

**CHENG UEI PRECISION INDUSTRY CO.,
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2022 AND 2021**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

CHENG UEI PRECISION INDUSTRY CO., LTD.
SEPTEMBER 30, 2022 AND 2021 CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REVIEW REPORT
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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR 22000181

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Cheng Uei Precision Industry Co., Ltd. and subsidiaries (the "Group") as at September 30, 2022 and 2021, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statement of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

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

Basis for qualified conclusion

As explained in Notes 4(3) and 6(8), the financial statements of certain insignificant consolidated subsidiaries and information disclosed in Note 13 were not reviewed by independent auditors. Those statements reflect total assets of NT\$25,733,537 thousand and NT\$17,561,695 thousand, constituting 25.96% and 21.6% of the consolidated total assets, and total liabilities of NT\$8,857,602 thousand and NT\$3,509,652 thousand, constituting 14.14% and 6.89% of the consolidated total liabilities as at September 30, 2022 and 2021, and total comprehensive (loss) income of NT(\$1,036,216) thousand, NT\$788,450 thousand, NT(\$1,207,961) thousand and NT\$1,485,262 thousand, constituting (88.13%), 191.19%, (47.87%) and 479.3% of the consolidated total comprehensive income (loss) for the three months and nine months then ended. As explained in Note 6(8), certain investments accounted for using equity method were assessed and disclosed shares of profit or loss of associates and joint ventures

accounted for using equity method as of September 30, 2022 and 2021 based on the financial statements which were not reviewed by independent auditors. The balance of investment accounted for using equity method was NT\$3,852,805 thousand and NT\$3,498,946 thousand, constituting 3.89% and 4.3% of consolidated total assets as of September 30, 2022 and 2021, respectively, and the share of profit of associates and joint ventures accounted for using equity method was NT\$43,763 thousand, NT(\$119,375) thousand, NT\$103,970 thousand and NT(\$69,069) thousand, constituting 3.72%, (28.95%), 4.12% and (22.29%) of consolidated total comprehensive income (loss) for the three months and nine months then ended, respectively.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2022 and 2021, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Lin, Se-Kai

Liang, Yi-Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

November 11, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors’ review report 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, PricewaterhouseCoopers 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.

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2022, DECEMBER 31, 2021 AND SEPTEMBER 30, 2021
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of September 30, 2022 and 2021 are reviewed, not audited)

ASSETS	Notes	September 30, 2022		December 31, 2021		September 30, 2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
CURRENT ASSETS								
1100	Cash and cash equivalents	6(1)	\$ 9,808,814	10	\$ 8,707,603	10	\$ 7,661,781	9
1136	Current financial assets at amortised cost	6(3) and 8	3,561,200	4	2,258,305	3	4,076,995	5
1140	Current contract assets	6(24)	1,351,206	1	3,216,453	4	1,166,461	2
1150	Notes receivable, net		25,175	-	46,874	-	31,765	-
1170	Accounts receivable, net	6(4)	20,605,301	21	16,369,882	20	14,291,221	18
1180	Accounts receivable, net - related parties	7	440,119	1	312,905	-	294,834	-
1200	Other receivables	6(5)	425,211	-	312,561	-	262,969	-
1210	Other receivables - related parties	7	66,091	-	61,213	-	61,198	-
1220	Current income tax assets	6(31)	9,948	-	5,052	-	18,870	-
130X	Inventories	6(6)	20,832,500	21	15,479,260	19	16,766,999	21
1410	Prepayments	6(7)	6,159,104	6	3,412,965	4	3,232,480	4
1460	Non-current assets or disposal groups classified as held for sale, net	6(13)	-	-	15,599	-	15,599	-
1470	Other current assets	8	1,027,704	1	89,457	-	63,499	-
11XX			<u>64,312,373</u>	<u>65</u>	<u>50,288,129</u>	<u>60</u>	<u>47,944,671</u>	<u>59</u>
1517	Financial assets at fair value through other comprehensive income - non-current	6(2) and 12(3)	1,210,799	1	1,116,311	1	1,374,559	2
1535	Non-current financial assets at amortised cost	6(3) and 8	46,891	-	145,116	-	144,319	-
1550	Investments accounted for under the equity method	6(8)	5,119,117	5	4,650,081	6	4,641,990	6
1600	Property, plant and equipment, net	6(9)	21,316,403	21	21,024,968	25	21,166,744	26
1755	Right-of-use assets	6(10) and 7	2,199,753	2	1,577,374	2	1,560,566	2
1760	Investment property, net	6(11)	567,833	1	568,783	1	569,289	1
1780	Intangible assets	6(12)	1,752,760	2	1,467,557	2	1,598,396	2
1840	Deferred income tax assets	6(31)	359,874	-	569,172	1	656,694	1
1915	Prepayments for business facilities		1,694,624	2	1,160,854	1	1,161,488	1
1990	Other non-current assets, others	8	544,822	1	557,926	1	497,695	-
15XX			<u>34,812,876</u>	<u>35</u>	<u>32,838,142</u>	<u>40</u>	<u>33,371,740</u>	<u>41</u>
1XXX	TOTAL ASSETS		<u>\$ 99,125,249</u>	<u>100</u>	<u>\$ 83,126,271</u>	<u>100</u>	<u>\$ 81,316,411</u>	<u>100</u>

