, manufacturing and sales of products including cable modem, powerline communication and digital home applications	68.90%	68.90%
The Company	Cal-Comp Big Data, Inc.	Medical equipment, data processing and provision service	50.00%	50.00%
The Company	New Era AI Robotic Limited	Holding Company	50.00%	50.00%
The Company	Cal-Comp Asset Management, Inc.	Asset Management	100.00%	100.00%
Kinpo International (Singapore) Pte. Ltd.	Cal-Comp Technology (Philippines), Inc..	Manufacturing	80.81%	80.81%
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Manufacturing and sales products of other companies' products	100.00%	100.00%
Kinpo International Ltd.	Kinpo Electronics (China) Co., Ltd.	Manufacturing and sales products of other companies' electronic products	100.00%	100.00%
Kinpo International Ltd.	Dongguan Kaipo Electronics Co., Ltd.	Manufacturing and sales products of other companies' products	100.00%	100.00%
Kinpo Electronics (China) Co., Ltd.	XYZprinting (Suzhou) Co., Ltd. (Note 9)	Trading 3D printer	41.78%	-
Lipo Holding Co., Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	Production and marketing chip resistor & chip diodes	88.13%	88.13%
Lipo Holding Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, importing and exporting electronic components, semiconductors special materials and spare parts	31.33%	31.33%
LIZ Electronics (Kunshan) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, importing and exporting electronic components, semiconductors special materials and spare parts	66.02%	66.02%
Crownpo Technology Inc.	Ranashe International Ltd.	Holding Company	100.00%	100.00%
Crownpo Technology Inc.	Li-Cheng Materials Co., Ltd.	Manufacture of various chemical materials	54.69%	54.69%
Ranashe International Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	Production and marketing chip resistor & chip diodes	11.87%	11.87%

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2021	Percentage of ownership (%) December 31, 2020
Ranashe International Ltd.	LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, importing and exporting electronic components, semiconductors special materials and spare parts	2.65%	2.65%
XYZprinting, Inc.	XYZprinting, Inc. (SAMOA) (Note 5)	Holding Company	-	100.00%
XYZprinting, Inc.	XYZprinting, Inc. (USA)	Trading 3D printer	100.00%	100.00%
XYZprinting, Inc.	XYZprinting Japan, Inc.	Trading 3D printer	100.00%	100.00%
XYZprinting, Inc.	XYZprinting Netherlands, B.V.	Trading 3D printer	100.00%	100.00%
XYZprinting, Inc.	XYZprinting (Thailand) Co., Ltd.	Trading 3D printer	100.00%	100.00%
XYZprinting, Inc.	XYZlife (Philippines) Inc. (Note 10)	Sales of medical beauty goods	100.00%	100.00%
XYZprinting, Inc.	XYZprinting (Suzhou) Co., Ltd. (Note 9)	Trading 3D printer	16.44%	100.00%
XYZprinting, Inc.	XYZprinting (Shanghai) Cloud Technology Co., Ltd.	Internet technology development	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc. (Note 1)	Trading 3D printer	46.40%	46.40%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Technology (Suzhou) Co., Ltd.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	Dealer	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal Comp (Malaysia) SDN. BHD.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Purchase of raw material, research and development	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics (USA) Co., Ltd.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Technology (Philippines), Inc.	Manufacturing	19.19%	19.19%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Holding (Brasil) S.A.	Holding Company	99.99%	99.99%

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2021	Percentage of ownership (%) December 31, 2020
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Electronicos e Informatica Ltda.	Manufacturing	0.82%	0.82%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Big Data, Inc.	Medical equipment, data processing and provision service	50.00%	50.00%
Cal-Comp Electronics (Thailand) Public Company Limited	QBit Semiconductor Holding Ltd.	Holding Company	91.60%	91.60%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp (India) Private Limited (Note 3)	Operating and designing electronic products	-	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	New Era AI Robotic Limited	Holding Company	50.00%	50.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Automation and Industrial 4.0 Service (Thailand) Co., Ltd.	Auto-manage producing system development	100.00%	100.00%
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision Holding Co., Ltd.	Holding Company	99.92%	95.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	ICKP (Beijing) Technology Development Co., Ltd.	Developing 3D printers and AI equipments	80.00%	80.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Manufacturing and sales of new printing device, electronic components and their components	100.00%	100.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	Manufacturing and sales of advanced intelligence electronical equipments and related parts	100.00%	100.00%
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	XYZprinting (Suzhou) Co., Ltd. (Note 9)	Trading 3D printer	41.78%	-
Cal-Comp Precision Holding Co., Ltd.	Cal-Comp Precision (Singapore) Limited	Holding and distribution	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Thailand) Limited	Injecting precision plastical parts	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Malaysia) SDN. BHD.	Injecting precision plastical parts	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Dongguan) Limited	Injecting precision plastical parts; designing and manufacturing of molding for plastic	100.00%	100.00%
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Yueyang) Co., Ltd.	Injecting precision plastical parts	100.00%	100.00%

Investor	Subsidiary	Main businesses	Percentage of ownership (%) December 31, 2021	Percentage of ownership (%) December 31, 2020
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Philippines), Inc.	Injecting precision plastical parts	100.00%	100.00%
Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Wujiang) Co., Ltd. (Note 4)	Injecting precision plastical parts	-	100.00%
Cal-Comp Holding (Brasil) S.A.	Cal-Comp Industria de Semicondutores S.A.	Manufacturing	58.03%	58.03%
Cal-Comp Holding (Brasil) S.A.	Cal-Comp Industria e Comercio de Electronicos e Informatica Ltda.	Manufacturing	99.18%	99.18%
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	Manufacturing	100.00%	100.00%
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (Indiana), Inc. (Note 8)	Manufacturing	-	100.00%
QBit Semiconductor Holding Ltd.	QBit Semiconductor Ltd.	Design semiconductors	100.00%	100.00%
CastleNet Technology Inc.	CastleNet Technology (BVI) Inc.	Holding Company	100.00%	100.00%
CastleNet Technology (BVI) Inc.	CastleNet Technology Inc. (Kunshan)	Design and manufacture of modem, sale of self-production	100.00%	100.00%
Cal-Comp Big Data, Inc.	Cal-Comp Big Data International Ltd.	Reinvestment on domestic and overseas business	100.00%	100.00%
New Era AI Robotic Limited	New Era AI Robotic Inc.	Trading robot and applications development	100.00%	100.00%
Cal-Comp Asset management, Inc.	Confiar Land Corp.(Note 11)	Sales and lease of land and building	100.00%	-

Note 1: The Company determined that it has control over XYZprinting, Inc. due to the Company and its subsidiary Cal-Comp Electronics (Thailand) Public Company Limited have obtained over 50% of ownership interests. The Company included it in the consolidated financial statements.

Note 2: Although the ownership interests in Cal-Comp Electronics (Thailand) Public Company Limited is less than 50%, the Company determined that it has control over Cal-Comp Electronics (Thailand) Public Company Limited. This is due to the fact that the Company has obtained control over half of the board of Cal-Comp Electronics (Thailand) Public Company Limited and the remaining ownership is dispersed. The Company could obtain proxies to achieve relative majority in the absence of a contractual arrangement. The Company is able to appoint or approve the key management personnel of Cal-Comp Electronics (Thailand) Public Company Limited who are capable of directing the related activities. The Company therefore incorporated Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries into the consolidated financial statements.

Note 3: The board of directors of Cal-Comp Electronics (Thailand) Public Company Limited resolved to approve the closing down of Cal-Comp (India) Private Limited, its subsidiary in India, in a meeting the Company held in the fourth quarter of 2018 and had completed dissolution procedure in the fourth quarter of 2021.

Note 4: Cal-Comp Precision (Wujiang) Co., Ltd. completed cancellation of foreign investment registration in the fourth quarter of 2019 and had completed liquidation procedure with the local tax authority in the third quarter.

Note 5: XYZprinting, Inc. (SAMOA) was dissolved in the first quarter of 2021 and had completed liquidation procedure in local tax authority.

Note 6: Cal-Comp Biotech Co., Ltd. was dissolved in the third quarter of 2020 and had completed liquidation procedure in local tax authority in the second quarter of 2021.

Note 7: The board of directors of Jipo Investment Co., Ltd. resolved that Jipo Investment Co., Ltd. will merge with the Company by short-form merger in the second quarter of 2021 and had completed liquidation procedure in local tax authority in the third quarter.

Note 8: To work in line with the Group's adjustment on its operating projects in the third quarter of 2021, the board of directors of Cal-Comp USA (Indiana), Inc. resolved to sell Cal-Comp USA (Indiana), Inc., the subsidiary, to the substantive related party.

Note 9: To work in line with the Group's adjustment of the investment structure for long-term development plan, XYZprinting (Suzhou) Co., Ltd. performd cash capital increase in the fourth quarter of 2021. Kinpo Electronics (China) Co., Ltd and Cal-Comp Optical Electronics (Suzhou) Co., Ltd. subscribed the shares.

Note 10: XYZlife Inc. (Philippines) was dissolved in the fourth quarter of 2021. Till the financial report date, the closing procedures had not been completed.

Note 11:To work in line with the Group's long-term business development, the board of directors of Cal-Comp Asset management, Inc. resolved to establish and invest Confiar Land Corp. The investment fund has been remitted to Confiar Land Corp in the fourth quarter of 2021.

(4) Foreign currencies

The Group's consolidated financial statements are presented in NTD, which is also the Group's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded at functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as of the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

A. Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
B. Foreign currency items within the scope of *IFRS 9 Financial Instruments* are accounted for based on the accounting policy for financial instruments.
C. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NTD at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized. The following partial disposals are accounted for as disposals:

A. when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and
B. when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or joint arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6) Current and non-current distinction

An asset is classified as current when:

A. The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
B. The Group holds the asset primarily for the purpose of trading.
C. The Group expects to realize the asset within twelve months after the reporting period.
D. The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

A. The Group expects to settle the liability in its normal operating cycle.
B. The Group holds the liability primarily for the purpose of trading.
C. The liability is due to be settled within twelve months after the reporting period.
D. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(7) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term, highly liquid time deposits (including ones that have maturity within 12 months) or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities within the scope of *IFRS 9 Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

A. Financial assets: Recognition and Measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

(a) The Group's business model for managing the financial assets and
(b) The contractual cash flow characteristics of the financial asset.

Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as notes receivable, accounts receivable, financial assets at amortized cost and other receivables etc., on balance sheet as of the reporting date:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

(a) Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
(b) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Financial asset measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition of gain or loss on a financial asset measured at fair value through other comprehensive income are described as follows:

(a) A gain or loss on a financial asset measured at fair value through other comprehensive income recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified.
(b) When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
(c) Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

    (i) Purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
    (ii) Financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

Besides, for certain equity investments within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, the Group made an irrevocable election to present the changes of the fair value in other comprehensive income at initial recognition. Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss (when disposal of such equity instrument, its cumulated amount included in other components of equity is transferred directly to the retained earnings) and these investments should be presented as financial assets measured at fair value through other comprehensive income on the balance sheet. Dividends on such investment are recognized in profit or loss unless the dividends clearly represents a recovery of part of the cost of investment.

Financial assets at fair value through profit or loss

Financial assets were classified as measured at amortized cost or measured at fair value through other comprehensive income based on aforementioned criteria. All other financial assets were measured at fair value through profit or loss and presented on the balance sheet as financial assets measured at fair value through profit or loss.

Such financial assets are measured at fair value, the gains or losses resulting from remeasurement is recognized in profit or loss which includes any dividend or interest received on such financial assets.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit loss on debt instrument investments measured at fair value through other comprehensive income and financial assets at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the statement of financial position.

The Group measures expected credit loss of a financial instrument in a way that reflects:

(a) An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) The time value of money; and
(c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measures as follows:

(a) At an amount equal to 12-month expected credit loss: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit loss in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.
(b) At an amount equal to the lifetime expected credit loss: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
(c) For accounts receivable or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit loss.
(d) For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

C. Derecognition of financial assets

A financial asset is derecognized when:

(a) The rights to receive cash flows from the asset have expired
(b) The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
(c) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

D. Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of *IFRS 9 Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

A financial liability is classified as held for trading if:

(a) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
(b) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
(c) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

(a) it eliminates or significantly reduces a measurement or recognition inconsistency; or
(b) a group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

E. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Derivative financial instrument

The Group uses derivative instruments to hedge its foreign currency risks and interest rate risks. A derivative is classified in the balance sheet as financial assets or liabilities at fair value through profit or loss (not held for trading) except for derivatives that are designated effective hedging instruments which are classified as derivative financial assets or liabilities for hedging.

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in equity.

When the host contracts are either non-financial assets or liabilities, derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated at fair value though profit or loss.

(10) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(11) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted for as follows:

Raw materials – Purchase cost on a weighted average basis
Finished goods and work in progress – Cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Rendering of services is accounted in accordance with IFRS 15 and not within the scope of inventories.

(12) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(13) Investments accounted for using the equity method

The Group's investment in its associate or joint venture is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or an investment in a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's related interest in the associate or joint venture.

When changes in the net assets of an associate or a joint venture occur and not those that are recognized in profit or loss or other comprehensive income and do not affects the Group's percentage of ownership interests in the associate or joint venture, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a pro-rata basis.

When the associate or joint venture issues new stock, and the Group's interest in an associate or a joint venture is reduced or increased as the Group fails to acquire shares newly issued in the associate or joint venture proportionately to its original ownership interest, the increase or decrease in the interest in the associate or joint venture is recognized in Additional Paid in Capital and Investment accounted for using the equity method. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a pro rata basis when the Group disposes the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with *IAS 28 Investments in Associates and Joint Ventures*. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with *IAS 36 Impairment of Assets*. In determining the value in use of the investment, the Group estimates:

A. Its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
B. The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate or an investment in a joint venture is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in *IAS 36 Impairment of Assets*.

Upon loss of significant influence over the associate or joint venture, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(14) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of *IAS 16 Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings and structures	1~60 years
Machinery and equipment	1~20 years
Other equipment	1~20 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(15) Investment property

The Group's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*, investment properties are measured using the cost model in accordance with the requirements of *IAS 16 Property, plant and equipment* for that model. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	11～41 years

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

The Group transfers to or from investment properties when there is a change in use for these assets.

Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(16) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

A. the right to obtain substantially all of the economic benefits from use of the identified asset; and
B. the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

A. fixed payments (including in-substance fixed payments), less any lease incentives receivable;
B. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
C. amounts expected to be payable by the lessee under residual value guarantees;
D. the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
E. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

A. the amount of the initial measurement of the lease liability;
B. any lease payments made at or before the commencement date, less any lease incentives received;

C. any initial direct costs incurred by the lessee; and
D. an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies *IAS 36 "Impairment of Assets"* to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

For the rent concession arising as a direct consequence of the Covid-19 pandemic, the Group elected not to assess whether it is a lease modification but accounted it as a variable lease payment. The Group have applied the practical expedient to all rent concessions that meet the conditions for it.

Group as a lessor

At inception of a contract, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(17) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are recognized in profit or loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditures, on an individual project, are recognized as an intangible asset when the Group can demonstrate:

A. The technical feasibility of completing the intangible asset so that it will be available for use or sale
B. Its intention to complete and its ability to use or sell the asset
C. How the asset will generate future economic benefits
D. The availability of resources to complete the asset
E. The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. During the period of development, the asset is tested for impairment annually. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit.

A summary of the policies applied to the Group's intangible assets is as follow:

	Intangible assets under development	Patents	Know-how	Licenses	Computer software
Useful lives	Finite	Finite(5~8 years)	Finite(3~10 years)	Finite(10 years)	Finite(1~10 years)
Amortization method used	Amortized on a straight-line basis over the period of expected future sales from the related project	Amortized on a straight-line basis over the shorter of the period of the patent or estimated useful life	Amortized on a straight-line basis over the estimated useful life	Amortized on a straight-line basis over the shorter of legal life period or estimated useful life	Amortized on a straight-line basis over the estimated useful life
Internally generated or acquired	Internally generated and acquired	Acquired	Acquired	Acquired	Acquired

(18) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of *IAS 36 Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

A cash generating unit, or groups of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(19) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time.

Provision for warranties

A provision is recognized for expected warranty claims on products sold, based on past experience, management's judgment and other known factors.

(20) Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. Any difference between the carrying amount and the consideration is recognized in equity.

(21) Revenue recognition

The Group's revenue arising from contracts with customers are primarily related to sale of goods and rendering of services. The accounting policies are explained as follows:

Sale of goods

The Group manufactures and sells products. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers based on the consideration stated in the contract. Therefore, revenue from these sales is recognized based on the price specified in the contract. The Group estimates the discounts using the expected value method based on historical experiences. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. During the period specified in the contract, refund liability is recognized for the expected volume discounts. However, for some of the contracts, part of the consideration was received from customers upon signing the contract, and the Group has the obligation to provide the services subsequently; accordingly, these amounts are recognized as contract liabilities.

The Group provides its customer with a warranty with the purchase of the products. The warranty provides assurance that the product will operate as expected by the customers. And the warranty is accounted in accordance with IAS 37.

The credit period of the Group's sale of goods is from 30 to 180 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as accounts receivable. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract. For some of the contracts, the Group has transferred the goods to customers but does not has a right to an amount of consideration that is unconditional, these contacts should be presented as contract assets. Besides, in accordance with IFRS 9, the Group measures the loss allowance for a contract asset at an amount equal to the lifetime expected credit loss.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component is arised.

Rendering of services

Revenue from engineering service is recognized by reference to the actual service costs. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered. However, for some of the contracts, part of the consideration was received from customers upon signing the contract, and the Group has the obligation to provide the services subsequently; accordingly, these amounts are recognized as contract liabilities.

The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component is arised.

(22) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(23) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the grant relates to an asset, it is recognized as deduction of the book value of the related asset and recognized as gain through deducting the depreciation expense over the period of depreciable asset's lifetime. When the grant relates to an expense item, it is recognized as income over the period when the related costs are incurred.

(24) Post-employment benefits

All regular employees of the Group and its domestic subsidiaries are entitled to a pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the specific bank account and hence, not associated with the Group and its domestic subsidiaries. Therefore fund assets are not included in the Group's consolidated financial statements. Pension benefits for employees of the overseas subsidiaries and the branches are provided in accordance with the respective local regulations.

For the defined contribution plan, the Group and its domestic subsidiaries will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Group recognizes expenses for the defined contribution plan in the period in which the contribution becomes due. Overseas subsidiaries and branches make contribution to the plan based on the requirements of local regulations.

Post-employment benefit plan that is classified as a defined benefit plan uses the Projected Unit Credit Method to measure its obligations and costs based on actuarial assumptions. Re-measurements, comprising of the effect of the actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets, excluding net interest, are recognized as other comprehensive income with a corresponding debit or credit to retained earnings in the period in which they occur. Past service costs are recognized in profit or loss on the earlier of:

A. the date of the plan amendment or curtailment, and
B. the date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payment.

(25) Share-based payment transactions

The cost of equity-settled transactions between the Group and related to employees is recognized based on the fair value of the equity instruments granted. The fair value of the equity instruments is determined by using an appropriate pricing model.

The cost of equity-settled transactions is recognized, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

The cost of restricted stocks issued is recognized as salary expense based on the fair value of the equity instruments on the grant date, together with a corresponding increase in other capital reserves in equity, over the vesting period. The Group recognized unearned employee salary which is a transitional contra equity account; the balance in the account will be recognized as salary expense over the passage of vesting period.

(26) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The surtax on undistributed retained earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the Shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

A. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
B. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

A. Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
B. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(27) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred, the identifiable assets acquired and liabilities assumed are measured at acquisition date fair value. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are accounted for as expenses in the periods in which the costs are incurred and are classified under administrative expenses.

When the Group acquires a business, it assesses the assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at the acquisition-date fair value. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognized in accordance with *IFRS 9 Financial Instruments* either in profit or loss or as a change to other comprehensive income. However, if the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured as the amount of the excess of the aggregate of the consideration transferred and the non-controlling interest over the net fair value of the identifiable assets acquired and the liabilities assumed. If this aggregate is lower than the fair value of the net assets acquired, the difference is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purpose and is not larger than an operating segment before aggregation.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation. Goodwill disposed of in this circumstance is measured based on the relative recoverable amounts of the operation disposed of and the portion of the cash-generating unit retained.

5. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1) Judgment

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

A. Investment properties

Certain properties of the Group comprise a portion that is held to earn rentals or for capital appreciation and another portion that is owner-occupied. If these portions could be sold separately, the Group accounts for the portions separately as investment properties and property, plant and equipment. If the portions could not be sold separately, the property is classified as investment property in its entirety only if the portion that is owner-occupied is under 10% of the total property.

B. Operating lease commitment－Group as the lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

C. De facto control without a majority of the voting rights in subsidiaries

The Group does not have majority of the voting rights in certain subsidiaries. However, after taking into consideration factors such as absolute size of the Group's holding, relative size of the other shareholdings, how widely spread is the remaining shareholding, contractual arrangements between shareholders, potential voting rights, etc., the Group reached the conclusion that it has de facto control over these subsidiaries. Please refer to Note 4 for further details.

(2) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

A. Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the income approach (for example the discounted cash flows model) or market approach. Changes in assumptions about these factors could affect the reported fair value of the financial instruments. Please refer to Note 12 for more details.

B. Impairment of accounts receivable

The Group estimates the impairment loss of accounts receivables at an amount equal to lifetime expected credit losses. The credit loss is the present value of the difference between the contractual cash flows that are due under the contract (carrying amount) and the cash flows that expects to receive (evaluate forward looking information). However, as the impact from the discounting of short-term receivables is not material, the credit loss is measured by the undiscounted cash flows. Where the actual future cash flows are lower than expected, a material impairment loss may arise. Please refer to Note 6 for more details.

C. Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date less incremental costs that would be directly attributable to the disposal of the asset or cash generating unit. The value in use calculation is based on a discounted cash flow model. The cash flows projections are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

D. Valuation of inventory

Inventories are stated at the lower of cost or net realizable value, and the Group uses judgment and estimate to determine the net realizable value of inventory at the end of each reporting period. Due to the rapid technological changes, the Group estimates the net realizable value of inventory for obsolescence and unmarketable items at the end of reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumption of future demand within a specific time horizon and therefore could result in significant changes.

E. Post-employment benefits

The cost of post-employment benefit and the present value of the pension obligation under defined benefit pension plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Please refer to Note 6 for more details.

F. Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 6.

G. Revenue recognition – sales returns and allowance

The Group estimates sales returns and allowance based on historical experience and other known factors at the time of sale, which reduces the operating revenue. In assessing the aforementioned sales returns and allowance, revenue is recognized to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

H. Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile.

Deferred tax assets are recognized for all carryforward of unused tax losses and unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available or there are sufficient taxable temporary differences against which the unused tax losses, unused tax credits or deductible temporary differences can be utilized. The amount of deferred tax assets determined to be recognized is based upon the likely timing and the level of future taxable profits and taxable temporary differences together with future tax planning strategies. Please refer to Note 6 for disclosure on unrecognized deferred tax asset of the Group as of December 31, 2021.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of	
	December 31, 2021	December 31, 2020
Petty cash / revolving funds	$7,574	$5,263
Cash in banks	6,444,241	6,083,611
Time deposit	1,546,084	947,088
Cash equivalents	70,000	96,562
Total	$8,067,899	$7,132,524

Please refer to Note 12 for more details on credit risk.

(2) Financial assets/liabilities at fair value through profit or loss

	As of	
	December 31, 2021	December 31, 2020
Financial assets mandatorily measured at fair value through profit or loss:		
Convertible corporate bond	$1,507,752	$1,608,961
Structured deposit	523,043	1,742,291
Derivatives not designated as hedging instruments	218	-
Total	$2,031,013	$3,351,252
Current	$565,631	$1,742,291
Non-current	1,465,382	1,608,961
Total	$2,031,013	$3,351,252
Financial liabilities mandatorily measured at fair value through profit or loss:		
Derivatives not designated as hedging instruments	$-	$374

A. In December 2019, the Group obtained convertible corporate bonds issued by SPI. for KRW 54,990,000 thousand. On the basis of the contract, the Group may convert the bonds into ordinary shares of SPI. at KRW 1,000 for one share at any time after January 1, 2022 and expire on December 26, 2024. The Group recognized aforementioned shares as financial assets at fair value through profit or loss, mandatorily measured at fair value.

B. Financial assets at fair value through profit or loss were not pledged.

C. Please refer to Note 12 for more details on derivative investments held by the Group.

(3) Financial assets at fair value through other comprehensive income

	As of	
	December 31, 2021	December 31, 2020
Equity instrument investments measured at fair value through other comprehensive income－current:		
Listed companies stocks	$25,543	$320,922
Equity instrument investments measured at fair value through other comprehensive income－non-current:		
Listed companies stocks	3,669,414	3,157,283
Unlisted companies stocks	545,443	886,360
Subtotal	4,214,857	4,043,643
Total	$4,240,400	$4,364,565

A. Dawning Leading Technology Inc., an unlisted company whose shares were partially held by the Group, was merged with King Yaun Electronics Co., Ltd. at a consideration of NTD 3 per share in the year of 2018. Dawning Leading Technology Inc. was the extinguished entity following the merger. At the same year, the Group requested Dawning Leading Technology Inc. to buy back its shares at fair value and filed to the court for a decision. The Group and King Yaun Electronics Co., Ltd. reached a settlement agreement in August 2020 to buy back the shares at NTD 8.2 per share. When derecognizing the asset in the third quarter of 2020, the Group transferred the previously recognized accumulated unrealized loss in the amount of $114,380 thousand from other equity interest to retained earnings in accordance with relevant accounting rules.

B. In consideration of working capital planning, the Company and its subsidiary, Jipo Investment Co., Ltd., disposed of the stocks of Innolux Corporation (accounted for current investments in equity instrument designated at fair value through other comprehensive income) at average price NTD 20.77 per share, separately, through centralized securities exchange market in May 2021. The aforementioned stocks disposed of were 16,843 thousand shares and 4,308 thousand shares, traded at the amount of $349,856 thousand and $89,462 thousand, respectively. When derecognizing the asset, the Group transferred the previously recognized accumulated unrealized loss in the amount of $510,809 thousand and $130,689 thousand, respectively, from other equity interest to retained earnings, in accordance with relevant accounting standards.

C. For equity instrument investments measured at fair value through other comprehensive income, the Group recognized dividend income in the amount of $243,544 thousand and $184,773 thousand for the years ended December 31, 2021 and 2020, respectively. The aforementioned dividend income was related to investments held at the end of the reporting period.

D. Financial assets at fair value through other comprehensive income were not pledged.

(4) Financial assets at amortized cost

	As of	
	December 31, 2021	December 31, 2020
Time deposit and cash in banks	$11,097	$43,969
Less: loss allowance	-	-
Total	$11,097	$43,969
Current	$2,001	$33,617
Non-current	9,096	10,352
Total	$11,097	$43,969

A. Please refer to Note 12 for more details on credit risk.

B. Please refer to Note 8 for more details on financial assets at amortized cost under pledge for bank loan and court litigation.

(5) Notes receivable

	As of	
	December 31, 2021	December 31, 2020
Notes receivable arising from operating activities	$103,105	$161,215
Less: loss allowance	(142)	(203)
Total	$102,963	$161,012

A. Notes receivable were not pledged.

B. The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(23) for more details on loss allowance and Note 12 for more details on credit risk.

(6) Accounts receivable and accounts receivable due from related parties

	As of	
	December 31, 2021	December 31, 2020
Accounts receivable	$25,106,599	$26,176,564
Less: loss allowance	(42,565)	(75,413)
Subtotal	25,064,034	26,101,151
Accounts receivable due from related parties	668,411	96,172
Less: loss allowance	-	-
Subtotal	668,411	96,172
Total	$25,732,445	$26,197,323

A. Accounts receivable were not pledged.

B. Accounts receivable credit terms are generally on 30 to 180 day terms. The total carrying amount (including notes receivable) as of December 31, 2021 and December 31, 2020 was $25,878,115 thousand and $26,433,951 thousand, respectively. Please refer to Note 6(23) for more details on loss allowance of account receivables for the years ended December 31, 2021 and 2020. Please refer to Note 12 for more details on credit risk.

C. Transferred financial assets that were derecognized in their entirety

The Group entered into accounts receivable factoring agreements (without recourse) with a financial institute. Under the agreements, the Group has transferred the contractual rights to receive the cash flows of the financial asset. Pursuant to the factoring agreements, the Group does not bear the credit risk that the accounts receivables are not paid when due. Therefore the related financial assets were derecognized in their entirety as they met the requirement of derecognition. The transferred assets fully derecognized were as follows:

As of December 31, 2021:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
Citibank	USD 309,739	(USD 309,739)	1.37%~1.48%	(Note)
HSBC	USD 159,380	(USD 159,380)	1.60%~1.66%	(Note)
Bank of America	USD 10,867	(USD 10,867)	1.61%	(Note)
MUFG	USD 22,853	(USD 22,853)	1.17%	(Note)

As of December 31, 2020:

(In thousands)

The Factor (Transferee)	Accounts receivable transferred	Accounts receivable derecognized	Interest rate	Credit Line
Citibank	USD 231,040	(USD 231,040)	1.39%~1.50%	(Note)
HSBC	USD 145,682	(USD 145,682)	1.90%~1.94%	(Note)
MUFG	USD 15,546	(USD 15,546)	1.20%~1.21%	(Note)

Note : Under the factoring agreement entered into by the Group, customers and financial institutions, the financial institutions will buy the accounts receivable of the Group within the line of credit negotiated by the customers and the financial institutions.

D. To appropriately classify the account receivable, the Group follows IFRS 9 to assess the business model the account receivables were held within. Accounts receivable in the amount of USD 222,668 thousand and USD 263,826 thousand as of December 31, 2021 and December 31, 2020, respectively, were sold to the aforementioned financial institutions in the subsequent period (the financial assets classified as financial assets at fair value through profit or loss).

E. The financial costs incurred from the aforementioned account receivables factoring transactions that were derecognized were $113,156 thousand and $107,819 thousand for the years ended December 31, 2021 and 2020, respectively.

(7) Other receivables

	As of	
	December 31, 2021	December 31, 2020
Receivable due from settlement of forward contract	$25,652	$287,145
Molds receivable	155,755	152,368
Grants receivable－government	2,966,158	1,879,488
Others (Note)	726,910	483,945
Total	$3,874,475	$2,802,946

Note：Individual amount not exceeded $100,000 thousand were aggregated as others.

Please refer to Note 6(23) for more details on the Group’s assessment of loss allowance for other receivables

(8) Inventories

	As of	
	December 31, 2021	December 31, 2020
Raw materials	$23,096,183	$14,327,976
Work in process	1,312,188	1,186,978
Finished goods	4,049,084	2,798,770
Merchandise inventory	78,434	617,019
Goods in transit	836,024	1,416,206
Total	$29,371,913	$20,346,949

A. Expense and loss incurred on inventories were as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Cost of inventories sold	$129,296,343	$118,321,926
Expense recognized from inventory write-down to net realizable value	993,581	614,865
Total	$130,289,924	$118,936,791

B. Inventories were not pledged.

(9) Prepayments

	As of	
	December 31, 2021	December 31, 2020
Business tax paid (or Input VAT)	$592,742	$489,145
Excess business tax paid (or Net Input VAT)	50,458	69,721
Prepayments to suppliers	388,903	272,575
Others (Note)	145,449	103,081
Total	$1,177,552	$934,522

Note：Individual amount not exceeded $100,000 thousand were aggregated as others.

(10) Non-current assets held for sale, net

	As of	
	December 31, 2021	December 31, 2020
Assets classified as non-current assets held for sale：		
Property, plant and equipment	$106,736	$599,020
Right-of-use assets	-	89,874
Other non-current assets	-	9,844
Total	$106,736	$698,738

To effectively integrate production resources and activate the use of funds, the Group's subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, resolved to approve the disposal of right-of-use assets- land and plants of its subsidiary, Cal-Comp Electronics and Communications (Suzhou) Co., Ltd., at the board meeting held on October 20, 2020. Cal-Comp Electronics (Thailand) Public Company Limited signed the sale and purchase agreement with the buyer regarding the aforementioned transaction in November 2020 at the price of CNY 121,500 thousand. As of the financial reporting date, the aforementioned full price had been collected and the disposal procedure of transferring property rights had been completed on September 15, 2021. The aforementioned assets were measured at the lower of cost or fair value less the cost of sales in accordance with the standards and were classified as non-current assets held for sale. The amount of impairment loss of such assets recognized in 2020 was $154,617 thousand.

To effectively integrate production resources and activate the use of funds, the Group's subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, resolved to approve the disposal of land and plants of its subsidiary, Cal Comp Malaysia SDN. BHD., at the board meeting held on May 14, 2021. Cal-Comp Electronics (Thailand) Public Company Limited signed the sale and purchase agreement with the buyer regarding the aforementioned transaction in May 2021 at the price of MYR 27,000 thousand. The aforementioned assets were measured at the lower of cost or fair value less the cost of sales in accordance with the standards and were classified as non-current assets held for sale. According to the price of the sale and purchase agreement, no impairment loss has been recognized. In addition, as of the financial reporting date, the aforementioned full price had been collected and the disposal procedure of transferring property rights had been completed.

To effectively integrate production resources and activate the use of funds, the Group's subsidiary, CastleNet Technology Inc., resolved to approve the disposal of right-of-use assets-land and property, plant and equipment of its subsidiary, CastleNet Technology Inc. (Kunshan), at the board meeting held on December 18, 2020. CastleNet Technology Inc. signed the sale and purchase agreement with the buyer regarding the aforementioned transaction on February 4, 2021 at the price of CNY 71,500 thousand. As of the financial reporting date, full price has been collected and the disposal procedure of transferring property rights has been completed on July 13, 2021. The aforementioned assets were measured at the lower of cost or fair value less the cost of sales in accordance with the standards and were classified as non-current assets held for sale. According to the price of the sale and purchase agreement, no impairment loss has been recognized.

(11) Investments accounted for using equity method

A. Investments accounted for using equity method consisted were as follows:

	As of			
	December 31, 2021		December 31, 2020	
Investee companies	Carrying amount	% of ownership	Carrying amount	% of ownership
Associates				
AcBel Polytech Inc.	$2,388,266	24.15%	$2,404,786	24.16%
Ascendant Private Equity Investment Ltd.	1,305,047	34.72%	994,877	34.72%
Teleport Access Services, Inc.	228,328	23.70%	232,237	23.70%
Others (Note)	122,327		125,832	
Total	$4,043,968		$3,757,732	

Note: Individual investment amount not exceeded $100,000 thousand were aggregated as others.

B. Investments in associates

Information on the material associate of the Group:

(a) Company name: AcBel Polytech Inc.

Nature of the relationship with the associate: AcBel Polytech Inc. is in the business of manufacturing and selling related products in the Group's industry chain. The Group invested in AcBel Polytech Inc. for the purpose of upstream/downstream integration.

Principal place of business (country of incorporation): Taiwan

Fair value of the investment in the associate when there is a quoted market price for the investment: AcBel Polytech Inc. is a listed entity on the Taiwan Stock Exchange (TWSE). The fair value of the investment in AcBel Polytech Inc. was $4,567,274 thousand and $3,612,639 thousand as of December 31, 2021 and December 31, 2020, respectively.

Reconciliation of the associate's summarized financial information presented to the carrying amount of the Group's interest in the associate:

	As of	
	December 31, 2021	December 31, 2020
Current assets	$19,061,420	$18,403,526
Non-current assets	11,617,094	8,572,372
Current liabilities	(14,274,799)	(13,075,120)
Non-current liabilities	(5,902,263)	(3,257,184)
Equity	10,501,452	10,643,594
Non-controlling interest	(612,151)	(690,011)
Shareholders of the parent	9,889,301	9,953,583
Proportion of the Group's ownership	24.15%	24.16%
Carrying amount of the investment	$2,388,266	$2,404,786

	For the years ended	
	December 31, 2021	December 31, 2020
Operating revenue	$21,906,395	$20,983,757
Profit from continuing operations	669,648	1,397,900
Other comprehensive income, net	(64,847)	(31,257)
Total comprehensive income	604,801	1,366,643

(b) The Group's investments in other companies were not individually material. The aggregate carrying amount of the Group's interests in other companies was $1,655,702 thousand and $1,352,946 thousand as of December 31, 2021 and December 31, 2020, respectively. The aggregate financial information based on Group's share of other companies was as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Profit (loss) from continuing operations	$211,615	$35,789
Other comprehensive income, net	98,892	(113,312)
Total comprehensive income	$310,507	$(77,523)

C. As of December 31, 2021 and December 31, 2020, the difference (Goodwill) between the costs of investment and net equity was all $115,377 thousand.

D. The aforementioned investments in associate had no contingent liabilities or capital commitments as of December 31, 2021 and December 31, 2020.

E. Although the Group is the first major shareholder of some associates; after comprehensive assessment, the Group does not own the major voting rights as the remaining voting rights holders are able to align and prevent the Group from ruling the relevant operation. Therefore, the Group has no control but has significant influence over the aforementioned associates.

(12) Property, plant and equipment

A. Movements of property, plant and equipment of the Group for the years ended December 31, 2021 and 2020 were as follows:

	Land	Buildings and structures	Machinery and molding equipment	Miscellaneous Equipment	Construction in progress and equipment awaiting examination	Total
Cost:						
As of January 1, 2021	$1,871,356	$15,219,842	$22,050,914	$3,726,153	$1,749,260	$44,617,525
Additions	-	415,811	1,476,414	416,707	2,205,284	4,514,216
Disposals	(10,954)	(133,900)	(2,535,288)	(272,766)	(582)	(2,953,490)
Transfer to non-current assets held for sale	(47,060)	(125,637)	(4,058)	-	-	(176,755)
Reclassification, effect of exchange rate changes and other changes	(26,855)	23,379	(1,533,691)	(180,019)	(882,188)	(2,599,374)
As of December 31, 2021	$1,786,487	$15,399,495	$19,454,291	$3,690,075	$3,071,774	$43,402,122
As of January 1, 2020	$1,894,587	$15,490,528	$22,874,108	$3,757,762	$1,917,985	$45,934,970
Additions	9,571	1,037,970	2,974,002	256,539	600,994	4,879,076
Disposals	-	(4,381)	(1,745,815)	(172,564)	(4,146)	(1,926,906)
Transfer to non-current assets held for sale	-	(876,770)	(23,845)	(18,883)	-	(919,498)
Reclassification, effect of exchange rate changes and other changes	(32,802)	(427,505)	(2,027,536)	(96,701)	(765,573)	(3,350,117)
As of December 31, 2020	$1,871,356	$15,219,842	$22,050,914	$3,726,153	$1,749,260	$44,617,525
Accumulated depreciation and impairment:						
As of January 1, 2021	$-	$5,147,222	$13,854,732	$2,552,941	$-	$21,554,895
Depreciation	-	585,206	1,798,105	359,367	-	2,742,678
Impairment loss	-	-	26,071	12,197	-	38,268
Disposals	-	(48,464)	(2,167,267)	(250,541)	-	(2,466,272)
Transfer to non-current assets held for sale	-	(64,853)	(3,562)	-	-	(68,415)
Reclassification, effect of exchange rate changes and other changes	-	(91,819)	(764,673)	(143,503)	-	(999,995)
As of December 31, 2021	$-	$5,527,292	$12,743,406	$2,530,461	$-	$20,801,159
As of January 1, 2020	$-	$4,863,646	$13,883,592	$2,494,132	$-	$21,241,370
Depreciation	-	610,322	2,111,001	336,144	-	3,057,467
Impairment loss	-	-	10,812	330	-	11,142
Disposals	-	(4,002)	(1,492,000)	(165,973)	-	(1,661,975)
Transfer to non-current assets held for sale	-	(167,158)	(18,083)	(16,700)	-	(201,941)
Reclassification, effect of exchange rate changes and other changes	-	(155,586)	(640,590)	(94,992)	-	(891,168)
As of December 31, 2020	$-	$5,147,222	$13,854,732	$2,552,941	$-	$21,554,895

	Land	Buildings and structures	Machinery and molding equipment	Miscellaneous Equipment	Construction in progress and equipment awaiting examination	Total
Net carrying amount as of:						
December 31, 2021	$1,786,487	$9,872,203	$6,710,885	$1,159,614	$3,071,774	$22,600,963
December 31, 2020	$1,871,356	$10,072,620	$8,196,182	$1,173,212	$1,749,260	$23,062,630

B. Capitalized borrowing costs of construction in progress for the years ended December 31, 2021 and 2020 were $2,609 thousand and $16,571 thousand, with capitalization rate of borrowing costs at 5.85%~9.00% and 6.99%~8.47%, respectively.

C. The significant part and useful life of the Group's buildings included the following:

Primary buildings	25~60 years
Construction and renovation	2~48 years
Water & electric, air conditioning and fire extinguisher engineering	3~31 years

D. Please refer to Note 8 for more details on property, plant and equipment under pledge.

E. During the year of 2019, some subsidiaries of the Group joined grant agreements with local government to subsidize the purchase of equipment. The aforementioned cooperation agreement is a NDA (Non-disclosed agreement), thus the Group does not disclosure content of the agreement. As of December 31, 2021 and December 31, 2020, the Group received $5,581,409 thousand and $3,797,571 thousand, respectively of grants provided by the local government. As stated in Note 4, the accounting policies of government grants, the Group elected to deduct the book value of the related assets as they relate to assets. In addition, as of December 31, 2021 and December 31, 2020, the Group had prepaid for equipment approximately $676,080 thousand and $614,670 thousand accounted for other receivables, respectively.

The production equipment procurement by using aforementioned local government grants which had been accepted for $5,412,194 thousand and $3,592,985 thousand as of December 31, 2021 and December 31, 2020, respectively. These production equipment should recognize depreciation expense for $812,994 thousand and $443,318 thousand based on the useful life for the years ended December 31, 2021 and 2020. As stated in the accounting policy for the government subsidy of the Group, recognizing grant in income and also deducting depreciation expenses on the basis of related assets useful life. Thus, these aforementioned production equipment resulted in no impact from net depreciation in income and the Group did not recognize related depreciation expense for the years ended December 31, 2021 and 2020.

(13) Investment property

A. The Group's investment properties were owned investment properties. The Group has entered into commercial property leases on its owned investment properties with remaining terms of 0.58 years. Movements of investment property of the Group for the years ended December 31, 2021 and 2020 were as follows:

	Buildings and Structures
Cost:	
As of January 1, 2021	$229,793
Reclassification, effect of exchange rate changes and other changes	(6,455)
As of December 31, 2021	$223,338
Additions	$239,260
As of January 1, 2020	2,598
Reclassification, effect of exchange rate changes and other changes	(12,065)
As of December 31, 2020	$229,793
Accumulated depreciation and impairment:	
As of January 1, 2021	$74,569
Depreciation	19,256
Reclassification, effect of exchange rate changes and other changes	(2,321)
As of December 31, 2021	$91,504
As of January 1, 2020	$60,191
Depreciation	18,048
Reclassification, effect of exchange rate changes and other changes	(3,670)
As of December 31, 2020	$74,569
Net carrying amount as of:	
December 31, 2021	$131,834
December 31, 2020	$155,224

B. The rental income and direct operating expenses of the investment property were stated as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Rental income from investment property	$24,508	$25,545
Deduct: direct operating expenses derived from investment property with rental revenue in current period	(21,435)	(21,157)
Total	$3,073	$4,388

C. Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties were categorized within Level 3. The fair value of investment properties held by the Group amounted to $174,205 thousand and $179,240 thousand as of December 31, 2021 and December 31, 2020, respectively. The aforementioned fair value was determined based on the fair value which were appraised by independent appraiser in 2018 and changes in the local real estate market plus the cost incurred afterward years.

D. Investment properties were not pledged.

(14) Intangible assets

A. Movements of the intangible assets of the Group for the years ended December 31, 2021 and 2020 were as follows:

	Patents	Computer software	Know-how and others	Intangible assets under development	Total
Cost:					
As of January 1, 2021	$738,038	$412,742	$320,357	$70,618	$1,541,755
Additions	98,162	46,569	-	-	144,731
Disposals	(233,152)	(119,165)	(192)	-	(352,509)
Reclassification, effect of exchange rate changes and other changes	70,863	(8,794)	(2,410)	(70,618)	(10,959)
As of December 31, 2021	$673,911	$331,352	$317,755	$-	$1,323,018
As of January 1, 2020	$460,397	$157,394	$323,548	$70,618	$1,011,957
Additions	146,201	93,745	-	133,102	373,048
Disposals	(20,518)	(22,947)	-	-	(43,465)
Reclassification, effect of exchange rate changes and other changes	151,958	184,550	(3,191)	(133,102)	200,215
As of December 31, 2020	$738,038	$412,742	$320,357	$70,618	$1,541,755
Amortization and impairments:					
As of January 1, 2021	$100,904	$250,741	$230,638	$-	$582,283
Amortization	32,340	71,492	906	-	104,738
Disposals	(233,152)	(119,165)	(192)	-	(352,509)
Impairment loss	154,204	439	42,333	-	196,976
Reclassification, effect of exchange rate changes and other changes	(29)	(3,332)	(1,696)	-	(5,057)
As of December 31, 2021	$54,267	$200,175	$271,989	$-	$526,431

	Patents	Computer software	Know-how and others	Intangible assets under development	Total
As of January 1, 2020	$64,987	$89,812	$212,672	$-	$367,471
Amortization	34,829	69,895	14,289	-	119,013
Disposals	(20,518)	(22,947)	-	-	(43,465)
Impairment loss	21,350	-	4,747	-	26,097
Reclassification, effect of exchange rate changes and other changes	256	113,981	(1,070)	-	113,167
As of December 31, 2020	$100,904	$250,741	$230,638	$-	$582,283
Net carrying amount as of:					
December 31, 2021	$619,644	$131,177	$45,766	$-	$796,587
December 31, 2020	$637,134	$162,001	$89,719	$70,618	$959,472

B. Amortization expense of intangible assets were stated as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Operating cost	$10,640	$10,718
Operating expenses	94,098	108,295
Total	$104,738	$119,013

(15) Current borrowings

	As of	
	December 31, 2021	December 31, 2020
Unsecured bank loans	$27,971,588	$21,588,074
Secured bank loans	94,514	143,221
Total	$28,066,102	$21,731,295
Unused amount	$33,772,450	$42,354,987
Interest rate	0.68%~5.10%	0.74%~6.38%

Please refer to Note 8 for more details on assets pledged as security for current borrowings.

(16) Short-term notes and bills payable

	As of	
	December 31, 2021	December 31, 2020
Short-term notes	$2,770,000	$1,534,000
Discount of short-term notes	(1,357)	(1,085)
Total	$2,768,643	$1,532,915
Interest rate	0.89%~1.29%	0.94%~1.18%

(17) Other payables

	As of	
	December 31, 2021	December 31, 2020
Payable due to settlement of forward contract	$22,273	$316,934
Wages, salaries and bonus payable	1,731,590	1,623,672
Real estate and equipment payable	706,717	134,607
Commissions payable	194,344	133,266
Others (Note)	2,692,748	2,439,474
Total	$5,347,672	$4,647,953

Note: Individual amount not exceeded $100,000 thousand were aggregated as others.