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2022, DECEMBER 31, 2021 AND SEPTEMBER 30, 2021
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of September 30, 2022 and 2021 are reviewed, not audited)

	Notes	September 30, 2022		December 31, 2021		September 30, 2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
2100	Short-term borrowings	6(14)	\$ 10,660,439	11	\$ 4,224,848	5	\$ 7,909,967	10
2110	Short-term notes and bills payable	6(15)	572,700	1	1,596,522	2	1,123,274	1
2130	Current contract liabilities	6(24)	822,949	1	603,767	1	814,427	1
2150	Notes payable		171	-	150	-	151	-
2170	Accounts payable		17,402,400	18	16,895,026	20	14,175,881	18
2180	Accounts payable - related parties	7	274,738	-	172,107	-	211,971	-
2200	Other payables	6(16) and 7	5,633,213	6	4,617,534	6	4,376,915	5
2230	Current income tax liabilities	6(31)	523,405	-	555,374	1	477,510	1
2280	Current lease liabilities	7	291,301	-	158,525	-	158,744	-
2320	Long-term liabilities, current portion	6(18)	824,224	1	302,694	-	458,728	1
2365	Current refund liabilities		148,204	-	226,274	-	229,638	-
2399	Other current liabilities, others		449,144	-	601,242	1	432,633	1
21XX			<u>37,602,888</u>	<u>38</u>	<u>29,954,063</u>	<u>36</u>	<u>30,369,839</u>	<u>38</u>
NON-CURRENT LIABILITIES								
2530	Corporate bonds payable	6(17)	6,581,418	6	6,578,570	8	6,577,628	8
2540	Long-term borrowings	6(18)	14,801,898	15	11,176,423	14	11,020,850	14
2570	Deferred income tax liabilities	6(31)	1,206,569	1	933,548	1	914,414	1
2580	Non-current lease liabilities	7	765,547	1	247,637	-	249,780	-
2600	Other non-current liabilities	6(8)(19)	1,695,174	2	1,735,142	2	1,791,029	2
25XX			<u>25,050,606</u>	<u>25</u>	<u>20,671,320</u>	<u>25</u>	<u>20,553,701</u>	<u>25</u>
2XXX	TOTAL LIABILITIES		<u>62,653,494</u>	<u>63</u>	<u>50,625,383</u>	<u>61</u>	<u>50,923,540</u>	<u>63</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT								
Capital stock								
3110	Common stock	6(20)	5,123,269	5	5,123,269	6	5,123,269	6
Capital reserve								
3200	Capital surplus	6(21)	10,382,427	10	10,252,875	12	9,878,948	11
Retained earnings								
3310	Legal reserve	6(22)	3,292,026	3	3,197,654	4	3,197,654	4
3320	Special reserve		2,601,650	3	2,036,346	3	2,036,346	3
3350	Unappropriated earnings		5,365,548	5	5,547,850	7	5,318,670	7
Other equity								
3400	Other equity interest	6(23)	(1,888,968)	(1)	(2,601,651)	(4)	(2,646,845)	(3)
Treasury shares								
3500	Treasury shares	6(20)	(272,066)	-	(272,066)	-	(272,066)	-
31XX	Equity attributable to owners of the parent		<u>24,603,886</u>	<u>25</u>	<u>23,284,277</u>	<u>28</u>	<u>22,635,976</u>	<u>28</u>
36XX	Non-controlling interests		<u>11,867,869</u>	<u>12</u>	<u>9,216,611</u>	<u>11</u>	<u>7,756,895</u>	<u>9</u>
3XXX	TOTAL EQUITY		<u>36,471,755</u>	<u>37</u>	<u>32,500,888</u>	<u>39</u>	<u>30,392,871</u>	<u>37</u>
Significant contingent liabilities and unrecognised contract commitments								
Significant events after the balance								
3X2X	TOTAL LIABILITIES AND EQUITY		<u>\$ 99,125,249</u>	<u>100</u>	<u>\$ 83,126,271</u>	<u>100</u>	<u>\$ 81,316,411</u>	<u>100</u>

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UNAUDITED)