(18) Non-current borrowings

A. Details of non-current borrowings as of December 31, 2021 and December 31, 2020 were as follows:

Creditor	As of December 31, 2021	Payment of principal
E.Sun Bank – Syndication unsecured loan	$5,513,310 (USD199,180)	The tenure of the loan is from November 8, 2021 to November 8, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term or an extension of additional two years to November 8, 2026 shall be applied prior to the expiration date. The extended facilities shall be repaid in five installments starting from November 8, 2024; every 6 months as one installment. The principal shall be repaid equally in 4 installments and the total loan shall be repaid in 5 installments, with the final payment due no later than on November 8, 2026.

Creditor	As of December 31, 2021	Payment of principal
KGI Bank – Unsecured loan	$1,400,000	The period of the loan is from September 16, 2021 to September 15, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	700,000	The period of the loan is from December 28, 2021 to December 28, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Chang Hwa Commercial Bank – Unsecured loan	300,000	The period of the loan is from December 2, 2021 to December 2, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Hua Nan Commercial Bank – Unsecured loan	800,000	The period of the loan is from December 13, 2021 to December 13, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank of Taiwan – Unsecured loan	1,000,000	The period of the loan is from November 27, 2019 to November 25, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
O-Bank – Unsecured loan	675,000	The period of the loan is from December 14, 2020 to December 13, 2023. After receiving the loan 1 and 2 years later, the principal should be each repaid $50,000 thousand. The rest of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
E.Sun Bank – Unsecured loan	500,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
E.Sun Bank – Unsecured loan	600,000	The period of the loan is from October 12, 2021 to October 9, 2024. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
Jih Sun International Commercial Bank – Unsecured loan	600,000	The period of the loan is from December 10, 2020 to December 9, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Far Eastern International Bank – Unsecured loan	500,000	The period of the loan is from November 10, 2020 to November 10, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of December 31, 2021	Payment of principal
Taiwan Cooperative Bank – Unsecured loan	$250,000	The period of the loan is from April 27, 2021 to April 26, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Mega Bank – Unsecured loan	700,000	The period of the loan is from January 22, 2021 to January 22, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	8,683 (CNY2,000)	The period of the loan is from June 9, 2017 to June 9, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	17,366 (CNY4,000)	The period of the loan is from July 17, 2017 to July 17, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	8,683 (CNY2,000)	The period of the loan is from August 29, 2017 to August 29, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	26,049 (CNY6,000)	The period of the loan is from December 27, 2018 to December 27, 2023. The principal should be repaid annually in 5 installments and interest is payable monthly.
SinoPac International Leasing Corp.－Secured loan	13,474 (CNY3,103)	The period of the loan is from November 28, 2019 to November 28, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
SinoPac International Leasing Corp.－Secured loan	25,600 (CNY6,011)	The period of the loan is from January 17, 2020 to December 17, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Taiwan Business Bank －Secured loan	3,182 (CNY733)	The period of the loan is from December 9, 2019 to December 9, 2022. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Taiwan Business Bank －Secured loan	26,097 (CNY6,011)	The period of the loan is from January 21, 2020 to January 21, 2023. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	32,590 (CNY7,507)	The period of the loan is from July 24, 2020 to July 24, 2023. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	127,829 (CNY29,444)	The period of the loan is from July 27, 2021 to July 27, 2024. The principal should be repaid monthly in 36 installments and interest is payable monthly.

Creditor	As of December 31, 2021	Payment of principal
Taiwan Cooperative International Leasing Co., Ltd. – Secured loan	$34,732 (CNY8,000)	The period of the loan is from August 4, 2020 to August 4, 2023. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	35,600 (CNY8,200)	The period of the loan is from July 29, 2021 to September 18, 2025. 7 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd. – Secured loan	30,391 (CNY7,000)	The period of the loan is from July 2, 2021 to July 2, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	26,049 (CNY6,000)	The period of the loan is from September 18, 2020 to September 18, 2025. 18 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	21,273 (CNY4,900)	The period of the loan is from October 16, 2020 to September 18, 2025. 17 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	73,805 (CNY17,000)	The period of the loan is from January 26, 2021 to September 18, 2025. 13 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	13,024 (CNY3,000)	The period of the loan is from April 21, 2021 to September 18, 2025. 10 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Chailease International Financial Services Co., Ltd. (BVI) – Unsecured loan	6,512 (CNY1,500)	The period of the loan is from January 13, 2020 to January 13, 2022. The principal should be repaid quarterly in 8 installments and interest is payable quarterly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	36,595 (CNY8,429)	The period of the loan is from October 29, 2021 to October 28, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	12,198 (CNY2,810)	The period of the loan is from November 29, 2021 to November 29, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.

Creditor	As of December 31, 2021	Payment of principal
Bank SinoPac (China) Ltd. Shanghai branch – Unsecured loan	$18,729 (CNY4,314)	The period of the loan is from December 29, 2021 to December 27, 2024. The principal should be repaid quarterly in 13 installments and interest is payable monthly.
E.SUN Bank (China), Ltd. Dongguan branch – Unsecured loan	13,025 (CNY3,000)	The period of the loan is from November 22, 2021 to May 22, 2024. The principal should be repaid monthly in 18 installments and interest is payable monthly.
E.SUN Bank (China), Ltd. Dongguan branch – Unsecured loan	12,325 (CNY2,839)	The period of the loan is from December 20, 2021 to June 20, 2024. The principal should be repaid monthly in 18 installments and interest is payable monthly.
The Shanghai Commercial and Savings Bank, Ltd. Off – Shore Banking Unit – Unsecured loan	137,191 (CNY31,600)	The period of the loan is from November 18, 2021 to November 18, 2024. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable quarterly.
Sunny Finance Lease (China) Ltd. – Secured loan	30,390 (CNY7,000)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd. – Secured loan	26,049 (CNY6,000)	The period of the loan is from November 8, 2021 to November 8, 2024. The principal should be repaid annually in 3 installments and interest is payable monthly.
Mega Bank – Unsecured loan	3,000	The period of the loan is from October 4, 2021 to October 4, 2026. The principal should be repaid monthly in 48 installments since November, 2022 and interest is payable monthly.
Subtotal	14,358,751	
Less: current portion	(1,914,283)	
Total	$12,444,468	
Interest rate	0.66%~8.54%	

Creditor	As of December 31, 2020	Payment of principal
E.Sun Bank – Syndication unsecured loan	$4,921,344 (USD172,800)	The tenure of the loan is from December 26, 2018 to December 25, 2020. The borrower was entitled to extend the loan for two years by notifying the bank issuing the syndicated loan in writing from twelve months to three months prior to the expiration of the tenure. Each banks will exercise consent independently. The term is extended to December 23, 2022, the principal should be repaid semi-annually in 5 installments starting from December 25, 2020.

Creditor	As of December 31, 2020	Payment of principal
KGI Bank – Unsecured loan	$1,400,000	The period of the loan is from December 28, 2020 to December 18, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	300,000	The period of the loan is from November 13, 2019 to December 10, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Yuanta Commercial Bank – Unsecured loan	400,000	The period of the loan is from June 11, 2020 to June 7, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Chang Hwa Commercial Bank – Unsecured loan	300,000	The period of the loan is from November 11, 2019 to November 11, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Hua Nan Commercial Bank – Unsecured loan	200,000	The period of the loan is from November 11, 2019 to November 11, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Hua Nan Commercial Bank – Unsecured loan	600,000	The period of the loan is from June 15, 2020 to June 15, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank of Taiwan – Unsecured loan	1,000,000	The period of the loan is from November 27, 2019 to November 25, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
O-Bank – Unsecured loan	675,000	The period of the loan is from December 14, 2020 to December 13, 2023. After receiving the loan 1 and 2 years later, the principal should be each repaid $50,000 thousand. The rest of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
E.Sun Bank – Unsecured loan	500,000	The period of the loan is from November 22, 2019 to November 18, 2022. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.

Creditor	As of December 31, 2020	Payment of principal
E.Sun Bank – Unsecured loan	$200,000	The period of the loan is from June 12, 2020 to June 12, 2023. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
E.Sun Bank – Unsecured loan	200,000	The period of the loan is from June 12, 2020 to June 12, 2023. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
E.Sun Bank – Unsecured loan	200,000	The period of the loan is from June 18, 2020 to June 16, 2023. After receiving the loan 2 years later, the principal should be repaid quarterly in 5 installments. Interest is payable quarterly.
Jih Sun International Commercial Bank – Unsecured loan	600,000	The period of the loan is from December 10, 2020 to December 9, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Export-Import Bank of the Republic of China – Unsecured loan	62,500	The period of the loan is from May 21, 2018 to May 19, 2023. After receiving the loan 18 months later, the principal should be repaid semi-annually in 8 installments. Interest is payable monthly.
Far Eastern International Bank – Unsecured loan	500,000	The period of the loan is from November 10, 2020 to November 10, 2023. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Taiwan Cooperative Bank – Unsecured loan	300,000	The period of the loan is from November 27, 2019 to November 25, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Taiwan Cooperative Bank – Unsecured loan	200,000	The period of the loan is from June 22, 2020 to November 25, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank SinoPac – Unsecured loan	700,000	The period of the loan is from June 9, 2020 to June 9, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Bank SinoPac – Unsecured loan	700,000	The period of the loan is from June 30, 2020 to June 30, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Mega Bank – Unsecured loan	700,000	The period of the loan is from November 27, 2019 to November 25, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.

Creditor	As of December 31, 2020	Payment of principal
SCSB Leasing (China) Co., Ltd. – Secured loan	$17,459 (CNY4,000)	The period of the loan is from June 9, 2017 to June 9, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	34,919 (CNY8,000)	The period of the loan is from July 17, 2017 to July 17, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	17,459 (CNY4,000)	The period of the loan is from August 29, 2017 to August 29, 2022. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	39,283 (CNY9,000)	The period of the loan is from December 27, 2018 to December 27, 2023. The principal should be repaid annually in 5 installments and interest is payable monthly.
SCSB Leasing (China) Co., Ltd. – Secured loan	32,300 (CNY7,400)	The period of the loan is from May 20, 2020 to January 6, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
FCB Leasing Co., Ltd. – Secured loan	58,838 (CNY13,480)	The period of the loan is from June 27, 2018 to June 27, 2020. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Far Eastern International Leasing Corporation – Secured loan	21,824 (CNY5,000)	The period of the loan is from August 10, 2018 to August 10, 2020. The principal should be repaid annually in 3 installments and interest is payable quarterly.
Shin Kong Leasing (Suzhou) Co., Ltd.－Secured loan	109,120 (CNY25,000)	The period of the loan is from August 17, 2020 to August 17, 2023. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
SinoPac International Leasing Corp.－Secured loan	28,597 (CNY6,552)	The period of the loan is from November 28, 2019 to November 28, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
SinoPac International Leasing Corp.－Secured loan	54,334 (CNY12,448)	The period of the loan is from January 17, 2020 to December 17, 2022. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Taiwan Business Bank －Secured loan	6,399 (CNY1,466)	The period of the loan is from December 9, 2019 to December 9, 2022. The principal should be repaid quarterly in 12 installments and interest is payable monthly.

Creditor	As of December 31, 2020	Payment of principal
Taiwan Business Bank －Secured loan	$47,227 (CNY10,820)	The period of the loan is from January 21, 2020 to January 21, 2023. The principal should be repaid quarterly in 12 installments and interest is payable monthly.
Sunny Finance Lease (China) Ltd.－Secured loan	45,831 (CNY10,500)	The period of the loan is from May 8, 2019 to May 8, 2022. The principal should be repaid annually in 3 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd.－Secured loan	56,743 (CNY13,000)	The period of the loan is from January 10, 2020 to January 10, 2023. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Hua Nan International Leasing Co., Ltd. – Secured loan	47,972 (CNY10,991)	The period of the loan is from July 24, 2020 to July 24, 2023. The principal should be repaid monthly in 36 installments and interest is payable monthly.
Taiwan Cooperative International Leasing Co., Ltd. – Secured loan	52,378 (CNY12,000)	The period of the loan is from August 4, 2020 to August 4, 2023. The principal should be repaid semi-annually in 6 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	26,189 (CNY6,000)	The period of the loan is from September 18, 2020 to September 18, 2025. 18 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Shanghai Pudong Development Bank Co., Ltd. – Secured loan	21,388 (CNY4,900)	The period of the loan is from October 16, 2020 to September 18, 2025. 17 months after the start of the period, the principal should be repaid semi-annually in 8 installments and interest is payable monthly.
Chailease International Financial Services Co., Ltd. (BVI) – Unsecured loan	32,736 (CNY7,500)	The period of the loan is from January 13, 2020 to January 13, 2022. The principal should be repaid quarterly in 8 installments and interest is payable quarterly.
First Bank Manila – Unsecured loan	256,320 (USD9,000)	The period of the loan is from May 28, 2020 to May 27, 2022. The repayment of principal will be due in a lump-sum payment on the expiration of the term. Interest is payable monthly.
Subtotal	15,666,160	
Less: current portion	(3,594,200)	
Total	$12,071,960	
Interest rate	1.01%~9.06%	

B. Please refer to Note 8 for more details on assets pledged as security for non-current borrowings.

(19) Post-employment benefits

A. Defined contribution plan

The Company and its domestic subsidiaries adopt a defined contribution plan in accordance with the Labor Pension Act of the R.O.C. Under the Labor Pension Act, the Company and its domestic subsidiaries will make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts. The Company and its domestic subsidiaries have made monthly contributions of 6% of each individual employee's salaries or wages to employees' pension accounts.

Subsidiaries located in the People's Republic of China will contribute social welfare benefits based on a certain percentage of employees' salaries or wages to the employees' individual pension accounts.

Pension benefits for employees of other overseas subsidiaries are provided in accordance with the local regulations.

Pension expenses under the defined contribution plan for the years ended December 31, 2021 and 2020 were $549,189 thousand and $273,459 thousand, respectively.

B. Defined benefits plan

The Company and its domestic subsidiaries adopt a defined benefit plan in accordance with the Labor Standards Act of the R.O.C. The pension benefits are disbursed based on the units of service years and the average salaries in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the 15th year. The total units shall not exceed 45 units. Under the Labor Standards Act, the Company and its domestic subsidiaries contributes an amount equivalent to 2% ~ 15% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of the administered pension fund committee. Before the end of each year, the Company and its domestic subsidiaries assesses the balance in the designated labor pension fund. If the amount is inadequate to pay pensions calculated for workers retiring in the same year, the Company will make up the difference in one appropriation before the end of March the following year.

The Ministry of Labor is in charge of establishing and implementing the fund utilization plan in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund. The pension fund is invested in-house or under mandating, based on a passive-aggressive investment strategy for long-term profitability. The Ministry of Labor establishes checks and risk management mechanism based on the assessment of risk factors including market risk, credit risk and liquidity risk, in order to maintain adequate manager flexibility to achieve targeted return without over-exposure of risk. With regard to utilization of the pension fund, the minimum earnings in the annual distributions on the final financial statement shall not be less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. Treasury Funds can be used to cover the deficits after the approval of the competent authority. As the Group does not participate in the operation and management of the pension fund, no disclosure on the fair value of the plan assets categorized in different classes could be made in accordance with paragraph 142 of IAS 19. The Group expects to contribute $40,167 thousand to its defined benefit plan during the 12 months beginning after December 31, 2021.

The local pension system applicable to some foreign subsidiaries of the Group is a defined benefit plan, which is calculated based on years of service and salary before the approved retirement date.

The duration of the defined benefits plan obligation as of December 31, 2021 and 2020 were 2031 to 2038 and 2031 to 2040, respectively.

Pension costs recognized in profit or loss for the years ended December 31, 2021 and 2020 were as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Current service cost	$60,847	$70,201
Net interest on the net defined benefit liabilities (assets)	8,460	13,160
Past service cost and gains and losses arising from settlements	779	4,281
Total	$70,086	$87,642

Changes in the defined benefit obligation and fair value of plan assets were as follows:

	As of		
	December 31, 2021	December 31, 2020	January 1, 2020
Defined benefit obligation	$1,179,447	$1,192,057	$1,284,765
Plan assets at fair value	(477,506)	(459,994)	(480,904)
Net defined benefit liabilities (assets) recognized on the balance sheets	$701,941	$732,063	$803,861

	As of	
	December 31, 2021	December 31, 2020
Net defined benefit assets – non-current (Note)	$(62,888)	$(70,249)
Net defined benefit liabilities – non-current	764,829	802,312
Total	$701,941	$732,063

Note: Included in other non-current assets.

Reconciliations of liabilities (assets) of the defined benefit plan was as follows:

	Defined benefit obligation	Plan assets at fair value	Benefit liabilities (assets)
As of January 1, 2020	$1,284,765	$(480,904)	$803,861
Current period service cost	70,201	-	70,201
Interest expense (income)	15,224	(2,064)	13,160
Past service cost and gains and losses arising from settlements	4,281	-	4,281
Subtotal	89,706	(2,064)	87,642
Remeasurements of the defined benefit liabilities/assets:			
Actuarial gains and losses arising from changes in demographic assumptions	5,854	-	5,854
Actuarial gains and losses arising from changes in financial assumptions	(22,314)	(9,775)	(32,089)
Experience adjustments	(62,223)	-	(62,223)
Remeasurements of the defined benefit assets	-	(6,384)	(6,384)
Subtotal	(78,683)	(16,159)	(94,842)
Payments from the plan	(78,797)	78,797	-
Contribution by employer	-	(39,345)	(39,345)
Exchange differences	(24,934)	(319)	(25,253)
As of December 31, 2020	1,192,057	(459,994)	732,063
Current period service cost	60,847	-	60,847
Interest expense (income)	8,944	(484)	8,460
Past service cost and gains and losses arising from settlements	779	-	779
Subtotal	70,570	(484)	70,086

	Defined benefit obligation	Plan assets at fair value	Benefit liabilities (assets)
Remeasurements of the defined benefit liabilities/assets:			
Actuarial gains and losses arising from changes in demographic assumptions	$24,669	$-	$24,669
Actuarial gains and losses arising from changes in financial assumptions	(72,012)	(4,165)	(76,177)
Experience adjustments	5,909	-	5,909
Remeasurements of the defined benefit assets	-	1,285	1,285
Subtotal	(41,434)	(2,880)	(44,314)
Payments from the plan	(25,703)	25,703	-
Contribution by employer	-	(37,618)	(37,618)
Exchange differences	(16,043)	(2,233)	(18,276)
As of December 31, 2021	$1,179,447	$(477,506)	$701,941

The following significant actuarial assumptions were used to determine the present value of the defined benefit obligation:

	As of	
	December 31, 2021	December 31, 2020
Discount rate	0.75%~8.30%	0.35%~4.20%
Expected rate of salary increases	3.00%~6.00%	3.00%~5.00%

A sensitivity analysis for significant assumption was shown below:

	For the years ended			
	December 31, 2021		December 31, 2020	
	Defined benefit obligation increase	Defined benefit obligation decrease	Defined benefit obligation increase	Defined benefit obligation decrease
Discount rate increase by 0.25%	$-	$22,640	$-	$23,122
Discount rate decrease by 0.25%	15,712	-	42,950	-
Future salary increase by 0.25%	17,465	-	39,551	-
Future salary decrease by 0.25%	-	19,626	-	25,002

The sensitivity analysis above are based on a change in a significant assumption (for example: change in discount rate or future salary), keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

There was no change in the methods and assumptions used in preparing the sensitivity analysis compared to the previous period.

(20) Equity

A. Ordinary share

As of January 1, 2020, the Company's authorized capital was $20,000,000 thousand and the paid-in capital was $14,591,252 thousand; the outstanding shares was 1,459,125 thousand shares, each at a par value of $10.

Share options which was issued by the Company in May 2015 had 6,830 thousand and 7,880 thousand shares been executed and converted for the years ended December 31, 2021 and 2020, respectively. The Company had received all capital amount, but the aforementioned conversion of employee share options amounted to 3,396 thousand and 374 thousand shares were not completed amendment of registration as of December 31, 2021 and 2020, respectively.

Share options which was issued by the Company in December 2019 had 5,833 thousand and 0 thousand shares been executed and converted for the years ended December 31, 2021 and 2020, respectively. The Company had received all capital amount, but the aforementioned conversion of employee share options amounted to 5,833 thousand and 0 thousand shares were not completed amendment of registration as of December 31, 2021 and 2020, respectively.

As of December 31, 2021 and 2020, the Company's authorized capital were all $20,000,000 thousand and the paid-in capital were $14,796,682 thousand and $14,670,052 thousand, respectively; the outstanding shares were 1,479,668 thousand shares and 1,467,005 thousand shares, respectively, each at a par value of $10. Each share has one voting right and right to receive dividends.

B. Capital surplus

	As of	
	December 31, 2021	December 31, 2020
Additional paid-in capital arising from ordinary share	$148,475	$81,479
Treasury share transactions	371,990	457,696
Changes in equity of subsidiaries, associates and joint ventures and others	141,906	165,643
Total	$662,371	$704,818

According to the Company Act, the capital surplus shall not be used except for offsetting the deficit of the Company. When a company incurs no loss, it may distribute the capital surplus generated from the excess of the issuance price over the par value of share capital and donations. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

C. Treasury shares

As of December 31, 2021 and December 31, 2020, the treasury shares held by the Group were $331,782 thousand and $1,526,353 thousand, respectively and the number of treasury shares held by the Group was 28,443 thousand shares and 114,640 thousand shares, respectively. The shares held by the Company's subsidiaries were as follows:

(a) As of December 31, 2021 and December 31, 2020, the investment amount held by the Company's subsidiary, Jipo Investment Co., Ltd., was all $781,975 thousand and 46,197 thousand shares of the Company's stock. These shares held by Jipo Investment Co., Ltd. were acquired for the purpose of shareholder's interests. The aforementioned beneficiary certificates were all sold on May 14, 2021 through the resolution of the board of directors, and the difference between the net purchase price and the cost was used to offset the capital surplus-treasury share transactions in the amount of $165,243 thousand.

(b) As of June 30, 2020, the investment amount held by the Company's subsidiary, Forward International Ltd., was $298,079 thousand and 20,933 thousand shares of the Company's stock. These shares held by Forward International Ltd. were acquired for the purpose of investment in the parent company in the form of beneficiary certificates and were treated as treasury shares. The aforementioned beneficiary certificates were all sold in the third quarter of 2020, and the difference between the net purchase price and the cost was used to offset the capital surplus-treasury share transactions in the amount of $79,073 thousand.

(c) Please refer to Note 6(21)(C) for more details on treasury shares transferred to Company's employees of the parent entity

D. Retained earnings and dividend policy

According to the Company Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

(a) Payment of all taxes and dues;
(b) Offset prior years' operation losses;
(c) Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve;
(d) Set aside or reverse special reserve in accordance with law and regulations; and
(e) The distribution of the remaining portion, if any, will be recommended by the Board of Directors, the distribution made in the form of dividend shares should be resolved in the shareholders' meeting; the distribution made in cash could be special resolved by the Board of Directors and reported in the shareholders' meeting.

The policy of dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting. The proportion of stock dividends may be within 0% to 90% of the total dividends, and the cash dividends may be within 10% to 100% of the total dividends.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal serve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

When the Company distributing distributable earnings, it shall set aside to special reserve, an amount equal to "other net deductions from shareholders" equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

The FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

Details of the year of 2021 and 2020 earnings distribution and dividends per share which were special resolved and reported by the Board of Directors and shareholders' meeting held on March 10, 2022 and August 20, 2021, respectively were as follows:

	Appropriation of earnings		Dividend per share (NTD$)	
	2021	2020	2021	2020
Legal reserve	$-	$5,094		
Special reserve(Note 1)	(710,750)	75,049		
Cash dividends of ordinary share (Note 2)	290,551	419,611	$0.2	$0.3

Note 1: In accordance with regulatory requirementslaw and regulations, the Company set aside special reserve equivalent to the for contra account in net deductions from the shareholders' equity in the beginning of period. The amount has been reversed due to removalelimination of such restriction as of December 31, 2021.

Note 2: The Board of Directors is authorized by the Articles of Incorporation and special resolved the cash distribution.

Please refer to Note 6(26) for further details on employees' compensation and remuneration to directors and supervisors.

E. Non-controlling interests

	For the years ended	
	December 31, 2021	December 31, 2020
Beginning balance	$10,079,291	$10,457,211
Profit, attributable to non-controlling interest	206,724	97,949
Other comprehensive income, attributable to non-controlling interest:		
Remeasurements for benefit plans	28,815	34,160
Exchange differences on translation	(420,851)	(348,867)
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(21,877)	(65,443)
Other components of other comprehensive income that will be reclassified to profit or loss	236	525
Subsidiaries appropriated and distributed retained earnings for cash dividends	(65,644)	(115,234)
Changes in ownership interests in subsidiaries	10,923	3,798
Share-based payments	44,606	15,684
Exercise of share options	66,933	-
Others	(1,273)	(492)
Ending balance	$9,927,883	$10,079,291

(21) Share-based payments

Certain employees of the Group are entitled to share-based payments as part of their remunerations. Services are provided by the employees in return for the equity instruments granted. These plans are accounted for as equity-settled share-based payments transactions.

A. Share-based payments plan for employees of the parent entity

On December 15, 2014 and November 28, 2019, the Company was authorized by the Securities and Futures Bureau of the FSC to issue employee share options with a total number of 40,000 units and 45,000 units, respectively. Each unit entitles an optioned to subscribe for 1,000 shares of the Company's common shares. The exercise price of the option was set at the closing price of the Company's common share on the grant date. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the grant date. Settlement upon the exercise of the options will be made through the issuance of new shares by the Company.

The fair value of the share options is estimated at the grant date using a binomial option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted is 7 years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these employee share options.

The relevant details of the aforementioned share-based payments plan were as follows:

Date of grant	Total number of share options granted (in thousands)	Exercise price of share options ($) (Note)
May 18, 2015	40	$10.49
December 16, 2019	45	$11.94

Note: After the share options are granted, if the capital shares changes (issuance of common stock, retained earnings transferred to common stock, capital reserve transferred to common stock, business combination, share split or raising capital by participating in depository receipt, issuance overseas certificates, etc.), decreases for reasons other than decrease in treasury stocks or issues cash dividends per share amounting more than 1.5% of the stock price at that time, it would be adjusted following the Company's order of share-based payment plan for employees.

The following table lists the inputs to the model used for the plan granted during the years of 2015 and 2019:

	Year of 2015	Year of 2019
Dividend yield (%)	-	-
Expected volatility (%)	32.20%	26.94%
Risk-free interest rate (%)	1.2476%	0.6165%
Expected option life (year)	7 years	7 years
Weighted average share price ($)	$12.35	$12.55
Option pricing model	Binomial option pricing model	Binomial option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payments plan were as follows:

	For the years ended			
	December 31, 2021		December 31, 2020	
	Number of share options outstanding	Weighted average exercise price of share options ($)	Number of share options outstanding	Weighted average exercise price of share options ($)
Outstanding at beginning of period	61,191	$11.73	73,109	$11.97
Granted	-	-	-	-
Forfeited	(2,922)	12.07	(4,038)	12.25
Exercised	(12,663)	11.20	(7,880)	11.03
Expired	-	-	-	-
Outstanding at end of period	45,606	$11.55	61,191	$11.73
Exercisable at end of period	25,871	11.25	19,439	-
For share options granted during the period, weighted average fair value of those options at the measurement date ($)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price ($)	Weighted average remaining contractual life (years)
As of December 31, 2021		
Share options outstanding at the end of the period	$10.49 and $11.94	0.38 and 4.96
As of December 31, 2020		
Share options outstanding at the end of the period	$10.72 and $12.20	1.38 and 5.96

B. Share-based payments plan for employees of the subsidiaries

(a) On February 25, 2019, the Company's subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, issued employee share options with a total number of 225,000 thousand units. Each unit entitles an optionee to subscribe for 1 share of the subsidiary's common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The exercise price of the option was set at THB $2.16. The contractual term of each option granted is 4 years. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan upon maturity of 1 year following the grant date.

The fair value of the share options is estimated at the grant date using Black scholes pricing model, taking into account the terms and conditions upon which the share options were granted.

The relevant details of the aforementioned share-based payment plan were as follows:

Date of grant	Total number of share options granted (in thousands)	Exercise price of share options (THB $)
February 25, 2019	225,000	$2.16

On May 11, 2021, the abovementioned employee share options were resolved and approved by the board of directors of the Company's subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, to adjust the exercise method that each unit entitles an optionee to subscribe for 1.083 shares of the subsidiary's common shares. The exercise price per share of the option was set at THB 1.994. Therefore, the exercise price per unit of the option remained at THB 2.16.

The following table lists the inputs to the model used for the plan granted during the year of 2019:

Dividend yield (%)	-
Expected volatility (%)	25.26%
Risk-free interest rate (%)	1.83%~1.99%
Expected option life (year)	4 years
Weighted average share price (THB $)	$1.805
Option pricing model	Black scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payment plan were as follows:

	For the years ended			
	December 31, 2021		December 31, 2020	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (THB $)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (THB $)
Outstanding at beginning of period	203,771	$2.16	215,953	$2.16
Granted	-	-	-	-
Forfeited	(8,434)	2.16	(12,182)	2.16
Exercised	(23,582)	2.16	-	-
Expired	-	-	-	-
Outstanding at end of period	171,755	$2.16	203,771	$2.16
Exercisable at end of period	93,620	2.16	61,131	-
For share options granted during the period, weighted average fair value of those options at the measurement date (THB $)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price (THB $)	Weighted average remaining contractual life (years)
As of December 31, 2021		
Share options outstanding at the end of the period	$2.16	1.15
As of December 31, 2020		
Share options outstanding at the end of the period	$2.16	2.15

(b) On September 23, 2016 and April 30, 2019, the Company's subsidiary, Qbit Semiconductor Holding, Ltd., issued employee share options with a total number of 983 thousand units and 518 thousand units, respectively. Each unit entitles an option to subscribe for 1 share of the subsidiary's common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The optionee may exercise the options all at USD $0.1 in accordance with certain schedules as prescribed by the plan upon maturity of 3 to 4 years following the grant date.

The fair value of the share options is estimated at the grant date using Black-Scholes option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The exercise price of the option was set at par value of the subsidiary's common share on the grant date. The contractual term of each option granted is 3 to 4 years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these employee share options.

The relevant details of the aforementioned share-based payment plan were as follows:

Date of grant	Total number of share options granted (in thousands)	Exercise price of share options (USD $)
September 23, 2016	983	$0.1
April 30, 2019	518	$0.1

The following table lists the inputs to the model used for the plan granted during the years of 2016 and 2019:

	Year of 2016	Year of 2019
Dividend yield (%)	-	-
Expected volatility (%)	36.69%~36.77%	28.93%~30.58%
Risk-free interest rate (%)	0.49%~0.52%	0.58%~0.59%
Expected option life (year)	3~4 years	3.5~4 years
Weighted average share price (USD $)	$0.08	$0.095
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payment plan were as follows:

	For the years ended			
	December 31, 2021		December 31, 2020	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (USD $)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (USD $)
Outstanding at beginning of period	518	$0.1	1,009	$0.1
Granted	-	-	-	-
Forfeited	-	-	(34)	0.1
Exercised	-	-	(457)	0.1
Expired	-	-	-	-
Outstanding at end of period	518	$0.1	518	$0.1
Exercisable at end of period	-	-	-	-
For share options granted during the period, weighted average fair value of those options at the measurement date (USD $)		$-		$-

The information on the outstanding share options was as follows:

	Range of exercise price (USD $)	Weighted average remaining contractual life (years)
As of December 31, 2021		
Share options outstanding at the end of the period	$0.1	1.33
As of December 31, 2020		
Share options outstanding at the end of the period	$0.1and $0.1	- and 2.33

(c) On August 12, 2019, November 12, 2020 and November 11, 2021, the Company's subsidiary, CastleNet Technology Inc., resolved and approved by the Board of Directors to issue employee share options with a total number of 10,000 units, 3,000 units and 3,000 units, respectively. Each unit entitles an optionee to subscribe for 1,000 shares of the subsidiary's common shares. The exercise price of the option was set at the closing price of the subsidiary's common share on the grant date. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the grant date. Settlement upon the exercise of the options will be made through the issuance of new shares by the Company.

The fair value of the share options is estimated at the grant date using Black-Scholes option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The relevant details of the aforementioned share-based payment plan were as follows:

Date of grant	Total number of share options granted (in units)	Exercise price of share options ($) (Note)
August 30, 2019	8,508	$12.60
December 25, 2020	1,663	$11.45
November 24 2021	1,337	$10.80

Note: After the share options are granted, except for issuance of various securities with common stock conversion rights or share options to exchange common stock shares or issuance of new shares for employee compensation, when the capital shares change (including private offering), the exercise price of share options would be adjusted according to the company's share-based payment plan for employees

The following table lists the inputs to the model used for the plan granted during the years of 2019 to 2021:

	Year of 2019	Year of 2020	Year of 2021
Dividend yield (%)	-	-	-
Expected volatility (%)	39.979%~41.061%	43.540%~46.311%	41.680%
Risk-free interest rate (%)	0.522%~0.543%	0.1771%~0.1968%	0.460%
Expected option life (year)	7 years	7 years	7 years
Weighted average share price ($)	$13.60	$11.45	$10.80
Option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model	Black-Scholes option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The further details on the aforementioned share-based payment plan were as follows:

	For the years ended			
	December 31, 2021		December 31, 2020	
	Number of share options outstanding (in units)	Weighted average exercise price of share options ($)	Number of share options outstanding (in units)	Weighted average exercise price of share options ($)
Outstanding at beginning of period	8,448	$13.56	8,508	$13.60
Granted	1,337	10.80	1,663	11.45
Forfeited	(710)	12.13	(1,723)	13.60
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at end of period	9,075	$12.13	8,448	$13.56
Exercisable at end of period	3,058	$12.60	-	-
For share options granted during the period, weighted average fair value of those options at the measurement date ($)		$10.80		$11.45

The information on the outstanding share options was as follows:

	Range of exercise price ($)	Weighted average remaining contractual life (years)
As of December 31, 2021		
Share options outstanding at the end of the period	$12.60, $11.45 and $10.80	4.67, 5.99 and 6.90
As of December 31, 2020		
Share options outstanding at the end of the period	$13.60 and $11.45	5.67 and 6.99

C. Treasury shares transferred to Company's employees of the parent entity

To motivate employees and retain the best talent, a resolution of repurchasing and transferring shares to employees was approved at the board meeting held on March 20, 2018. The number of shares to be repurchased was 40,000 thousand shares. The Company has repurchased all the aforementioned shares at the cost of $412,597 thousand during the year of 2018. In addition, the board meeting held on March 30, 2020 has approved a resolution of repurchasing 45,000 thousand shares of the Company for employee compensation plan, and the Company has repurchased 28,443 thousand shares at the cost of $331,782 thousand as of the expiry date of the buyback period. As of December 31, 2021, the Company has transferred 40,000 thousand shares to employees and the details were as follows:

Agreement type	Date of grant	Shares (in thousands)	Contract period	Vested condition	Date of transferring
Treasury shares transferred to employees	April 6, 2021	40,000	-	Vested immediately	May 14, 2021

The fair value of treasury shares transferred to employees was as follow:

Agreement type	Date of grant	Stock price	Exercise price	Fair value (per unit)
Treasury shares transferred to employees	April 6, 2021	$13.10	$10.31	$2.79

D. Expenses incurred on share-based payment transactions were shown as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Equity-settled	$263,091	$112,214

(22) Operating revenue

A. Breakdown of operating revenue was as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Revenue from contracts with customers		
Sale of goods	$139,021,918	$126,802,940
Revenue arising from rendering of services	603,511	1,207,931
Other revenue	153,078	209,003
Total	$139,778,507	$128,219,874

B. Analysis of revenue from contracts with customers was shown as follows:

(a) Disaggregation of revenue

For the year ended December 31, 2021 :

	Consumer electronic products	Other operating segments	Total
Sale of goods	$135,053,526	$3,968,392	$139,021,918
Rendering of services	600,998	2,513	603,511
Total	$135,654,524	$3,970,905	$139,625,429
Timing of revenue recognition:			
At a point in time	$135,490,392	$3,970,905	$139,461,297
Over time	164,132	-	164,132
Total	$135,654,524	$3,970,905	$139,625,429

For the year ended December 31, 2020 :

	Consumer electronic products	Other operating segments	Total
Sale of goods	$123,750,980	$3,051,960	$126,802,940
Rendering of services	1,203,600	4,331	1,207,931
Total	$124,954,580	$3,056,291	$128,010,871
Timing of revenue recognition:			
At a point in time	$124,769,328	$3,056,291	$127,825,619
Over time	185,252	-	185,252
Total	$124,954,580	$3,056,291	$128,010,871

(b) Contract balances

Current contract liabilities

	As of		
	December 31, 2021	December 31, 2020	January 1, 2020
Sales of goods	$89,199	$75,272	$107,014

The significant changes in the Group's balances of contract liabilities for the years ended December 31, 2021 and 2020 were as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
The opening balance transferred to revenue	$(68,271)	$(82,249)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	89,958	50,268
Effect of exchange rate changes and others	(7,760)	239

(c) The Group's transaction price allocated to unsatisfied performance obligations as of December 31, 2021 and 2020 were expected to be recognized as revenue within a year.

(d) There were no assets recognized from costs to fulfill a contract during the period.

(23) Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9

A. The impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 recognized as operating expenses was as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Operating expenses –impairment loss (reversal of impairment loss) determined in accordance with IFRS 9		
Notes receivable	$(60)	$198
Accounts receivable	(30,226)	2,419
Other receivables	25,488	4,682
Total	$(4,798)	$7,299

B. Please refer to Note 12 for more details on credit risk.

C. The credit risk for the Group's financial assets measured at amortized cost as of December 31, 2021 and 2020, was assessed as low (the same as the assessment result in the beginning of the period). Therefore, the expected credit loss which was measured at an amount equal to twelve-month expected credit loss was not significant.

D. The Group measures the loss allowance of its receivables (including notes receivable, accounts receivable and accounts receivable due from related parties) at an amount equal to lifetime expected credit loss. The assessment of the Group's loss allowance as of December 31, 2021 and December 31, 2020 was as follow:

(a) The Group considers the grouping of notes receivable and accounts receivable by counterparties' credit rating, by geographical region and by industry sector. Based on the historical credit loss experience, different customer groups do not have significantly different loss patterns. Therefore, the loss allowance is measured by using a provision matrix without distinguishing the sectors. The details as of December 31, 2021 and December 31, 2020 are as follows:

	As of December 31, 2021					
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	$24,645,526	$704,933	$83,436	$275,057	$169,163	$25,878,115
Loss ratio	0%~0.05%	0%~0.05%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(343)	-	(35)	(248)	(42,081)	(42,707)
Carrying amount of accounts receivable	$24,645,183	$704,933	$83,401	$274,809	$127,082	$25,835,408

	As of December 31, 2020					
	Not yet due	Overdue				
	(Note1)	<=30 days	31-60 days	61-90 days	>=91 days	Total
Gross carrying amount	$23,801,462	$1,123,522	$466,547	$680,773	$361,647	$26,433,951
Loss ratio	0%~0.075%	0%~0.075%	0%~10%	0%~30%	0%~100%	
Lifetime expected credit loss	(161)	-	-	(1,795)	(73,660)	(75,616)
Carrying amount of accounts receivable	$23,801,301	$1,123,522	$466,547	$678,978	$287,987	$26,358,335

Note 1: The Group's notes receivable was not overdue.

Note 2: The Group follows the requirement of IFRS 9 to assess the business model the accounts receivable was held within. Certain amount of USD 222,668 thousand and USD 263,826 thousand included in the accounts receivable as of December 31, 2021 and December 31, 2020, respectively, were sold to the aforementioned financial institutions in the subsequent period.

(b) The credit period of the Group's sale of goods is from 30 to 180 days. To manage the credit risk, before accepting a new customer, the Group will evaluate the potential customer's credit quality and set credit line for the customer through the credit rating system. Customers' credit line and rating shall be reviewed according to the type of customer on a periodical basis to ensure that adequate loss allowance has been provided. In addition, most of the counterparties the Group transacts with are large international companies with good credit rating. Moreover, based on the historical default rates and other internal and external resources for the assessment, there's no significant credit loss for the Group.

E. The movements in the provision for impairment of receivables during the years ended December 31, 2021 and 2020 were shown as follows:

	Accounts receivable	Other accounts receivable	Total
Beginning balance as of January 1, 2021	$75,616	$16,533	$92,149
Allowance (reverse) for the current period	(30,286)	25,488	(4,798)
Write off	(868)	-	(868)
Reclassification, effect of exchange rate changes and others	(1,755)	(2,079)	(3,834)
Ending balance as of December 31, 2021	$42,707	$39,942	$82,649

	Accounts receivable	Other accounts receivable	Total
Beginning balance as of January 1, 2020	$60,619	$78,325	$138,944
Allowance (reverse) for the current period	2,617	4,682	7,299
Reclassification, effect of exchange rate changes and others	12,380	(66,474)	(54,094)
Ending balance as of December 31, 2020	$75,616	$16,533	$92,149

(24) Operating costs

	For the years ended	
	December 31, 2021	December 31, 2020
Cost of sales	$130,289,924	$118,936,791
Cost of services	500,274	1,091,968
Others	146,479	226,905
Total	$130,936,677	$120,255,664

(25) Leases

A. Group as a lessee

The Group leases various properties, including real estate such as land and buildings, and other equipment. The lease terms range from 1 to 50 years.

The Group's leases effect on the financial position, financial performance and cash flows were as follows:

(a) Amounts recognized in the balance sheet

i. Right-of-use assets

The carrying amount of right-of-use assets

	As of	
	December 31, 2021	December 31, 2020
Land	$1,119,395	$1,180,492
Buildings	464,080	511,629
Other equipment	959	1,939
Total	$1,584,434	$1,694,060

During the years ended December 31, 2021 and 2020, the Group's additions to right-of-use assets amounted to $166,930 thousand and $122,028 thousand.

ii. Lease liabilities

	As of	
	December 31, 2021	December 31, 2020
Lease liabilities	$491,258	$531,472
Current	$153,756	$164,717
Non-current	$337,502	$366,755

Please refer to Note 6(27)(D) for the interest expense on lease liabilities recognized during the years ended December 31, 2021 and 2020; refer to Note 12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as of December 31, 2021 and 2020.

(b) Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	For the years ended	
	December 31, 2021	December 31, 2020
Land	$15,708	$18,182
Buildings	161,369	176,668
Other equipment	911	910
Total	$177,988	$195,760

(c) Income and costs relating to leasing activities

	For the years ended	
	December 31, 2021	December 31, 2020
The expenses relating to short-term leases	$19,870	$30,161
The relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	6,963	4,084
The expenses relating to variable lease payments not included in the measurement of lease liabilities	17,553	18,496
Total	$44,386	$52,741

(d) Cash outflow relating to leasing activities

The Group's total cash outflows for leases amounted to $212,013 thousand and $234,804 thousand for the years ended December 31, 2021 and 2020, respectively.

(e) Other information relating to leasing activities

i. Variable lease payments

The Group does not have significant variable lease payments.

ii. Extension and termination options

Some of the Group's building and equipment rental agreement contain extension and termination options. In determining the lease terms, the non-cancellable period for which the Group has the right to use an underlying asset, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group. After the commencement date, the Group reassesses the lease term upon the occurrence of a significant event or a significant change in circumstances that is within the control of the lessee and affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

iii. Residual value guarantees

There is no residual value guarantee provided by the Group, and no residual value guarantee was recognized as part of the lease liability.

(26) Additional information of expenses by function

A. Summary statement of employee benefits, depreciation and amortization expenses by function were as follows:

By function / By feature	For the years ended period ended					
	December 31, 2021			December 31, 2020		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Wages and salaries	$8,570,099	$3,902,949	$12,473,048	$7,464,027	$3,856,338	$11,320,365
Labor and health insurance	389,861	243,479	633,340	295,383	243,259	538,642
Pension	419,744	199,531	619,275	192,418	168,683	361,101
Other employee benefits expense	282,175	152,286	434,461	199,034	158,906	357,940
Depreciation	2,479,571	460,351	2,939,922	2,855,626	415,649	3,271,275
Amortization	10,640	94,098	104,738	10,718	108,295	119,013

C. According to the Articles of Incorporation of the Company, no lower than 2% of profit of the current year is distributable as employees' compensation and no higher than 2% of profit of the current year is distributable as remuneration to directors. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on profit of the year ended December 31, 2021, the Company estimated the amounts of the employees' compensation and remuneration to directors and supervisors to be 9% and 2%, respectively. As such, employees' compensation and remuneration to directors were recognized as employee benefits expense at $9,865 thousand and $2,192 thousand for the year ended December 31, 2021, respectively. The aforementioned amount was distributed based on current year profit and recognized in wages and salareis. If the Board of Directors resolves to distribute employees' compensation in the form of stocks, the number of stocks distributed was calculated based on the closing price one day earlier than the date of resolution. Differences between the estimated amount and the actual distribution of the employee' compensation and remuneration to directors and supervisors will recognized in profit or loss of the subsequent year.

A resolution was approved through the Board of Directors' meeting held on March 30, 2021 to distribute $29,652 thousand and $6,589 thousand in cash as employees' compensation and remuneration to directors for the year of 2021, respectively. There were no significant differences between the approved amount and the estimated amount which recognized in the year of 2020.

(27) Non-operating income and expenses

A. Interest income

	For the years ended	
	December 31, 2021	December 31, 2020
Bank deposits	$66,121	$88,928
Financial assets measured at amortized cost	293	176
Others	132,438	1,917
Total	$198,852	$91,021

B. Other income

	For the years ended	
	December 31, 2021	December 31, 2020
Dividend income	$243,544	$184,773
Government grants revenue	15,825	11,328
Other revenue – others	164,567	217,133
Total	$423,936	$413,234

C. Other gains and losses

	For the years ended	
	December 31, 2021	December 31, 2020
Gain on financial assets/liabilities at fair value through profit or loss – forward currency contracts (Note)	$(302,997)	$666,173
Gain on financial assets/liabilities at fair value through profit or loss – convertible corporate bond (Note)	(23,038)	39,871
Gain on financial assets/liabilities at fair value through profit or loss – structured deposit (Note)	42,515	12,746
Gain (Loss) on disposal of property, plant and equipment	13,317	171,106
Gain on disposal of non-current assets held for sale	20,896	-
Gain on disposal of investments	39,436	-
Impairment loss on non-financial assets	(235,244)	(191,856)
Foreign exchange gain(loss), net	79,006	(564,542)
Other losses	(50,694)	(5,925)
Total	$(416,803)	$127,573

Note: Balances were arising from financial assets and liabilities mandatorily measured at fair value through profit or loss.

D. Finance costs

	For the years ended	
	December 31, 2021	December 31, 2020
Interest expense (Note)	$736,630	$894,717
Interest due from lease liabilities	8,715	12,406
Others	140,476	121,758
Total	$885,821	$1,028,881

Note: Mainly arose from current borrowings, short-term notes and bills payable and non-current borrowings.