Items	Notes	Three months ended September 30,				Nine months ended September 30,				
		2022		2021		2022		2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(24) and 7	\$ 26,557,004	100	\$ 21,177,318	100	\$ 66,200,653	100	\$ 58,484,913	100
5000	Operating costs	6(6)(29)(30) and 7	(22,471,236)	(85)	(18,766,888)	(89)	(57,443,686)	(87)	(51,790,150)	(89)
5900	Gross profit		<u>4,085,768</u>	<u>15</u>	<u>2,410,430</u>	<u>11</u>	<u>8,756,967</u>	<u>13</u>	<u>6,694,763</u>	<u>11</u>
	Operating expenses	6(29)(30)								
6100	Sales and marketing expenses		(550,331)	(2)	(431,480)	(2)	(1,541,581)	(2)	(1,332,082)	(2)
6200	General and administrative expenses		(1,140,153)	(4)	(820,677)	(4)	(2,980,053)	(4)	(2,522,234)	(4)
6300	Research and development expenses		(690,620)	(3)	(514,997)	(2)	(1,771,025)	(3)	(1,626,583)	(3)
6450	Expected credit gain	12(2)	(51,483)	-	7,485	-	(36,198)	-	28,296	-
6000	Total operating expenses		(2,432,587)	(9)	(1,759,669)	(8)	(6,328,857)	(9)	(5,452,603)	(9)
6900	Operating income		<u>1,653,181</u>	<u>6</u>	<u>650,761</u>	<u>3</u>	<u>2,428,110</u>	<u>4</u>	<u>1,242,160</u>	<u>2</u>
	Non-operating income and expenses									
7100	Interest income	6(25)	34,196	-	17,439	-	70,199	-	60,395	-
7010	Other income	6(26) and 7	117,538	1	163,197	1	327,525	-	410,834	1
7020	Other gains and losses	6(27)	(450,033)	(2)	21,563	-	(253,243)	-	71,660	-
7050	Finance costs	6(28)	(108,867)	-	(81,629)	-	(278,375)	-	(255,138)	-
7060	Share of profit of associates and joint ventures accounted for under the equity method	6(8)	<u>106,689</u>	<u>-</u>	(96,595)	(1)	<u>222,817</u>	<u>-</u>	(13,032)	<u>-</u>
7000	Total non-operating income and expenses		(300,477)	(1)	23,975	-	88,923	-	274,719	1
7900	Income before income tax		<u>1,352,704</u>	<u>5</u>	<u>674,736</u>	<u>3</u>	<u>2,517,033</u>	<u>4</u>	<u>1,516,879</u>	<u>3</u>
7950	Income tax expense	6(31)	(430,303)	(2)	(194,670)	(1)	(855,340)	(1)	(526,989)	(1)
8200	Net income		<u>\$ 922,401</u>	<u>3</u>	<u>\$ 480,066</u>	<u>2</u>	<u>\$ 1,661,693</u>	<u>3</u>	<u>\$ 989,890</u>	<u>2</u>

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UNAUDITED)

Items	Notes	Three months ended September 30,				Nine months ended September 30,																
		2022		2021		2022		2021														
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%													
Other comprehensive (loss) income, net																						
Components of other comprehensive (loss) income that will not be reclassified to profit or loss																						
8316	Unrealized gain on equity instrument at fair value through other comprehensive income	6(2)																				
			\$	-	-	(\$	1,984)	-	(\$	18,375)	-	\$	5,457	-								
8320	Share of other comprehensive income of associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss																					
				-	-	(	767)	-		44,235	-		2,099	-							
8310	Total components of other comprehensive (loss) income that will not be reclassified to profit or loss																					
				-	-	(	2,751)	-		25,860	-		7,556	-							
Components of other comprehensive income that will be reclassified to profit or loss																						
8361	Exchange differences arising on translation of foreign operations			353,366	1	(	79,969)	-		1,085,156	1	(	833,520)	(	1)				
8370	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					(	52,871)	-		969	-	(	79,528)	-	(	6,784)	-		
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(31)				(	47,099)	-		14,085	-	(	169,968)	-		152,742	-			
8360	Total components of other comprehensive loss that will be reclassified to profit or loss						253,396	1	(	64,915)	-		835,660	1	(	687,562)	(	1)	
8300	Other comprehensive income (loss), net						\$	253,396	1	(\$	67,666)	-		\$	861,520	1	(\$	680,006)	(1)
8500	Total comprehensive (loss) income for the period						\$	1,175,797	4	\$	412,400	2	\$	2,523,213	4	\$	309,884	1				
Net income attributable to:																						
8610	Shareholders of the parent						\$	729,725	2	\$	397,434	2	\$	1,245,864	2	\$	721,556	1				
8620	Non-controlling interests							192,676	1		82,632	-		415,829	1		268,334	1				
	Total						\$	922,401	3	\$	480,066	2	\$	1,661,693	3	\$	989,890	2				
Total comprehensive (loss) income attributable to:																						
8710	Shareholders of the parent						\$	918,120	3	\$	339,291	2	\$	1,958,547	3	\$	111,057	1				
8720	Non-controlling interests							257,677	1		73,109	-		564,666	1		198,827	-				
	Total						\$	1,175,797	4	\$	412,400	2	\$	2,523,213	4	\$	309,884	1				
Basic earnings per share (in dollars)																						
9750	Total basic earnings per share	6(32)					\$		1.51	\$		0.82	\$		2.57	\$		1.49				
Diluted earnings per share (in dollars)																						
9850	Total diluted earnings per share	6(32)					\$		1.49	\$		0.82	\$		2.55	\$		1.48				

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Equity attributable to owners of the parent											
Notes	Retained earnings					Other equity interest			Total equity attributable to shareholders of the parent	Non-controlling interest	Total equity
	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares			
Nine months ended September 30, 2021											
	\$ 5,123,269	\$ 9,828,746	\$ 3,002,026	\$ 2,334,534	\$ 5,782,390	(\$ 1,730,123)	(\$ 306,223)	(\$ 272,066)	\$ 23,762,553	\$ 6,321,335	\$ 30,083,888
	-	-	-	-	721,556	-	-	-	721,556	268,334	989,890
6(23)	-	-	-	-	-	(610,968)	469	-	(610,499)	(69,507)	(680,006)
	-	-	-	-	721,556	(610,968)	469	-	111,057	198,827	309,884
Appropriation of 2020 earnings											
	-	-	195,628	-	(195,628)	-	-	-	-	-	-
	-	-	-	(298,188)	298,188	-	-	-	-	-	-
	-	-	-	-	(1,280,818)	-	-	-	(1,280,818)	-	(1,280,818)
6(21)	-	21,164	-	-	-	-	-	-	21,164	(51,610)	(30,446)
6(21)	-	237	-	-	-	-	-	-	237	(378)	(141)
6(21)	-	2,543	-	-	(7,018)	-	-	-	(4,475)	1,964	(2,511)
	-	26,258	-	-	-	-	-	-	26,258	-	26,258
	-	-	-	-	-	-	-	-	-	1,286,757	1,286,757
	\$ 5,123,269	\$ 9,878,948	\$ 3,197,654	\$ 2,036,346	\$ 5,318,670	(\$ 2,341,091)	(\$ 305,754)	(\$ 272,066)	\$ 22,635,976	\$ 7,756,895	\$ 30,392,871
Nine months ended September 30, 2022											
	\$ 5,123,269	\$ 10,252,875	\$ 3,197,654	\$ 2,036,346	\$ 5,547,850	(\$ 2,129,042)	(\$ 472,609)	(\$ 272,066)	\$ 23,284,277	\$ 9,216,611	\$ 32,500,888
	-	-	-	-	1,245,864	-	-	-	1,245,864	415,829	1,661,693
6(23)	-	-	-	-	-	679,872	32,811	-	712,683	148,837	861,520
	-	-	-	-	1,245,864	679,872	32,811	-	1,958,547	564,666	2,523,213
Appropriation of 2021 earnings											
	-	-	94,372	-	(94,372)	-	-	-	-	-	-
6(22)	-	-	-	565,304	(565,304)	-	-	-	-	-	-
	-	-	-	-	(768,490)	-	-	-	(768,490)	-	(768,490)
6(21)	-	110,200	-	-	-	-	-	-	110,200	(109,969)	231
6(21)	-	65	-	-	-	-	-	-	65	1,455	1,520
6(21)	-	3,532	-	-	-	-	-	-	3,532	1,074	4,606
	-	15,755	-	-	-	-	-	-	15,755	-	15,755
	-	-	-	-	-	-	-	-	-	2,194,032	2,194,032
	\$ 5,123,269	\$ 10,382,427	\$ 3,292,026	\$ 2,601,650	\$ 5,365,548	(\$ 1,449,170)	(\$ 439,798)	(\$ 272,066)	\$ 24,603,886	\$ 11,867,869	\$ 36,471,755