(28) Components of other comprehensive income

For the year ended December 31, 2021:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Will not be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit	$44,314	$-	$44,314	$(2,801)	$41,513
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	385,724	-	385,724	3,754	389,478
Share of other comprehensive income of associates and joint ventures accounted for using equity method	131,818	-	131,818	(27,173)	104,645
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	(845,118)	-	(845,118)	85,196	(759,922)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(45,030)	-	(45,030)	6,767	(38,263)
Other components of other comprehensive income that will be reclassified to profit or loss	528	-	528	(59)	469
Total of other comprehensive income	$(327,764)	$-	$(327,764)	$65,684	$(262,080)

For the year ended December 31, 2020:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax relating to components of other comprehensive income	Other comprehensive income, net of tax
Will not be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit	$94,842	$-	$94,842	$(11,784)	$83,058
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	301,567	-	301,567	11,577	313,144
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(65,732)	-	(65,732)	10,898	(54,834)
Will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation	(969,591)	-	(969,591)	126,288	(843,303)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(56,954)	-	(56,954)	12,069	(44,885)
Other components of other comprehensive income that will be reclassified to profit or loss	991	-	991	(93)	898
Total of other comprehensive income	$(694,877)	$-	$(694,877)	$148,955	$(545,922)

(29) Tax

A. The major components of tax expense (income) were as follows:

Tax recognized in profit or loss

	For the years ended	
	December 31, 2021	December 31, 2020
Current tax expense (income):		
Current income tax charge	$477,838	$295,950
Adjustments in respect of current income tax of prior periods	-	(14,180)
Others	42	43
Deferred tax expense (income):		
Deferred tax expense (income) relating to origination and reversal of temporary differences	35,842	(439,702)
Deferred tax expense (income) relating to origination and reversal of tax loss and tax credit	23,385	409,090
Deferred tax expense arising from write-down of deferred tax assets	152,274	196,426
Others	(828)	-
Total tax expense (income)	$688,553	$447,627

Tax recognized in other comprehensive income

	For the years ended	
	December 31, 2021	December 31, 2020
Deferred tax expense (income):		
Remeasurements of defined benefit	$2,801	$11,784
Exchange differences on translation	(85,196)	(126,288)
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(3,754)	(11,577)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	20,406	(22,967)
Other components of other comprehensive income that will be reclassified to profit or loss	59	93
Income tax related to components of other comprehensive income	$(65,684)	$(148,955)

B. A reconciliation of income before income tax and income tax expense recognized in profit or loss were as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Accounting profit before tax from continuing operations	$909,547	$687,759
Tax at the domestic rates applicable to profits in the country concerned	$181,909	$137,552
Tax effect of revenues exempt from taxation	(326,258)	(320,238)
Tax effect of expenses not deductible for tax purposes	100,883	4,629
Tax effect of deferred tax assets/liabilities	424,379	378,507
Tax effect of statutory rate difference in foreign jurisdiction	92,807	(23,674)
Income tax adjustments on prior years	-	(14,180)
Others	214,833	285,031
Total income tax expense	$688,553	$447,627

C. Significant components of deferred income tax assets and liabilities were as follows:

For the year ended December 31, 2021:

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange difference	Ending balance
Temporary differences					
Deferred tax assets					
Investments accounted for using the equity method - investment losses	$623,160	$(71,747)	$-	$-	$551,413
Exchange difference on translation	358,446	-	88,179	605	447,230
Net defined benefit liability, non-current	99,057	-	2,286	-	101,343
Unused tax losses	1,072,753	(100,457)	-	(2,314)	969,982
Others	358,043	(4,899)	(21,942)	8,579	339,781

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange difference	Ending balance
Deferred tax liabilities					
Investments accounted for using the equity method - investment gains	$(1,257,798)	$(43,682)	$-	$-	$(1,301,480)
Revaluation on land	(209,505)	-	-	-	(209,505)
Gains recognized in bargain purchase transaction	(335,566)	-	-	-	(335,566)
Others	(280,088)	10,112	(2,839)	3,909	(268,906)
Deferred income tax benefit (expense)		$(210,673)	$65,684	$10,779	
Net offset balance of deferred tax assets (liabilities)	$428,502				$294,292
Reported in balance sheets:					
Deferred tax assets	$2,511,459				$2,409,749
Deferred tax liabilities	$(2,082,957)				$(2,115,457)

For the year ended December 31, 2020:

	Beginning balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange difference	Ending balance
Temporary differences					
Deferred tax assets					
Investments accounted for using the equity method - investment losses	$496,722	$126,438	$-	$-	$623,160
Exchange difference on translation	208,272	-	152,691	(2,517)	358,446
Net defined benefit liability, non-current	105,171	-	(6,114)	-	99,057
Unused tax losses	1,667,669	(592,797)	-	(2,119)	1,072,753
Others	282,927	47,267	20,876	6,973	358,043
Deferred tax liabilities					
Investments accounted for using the equity method - investment gains	(1,531,152)	273,354	-	-	(1,257,798)
Revaluation on land	(209,505)	-	-	-	(209,505)
Gains recognized in bargain purchase transaction	(335,566)	-	-	-	(335,566)
Others	(237,782)	(20,076)	(18,498)	(3,732)	(280,088)
Deferred income tax benefit (expense)		$(165,814)	$148,955	$(1,395)	
Net offset balance of deferred tax assets (liabilities)	$446,756				$428,502
Reported in balance sheets:					
Deferred tax assets	$2,760,761				$2,511,459
Deferred tax liabilities	$(2,314,005)				$(2,082,957)

Note: The balances of individual temporary differences less than $100,000 thousand were consolidated in the disclosure.

D. The following table contains information of the unused tax losses of the Group:

Year	Deficit Amount	Unused tax losses as of December 31, 2021	Unused tax losses as of December 31, 2020	Expiration year
The Company:				
2011	$4,331,868	$1,377,164	$1,325,322	2021
2013	2,730,326	2,730,326	2,730,326	2023
2014	4,600,104	4,600,104	4,600,104	2024
2021	309,066	309,066	-	2031
Subsidiaries:	3,668,017	3,668,017	4,821,250	Note
		$12,684,677	$13,477,002	

Note: Subsidiaries' unused tax losses were in accordance with the regulations of the countries where the subsidiaries located and applied to local expiration years.

E. Unrecognized deferred tax assets

As of December 31, 2021 and 2020, the total amount of deductible temporary differences and unused tax losses of the Group that does not recognize deferred income tax assets in the balance sheet were $13,739,970 thousand and $12,446,075 thousand, respectively.

F. The assessment of income tax returns

The assessment of the income tax returns of the Company and its subsidiaries in Taiwan were as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2018
Crownpo Technology Inc.	Assessed and approved up to 2019
Li-Cheng Materials Corporation	Assessed and approved up to 2019
XYZpriting, Inc.	Assessed and approved up to 2019
Cal-Comp Electronics & Communications Co., Ltd.	Assessed and approved up to 2019 (2018 not yet assessed and approved)
CastleNet Technology Inc.	Assessed and approved up to 2019
QBit Semiconductor Ltd.	Assessed and approved up to 2019
Cal-Comp Big Data, Inc.	Assessed and approved up to 2019
New Era AI Robotic Inc.	Assessed and approved up to 2019
Cal-Comp Asset Management, Inc.	Established in 2020, not yet assessed and approved

(30) Earnings per share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity owners of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the years ended	
	December 31, 2021	December 31, 2020
Basic earnings per share		
Profit, attributed to owners of parents (in thousands of NTD)	$14,270	$142,183
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands of shares)	1,413,523	1,349,798
Basic earnings per share (NTD)	$0.01	$0.11

Considering that the potential ordinary shares, if converted to ordinary shares will not result in a significant dilution effect and the diluted earnings per share would equal to basic earnings per share, the Company only disclosed basic earnings per share for the aforementioned periods.

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial report date and the date the financial statements were authorized for issue.

(31) Subsidiaries that have material non-controlling interests

Financial information of subsidiaries that have material non-controlling interests was provided below:

Proportion of equity interest held by non-controlling interests:

	Country of	As of	
Name	Incorporation and operation	December 31, 2021	December 31, 2020
Cal-Comp Electronics (Thailand) Public Company Limited	Thailand	53.25%	53.01%

A. Accumulated balances of material non-controlling interest:

	As of	
	December 31, 2021	December 31, 2020
Cal-Comp Electronics (Thailand) Public Company Limited	$8,463,930	$8,620,119

B. Profit (loss) allocated to material non-controlling interest:

	For the years ended	
	December 31, 2021	December 31, 2020
Cal-Comp Electronics (Thailand) Public Company Limited	$124,809	$104,790

C. Dividends paid to material non-controlling interests

	For the years ended	
	December 31, 2021	December 31, 2020
Cal-Comp Electronics (Thailand) Public Company Limited	$65,644	$115,234

D. The summarized financial information of Cal-Comp Electronics (Thailand) Public Company Limited and subsidiaries was provided below. This information was based on amounts before inter-company eliminations.

(a) Summarized information of profit or loss as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Operating revenue	$109,993,606	$99,749,268
Profit from continuing operations	311,367	216,646
Total comprehensive income	222,281	32,671

(b) Summarized information of financial position as follows:

	As of	
	December 31, 2021	December 31, 2020
Current assets	$49,729,398	$43,998,782
Non-current assets	16,326,440	16,250,796
Current liabilities	(44,853,117)	(41,650,705)
Non-current liabilities	(6,297,558)	(3,372,747)

(c) Summarized cash flows information as follows:

	For the years ended	
	December 31, 2021	December 31, 2020
Operating activities	$(2,090,956)	$580,741
Investing activities	(1,726,217)	(1,339,368)
Financing activities	4,794,628	1,098,765
Net increase (decrease) in cash and cash equivalents	408,733	509,938

7. Related party transactions

Information of the related parties that had transactions with the Group during the financial reporting period was as follows:

Name and Relationship of Related Parties

Name of the related parties	Relationship with the Group
Kinpo Group Management Service Company	Associate
AcBel Polytech Inc. and its subsidiaries	Associate
iHELPER Inc.	Associate
SaveCom International Inc.	Associate
Compal Electronics, Inc. and its subsidiaries	Substantive related party
Metal Component Engineering Limited	Substantive related party
Instituto Cal-Comp De Pesquisa E Inovacao Tecnologica Da Amazonia	Substantive related party
Hebao Investment Co., Ltd.	Substantive related party
Wei-Chang, Chen	Key management personnel

Significant transactions with the related parties

Where the transaction amount or balance with any single related party reaches 10% or more of the Group's total transaction amount or balance of that type of transaction, the name of each such related party shall be individually disclosed. The remaining amounts not up to the above standards were aggregated as others.

(1) Sales

	For the years ended	
	December 31, 2021	December 31, 2020
Associates	$70,974	$68,040
Substantive related parties	2,338,420	172,889
Key management personnel	-	37
Total	$2,409,394	$240,966

The terms for sales to related parties were not significantly different from those of sales to third parties. The collection period was about 90 to 120 days after sales.

(2) Purchases

	For the years ended	
	December 31, 2021	December 31, 2020
Associates	$840,948	$765,186
Substantive related parties	1,326,957	1,293
Total	$2,167,905	$766,479

The purchase prices from related parties were close to the general trading price and payment term were about 30 to 90 days after purchase.

(3) Accounts receivable

	As of	
	December 31, 2021	December 31, 2020
Associates	$24,162	$19,235
Substantive related parties	644,249	76,937
Total	$668,411	$96,172

(4) Other receivables

	As of	
	December 31, 2021	December 31, 2020
Associates	$11	$42
Substantive related parties	79,127	-
Total	$79,138	$42

(5) Accounts payable

	As of	
	December 31, 2021	December 31, 2020
Associates	$289,158	$301,217
Substantive related parties	1,697,598	-
Total	$1,986,756	$301,217

(6) Other payables

	As of	
	December 31, 2021	December 31, 2020
Associates	$421	$34,564
Key management personnel	17	9
Total	$438	$34,573

(7) Operating lease

The details of rental revenues from related parties were as follows:

		For the years ended	
		December 31, 2021	December 31, 2020
Associates	Office building and network equipment	$1,579	$2,018

Rental revenue was based on the market price and was received on a monthly basis.

(8) Others

A. Revenue from rendering of service

	For the years ended	
	December 31, 2021	December 31, 2020
Associates	$4,229	$248
Substantive related parties	1,392	-
	$5,621	$248

The above-mentioned revenue from rendering of service was generated from providing information service.

B. Other revenue

	For the years ended	
	December 31, 2021	December 31, 2020
Associates	$25,456	$1,793
Substantive related parties	1,419	-
	$26,875	$1,793

The above-mentioned other revenue was generated from projects' service.

C. Compensation of key management personnel

	For the years ended	
	December 31, 2021	December 31, 2020
Short-term employee benefits	$283,862	$232,309
Post-employment benefits	5,038	4,628
Share-based payments	38,869	16,245
Total	$327,769	$253,182

D. Properties' transaction – Disposal of other assets

	For the year ended December 31, 2021			
	Shares	Object of transaction	Price on Disposal	Gain/Loss on Disposal
Substantive related parties	1,000	The Group's subsidiaries- Cal-Comp USA (Indiana) Inc. Ordinary shares	$226,421	$39,518

8. Assets pledged as security

The following table lists assets of the Group pledged as security:

	Carrying amount as of		
Assets pledged for security	December 31, 2021	December 31, 2020	Secured liabilities
Time deposit (presented in current financial assets at amortized cost)	$2,001	$26,633	Current borrowings
Time deposit (presented in current financial assets at amortized cost)	-	6,984	Court deposits
Buildings and structures	601,160	222,599	Current and non-current borrowings
Machinery & other equipment	753,416	1,153,468	Current and non-current borrowings
Construction in progress	-	299,071	Non-current borrowings
Right-of-use assets	9,770	44,015	Current and non-current borrowings
Total	$1,366,347	$1,752,770	

9. Commitments and contingencies

(1) As of December 31, 2021, the Group provided endorsement and guarantee to subsidiaries were amounted to USD 403,500 thousand, EUR 8,000 thousand and NTD 2,230,000 thousand.

(2) As of December 31, 2021, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to USD 35,000 thousand and PHP 500,000 thousand to Kinpo Electronics (Philippines), Inc., the declaration was as follows:

A. The Company commits to hold directly or indirectly no less than 51% of total Kinpo Electronics (Philippines), Inc.'s outstanding shares.
B. The Company commits to maintain management and control over Kinpo Electronics (Philippines), Inc.
C. The Company commits to support Kinpo Electronics (Philippines), Inc. all the necessary resources (including but not limited to finance, personnel and technology), and ensure that Kinpo Electronics (Philippines), Inc. operates normally and complies with its obligations.
D. The Company commits that in case of default, the Company should take a necessary action to promote Kinpo Electronics (Philippines), Inc. to fulfill its repayment obligation.

(3) As of December 31, 2021, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to USD 20,000 thousand to Kinpo International (Singapore) Pte. Ltd., the declaration was as follows:

A. The Company commits to maintain management and control over Kinpo International (Singapore) Pte. Ltd.
B. The Company commits to support Kinpo International (Singapore) Pte. Ltd. all the necessary resources (including but not limited to finance, personnel and technology), and ensure that Kinpo International (Singapore) Pte. Ltd. operates normally and complies with its obligations.
C. The Company commits that in case of default, the Company should take a necessary action to promote Kinpo International (Singapore) Pte. Ltd. to fulfill its repayment obligation.

(4) As of December 31, 2021, the Company issued declaration statement to the lending bank related to comprehensive loan facilities amounting to THB 2,000,000 thousand to Cal-Comp Electronics (Thailand) Public Company Limited, the declaration was as follows:

A. The Company commits to hold directly or indirectly no less than 40% of total Cal-Comp Electronics (Thailand) Public Company Limited's outstanding shares. And continue to hold the equity until Cal-Comp Electronics (Thailand) Public Company Limited has fully settled its debts to the bank guarantee application.

B. The Company commits to support Cal-Comp Electronics (Thailand) Public Company Limited all the necessary resources to assist Cal-Comp Electronics (Thailand) Public Company Limited in fulfilling its obligations to the tax bureau and the agreements, documents and applications submitted to the bank.

(5) As of December 31, 2021 and December 31, 2020, the Group's subsidiaries had outstanding commitments in respect of purchase of the construction of factory building and acquisition of machinery which were as follows:

(In thousands)

	As of	
	December 31, 2021	December 31, 2020
THB	$589,000	$68,000
USD	9,000	11,165
JPY	37,000	7,000
CNY	248,947	177,458

(6) Other commitment

As of December 31, 2021, the Group's subsidiaries had outstanding non-cancellable commitments of NTD 465,000 thousand, MYR 22,000 thousand.

(7) Agreements for hire of production of molds

As of December 31, 2021 and December 31, 2020, the Group's subsidiaries had outstanding commitments with domestics and overseas suppliers in respect of agreements for hire of production of molds were as follows:

(In thousands)

	As of	
	December 31, 2021	December 31, 2020
USD	$3,000	$2,000

(8) Guarantees

As of December 31, 2021, there were outstanding bank guarantees of approximately THB 1,179,000 thousand, BRL 12,000 thousand and CNY 4,000 thousand issued by the banks on behalf of the Group's subsidiaries in respect of certain performance bonds as required in the normal course of business.

(9) The Group's subsidiary, CastleNet Technology Inc. (Kunshan) (hereinafter referred to as CastlsNet (Kunshan)) was involved in a civil complaint filed by a local renovation project manufacturer in September 2020 and February to March 2021. The manufacturer claimed that CastleNet (Kunshan) should pay approximately CNY 3,779 thousand for the additional construction costs of the plant decoration in the Peifeng factory construction project during the year of 2015 to 2016. The local court ruled that CastleNet (Kunshan) lost the lawsuit in the first instance in March 2021. The aforementioned litigation was settled in the current quarter, involving compensation in the amounted of approximately $15,689 thousand that was disclosed as other gains and losses, net.

10. Losses due to major disasters

None.

11. Significant subsequent events

(1) The Company's subsidiary, Cal-Comp Electronics (Thailand) Public Company Limited, approved the resolutions in the board meeting held on February 25, 2022 as follows:

A. The Company was approved to increase capital of its subsidiary, Cal-Comp Industria e Comercio de Electronicos e Informatica Ltda. in Brazil, by debt for equity swap in the amount not exceeding USD 18,480 thousand, for future operation needs of the Company. The capital increase is expected to be completed in the third quarter of 2022.

B. The Company was approved to increase capital of its subsidiary, Cal-Comp Electronics (USA) Co., Ltd., by debt for equity swap in the amount not exceeding USD 15,650 thousand, for future operation needs of the Company. The capital increase is expected to be completed in the second quarter of 2022.

(2) The Company approved the resolutions in the board meeting held on March 10, 2022 as follows:

A. Please refer to Note 6(20) for details for the year of 2021 earnings distribution.

B. To approve the Company's subsidiary, Kinpo Electronic (Philippines), Inc. to provide financing in the amount of USD 25,000 thousand to the Company's subsidiary, Kinpo International (Singapore) Pte. Ltd.

C. To approve the Company to issue declaration statement to the lending bank related to the extension of comprehensive loan facilities amounting to THB 2,000,000 thousand to CalComp Electronics (Thailand) Public Company Limited.

12. Others

(1) Financial instruments

Financial assets

	As of	
	December 31, 2021	December 31, 2020
Financial assets at fair value through profit or loss:		
Mandatorily measured at fair value through profit or loss (including non-current)	$2,031,013	$3,351,252
Financial assets at fair value through other comprehensive income (including non-current)	4,240,400	4,364,565
Financial assets at amortised cost:		
Cash and cash equivalents	8,067,899	7,132,524
Financial assets at amortised cost (including non-current)	11,097	43,969
Notes receivable	102,963	161,012
Accounts receivable (including due from related parties)	25,732,445	26,197,323
Other receivables (including due from related parties)	3,953,613	2,802,988
Subtotal	37,868,017	36,337,816
Total	$44,139,430	$44,053,633

Financial liabilities

	As of	
	December 31, 2021	December 31, 2020
Financial liabilities at amortized cost:		
Current borrowings	$28,066,102	$21,731,295
Short-term notes and bills payable	2,768,643	1,532,915
Notes payable	3,919	11,763
Accounts payable (including to related parties)	26,575,105	25,803,918
Other payables (including to related parties)	5,348,110	4,682,526
Non-current borrowings (including current portion)	14,358,751	15,666,160
Lease liabilities (including non-current portion)	491,258	531,472
Subtotal	77,611,888	69,960,049
Financial liabilities at fair value through profit or loss:		
Mandatorily measured at fair value through profit or loss	-	374
Total	$77,611,888	$69,960,423

(2) Financial risk management objectives

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market risk comprise currency risk, interest rate risk and other price risk (such as equity risk).

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group reviews its assets and liabilities denominated in foreign currency and enters into forward exchange contracts to hedge the exposure from exchange rate fluctuations. The level of hedging depends on the foreign currency requirements from each operating unit. As the purpose of holding forward exchange contracts are to hedge exchange rate fluctuation risk, the gain or loss made on the contracts from the fluctuation in exchange rates are expected to mostly offset gains or losses made on the hedged item. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates. The information of the sensitivity analysis, please refer to Note 12(10).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt instrument investment at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including investments with variable interest rates. At the balance sheet date, an increase or a decrease of 5 basis points of interest rate could cause the profit for the years ended December 31, 2021 and 2020 to decrease/increase by $22,597 thousand and $19,466 thousand, respectively.

Equity price risk

The fair value of the Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

An increase/decrease of 1% in the price of the listed companies stocks classified as investments in equity instruments measured at fair value through other comprehensive income could cause the equity for the years ended December 31, 2021 and 2020 to increase/decrease by $36,950 thousand and $34,782 thousand, respectively.

(4) Credit risk management

Credit risk is the risk that counter-party will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts receivable and notes receivable) and from its financing activities, including bank deposits and other financial instruments.

Credit risk is managed by each business unit of the Group subject to established policy, procedures and controls relating to credit risk management. Credit limits are established for all counter parties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria, etc. Certain counter parties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment and insurance.

As of December 31, 2021 and December 31, 2020, the top three receivables from counter parties represented 48.64% and 51.19% of the total receivables of the Group, respectively. The credit concentration risk of the remaining receivables was insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counter parties.

The Group adopted IFRS 9 to assess the expected credit losses. Except for the loss allowance of trade receivables measured at lifetime expected credit losses, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories. The Group makes an assessment at each reporting date as to whether the debt instrument investments are still considered low credit risk, and then further determines the method of measuring the loss allowance and the loss rates.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

When the credit risk on debt instrument investment has increased, the Group will dispose that investment in order to minimize the credit losses. When assessing the expected credit losses, the evaluation of the forward-looking information (available without undue cost and effort) is mainly based on the macroeconomic information and the credit loss ratio is further adjusted if there is significant impact from forward-looking information.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, highly liquid equity investments and bank borrowings. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	1 to 2 years	2 to 5 years	Above 5 years	Total
As of December 31, 2021					
Current borrowings (including interest to be paid)	$28,432,982	$-	$-	$-	$28,432,982
Short-term notes and bills payable	2,770,000	-	-	-	2,770,000
Notes payable	3,919	-	-	-	3,919
Accounts payable (including to related parties)	26,575,105	-	-	-	26,575,105
Other payables (including to related parties)	5,348,110	-	-	-	5,348,110
Non-current borrowings (including interest to be paid)	2,104,703	3,813,746	8,897,788	-	14,816,237
Lease liabilities (including non-current portion)	158,187	142,374	198,771	650	499,982

	Less than 1 year	1 to 2 years	2 to 5 years	Above 5 years	Total
As of December 31, 2020					
Current borrowings (including interest to be paid)	$22,137,143	$-	$-	$-	$22,137,143
Short-term notes and bills payable	1,534,000	-	-	-	1,534,000
Notes payable	11,763	-	-	-	11,763
Accounts payable (including to related parties)	25,803,918	-	-	-	25,803,918
Other payables (including to related parties)	4,682,526	-	-	-	4,682,526
Non-current borrowings (including interest to be paid)	4,294,780	10,201,184	1,527,019	-	16,022,983
Lease liabilities (including non-current portion)	176,689	55,902	329,156	-	561,747

(6) Reconciliation of liabilities arising from financing activities

For the year ended December 31, 2021:

	Current borrowings	Short-term notes and bills payable	Lease liabilities	Non-current borrowings (including current portion)	Total liabilities from financing activities
As of January 1, 2021	$21,731,295	$1,532,915	$531,472	$15,666,160	$39,461,842
Cash flows	6,758,249	1,236,000	(167,627)	(899,902)	6,926,720
Non-cash changes	252,074	(272)	171,332	(252,074)	171,060
Foreign exchange movement	(675,516)	-	(43,919)	(155,433)	(874,868)
As of December 31, 2021	$28,066,102	$2,768,643	$491,258	$14,358,751	$45,684,754

For the year ended December 31, 2020:

	Current borrowings	Short-term notes and bills payable	Lease liabilities	Non-current borrowings (including current portion)	Total liabilities from financing activities
As of January 1, 2020	$21,822,200	$1,668,469	$525,537	$14,268,620	$38,284,826
Cash flows	667,558	(136,000)	(182,063)	1,660,393	2,009,888
Non-cash charges	-	446	136,500	-	136,946
Foreign exchange movement	(758,463)	-	51,498	(262,853)	(969,818)
As of December 31, 2020	$21,731,295	$1,532,915	$531,472	$15,666,160	$39,461,842

(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

(a) The carrying amount of cash and cash equivalents, accounts receivable (including due from related parties), other receivables (including due from related parties), accounts payable (including to related parties), other payables (including to related parties) and other current liabilities approximate their fair value due to their short maturities.