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Nine months ended September 30,	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 2,517,033	\$ 1,516,879
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property)	6(9)(10)(11)(27) (29)	2,573,514	2,416,200
Amortisation	6(12)(29)	61,446	77,813
Expected credit loss (gain)	12(2)	36,198	(28,296)
Interest expense	6(28)	278,375	255,138
Interest income	6(25)	(70,199)	(60,395)
Share of profit of associates accounted for using the equity method	6(8)	(222,817)	13,032
Loss (gain) on disposal of property, plant and equipment	6(27)	6,514	(2,099)
Gain on disposal of investments	6(27)	-	(166,209)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		1,865,247	(1,061,870)
Notes receivable		21,699	3,359
Accounts receivable		(4,274,538)	2,047,973
Accounts receivable from related parties		(127,214)	308,871
Other receivables		(112,651)	(33,325)
Other receivables from related parties		(4,877)	(5,330)
Inventories		(5,379,812)	(3,505,375)
Prepayments		(2,745,815)	(2,065,381)
Other current assets		64,307	64,150
Other non-current assets		50,859	89,583
Changes in operating liabilities			
Contract liabilities		219,182	(82,348)
Notes payable		21	(4)
Accounts payable		507,373	(3,345,389)
Accounts payables to related parties		102,632	51,245
Other payables		1,009,143	(555,821)
Refund liabilities		(78,069)	(4,532)
Other current liabilities		(152,099)	(146,917)
Other non-current liabilities		(39,968)	(139,533)
Cash outflow generated from operations		(3,894,516)	(4,358,581)
Interest received		70,199	60,395
Dividends received		78,162	71,138
Interest paid		(283,924)	(254,356)
Income tax paid		(614,487)	(630,483)
Net cash flows used in operating activities		(4,644,566)	(5,111,887)

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Nine months ended September 30,	
		2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income	12(3)	(\$ 89,460)	(\$ 173,760)
Proceeds from disposal of investments accounted for using equity method		-	138,721
Acquisition of subsidiaries and assets of other companies (net of cash acquired)		(199,214)	-
Financial assets at amortised cost		(1,204,670)	2,332,633
Proceeds from acquisition of long - term equity investment - non - subsidiaries		(120,000)	(180,000)
Acquisition of property, plant and equipment	6(35)	(1,752,862)	(2,317,512)
Proceeds from disposal of property, plant and equipment		30,774	52,608
Acquisition of intangible assets	6(12)	(44,303)	(34,621)
Proceeds from disposal of intangible assets	6(12)	-	1,049
Increase in guarantee deposits paid		(1,037,340)	(143,083)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		-	37,469
Proceeds from disposal of subsidiaries (net of cash disposed)		-	(29,246)
Increase in prepayments for business facilities		(877,815)	(593,887)
Net cash flows used in investing activities		(5,294,890)	(909,629)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings	6(36)	44,603,823	29,988,816
Repayment of short-term borrowings	6(36)	(38,168,232)	(26,418,459)
(Decrease) increase in short-term notes and bills payable	6(36)	(1,023,822)	736,052
Proceeds from long-term borrowings	6(36)	15,462,001	13,263,727
Repayment of long-term borrowings	6(36)	(11,314,996)	(14,609,917)
Repayment of lease liabilities	6(36)	(228,885)	(170,891)
Cash dividends paid	6(23)	(768,490)	(1,280,818)
Proceeds from disposal of ownership investments in subsidiaries	6(33)	-	690,000
Change in non-controlling interests		2,087,405	663,034
Net cash flows used in financing activities		10,648,804	2,861,544
Effect of change in exchange rates		391,863	(171,787)
Net increase (decrease) in cash and cash equivalents		1,101,211	(3,331,759)
Cash and cash equivalents at beginning of period		8,707,603	10,993,540
Cash and cash equivalents at end of period		\$ 9,808,814	\$ 7,661,781

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

CHENG UEI PRECISION INDUSTRY CO., LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

(Reviewed, not audited)

1. HISTORY AND ORGANIZATION

Cheng Uei Precision Industry Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on July 14, 1986 and has begun operations on July 31, 1986. The Company and its subsidiaries (collectively referred herein as the “Group”) are engaged in the manufacture of cable assemblies, connectors, battery packs, and power modules. Effective September 1999, the shares of the Company were listed on the Taiwan Stock Exchange.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on November 11, 2022.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by FSC effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
Amendments to IAS 37, ‘Onerous contracts - cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024

The Group continues to evaluate the impact of the above standards and interpretations on its financial condition and financial performance. The quantitative impact will be disclosed when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the compliance statement, basis of preparation, basis of consolidation and additional descriptions that are set out below, the rest of the principal accounting policies applied in the preparation of these consolidated financial statements are the same as those disclosed in Note 4 to the consolidated financial statements as of and for the year ended December 31, 2021. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards 34, “Interim Financial Reporting”.

The consolidated financial statements as of and for the nine months ended September 30, 2022 should be read together with the consolidated financial statements as of and for the year ended December 31, 2021.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligations.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
Basis for preparation for the current period financial statements and the 2021 consolidated financial statements is the same.

- B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
The Company	CU International Ltd. (CU)	Manufacture of electronic telecommunication components and reinvestment business	100	100	100	Note 16, 17
The Company	Culink International Ltd. (CULINK)	Reinvestment business	100	100	100	
The Company	Foxlink International Investment Ltd. (FII)	General investments holding	100	100	100	Note 16, 17
The Company	Fu Uei International Investment Ltd. (FUII)	General investments holding	100	100	100	Note 16, 17
The Company	Darts Technologies Corporation (Darts)	Manufacture and sales of electronic telecommunication and wireless components	97	97	97	
The Company	DU Precision Industry Co., Ltd. (DU Precision)	Manufacture and sales of electronic telecommunication components	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
The Company	Foxlink Technology Ltd. (FOXLINK TECH)	Reinvestment business	100	100	100	
The Company	Suntain Co., Ltd. (Suntain)	Electroplating processing services	100	100	100	
The Company	SINOBEST BROTHERS LIMITED (SINOBEST)	Reinvestment business	91.19	91.19	91.19	Note 13
The Company	FOXLINK ARIZONA INC. (FOXLINKARIZONA)	Energy service management	100	-	-	Note 1
CU	Fugang Electronic (Dongguan) Co., Ltd. (FGEDG)	Manufacture and sales of electronic telecommunication components	100	100	100	Note 16, 17
CU	New Start Industries Ltd. (NEW START)	Reinvestment business	100	100	100	
CU	Fugang Electric (Kunshan) Co., Ltd. (FGEKS)	Manufacture and sales of electronic telecommunication components	100	100	100	Note 16, 17
CU	Dong Guan Fu Shi Chang Co., Ltd. (FSC)	Manufacture and sales of electronic telecommunication components	100	100	100	
CU	Culink Tianjin Co., Ltd. (CTJ)	Manufacture and sales of electronic telecommunication components	25	25	25	
CU	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture and sales of electronic telecommunication components	83.17	83.17	83.17	Note 16, 17
CU	Foxlink Energy (Tianjin) Ltd. (FETJ)	Manufacture and sales of electronic telecommunication components	100	100	100	
CU	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	Manufacture and sales of electronic telecommunication components	49.98	49.98	49.98	
CU	Solteras Limited (SOLTERAS)	General investments holding	100	100	100	
CU	Fushineng Electronics (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	100	100	100	
CU	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	100	100	100	
CU	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture and sales of electronic telecommunication components	72	72	72	
CU	Fugang Electric (YANCHENG) Co., Ltd. (FG YANCHENG)	Manufacture and sales of electronic telecommunication components	80	80	80	
CU	Fuqiang Electric (YANCHENG) Co., Ltd. (FQ YANCHENG)	Manufacture and sales of electronic telecommunication components	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
CU	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic telecommunication components	32.86	32.86	32.86	
CU	Kunshan Fugang Investment Co., Ltd. (Kunshan Fugang Investment)	General investments holding	100	100	100	
CU	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture and sales of electronic telecommunication components	34.30	34.30	37.27	Note 6
CU	Fugang Electric (XuZhou) Co., Ltd. (FG XuZhou)	Manufacture and sales of electronic telecommunication components	21.62	21.62	21.62	Note 8, 16, 17
NEW START	Foxlink Tianjin Co., Ltd. (FTJ)	Manufacture and sales of electronic telecommunication components	100	100	100	
NEW START	Culink Tianjin Co., Ltd. (CTJ)	Manufacture and sales of electronic telecommunication components	75	75	75	
NEW START	Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd. (Xinwei)	General investments holding	50	50	50	
NEW START	Fugang Electric (Xuzhou) Co., Ltd.	Manufacture and sales of electronic telecommunication components	27.03	27.03	27.03	Note 8, 16, 17
FTJ	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture and sales of electronic telecommunication components	46.93	46.93	46.93	
FTJ	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFE)	Manufacture and sales of electronic telecommunication components	50.02	50.02	50.02	
FTJ	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture and sales of electronic telecommunication components	28	28	28	
FTJ	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic telecommunication components	50.71	50.71	50.71	
FTJ	Changde Fubo Intelligent Technology Co., Ltd. (CDFB)	Manufacture and sales of automated equipment	9.5	9.5	9.5	Note 7
KAFE	Suzhou Keyu Rui Automobile Technology Co., Ltd. (Keyu Rui)	Merchandising and manufacturing	55.56	55.56	55.56	
KAFE	Foxlink Automotive Technology Co., Ltd. (FAT)	Manufacture and sales of electronic telecommunication components	100	100	100	
CULINK	Pacific Wealth Limited (PACIFIC WEALTH)	Holding company and reinvestment business	100	100	100	
CULINK	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture and sales of electronic telecommunication components	65.70	65.70	62.73	Note 6