(b) For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates and bonds etc.) at the reporting date.

(c) Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).

(d) Fair value of debt instruments without market quotations, bank loans and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

(e) The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

B. Fair value of financial instruments measured at amortized cost

Among the Group's financial assets and financial liabilities measured at amortized cost, other than cash and cash equivalents, financial assets at amortised cost, accounts receivable (including due from related parties), other receivables (including due from related parties), current borrowings, short-term notes and bills payable, accounts payable (including to related parties), other payables (including to related parties), other current liabilities and non-current borrowings, the carrying amount approximate their fair value.

C. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivatives financial instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled as of December 31, 2021 and 2020 was as follows:

Forward currency contracts

The Group entered into forward currency contracts to manage its exposure to financial risk, but these contracts were not designated as hedging instruments. The table below listed the information related to forward currency contracts:

As of December 31, 2021:

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell USD 1,500 thousand	NTD	March 22, 2022
Forward currency contract	Sell USD 30,000 thousand	THB	From January 12, 2022 to January 21, 2022
Forward currency contract	Sell USD 71,000 thousand	THB	January 31, 2022
Forward currency contract	Buy USD 45,000 thousand	BRL	From January 6, 2022 to January 31, 2022

As of December 31, 2020:

Items	Contract Amount	Exchange Currency	Contract Period
Forward currency contract	Sell USD 1,800 thousand	NTD	February 9, 2021
Forward currency contract	Sell USD 52,000 thousand	THB	From January 13, 2021 to January 27, 2021
Forward currency contract	Sell USD 43,000 thousand	THB	January 29, 2021
Forward currency contract	Buy USD 95,000 thousand	BRL	From January 11, 2021 to February 2, 2021

The counterparties for the aforementioned derivatives transactions were well known local or overseas banks, as they had sound credit ratings, the credit risk was insignificant.

With regard to the forward foreign exchange contracts, as they have been entered into to hedge the foreign currency risk of net assets or net liabilities, and there will be corresponding cash inflow or outflows upon maturity and the Group has sufficient operating funds, the cash flow risk is insignificant.

As of December 31, 2021 and December 31, 2020, the Group had forward currency contract transactions which were settled but not received, recognized as other receivables, amounted to $25,652 thousand and $287,145 thousand, respectively. The forward currency contract transactions which were settled but not paid, recognized as other payables, amounted to $22,273 thousand and $316,934 thousand, respectively.

(9) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 – Unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group’s assets and liabilities

The Group did not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group assets and liabilities measured at fair value on a recurring basis was as follows:

As of December 31, 2021:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	$-	$-	$1,507,752	$1,507,752
Structured deposit	-	-	523,043	523,043
Foreign Exchange Forward Contract	-	218	-	218
At fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	3,694,957	-	545,443	4,240,400

As of December 31, 2020:

	Level 1	Level 2	Level 3	Total
Financial assets:				
At fair value through profit or loss				
Convertible corporate bond	$-	$-	$1,608,961	$1,608,961
Structured deposit	-	-	1,742,291	1,742,291
At fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	3,478,205	-	886,360	4,364,565
Financial liabilities：				
At fair value through profit or loss				
Forward contract	-	374	-	374

Transfers between Level 1 and Level 2 during the period

During the years ended December 31, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy

The movements during the period were as follows:

	Assets			
	At fair value through profit and loss		At fair value through other comprehensive income	
	Convertible Corporate Bond	Structured Deposit	Stocks	Total
Beginning balances as of January 1, 2021	$1,608,961	$1,742,291	$886,360	$4,237,612
Total gains and losses recognized for the years period ended December 31, 2021:				
Amount recognized in profit or loss (presented in “other profit or loss”)	(23,038)	42,515	-	19,477
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	-	-	(344,562)	(344,562)
Acquisition for the years period ended December 31, 2021	-	10,647,014	-	10,647,014
Disposal/settlements/reclassification for the years period ended December 31, 2021	(77,722)	(11,899,154)	(785)	(11,977,661)
Effect of exchange rate changes	(449)	(9,623)	4,430	(5,642)
Ending balances as of December 31, 2021	$1,507,752	$523,043	$545,443	$2,576,238

	Assets			
	At fair value through profit and loss		At fair value through other comprehensive income	
	Convertible Corporate Bonds	Structured Deposit	Stocks	Total
Beginning balances as of January 1, 2020	$1,622,687	$181,023	$1,147,051	$2,950,761
Total gains and losses recognized for the years period ended December 31, 2020:				
Amount recognized in profit or loss (presented in “other profit or loss”)	39,871	12,746	-	52,617
Amount recognized in OCI (presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income)	-	-	(98,204)	(98,204)
Capital reduction and refund of shares	-	-	(1,802)	(1,802)
Acquisition for the years period ended December 31, 2020	-	3,842,865	-	3,842,865
Level 1 stocks acquired due to liquidation of investee company	-	-	(23,775)	(23,775)
Disposal/settlements/reclassification for the years period ended December 31, 2020	(51,685)	(2,221,911)	(121,502)	(2,395,098)
Effect of exchange rate changes and others	(1,912)	(72,432)	(15,408)	(89,752)
Ending balances as of December 31, 2020	$1,608,961	$1,742,291	$886,360	$4,237,612

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy was as follows:

As of December 31, 2021:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit and loss					
Convertible corporate bonds	Cox-Ross-Rubinstein	Volatility of the stock price	47.48%	The higher the volatility of the stock price, the higher the fair value of the convertible bonds	1% increase (decrease) in the volatility of the stock price would not have significant effect on the Group's profit or loss
Convertible corporate bonds	Binomial Model	Long-term net profit before tax weighted average cost of funds	14.60%	The higher the long-term net profit before tax, the higher the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's profit or loss by $14,544 thousand
		Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	
Convertible corporate bonds	Assets approach	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would not have significant effect on the Group's profit or loss
Structured deposit	Market approach	Price of the structured deposit	-	-	Structured deposit is a monetary transaction; therefore its value is equal to fair value
At fair value through other comprehensive income					
Stocks	Market approach	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by $(6,818) thousand

As of December 31, 2020:

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through profit and loss					
Convertible corporate bonds	Cox-Ross-Rubinstein	Volatility of the stock price	35.67%	The higher the volatility of the stock price, the higher the fair value of the convertible bonds	1% increase (decrease) in the volatility of the stock price would result in increase (decrease) in the Group's profit or loss by $0 thousand
Convertible corporate bonds	Binomial Model	Long-term net profit before tax weighted average cost of funds	12.19%	The higher the long-term net profit before tax, the higher the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's profit or loss by $14,796 thousand
		Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value of the convertible bonds	
Convertible corporate bonds	Assets approach	Discount for lack of marketability	10%	The higher the Discount for lack of marketability, the lower the fair value of the convertible bonds	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's profit or loss by $601 thousand
Structured deposit	Market approach	Price of the structured deposit	-	-	Structured deposit is a monetary transaction, therefore its value is equal to fair value
At fair value through other comprehensive income					
Stocks	Market approach	Discount for lack of marketability	20%	The higher the Discount for lack of marketability, the lower the fair value of the stocks	1% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by $11,080 thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's finance department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

C. Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value was disclosed.

As of December 31, 2021:

	Level 1	Level 2	Level 3	Total
Financial assets did not measure at fair value but for which the fair value was disclosed:				
Financial assets measured at amortized cost				
Time deposit and cash in banks	$-	$11,097	$-	$11,097
Investments accounted for using equity method (Note1)	4,567,274	-	-	4,567,274
Investment property (Note2)	-	-	174,205	174,205
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	14,358,751	-	14,358,751

As of December 31, 2020:

	Level 1	Level 2	Level 3	Total
Financial assets did not measure at fair value but for which the fair value was disclosed:				
Financial assets measured at amortized cost				
Time deposit and cash in banks	$-	$43,969	$-	$43,969
Investments accounted for using equity method (Note1)	3,612,639	-	-	3,612,639
Investment property (Note2)	-	-	179,240	179,240
Financial liabilities did not measure at fair value but for which the fair value was disclosed:				
Non-current borrowings (including current portion)	-	15,666,160	-	15,666,160

Note 1: Please refer to Note 6(11) for more detailed information for the investments in associates.
Note 2: Please refer to Note 6(13) for more detailed information for the investment property.

(10) Significant assets and liabilities denominated in foreign currencies

(In thousands)

	As of December 31, 2021				
			Carrying	Sensitivity analysis	
	Foreign currencies	Exchange rate	amount (NTD)	Fluctuation	Effect on income
Financial assets					
Monetary items					
USD	$258,193	27.6800	$7,146,789	0.5%	$35,734
CNY	201,258	4.3415	873,763	0.5%	4,369
THB	915,000	0.8326	761,829	0.5%	3,809
PHP	78,214	0.5428	42,455	0.5%	212
Financial liabilities					
Monetary items					
USD	208,314	27.6800	5,766,142	0.5%	28,831
CNY	677,778	4.3415	2,942,573	0.5%	14,713
THB	3,207,000	0.8326	2,670,148	0.5%	13,351
PHP	783,295	0.5428	425,173	0.5%	2,126

(In thousands)

	As of December 31, 2020				
			Carrying	Sensitivity analysis	
	Foreign currencies	Exchange rate	amount (NTD)	Fluctuation	Effect on income
Financial assets					
Monetary items					
USD	$109,230	28.4800	$3,110,880	0.5%	$15,554
CNY	279,863	4.3648	1,221,545	0.5%	6,108
THB	1,265,000	0.9535	1,206,178	0.5%	6,031
PHP	74,863	0.5930	44,393	0.5%	222
Financial liabilities					
Monetary items					
USD	79,652	28.4800	2,268,478	0.5%	11,342
CNY	654,847	4.3648	2,858,277	0.5%	14,291
THB	2,819,000	0.9535	2,687,917	0.5%	13,440
PHP	367,453	0.5930	217,900	0.5%	1,090

The Group's foreign currency transactions were denominated in multiple currency; therefore, the information of the foreign exchange gains (losses) of monetary assets and liabilities denominated by each currency was not applicable for disclosure. The Group's significant monetary financial assets and liabilities denominated in foreign currencies incurred foreign exchange gain (loss) (including realized and unrealized) of $79,006 thousand and $(564,542) thousand for the years ended December 31, 2021 and 2020, respectively.

The above information was disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders' value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

(12) Impact of coronavirus (COVID-19)

Due to the outbreak of coronavirus (COVID-19), some of the Group's subsidiaries were affected by factors beyond control, such as reduced working days, shortage of raw materials from supply chain and stagnation of market demand in the 2020. The global economic market for the year ended December 31, 2021 was affected by the mutation of the virus. However, through favorable factors such as various countries' modification of control method based on the experience of the past year and the introduction of the vaccine at the end of the year ended December 31 2020, the global economy gradually recovered. Since the Group has prepared a complete and decentralized globalization layout, COVID-19 pandemic would not cause material impact to the Group's operations and finance as of the financial report date. The Group will continue to monitor the potential risk and uncertainty due to the pandemic and take appropriate precautions to flexibly adjust its business operation to mitigate the potential impact on the Group's operation and finance.

In addition, governments release relief packages, mostly released during 2020, to deal with significant uncertainty of economy due to COVID-19 pandemic to narrow the scale and magnitude of the economic impacts. As of December 31, 2021, the related government subsidy the Group received was not significant. According to the Group's accounting policy, the aforementioned government subsidy was clearly identifiable as expenses (wages and salaries expense, etc.) which incurred during the year of 2021, so that to be deducted from related expense.

13. Other disclosure

(1) Information at significant transactions (portion of transactions were eliminated upon consolidation)

A. Financings provided to others: Please refer to table 1 for more details.

B. Endorsements/guarantees provided to others: Please refer to table 2 for more details.

C. Marketable securities held (not including subsidiaries, associates and joint ventures): Please refer to table 3 for more details.

D. Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock: Please refer to table 4 for more details.

E. Acquisition of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

F. Disposal of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

G. Total purchases from or sales to related parties of at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 5 for more details.

H. Receivables due from related parities amounting to at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 6 for more details.

I. Derivative instruments transactions: Please refer to Note 6 and Note 12 for more details.

J. Significant intercompany transactions between consolidated entities: Please refer to table 7 for more details.

(2) Information on investees (portion of investees information were eliminated upon consolidation)

A. Financings provided to others: Please refer to table 1 for more details.

B. Endorsements/guarantees provided to others: Please refer to table 2 for more details.

C. Marketable securities held (not including subsidiaries, associates and joint ventures): Please refer to table 3 for more details.

D. Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock: Please refer to table 4 for more details.

E. Acquisition of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

F. Disposal of individual real estate properties at costs of at least NTD 300 million or 20 percent of the paid-in capital: No such circumstances.

G. Total purchases from or sales to related parties of at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 5 for more details.

H. Receivables due from related parities amounting to at least NTD 100 million or 20 percent of the paid-in capital: Please refer to table 6 for more details.

I. Derivative instruments transactions: Please refer to Note 6 and Note 12 for more details.

J. Names, locations and related information of investees over which the company exercises significant influence (not including information on investments in Mainland China): Please refer to table 8 for more details.

(3) Information on investments in Mainland China (Eliminated upon consolidation)

A. Names, main business, paid-in capital, method of investment, investment flows, percentage of ownership, share of profits (losses), carrying amount at the end of the period, accumulated inward remittance of earnings and the upper limit of investment: Please refer to table 9 for more details.

B. Significant transactions with investee in Mainland China

Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition: Please refer to tables 5 to 7 for more details.

(4) Information on major shareholders

Shares / Major shareholders	Total shares owned	Ownership percent
Compal Electronics, Inc.	124,043,763 shares	8.39%

Note 1: The major shareholders information was from the date that the Company issued common shares (including treasury shares) and preference shares in dematerialized form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialized form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were kept in trust by the shareholders, the data disclosed was the settlor's separate account for the fund set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio includes the self-owned shares and trusted shares, at the same time, persons who have power to decide how to allocate the trust assets. For the information of reported share equity of insider, please refer to Market Observation Post System.

14. Segment information

(1) Segment information

	For the year ended December 31, 2021			
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	$135,807,602	$3,970,905	$-	$139,778,507
Segment profit	$(138,521)	$359,515	$-	$220,994

	For the year ended December 31, 2020			
	Consuming electronic products	Other operating segments	Adjustment and elimination	Consolidated
External customer	$125,156,305	$3,063,569	$-	$128,219,874
Segment profit	$76,708	$163,424	$-	$240,132

The Group's only reportable segment was the Consumer Electronic Products Segment. The segment mainly engages in design and manufacturing of calculator/computer, web-based communications, computer peripherals and storage products. The Group also had other segments that did not exceed the quantitative threshold. The segments mainly engage in production and sale of passive components.

The segment assets information of the Group as of December 31, 2021 and December 31, 2020 were as follows:

Segment assets

	Consumer electronic products	Other operating segments	Adjustment and elimination	Consolidated
December 31, 2021	$102,267,116	$5,650,710	$-	$107,917,826
December 31, 2020	$93,576,423	$5,698,734	$-	$99,275,157

The amount reported by the Group was consistent with that used by the operating decision makers. There was no material inconsistency between the accounting policies of the operating segment and the accounting policies described in Note 4. The Group uses the operating profit or loss (net of tax) as the measurement for segment profit and the basis of performance assessment.

(2) Geographical information

See the table below for the sales from the external clients of the Group categorized by the regions where the clients are and the non-current assets categorized by where they are.

	Operating income		Non-current assets	
	For the years ended		As of	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Taiwan	$898,794	$161,423	$1,323,643	$1,489,518
Asia(Other than Taiwan)	75,118,351	70,768,263	22,677,297	22,404,505
America	58,112,601	51,780,949	1,002,205	1,195,945
Others	5,648,761	5,509,239	1,159,681	1,281,110
Total	$139,778,507	$128,219,874	$26,162,826	$26,371,078

Non-current assets were referred to property, plant and asset, investment property, intangible assets and other non-current assets, but financial instruments and deferred tax assets were not included.

(3) Production information

Production	As of	
	December 31, 2021	December 31, 2020
Consuming electronic products	$135,807,602	$125,156,305
Others	3,970,905	3,063,569
Total	$139,778,507	$128,219,874

(4) Information about major customers

Customers that contribute revenues exceeding 10% of total revenues for the years ended December 31, 2021 and 2020 were as follows:

For the years ended					
December 31, 2021			December 31, 2020		
Customer	Sales Amount	%	Customer	Sales Amount	%
Company A	$37,178,459	27%	Company A	$32,362,890	25%
Company B	24,774,482	18%	Company B	24,393,003	19%
Company C	17,539,809	13%	Company C	16,451,678	13%
Total	$79,492,750		Total	$73,207,571	

Table 1: Financings provided to others

(Unit: thousands of NTD/ foreign currency)

No. <Note1>	Financing Company	Related Party	Financial Statement Account	Related Party	Maximum Balance for the period	Ending Balance (Passed by the Board of Directores)	Amount Acutally Drawn	Interest rate	Nature of Financing <Note2>	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company <Note3>	Financing Company's Total Financing Amount Limits <Note4>
													Item	Value		
0	Kinpo Electronics, Inc.	XYZprinting Japan, Inc.	Other receivables due from related parties	Yes	JPY 600,000 (162,900)	JPY 600,000 (144,300)	JPY 300,000 (72,150)	0.5%	2	-	Need for operating	-	-	-	$3,186,743	$12,746,974
0	Kinpo Electronics, Inc.	XYZprinting, Inc.	〃	Yes	750,000	550,000	550,000	0.98011%~0.98056%	2	-	Need for operating	-	-	-	3,186,743	12,746,974
0	Kinpo Electronics, Inc.	Cal-Comp Big Data, Inc.	〃	Yes	400,000	400,000	200,000	0.98033%	2	-	Need for operating	-	-	-	3,186,743	12,746,974
0	Kinpo Electronics, Inc.	New Era AI Robotic Inc.	〃	Yes	400,000	200,000	200,000	0.98056%	2	-	Need for operating	-	-	-	3,186,743	12,746,974
1	Kinpo International Ltd.	XYZprinting, Inc. (USA)	〃	Yes	USD 5,000 (142,675)	USD 5,000 (138,400)	USD 3,000 (83,040)	1.39263%	2	-	Need for operating	-	-	-	3,306,378	3,306,378
1	Kinpo International Ltd.	Cal-Comp Big Data International Ltd.	〃	Yes	USD 5,000 (142,675)	USD 5,000 (138,400)	USD 3,400 (94,112)	1.21425%	2	-	Need for operating	-	-	-	3,306,378	3,306,378
2	Kinpo International (Singapore) Pte. Ltd.	Kinpo Electronics (Philippines), Inc.	〃	Yes	USD 65,000 (1,854,775)	USD 40,000 (1,107,200)	USD 25,500 (705,840)	0.82%~1.0636%	2	-	Need for operating	-	-	-	6,191,527	6,191,527
3	Kinpo Electronics (Philippines), Inc.	Confiar Land Corp.	〃	Yes	USD 5,000 (139,000)	USD 5,000 (138,400)	- -	1.2%	2	-	Need for operating	-	-	-	6,513,102	6,513,102
4	Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria de Semicondutores S.A.	〃	Yes	USD 7,500 (214,013)	USD 7,500 (207,600)	USD 7,500 (207,600)	2.5%	2	-	Need for operating	-	-	-	12,746,974	12,746,974
4	Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	〃	Yes	USD 44,825 (1,279,068)	USD 44,825 (1,240,744)	USD 44,825 (1,240,744)	-	2	-	Need for operating	-	-	-	12,746,974	12,746,974
4	Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	〃	Yes	USD 24,972 (712,587)	USD 11,747 (325,153)	USD 11,747 (325,153)	-	2	-	Need for operating	-	-	-	2,953,594	12,746,974
4	Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	〃	Yes	USD 100,000 (2,780,000)	USD 100,000 (2,768,000)	- -	Libor 1M+1%	2	-	Need for operating	-	-	-	12,746,974	12,746,974
5	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	XYZprinting (Suzhou) Co., Ltd.	〃	Yes	CNY 45,000 (197,429)	- -	- -	-	2	-	Need for operating	-	-	-	4,745,921	4,745,921
5	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	〃	Yes	CNY 200,000 (877,460)	CNY 200,000 (868,300)	CNY 200,000 (868,300)	2.492%	2	-	Need for operating	-	-	-	4,745,921	4,745,921
6	Cal-Comp Electronics (USA) Co., Ltd.	Qbit Semiconductor Ltd.	〃	Yes	USD 8,337 (237,882)	USD 8,044 (222,667)	USD 8,044 (222,667)	-	2	-	Need for operating	-	-	-	391,265	1,956,326
6	Cal-Comp Electronics (USA) Co. Ltd.	Cal-Comp USA (Indiana), Inc.	〃	Yes	USD 5,000 (142,675)	- -	- -	-	2	-	Need for operating	-	-	-	1,956,326	1,956,326
6	Cal-Comp Electronics (USA) Co. Ltd.	Cal-Comp USA (San Diego), Inc.	〃	Yes	USD 15,527 (585,735)	USD 15,527 (429,784)	USD 15,527 (429,784)	-	2	-	Need for operating	-	-	-	1,956,326	1,956,326
7	Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Philippines), Inc.	〃	Yes	USD 35,000 (998,725)	USD 15,000 (415,200)	USD 15,000 (415,200)	1.01495%	2	-	Need for operating	-	-	-	1,541,413	1,541,413
8	Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Dongguan) Limited	〃	Yes	USD 5,406 (154,257)	- -	- -	-	2	-	Need for operating	-	-	-	2,264,470	2,264,470
9	Cal-Comp Electronics & Communications Co., Ltd.	Qbit Semiconductor Ltd.	〃	Yes	40,000	-	-	-	2	-	Need for operating	-	-	-	106,232	424,927
10	Crownpo Technology Inc.	Li-Cheng Materials Co., Ltd.	〃	Yes	32,000	16,000	16,000	2%	2	-	Need for operating	-	-	-	43,185	172,740
11	Kinpo Electronics (China) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	〃	Yes	CNY 400,000 (1,743,120)	CNY 400,000 (1,736,600)	- -	4.35%	2	-	Need for operating	-	-	-	5,691,271	5,691,271
12	LIZ Electronics (Kunshan) Co., Ltd.	LIZ Electronics (Nantong) Co., Ltd.	〃	Yes	CNY 30,000 (130,734)	CNY 30,000 (130,245)	- -	4.35%	1	CNY 118,733 (515,479)	Need for trading	-	-	-	248,330	1,241,648
13	LIZ Electronics (Nantong) Co., Ltd.	LIZ Electronics (Kunshan) Co., Ltd.	〃	Yes	CNY 30,000 (130,734)	CNY 30,000 (130,245)	- -	4.35%	1	CNY 118,733 (515,479)	Need for trading	-	-	-	227,935	1,139,675

<Note1> The numbers filled in for the financings provided by the group or subsidiaries are as follows:
1. The Company is "0".
2. The subsidiaries are numbered in order starting from "1".