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
CULINK	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture and sales of electronic telecommunication components	0.73	0.73	0.73	
CULINK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORY SCIENCE INDIA)	Manufacture and sales of the components of communication and consumer electronics	0.73	0.73	0.73	
CULINK	FUGANG ELECTRIC (XUZHOU) CO., LTD. (FG XUZHOU)	Manufacture and sales of electronic telecommunication components	51.35	51.35	51.35	Note 8, 16, 17
PACIFIC WEALTH	Foxlink International Inc. (FOXLINK)	Sales agent	100	100	100	Note 16, 17
Kunshan Fugang Investment	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture and sales of electronic telecommunication components	16.83	16.83	16.83	Note 16, 17
Kunshan Fugang Investment	Fuqiang Electric (MAANSHAN) Co., Ltd. (FQ MAANSHAN)	Manufacture and sales of electronic telecommunication components	100	100	100	
Kunshan Fugang Investment	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture and sales of electronic telecommunication components	16.43	16.43	16.43	
FII	Linkmedia Co., Ltd. (LM)	Manufacture and sales of electronic telecommunication components	-	-	-	Note 4
FII	World Circuit Technology Co., Ltd. (WCT)	Manufacture and sales of electronic telecommunication components and flexible printed circuit	69.56	69.56	69.56	
FII	Proconn Technology Co., Ltd. (Proconn)	Manufacture and sales of electronic telecommunication components	-	-	-	Note 4
FII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	23.67	23.67	23.67	Note 16, 17
FII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture and sales of electronic telecommunication components	10.22	13.50	14.43	Note 9
FII	FOXLINK VIETNAM CO., LTD. (FV)	Manufacture and sales of electronic telecommunication components	100	100	100	Note 2
WCT	Value Success Limited (VALUE SUCCESS)	Holding company and reinvestment business	100	100	100	
VALUE SUCCESS	Capital Guardian Limited (CAPITAL)	Holding company and reinvestment business	100	100	100	
CAPITAL	World Circuit Technology (Hong Kong) Limited (WCTHK)	Holding company and reinvestment business	100	100	100	
WCTHK	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture and sales of electronic telecommunication components	53.07	53.07	53.07	
Darts	Benefit Right Ltd. (BENEFIT)	Reinvestment business	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
BENEFIT	Power Channel Limited (POWER)	Reinvestment business	64.25	64.25	64.25	
DU Precision	CE Link International Ltd. (CELINK)	Manufacture and sales of electronic telecommunication components	100	100	100	
FOXLINK TECH	Sinobest Brothers Limited (SINOBEST)	Manufacture and sales of electronic telecommunication components	8.81	8.81	8.81	Note 13
SINOBEST	Foxlink Myanmar Company Limited (FOXLINK MYANMAR)	Manufacture and sales of electronic telecommunication components	100	100	100	Note 5
FUII	Studio A Inc. (Studio A)	Sales of electronic telecommunication components	51	51	51	
FUII	VA Product Inc. (VA)	Sales of electronic telecommunication components	100	100	100	
FUII	Proconn Technology Co., Ltd. (Proconn)	Manufacture and sales of electronic telecommunication components	-	-	1.30	Note 4
FUII	Zhi De Investment Co., Ltd. (Zhi De Investment)	General investments holding	100	100	100	Note 16, 17
FUII	Shinfox Energy Co., Ltd. (Shinfox)	Mechanical installation and piping engineering	8.64	9.10	10.26	Note 11, 16, 17
FUII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	5.97	5.97	5.97	Note 16, 17
FUII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture and sales of electronic telecommunication components	89.78	86.50	85.57	Note 9
Zhi De Investment	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	8.55	8.55	8.55	Note 16, 17
Studio A	Straight A Inc. (Straight A)	Sales of electronic telecommunication components	100	100	100	
Studio A	Studio A Technology Limited (Studio A Hong Kong)	Sales of electronic telecommunication components	51	51	51	
Studio A	Ashop Co., Ltd. (ASHOP)	Sales of electronic telecommunication components	-	-	-	Note 10
Studio A	Jing Jing Technology Co., Ltd. (Jing Jing)	Sales of electronic telecommunication components	100	100	100	
Studio A	Junezhe Co., Ltd. (Junezhe)	Dredging industry	25	25	25	Note 2, 14
Studio A Hong Kong	Studio A Macau Limited (Studio A Macau)	Sale of electronic telecommunication components	-	100	100	Note 3
Studio A Hong Kong	ASHOP CO., LTD. (ASHOP)	Sales of electronic telecommunication components	100	100	100	Note 10
FGEKS	Kunshan Fugang Electric Trading Co., Ltd. (KFET)	Sales of electronic telecommunication components	51	51	51	
KFET	Shanghai Fugang Electric Trading Co., Ltd. (SFET)	Sales of electronic telecommunication components	100	100	100	
KFET	Kunshan Fu Shi You Trading Co., Ltd. (KFSY)	Sales of electronic telecommunication components	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
KFET	Shanghai Standard Information Technology Co., Ltd. (Shanghai Standard)	Sales of electronic telecommunication components	100	100	100	
FIT Holding	Power Quotient International Co., Ltd. (PQI)	Manufacture and sales of electronic telecommunication components	100	100	100	Note 16, 17
FIT Holding	Foxlink Image Technology Co., Ltd. (Foxlink Image)	Manufacture and sales of image scanners and multifunction printers	100	100	100	Note 16, 17
FIT Holding	Glory Science Co., Ltd. (Glory Science)	Manufacture and sales of optical lens components and other products	100	100	100	Note 16, 17
FIT Holding	Shih Fong Power Co., Ltd. (Shih Fong)	Energy service management	16.30	16.30	16.30	Note 12
PQI	Power Quotient International (H.K.) Co., Ltd. (PQI H.K.)	Sales of electronic telecommunication components	100	100	100	
PQI	PQI Japan Co., Ltd. (PQI JAPAN)	Sales of electronic telecommunication components	100	100	100	
PQI	Syscom Development Co., Ltd. (SYSCOM)	Specialized investments holding	100	100	100	
PQI	Apix Limited (APIX)	Specialized investments holding	100	100	100	
PQI	PQI Mobility Inc. (PQI MOBILITY)	Specialized investments holding	100	100	100	
PQI	Power Sufficient International Co., Ltd. (PSI)	Sales of medical instruments	100	100	100	
PQI	Shinfox Energy Co. Ltd. (Shinfox)	Energy service management	47.63	50.18	57.39	Note 11, 16, 17
SYSCOM	PQI Corporation (PQI USA)	Sales of electronic telecommunication components	-	-	-	Note 4
SYSCOM	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture and sales of electronic telecommunication components	99.27	99.27	99.27	
PQI MOBILITY	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture and sales of electronic telecommunication components	100	100	100	Note 16, 17
APIX	Sinocity Industries Limited (Sinocity)	Sales of 3C products	100	100	100	Note 5
APIX	Perennial Ace Limited (Perennial)	Specialized investments holding	100	100	100	
Shinfox	Foxwell Energy Corporation Ltd. (Foxwell Energy)	Energy service management	100	100	100	Note 16, 17
Shinfox	Shinfox Natural Gas Co., Ltd. (Shinfox Natural Gas)	Energy service management	80	80	80	
Shinfox	Kunshan Jiuwei Info Tech Co., Ltd. (Kunshan Jiuwei)	Supply chain finance energy service management	100	100	100	
Shinfox	Foxwell Power Co., Ltd. (Foxwell Power)	Energy service management	80.23	99	99	
Shinfox	Junezhe Co., Ltd. (Junezhe)	Dredging industry	33.50	33.50	33.50	Note 2, 14