<Note2> The codes represent the nature of financing activities as follows:
1. Trading partner is "1".
2. Short-term financing is "2".

<Note3> Financing limits for each borrowing companies are as follows:
1. Non related party
(1) Trading Partners: The maximum of total financing is highter of the transaction amount during the most recent 3 months or 30% of transaction amount during current year, and shall not exceed 10% of its net worth.
(2) Short-term financing: The maximum of total financing is 80% of counter-party's net worth and shall not exceed 4% of its net worth.
2. Related Party
(1) Trading Partners: The maximum of total financing is highter of the transaction amount during the most recent 3 months or during current year, and shall not exceed 20% of its net worth.
(2) Short-term financing: The maximum of total financing is 20% of its net worth.
(3) Subsidiaries 100% held by the company: The maximum of total financing is 100% of the company's net worth.

<Note4> Financing company's total financing amount limits are as follows:
1. The maximum amount of financing to trading partners is 100% of transaction amount during current year and shall not exceed 40% of its net worth.
2. The maximum amount of short-term financing is 40% of financing company's net worth.
3. The maximum amount of short-term financing to subsidiaries 100% held by the company is 100% of the company.
4. The summary of the three situations above shall not exceed 80% of the company's net worth.

Table 2: Endorsements/guarantees provided to others

(Unit: thousands of NTD/ foreign currency)

No. <Note1>	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party <Note3>	Maximum Balance for the period	Ending Balance	Amount Actually Drawn	Amounts of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Maximum Endorsement/ Guarantee Amount Allowable <Note3>	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guanantee Provided to Subsidiaries in Mainland China
		Name	Nature of relationship <Note2>										
0	Kinpo Electronics, Inc.	Kinpo International Ltd.	2	$15,933,717	USD 136,000	USD 136,000	USD 68,000	$-	23.63%	$15,933,717	Yes	No	No
					(3,787,600)	(3,764,480)	(1,882,240)						
0	Kinpo Electronics, Inc.	Kinpo International (Singapore) Pte. Ltd.	2	15,933,717	USD 30,000	USD 30,000	USD 12,000	-	5.21%	15,933,717	Yes	No	No
					(838,800)	(830,400)	(332,160)						
0	Kinpo Electronics, Inc.	XYZprinting, Inc.	2	15,933,717	870,000	870,000	180,000	-	5.46%	15,933,717	Yes	No	No
0	Kinpo Electronics, Inc.	Cal-Comp Big Data International Ltd.	2	15,933,717	USD 3,000	USD 3,000	USD 3,000	-	0.52%	15,933,717	Yes	No	No
					(85,605)	(83,040)	(83,040)						
0	Kinpo Electronics, Inc.	Cal-Comp Big Data, Inc.	2	15,933,717	280,000	250,000	160,000	-	2.09%	15,933,717	Yes	No	No
					USD 3,000	USD 3,000	-						
					(363,400)	(333,040)	(160,000)						
0	Kinpo Electronics, Inc.	New Era AI Robotic Inc.	2	15,933,717	600,000	535,000	265,000	-	3.36%	15,933,717	Yes	No	No
1	Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	2	14,767,970	USD 359,000	USD 143,000	USD 25,000	-	26.41%	14,767,970	Yes	No	No
					EUR 8,000	EUR 8,000	-						
					(10,232,268)	(4,208,710)	(692,000)						
1	Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronis (USA) Co. Ltd.	2	14,767,970	USD 45,000	USD 45,000	-	-	7.82%	14,767,970	Yes	No	No
					(1,284,075)	(1,245,600)	-						
1	Cal-Comp Electronics (Thailand) Public Company Limited	Qbit Semiconductor Ltd.	2	14,767,970	575,000	575,000	120,000	-	3.96%	14,767,970	Yes	No	No
					USD 2,000	USD 2,000	-						
					(630,700)	(630,360)	(120,000)						
2	Cal-Comp Electronics & Communications Co., Ltd.	Qbit Semiconductor Ltd.	4	531,159	USD 6,500	USD 6,500	USD 6,500	-	1.13%	531,159	No	No	No
					(185,478)	(179,920)	(179,920)						
3	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	2	4,745,921	USD 20,000	-	-	-	-	4,745,921	Yes	No	Yes
					(570,700)	-	-						
4	Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Singapore) Limited	2	2,830,588	USD 35,000	USD 35,000	USD 9,100	-	6.08%	2,830,588	Yes	No	No
					(998,725)	(968,800)	(251,888)						

<Note1> The numbers filled in for the endorsements/guarantees provided by the group or subsidiaries are as follows:

1. The Company is "0".
2. The subsidiaries are numbered in order starting from "1".

<Note2> The following code represents the relationship with the company:

1. A company with which it does business.
2. A company in which the public company directly and indirectly holds more than 50 percent of the voting shares.
3. A company that directly and indirectly holds more than 50 percent of the voting shares in the public company.
4. A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.
5. A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
6. A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
7. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

<Note3> The limit amount of endorsement/guarantee are as follows:

1. The aggregate amount of endorsement/guarantee:

(1) The aggregate amount of transactions of endorsement/guarantee must be less than 100% of net worth of provider company.

(2) The aggregate amount of endorsement /guarnatee of the Company and subsidiaries should be less than 2% of the company's net worth.

(3) The aggregate amount of endorsements/guarantees that the Company as a whole may exceed 50% of the Company's net worth, and the Company should explain the rationality of it in the shareholders meeting.

2. The amount of endorsement/guarantee for any single entity is as follow:

(1) The amount of endorsement/guarantee for trading partners should be less than 30% of the total sales or purchase transactions between endorsor/guarantor and the receiving party from the previous fiscal year, and should be less than 65% of the Company's net worth.

(2) For subsidiaries jointly or directly owned over 50% by the company, the amount of endorsement/guarantee for the entity should be less than 100% of the company's net worth.

(3) For subsidiaries jointly or directly owned over 90% by the company, the amount of endorsement/guarantee for the entity should be less than 10% of the company's net worth, except for 100% owned companies. The ceiling for subsidiaries owned 100% is 100% of the Company's net worth.

Table 3: Marketable securities held (not including subsidiaries, associates and joint ventures) (Unit: thousands of NTD/ foreign currency)

No. <Note1>	Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	As of December 31, 2021				Remark
					Share/Units	Carrying Value	Percentage of ownership	Fair Value	
0	Kinpo Electronics, Inc.	Amphastar Pharmaceuticals, Inc. / Stock	—	Current financial assets at fair value through other comprehensive income	39,622	$25,543	0.07%	$25,543	Public: AMPH
0	Kinpo Electronics, Inc.	Compal Electronics, Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	151,628,692	3,669,414	3.44%	3,669,414	Public: 2324
0	Kinpo Electronics, Inc.	Helios Semiconductor, Inc. / Stock	—	〃	42,001	31	0.69%	31	
0	Kinpo Electronics, Inc.	Taiwan Star Telecom Corp. Ltd. / Stock	—	〃	98,860,342	445,662	1.81%	445,662	
0	Kinpo Electronics, Inc.	Norm Pacific Automation Corp. / Stock	—	〃	469,240	5,744	1.64%	5,744	
0	Kinpo Electronics, Inc.	Prudence Capital Management Ltd. / Stock	—	〃	104,367	2,596	1.00%	2,596	
0	Kinpo Electronics, Inc.	Puritron Technology Inc. / Stock	—	〃	629,148	736	3.85%	736	
0	Kinpo Electronics, Inc.	Intergrafx Holding Ltd. / Convertible preferred stock	—	〃	1,166,667	-	-	-	
0	Kinpo Electronics, Inc.	PChome Ventures fund / Stock	—	〃	157,080	-	6.06%	-	
0	Kinpo Electronics, Inc.	iMedtac Company Limited / Stock	—	〃	890,400	20,844	6.25%	20,844	
0	Kinpo Electronics, Inc.	GEOSAT Aerospace & Technology Inc. / Convertible corporate bond	—	Current & Non-current financial assets at fair value through profit and loss	-	52,370	-	52,370	
1	Kinpo International (Singapore) Pte. Ltd.	URSrobot Holding Ltd. / Preferred stock	—	Non-current financial assets at fair value through other comprehensive income	2,033,180	USD 813	-	USD 813	
2	XYZprinting, Inc.	Taiwan Tech 3D Co., Ltd. / Stock	—	〃	200,000	-	10.00%	-	
3	CastleNet Technology Inc.	SPI. / Convertible corporate bond	—	Non-current financial assets at fair value through profit and loss	-	1,455,382	-	1,455,382	
4	Cal-Comp Electronics (Thailand) Public Company Limited	Nexa3D Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	574,456	USD 1,709	15.65%	USD 1,709	
5	Logistar International Holding Co., Ltd.	Mojoose Inc. / Convertible corporate bond	—	Non-current financial assets at fair value through profit and loss	-	-	-	-	
6	Cal-Comp Electronics (USA) Co., Ltd.	Fellow, Inc. / Stock	—	Non-current financial assets at fair value through other comprehensive income	480,815	-	4.72%	-	

<Note1> The numbers filled in for the marketable securities held by the group or subsidiaries are as follows:

(1) The company is "0".

(2) The subsidiaries are numbered in order starting from "1".

Table 4: Individual securities acquired or disposed of with accumulated amount exceeding NTD 300 million or 20 percent of the capital stock

(Unit: thousands of NTD/ foreign currency)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance		
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain/Loss on Disposal	Shares/Units	Amount	Remark
Kinpo Electronics, Inc.	Innolux Corporation	Current financial assets at fair value through other comprehensive income	Domestic centralized securities exchange market	—	16,842,770	$237,483	-	$-	16,842,770	$349,856	$860,666	$-	-	$-	<Note1,2>
Jipo Investment Co., Ltd.	Kinpo Electronics, Inc.	Non-current financial assets at fair value through other comprehensive income	Panpal Technology Corp.	The company's parent company-Compal Electronics, Inc. is substantive related party of the parent company	46,197,155	561,295	-	-	46,197,155	616,732	781,975	-	-	-	<Note1,3>
Kinpo Electronics (China) Co., Ltd.	YieldPlus Structured Deposit	Current investments in equity instruments designated at fair value through profit or loss	CTBC Bank	—	-	CNY 170,479	-	CNY 972,000	-	CNY 1,146,362	CNY 1,142,000	CNY 4,362	-	-	<Note1>
Kinpo Electronics (China) Co., Ltd.	YieldPlus Structured Deposit	〃	Bank of Donguan	—	-	CNY 213,583	-	CNY 553,000	-	CNY 679,739	CNY 676,000	CNY 3,739	-	CNY 90,408	<Note1>
Kinpo Electronics (China) Co., Ltd.	YieldPlus Structured Deposit	〃	Bank of Communications	—	-	-	-	CNY 694,000	-	CNY 665,621	CNY 664,000	CNY 1,621	-	CNY 30,067	<Note1>
XYZprinting (Suzhou) Co., Ltd.	YieldPlus Structured Deposit	〃	Industrial Bank	—	-	-	-	CNY 53,000	-	CNY 53,208	CNY 53,000	CNY 208	-	-	<Note1>
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	YieldPlus Structured Deposit	〃	Industrial Bank	—	-	-	-	CNY 141,000	-	CNY 141,305	CNY 141,000	CNY 305	-	-	<Note1>
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	YieldPlus Structured Deposit	〃	Suzhou Rural Commercial Bank	—	-	-	-	USD 40,000	-	CNY 40,135	CNY 40,000	CNY 135	-	-	<Note1>

<Note1> The ending balance included the recognition of share of profit (loss) of associates and joint ventures accounted for using equity method, exchange differences on translation and unrealised gains (losses) from investments in financial assets/liabilities, etc.
<Note2> The impact of the disposal of retained earnings was reduced by 510,809 thousand.
<Note3> The impact of the disposal of retained earnings was reduced by 165,243 thousand.

Table 5: Total purchases from or sales to related parties of at least NTD 100 million or 20% of the paid-in capital

(Unit: thousands of NTD/ foreign currency)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction Terms Different From Regular Transactions		Notes/Accounts Receivable (Payable)		Remark
			Purchase /Sales	Amount	% to Total	Payment Term	Unit Price	Payment Term	Ending Balance	% to Total <Note>	
Kinpo Electronics, Inc.	Kinpo International Ltd.	Subsidiary	Purchases	$300,508	7.54%	About 30 days	Similar to general terms and conditions	About 30 days	($15,949)	2.14%	
Kinpo Electronics, Inc.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Purchases	2,742,280	68.82%	About 30 days	Similar to general terms and conditions	About 30 days	(202,987)	27.24%	
Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc.	Subsidiary	Purchases	413,839	10.39%	About 30 days	Similar to general terms and conditions	About 30 days	(5)	-	
Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Subsidiary	Purchases	527,069	13.23%	About 30 days	Similar to general terms and conditions	About 30 days	(526,099)	70.60%	
Kinpo Electronics, Inc.	Compal Electronics, Inc.	Substantive Related Parties	Sales	528,391	12.15%	About 60 days	Similar to general terms and conditions	About 60 days	528,210	35.33%	
Kinpo International Ltd.	Kinpo Electronics, Inc.(China)	Subsidiary	Purchases	CNY 105,494	10.61%	—	Similar to general terms and conditions	—	(CNY 88,783)	33.09%	
Kinpo International Ltd.	Kinpo Electronics, Inc.	Parent company	Sales	CNY 69,431	53.23%	About 30 days	Similar to general terms and conditions	About 30 days	CNY 3,674	1.77%	
Kinpo Electronics, Inc.(China)	Cal-Comp Precision (Dongguan) Limited	Affiliated company	Purchases	CNY 23,188	1.83%	About 30 days	Similar to general terms and conditions	About 30 days	(CNY 5,776)	1.94%	
Kinpo Electronics, Inc.(China)	Kinpo International Ltd.	Parent company	Sales	CNY 105,494	7.72%	—	Similar to general terms and conditions	—	CNY 88,783	11.01%	
Kinpo Electronics (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Sales	USD 97,982	13.72%	About 30 days	Similar to general terms and conditions	About 30 days	USD 7,333	3.60%	
Kinpo Electronics (Philippines), Inc.	Cal-Comp Precision (Philippines), Inc.	Affiliated company	Purchases	USD 105,864	16.10%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 21,569)	15.81%	
Kinpo Electronics (Philippines), Inc.	AcBel Polytech (Philippines), Inc.	Affiliated company	Purchases	USD 6,999	1.06%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 2,634)	1.93%	
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Sales	USD 14,841	20.86%	About 30 days	Similar to general terms and conditions	About 30 days	-	-	
XYZprinting, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Affiliated company	Purchases	269,028	94.34%	About 120 days	Similar to general terms and conditions	About 120 days	(401,736)	99.82%	
CastleNet Technology Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Affiliated company	Purchases	1,694,877	79.00%	About 90-120 days	Similar to general terms and conditions	About 90-120 days	(694,579)	97.00%	
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Electronics, Inc.	Parent company	Sales	USD 19,006	0.77%	About 30 days	Similar to general terms and conditions	About 30 days	USD 19,006	2.69%	
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	Affiliated company	Sales	USD 9,983	0.40%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 14,519	2.05%	
Cal-Comp Electronics (Thailand) Public Company Limited	CastleNet Technology Inc.	Affiliated company	Sales	USD 132,986	5.36%	About 90-120 days	Similar to general terms and conditions	About 90-120 days	USD 88,841	12.55%	
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	Subsidiary	Sales	USD 675,834	27.26%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 56,079	7.92%	
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	Subsidiary	Purchases	USD 43,854	1.82%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(USD 9,553)	2.05%	
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision (Thailand) Limited	Subsidiary	Purchases	USD 82,320	3.42%	About 30 days	Similar to general terms and conditions	About 30 days	(USD 7,771)	1.67%	
Logistar International Holding Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Sales	USD 43,854	3.06%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 9,553	6.29%	
Logistar International Holding Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Purchases	USD 675,989	48.29%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(USD 338,143)	64.43%	
Logistar International Holding Co., Ltd.	Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Affiliated company	Purchases	USD 107,467	7.68%	About 45-120 days	Similar to general terms and conditions	About 45-120 days	(USD 25,972)	4.95%	
Logistar International Holding Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Purchases	USD 585,406	41.82%	About 90 days	Similar to general terms and conditions	About 90 days	(USD 49,020)	9.34%	
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Logistar International Holding Co., Ltd.	Affiliated company	Sales	CNY 731,019	100.00%	About 45-120 days	Similar to general terms and conditions	About 45-120 days	CNY 204,165	100.00%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Logistar International Holding Co., Ltd.	Affiliated company	Sales	CNY 4,224,889	98.11%	About 90 days	Similar to general terms and conditions	About 90 days	CNY 751,288	96.64%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Logistar International Holding Co., Ltd.	Affiliated company	Purchases	CNY 603,980	13.53%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(CNY 250,216)	27.27%	
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Cal-Comp Precision (Yueyang) Co., Ltd.	Affiliated company	Purchases	CNY 666,566	14.93%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	(CNY 186,363)	20.31%	
Cal-Comp Precision (Thailand) Limited	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	Sales	USD 82,335	97.59%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 14,013	97.89%	
Cal-Comp Precision (Philippines) Limited	Kinpo Electronics (Philippines), Inc.	Affiliated company	Sales	USD 105,863	92.46%	About 30 days	Similar to general terms and conditions	About 30 days	USD 21,556	94.81%	
Cal-Comp Precision (Yueyang) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Sales	CNY 668,416	99.96%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	CNY 186,363	100.00%	
Cal-Comp Precision (Dongguan) Limited	Kinpo Electronics, Inc.(China)	Affiliated company	Sales	CNY 23,225	26.22%	About 30 days	Similar to general terms and conditions	About 30 days	CNY 6,329	17.10%	
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Cal-Comp Electronics (USA) Co., Ltd.	Affiliated company	Sales	USD 13,133	100.00%	About 60-90 days	Similar to general terms and conditions	About 60-90 days	USD 9,634	100.00%	

<Note> Percentage to total sales (purchases), accounts and notes receivable (payable).

Table 6: Receivables due from related parites amounting to at least NTD 100 million or 20% of the paid-in capital

(Unit: thousands of NTD/ foreign currency)

Company Name	Related Party	Nature of Relationship	Financial Statement Account	Ending Balance	Turover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
Kinpo Electronics, Inc.	Compal Electronics, Inc.	Substantive Related Parties	Accounts receivable due from related parties	$528,210	-	$-	-	$526,414	$-
Kinpo Electronics, Inc.	Kinpo International Ltd.	Subsidiary	〃	619,000	-	-	-	-	-
Kinpo Electronics, Inc.	XYZprinting, Inc.	Subsidiary	Other receivables due from related parties	551,014	-	-	-	2	-
Kinpo Electronics, Inc.	Cal-Comp Big Data, Inc.	Subsidiary	〃	200,865	-	-	-	200,865	-
Kinpo Electronics, Inc.	New Era AI Robotic Inc.	Subsidiary	〃	200,789	-	-	-	-	-
Kinpo International (Singapore) Pte. Ltd.	Kinpo Electronics (Philippines), Inc.	Subsidiary	Long-term receivable due from related parties	USD 25,742	-	-	-	-	-
Kinpo International Ltd.	Kinpo Electronics, Inc.(China)	Subsidiary	Accounts receivable due from related parties	CNY 176,902	-	-	-	CNY 146,654	-
Kinpo Electronics, Inc.(China)	Kinpo International Ltd.	Parent company	〃	CNY 88,783	1.21	-	-	CNY 38,309	-
Kinpo Electronics, Inc.(China)	NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	Affiliated company	Other receivables due from related parties	CNY 92,595	-	-	-	CNY 524	-
Kinpo Electronics (Philippines), Inc.	Kinpo Electronics, Inc.	Parent company	Accounts receivable due from related parties	USD 7,333	18.89	-	-	USD 7,333	-
Cal-Comp Electronics (Thailand) Public Company Limited	Kinpo Electronics, Inc.	Subsidiary	〃	USD 19,006	2.00	-	-	-	-
Cal-Comp Electronics (Thailand) Public Company Limited	CastleNet Technology Inc.	Subsidiary	〃	USD 88,841	2.56	-	-	USD 11,501	-
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria de Semicondutores S.A.	Subsidiary	Long-term receivable due from related parties	USD 7,500	-	-	-	-	-
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	Subsidiary	〃	USD 44,825	0.03	-	-	USD 1	-
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	Affiliated company	Accounts receivable due from related parties	USD 14,519	0.47	-	-	USD 10	-
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co., Ltd.	Subsidiary	〃	USD 56,079	8.03	-	-	USD 44,498	-
Logistar International Holding Co., Ltd.	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	〃	USD 9,553	3.36	-	-	-	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Electronics (Thailand) Public Company Limited	Parent company	〃	USD 14,013	4.95	-	-	USD 14,020	-
Cal-Comp Precision (Thailand) Limited	Cal-Comp Precision (Philippines), Inc.	Subsidiary	Long-term receivable due from related parties	USD 15,000	-	-	-	-	-
Cal-Comp Precision (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Affiliated company	Accounts receivable due from related parties	USD 21,556	1.76	-	-	USD 18,746	-
Cal-Comp Precision (Yueyang) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	〃	CNY 186,363	4.69	-	-	-	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Logistar International Holding Co., Ltd.	Affiliated company	〃	CNY 204,165	3.50	-	-	CNY 84,084	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Affiliated company	Other receivables due from related parties	CNY 206,978	-	-	-	-	-
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Logistar International Holding Co., Ltd.	Affiliated company	Accounts receivable due from related parties	CNY 751,288	5.28	-	-	-	-
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	Subsidiary	Other receivables due from related parties	USD 15,527	-	-	-	-	-
Cal-Comp Electronics (USA) Co., Ltd.	QBit Semiconductor Holding Ltd.	Affiliated company	〃	USD 8,044	-	-	-	-	-
Cal-Comp Electronics de Mexico. Co. SA de CV	Cal-Comp Electronics (USA) Co., Ltd.	Affiliated company	Accounts receivable due from related parties	USD 9,634	1.63	-	-	-	-

Table 7: Significant intercompany transactions between consolidated entities (Unit: thousands of NTD/ foreign currency)

No. <Note1>	Company Name	Counter-party	Nature of Relationship <Note2>	Intercompany Transactions			
				Financial Statement Account	Amount	Terms	Percentage of Consolidated Net Revenue or Total Assets <Note3>
0	Kinpo Electronics, Inc.	Kinpo International Ltd. and Subsidiary	1	Accounts receivable	$619,000	Similar to general terms and conditions	0.57%
0	Kinpo Electronics, Inc.	Kinpo International Ltd. and Subsidiary	1	Service revenue	609,000	Similar to general terms and conditions	0.44%
0	Kinpo Electronics, Inc.	Kinpo International Ltd. and Subsidiary	1	Purchases	300,508	Similar to general terms and conditions	0.21%
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Accounts payable	202,992	Similar to general terms and conditions	0.19%
0	Kinpo Electronics, Inc.	Cal-Comp Technology (Philippines), Inc. and Subsidiary	1	Purchases	3,156,119	Similar to general terms and conditions	2.26%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Accounts payable	526,099	Similar to general terms and conditions	0.49%
0	Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	1	Purchases	527,069	Similar to general terms and conditions	0.38%
0	Kinpo Electronics, Inc.	XYZprinting, Inc. and Subsidiary	1	Other receivables	623,465	Similar to general terms and conditions	0.58%
0	Kinpo Electronics, Inc.	Cal-Comp Big Data, Inc. and Subsidiary	1	Other receivables	200,865	Similar to general terms and conditions	0.19%
0	Kinpo Electronics, Inc.	New Era AI Robotic Limited and Subsidiary	1	Other receivables	200,789	Similar to general terms and conditions	0.19%
1	Kinpo International Ltd. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Other receivables	461,456	Similar to general terms and conditions	0.43%
1	Kinpo International Ltd. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	100,644	Similar to general terms and conditions	0.07%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	597,142	Similar to general terms and conditions	0.55%
2	Cal-Comp Technology (Philippines), Inc. and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	2,966,748	Similar to general terms and conditions	2.12%
3	Lipo Holding Co., Ltd. and Subsidiary	Crownpo Technology Inc. and Subsidiary	3	Sales	148,853	Similar to general terms and conditions	0.11%
4	XYZprinting, Inc.and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	401,736	Similar to general terms and conditions	0.37%
4	XYZprinting, Inc.and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	269,028	Similar to general terms and conditions	0.19%
5	CastleNet Technology Inc.and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Accounts payable	694,579	Similar to general terms and conditions	0.64%
5	CastleNet Technology Inc.and Subsidiary	Cal-Comp Electronics (Thailand) Public Company Limited and Subsidiary	3	Purchases	1,694,877	Similar to general terms and conditions	1.21%

<Note1> The numbers filled in represent:
(1) The company is "0".
(2) The subsidiaries are numbered in order starting from "1".

<Note2> The following lists the three types of intercompany transactions (one transaction between parent company and subsidiary or between subsidiaries could be disclosed only once.)
(1) Transactions from parent company to subsidiary is "1".
(2) Transactions from subsidiary to parent company is "2".
(3) Transactions between subsidiaries is "3".

<Note3> The percentage is divided by:
(1) Consolidated total assets if the transaction account belongs to balance sheet.
(2) Consolidated net revenue if the transaction account belongs to comprehensive income statement.

<Note4> We included only the intercompany transactions with amount larger than 100 millions in the table.

Table 8: Names, locations and related information of investees over which the company exercises significant influence (not including information on investments in Mainland China) (Unit: thousands of NTD/ foreign currency)

Investor Company	Investee Company	Location	Main Businesses	Original Investment Amount		Balance at The End of Period			Net Income (Losses) of The Investee	Share of Profits (Losses) of Investee	Nature of Relationship
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Value			
Kinpo Electronics, Inc.	Cal-Comp Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and sales of computer peripherals and IT products	$2,320,469	$2,320,469	2,318,673,790	46.75%	$7,436,517	$234,780	$62,343	Subsidiary
Kinpo Electronics, Inc.	Kinpo International (Singapore) Pte. Ltd.	Singapore	Reinvestment on domestic and overseas business	3,203,059	3,203,059	247,955,881	100.00%	6,191,527	703,499	703,499	Subsidiary
Kinpo Electronics, Inc.	Kinpo International Ltd.	BVI	Holding company	4,801,764	4,801,764	154,223,270	100.00%	3,306,378	(668,303)	(668,303)	Subsidiary
Kinpo Electronics, Inc.	Jipo Investment Co., Ltd.	Taiwan	General investment	-	990,000	-	-	-	(2,269)	(2,269)	Subsidiary
Kinpo Electronics, Inc.	Lipo Holding Co., Ltd.	Cayman Islands	Holding company	505,305	505,305	102,000	51.00%	741,214	285,875	145,796	Subsidiary
Kinpo Electronics, Inc.	Crownpo Technology Inc.	Taiwan	Manufacturing and sales of chip diodes, etc.	341,730	341,730	5,805,765	51.61%	111,439	41,617	21,478	Subsidiary
Kinpo Electronics, Inc.	Cal-Comp Biotech Co., Ltd.	Taiwan	Cultivation and retail of agricultural products	-	100,000	-	-	-	(13)	(13)	Subsidiary
Kinpo Electronics, Inc.	XYZprinting, Inc.	Taiwan	Trading 3D printer	431,518	431,518	43,151,760	46.40%	(407,992)	(730,002)	(338,720)	Subsidiary
Kinpo Electronics, Inc.	CastleNet Technology Inc.	Taiwan	Development, manufacturing and sales of products including cable modem, powerline communication and digital home application	1,775,923	1,775,923	129,958,907	68.90%	1,313,097	(150,566)	(106,558)	Subsidiary
Kinpo Electronics, Inc.	Cal-Comp Big Data, Inc.	Taiwan	Medical equipment, data processing and provision service	325,000	325,000	32,500,000	50.00%	(262,212)	(166,464)	(83,232)	Subsidiary
Kinpo Electronics, Inc.	New Era AI Robotic Limited	Cayman Islands	Holding company	61,000	61,000	2,000,000	50.00%	(237,437)	(107,820)	(53,910)	Subsidiary
Kinpo Electronics, Inc.	Cal-Comp Asset Management, Inc.	Taiwan	Asset management	50,000	50,000	5,000,000	100.00%	49,525	533	533	Subsidiary
Kinpo Electronics, Inc.	AcBel Polytech Inc.	Taiwan	Manufacturing switching power supply & sales of main materials	1,107,044	1,107,044	124,788,917	24.15%	2,388,266	602,024	143,174	Associate
Kinpo Electronics, Inc.	Kinpo Group Management Service Company	Taiwan	Investment and management consulting	3,000	3,000	300,000	37.50%	5,936	288	108	Associate
Kinpo Electronics, Inc.	Teleport Access Services, Inc.	Taiwan	First rate telecommunications, system design and engineering, integration, construction, and product services; restrained telecom radio frequency equipments and materials import	322,376	322,376	10,145,800	23.70%	228,328	4,507	1,069	Associate
Kinpo Electronics, Inc.	Ascendant Private Equity Investment Ltd. (Preferred Stock)	BVI	Reinvestment on domestic and overseas business	949,219	949,219	31,250,000	34.72%	1,304,961	599,489	208,143	Associate
Kinpo Electronics, Inc.	Ascendant Private Equity Investment Ltd. (Stock)	BVI	Reinvestment on domestic and overseas business	95	95	3,125	34.72%	86	599,489	-	Associate
Kinpo Electronics, Inc.	iHELPER Inc.	Taiwan	Healthcare industry robot , etc.	15,840	15,840	1,584,000	44.00%	7,228	(1,930)	(849)	Associate
Kinpo Electronics, Inc.	NTNU Innovation Investment Holding Company	Taiwan	Industry-academia cooperation	17,470	17,470	1,990,129	19.92%	15,189	226	8	Associate
Kinpo Electronics, Inc.	McTEC Taiwan Limited	Samoa	Reinvestment on domestic and overseas business	47,193	47,193	1,500,000	26.04%	-	-	-	Associate
Kinpo International (Singapore) Pte. Ltd.	Cal-Comp Technology (Philippines), Inc.	Philippines	Manufacturing	USD 100,000	USD 100,000	895,638,400	80.81%	USD 207,984	USD 32,260	<Note1>	Subsidiary
Cal-Comp Technology (Philippines), Inc.	Kinpo Electronics (Philippines), Inc.	Philippines	Manufacturing and sales products of other companies' electronic products	USD 100,000	USD 100,000	49,260,075	100.00%	USD 235,300	USD 29,505	<Note1>	Subsidiary
Jipo Investment Co., Ltd.	AcBel Polytech Inc.	Taiwan	Manufacturing switching power supply & sales of main materials	-	67,500	-	-	-	602,024	<Note1>	Associate
Crownpo Technology Inc.	Ranashe International Ltd.	BVI	Holding company	137,962	137,962	50,000	100.00%	177,429	USD 1,262	<Note1>	Subsidiary
Crownpo Technology Inc.	Li-Cheng Materials Corporation	Taiwan	Manufacturing chamical materials	23,000	23,000	140,000	54.69%	413	(1,960)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting, Inc. (USA)	USA	Trading 3D printer	551,977	178,215	5,000	100.00%	(5,408)	(230,591)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting Japan, Inc.	Japan	Trading 3D printer	96,852	96,852	7,013,200	100.00%	(23,315)	(37,852)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting Netherlands, B.V.	Netherlands	Trading 3D printer	308,340	95,989	1,488,901	100.00%	103,378	(115,084)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting, Inc. (SAMOA)	Samoa	Holding company	-	2,957	-	-	-	-	<Note1>	Subsidiary
XYZprinting, Inc.	XYZprinting (Thailand) Co., Ltd.	Thailand	Trading 3D printer	16,178	16,178	1,800,000	100.00%	(8,789)	(14,719)	<Note1>	Subsidiary
XYZprinting, Inc.	XYZlife (Philippines) Inc.	Philippines	Trading aesthetic medicine products	6,325	6,325	93,995	100.00%	1,469	(1,089)	<Note1>	Subsidiary
Cal-Comp Big Data, Inc.	Cal-Comp Big Data International Ltd.	BVI	Reinvestment on domestic and overseas business	270,925	157,125	90,000	100.00%	(173,903)	(USD 475)	<Note1>	Subsidiary
New Era AI Robotic Limited	New Era AI Robotic Inc.	Taiwan	Trading robot and applications development	USD 4,000	USD 4,000	12,000,000	100.00%	(USD 17,179)	(106,910)	<Note1>	Subsidiary
CastleNet Technology Inc.	CastleNet Technology (BVI) Inc.	BVI	Holding company	302,692	538,992	8,708	100.00%	39,527	USD 29	<Note1>	Subsidiary
Cal-Comp Asset Management, Inc.	Confiar Land Corp.	Philippines	Acquire, purchase, lease, hold, sell or otherwise deal in land and real estate	44,010	-	79,919,999	100.00%	43,918	PHP 991	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Logistar International Holding Co.,Ltd	BVI	Dealer	USD 43,208	USD 43,208	40,050,000	100.00%	(USD 436,477)	(USD 58,339)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics & Communications Co., Ltd.	Taiwan	Purchasing materials and R&D	USD 7,546	USD 7,295	6,992,078	100.00%	USD 10,194	USD 533	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal Comp Malaysia SDN. BHD.	Malaysia	Manufacturing	USD 8,699	USD 8,699	28,038,680	100.00%	USD 7,007	(USD 374)	<Note1>	Subsidiary

Table 8: Names, locations and related information of investees over which the company exercises significant influence (not including information on investments in Mainland China) (Unit: thousands of NTD/ foreign currency)

Investor Company	Investee Company	Location	Main Businesses	Original Investment Amount		Balance at The End of Period			Net Income (Losses) of The Investee	Share of Profits (Losses) of Investee	Nature of Relationship
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Value			
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics (USA) Co.,Ltd	USA	Manufacturing	USD 98,736	USD 98,736	100,000,000	100.00%	USD 70,756	USD 3,060	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda.	Brazil	Manufacturing	USD 698	USD 698	1,350,000	0.82%	USD 640	USD 11,829	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Mexico	Manufacturing	USD 9,557	USD 9,557	141,182,050	100.00%	USD 14,769	USD 1,873	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Technology (Philippines), Inc.	Philippines	Manufacturing	USD 24,348	USD 24,348	212,711,600	19.19%	USD 49,434	USD 32,260	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Holding (Brasil) S.A.	Brazil	Holding company	USD 78,422	USD 78,422	258,220,566	99.99%	USD 102,892	USD 24,448	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	XYZprinting, Inc.	Taiwan	Trading 3D printer	USD 14,231	USD 14,231	43,151,760	46.40%	(USD 14,741)	(730,002)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Pchome (Thailand) Co., Ltd.	Thailand	E-commerce, selling and customer services	USD 2,075	USD 2,075	6,750,000	33.75%	USD 598	(USD 1,067)	<Note1>	Associate
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Big Data, Inc.	Taiwan	Medical equipment, data processing and provision service	USD 10,841	USD 10,841	32,500,000	50.00%	(USD 9,474)	(166,464)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Qbit Semiconductor Holding, Ltd.	Cayman Islands	Holding company	USD 12,873	USD 12,873	10,340,514	91.60%	(USD 6,682)	(USD 7,212)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp (India) Private Limited.	India	Operating and designing electronic products	-	USD 54	-	-	-	USD 14	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	New Era AI Robotic Limited	Cayman Islands	Holding company	USD 2,087	USD 2,087	2,000,000	50.00%	(USD 8,577)	(107,820)	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Automation and Industrial 4.0 Service (Thailand) Co., Ltd.	Thailand	Auto-manage producing system development	USD 3,082	USD 3,082	10,000,000	100.00%	USD 4,981	USD 1,703	<Note1>	Subsidiary
Cal-Comp Electronics (Thailand) Public Company Limited	Cal-Comp Precision Holding Co., Ltd.	Cayman Islands	Holding company	USD 85,240	USD 80,787	56,455,000	99.92%	USD 99,673	USD 1,513	<Note1>	Subsidiary
QBit Semiconductor Holding, Ltd.	Qbit Semiconductor Ltd.	Taiwan	Design of semiconductors	USD 11,912	USD 11,912	15,800,000	100.00%	(USD 7,259)	(202,262)	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Davicoomms (S) Pte Ltd	Singapore	Designing and manufacturing of communication products	USD 2,955	USD 2,955	340,458	20.00%	USD 2,758	USD 2,407	<Note1>	Associate
Cal-Comp Holding (Brasil) S.A.	Cal-Comp Indústria E Comércio De Informatica Ltda.	Brazil	Manufacturing	BRL 163,674	BRL 163,674	163,673,798	99.18%	BRL 381,800	USD 11,829	<Note1>	Subsidiary
Cal-Comp Holding (Brasil) S.A.	Cal-Comp Industria de Semicondutores S.A.	Brazil	Manufacturing	BRL 40,466	BRL 40,466	40,465,990	58.03%	BRL 67,827	BRL 52,762	<Note1>	Subsidiary
Cal-Comp Precision Holding Co., Ltd.	Cal-Comp Precision (Singapore) Limited	Singapore	Holding company and distributor	USD 82,198	USD 82,198	1,124,132,310	100.00%	USD 100,429	(USD 12,058)	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Malaysia) Sdn. Bhd.	Malaysia	Plastic Molding	USD 5,550	USD 5,550	11,968,000	100.00%	USD 6,919	USD 774	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Thailand) Co.,Ltd.	Thailand	Plastic Molding	USD 44,426	USD 63,246	16,425,695	100.00%	USD 55,687	USD 1,169	<Note1>	Subsidiary
Cal-Comp Precision (Singapore) Limited	Cal-Comp Precision (Philippine) Inc.	Philippines	Plastic Molding	USD 55,098	USD 55,098	24,645,685	100.00%	USD 62,134	USD 1,999	<Note1>	Subsidiary
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (San Diego), Inc.	USA	Manufacturing	USD 860	USD 860	860,000	100.00%	(USD 9,303)	USD 594	<Note1>	Subsidiary
Cal-Comp Electronics (USA) Co., Ltd.	Cal-Comp USA (Indiana), Inc.	USA	Manufacturing	-	USD 5,400	-	-	-	USD 320	<Note1>	Subsidiary
Cal-Comp Electronics & Communications Co., Ltd.	Kinpo Group Management Service Company	Taiwan	Investment and management consulting	1,000	1,000	100,000	12.50%	USD 36	288	<Note1>	Associate

<Note1> The share of profits (losses) of investee have already been included in the net income of the investor company. We decided not to further disclose in case of causing confusion.

Table 9: Informations on investments in Mainland China

(Unit: thousands of NTD/ foreign currency)

Investee Company	Main Business and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2021	Percentage of Ownership	Net Income (Loss) of the Investee Company	Share of Profits/Losses	Carrying Amount as of December 31, 2021	Accumulated Inward Remittance of Earnings as of December 31, 2021
					Outflow	Inflow						
Kinpo Electronics (China) Co., Ltd.	Processing, manufacturing and selling electronic products of other companies	CNY 889,298 (3,860,887)	Indirect investment via Kinpo International Ltd.	USD 55,100 (1,525,168)	$-	$-	USD 55,100 (1,525,168)	100.00%	(CNY 51,665) (-224,242)	Please refer to <Note1>(2)-iii	CNY 1,310,900 (5,691,272)	$-
Dongguan Kaipo Electronics Co., Ltd.	Manufacturing and sales of other companies' products	CNY 128,945 (559,815)	Indirect investment via Kinpo International Ltd.	USD 1,000 (27,680)	-	-	USD 1,000 (27,680)	100.00%	CNY 3,845 (16,688)	Please refer to <Note1>(2)-iii	CNY 47,089 (204,437)	-
Superpower Mould & Plastic Ltd.	Manufacturing and sales of other companies' products	-	Indirect investment via Kinpo International Ltd.	USD 1,573 (43,541)	-	-	USD 1,573 (43,541)	-	-	Please refer to <Note1>(2)-iii	-	-
Kinpo Electronics (Shanghai) Co., Ltd.	Manufacturing & wholesaling electronics dictionary, design, R&D and sales for calculator software	-	Indirect investment via Kinpo International Ltd.	USD 1,120 (31,002)	-	-	USD 1,120 (31,002)	-	-	Please refer to <Note1>(2)-iii	-	-
Kinpo Electronics (Beijing) Co., Ltd.	Manufacturing & wholesaling electronics dictionary, design, R&D and sales for calculator software	-	Indirect investment via Kinpo International Ltd.	USD 1,000 (27,680)	-	-	USD 1,000 (27,680)	-	-	Please refer to <Note1>(2)-iii	-	-
McTECH Guangzhou Co., Ltd.	Producing automatic bike & battery exchange station	CNY 63,304 (274,834)	Indirect investment via McTEC Taiwan Limited	USD 1,350 (37,368)	-	-	USD 1,350 (37,368)	19.61%	-	Please refer to <Note1>(2)-iii	-	-
LIZ Electronics (Kunshan) Co., Ltd.	Producing and marketing chip resistors & ceramic multilayer capacitors & chip diodes	CNY 252,202 (1,094,935)	Indirect investment via Lipo Holding Co., Ltd. & Ranashe International Ltd.	USD 14,270 (394,994)	-	-	USD 14,270 (394,994)	51.07%	CNY 58,978 (256,472)	Please refer to <Note1>(2)-iii	USD 22,853 (632,571)	-
LIZ Electronics (Nantong) Co., Ltd.	R&D, manufacturing chip components; sales of products and provide after-sales service; wholesaling, improting and exporting electronic components, semiconductors special materials and spare parts	CNY 217,756 (945,388)	Indirect investment via Lipo Holding Co., Ltd & LIZ Electronics (Kunshan) Co., Ltd.	USD 1,530 (42,350)	-	-	USD 1,530 (42,350)	51.06%	CNY 40,465 (175,966)	Please refer to <Note1>(2)-iii	USD 21,133 (584,961)	-
XYZprinting (Suzhou) Co., Ltd.	Trading 3D printer	CNY 38,859 (168,706)	Indirect investment via XYZprinting, Inc.	-	-	-	-	72.51%	(CNY 15,529) (-67,401)	Please refer to <Note1>(2)-iii	(CNY 19) (-82)	-
XYZprinting (Shanghai) Cloud Technology Co., Ltd.	Internet technology development	CNY 1,343 (5,831)	Indirect investment via XYZprinting, Inc.	-	-	-	-	68.11%	(CNY 60) (-252)	Please refer to <Note1>(2)-iii	1,656	-
CastleNet Technology Inc. (Kunshan)	Design and manufacture of modem; sale of self-production	CNY 110,561 (442,880)	Indirect investment via CastleNet Technology (BVI) Inc.	-	-	-	-	68.90%	CNY 13 (1,026)	Please refer to <Note1>(2)-iii	USD 6,535 (22,767)	-
Cal-Comp Electronics (Suzhou) Co., Ltd.	Manufacturing	-	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	-	-	Please refer to <Note1>(2)-iii	-	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Manufacturing	CNY 547,148 (2,375,443)	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	46.75%	CNY 113,167 (491,179)	Please refer to <Note1>(2)-iii	USD 70,775 (1,959,052)	-
Cal-Comp Technology (Suzhou) Co., Ltd	Manufacturing	CNY 73,046 (317,129)	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	46.75%	(CNY 3,393) (-14,727)	Please refer to <Note1>(2)-iii	USD 12,129 (335,731)	-
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	Manufacturing	CNY 239,598 (1,040,215)	Indirect investment via Cal-Comp Electronics (Thailand) Public Company Limited	-	-	-	-	46.75%	CNY 19,197 (83,321)	Please refer to <Note1>(2)-iii	USD 2,294 (63,498)	-
Cal-Comp Precision (Dongguan) Limited	Plastic Molding	CNY 110,805 (481,060)	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	46.71%	CNY 29,857 (129,588)	Please refer to <Note1>(2)-iii	USD 6,287 (174,024)	-
Cal-Comp Precision (Wujiang) Co., Ltd.	Plastic Molding	CNY 32,863 (142,675)	Indirect investment via Cal-Comp Precisoin (Thailand) Limited	-	-	-	-	46.71%	CNY 8 (35)	Please refer to <Note1>(2)-iii	-	-
Cal-Comp Precision (Yueyang) Co., Ltd.	Plastic Molding	CNY 79,015 (343,044)	Indirect investment via Cal-Comp Precision (Singapore) Limited	-	-	-	-	46.71%	CNY 29,400 (127,605)	Please refer to <Note1>(2)-iii	USD 8,737 (241,840)	-
Shanghai Cuang Ge Education Technology Co., Ltd.	R&D of educational and internet products	CNY 4,250 (18,451)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	20.35%	(CNY 129) (-560)	Please refer to <Note1>(2)-iii	CNY 10 (39)	-
ICKP (Beijing) Technology Development Co., Ltd.	Developing 3D printers and AI equipments	CNY 10,000 (43,415)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	37.40%	(CNY 534) (-2,318)	Please refer to <Note1>(2)-iii	CNY 4,014 (17,427)	-
Cal-Comp Optical Electronics (Yueyang) Co., Ltd.	Manufacturing and sales of new printing device, electronic components and their components.and other components	CNY 136,000 (590,444)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	46.75%	CNY 109,221 (474,052)	Please refer to <Note1>(2)-iii	CNY 139,023 (603,568)	-
NKG Advanced Intelligence & Technology Development (Yueyang) Co., Ltd.	Production and sale of various intelligent electronic equipment and its consumables and parts	CNY 99,000 (429,809)	Indirect investment via Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	-	-	-	-	46.75%	(CNY 8,990) (-39,019)	Please refer to <Note1>(2)-iii	CNY 56,855 (246,836)	-
Jun-Hui LED Electronics, Co., Limited	R&D and manufacturing optical electronics technique	HKD 494,706 (1,755,959)	Others	-	-	-	-	1.52%	-	Please refer to <Note1>(2)-iii	USD 567 (15,695)	-

Accumulated Investment in Mainland China as of December 31, 2021 (in thousands)	Investment Amount Authorized by Investment Commission, MOEA (in thousands)	Upper Limit of Investment (60% of Net value) (in thousands)
USD 76,943 ($2,129,783)	USD 250,737 ($6,940,400)	9,560,230

<Note1> In the shared profits/losses column:

(1) The investments that are in preparation and thus haven't generated any profits/losses should be specified.

(2) The resources of shared profits/losses should be specified as one of the three below:

i. Financial report audited by international audit firm that has partnership with audit firm in Taiwan.

ii. Financial report audited by CPA who audits the parent company in Taiwan.

iii. Others. (The share of profits/losses were already included in the investor's profits/losses. In case of causing confusion, we decided not to disclose in this table.)

<Note2> The figures in this table are presented in NTD. The exchange rate on the financial reporting date used for translating the amount of investment in foreign currency is as following:

(1) Ending investment balance as of report date were translated using the exchange rates as follows:

USD:NTD 1: 27.6800

CNY:NTD 1: 4.3415

(2) Investment gains or losses were translated using the average rates for the year ended period ended December 31, 2021 as follows:

USD:NTD 1: 28.0082

CNY:NTD 1: 4.3403