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
Shinfox	Jiuwei Power Co., Ltd. (Jiuwei Power)	Business of natural gas power generation	100	100	-	Note 2
Shinfox	Elegant Energy TECH Co., Ltd. (Elegant Energy)	Energy service management	100	-	-	Note 1
Shinfox	Yuanshan Forest Natural Resources Co., Ltd. (Yuanshan Forest)	Afforestation	100	-	-	Note 1
Shinfox	Diwei Power Co., Ltd (Diwei Power)	Electricity generating enterprise	100	-	-	Note 1
Shinfox	Guanwei Power Co., Ltd (Guanwei Power)	Electricity generating enterprise	100	-	-	Note 1
Foxwell Energy	Liangwei Power Co., Ltd (Liangwei Power)	Electricity generating enterprise	100	-	-	Note 1
Sinocity Industries	DG LIFESTYLE STORE LIMITED (DG)	Sales of 3C products	100	100	100	Note 5
Perennial	Studio A Technology Limited (Studio A Hong Kong)	Sales of 3C products	24.50	24.50	24.50	
PQI YANCHENG	PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic telecommunication components	100	100	100	
Foxlink Image	ACCU-IMAGE TECHNOLOGY LIMITED (AITL)	Manufacture and sales of image scanners and multifunction printers	100	100	100	Note 16, 17
Foxlink Image	Shih Fong Power Co., Ltd. (Shih Fong)	Energy service management	34.70	34.70	34.70	Note 12
AITL	POWER CHANNEL LIMITED (POWER)	Holding company and reinvestment business	35.75	35.75	35.75	
AITL	Dongguan Fu Wei Electronics Co., Ltd. (Dongguan Fu Wei)	Manufacture and sales of image scanners and multifunction printers	100	100	100	Note 16, 17
AITL	Dong Guan Fu Zhang Precision Industry Co., Ltd. (DGFZ)	Mould development and moulding tool manufacture	100	100	100	
AITL	Wei Hai Fu Kang Electric Co., Ltd. (WHFK)	Manufacture and sales of parts and moulds of photocopiers and scanners	100	100	100	
AITL	Dong Guan HanYang Computer Co., Ltd. (DGHY)	Manufacture of image scanners and multifunction printers and investment of real estate	100	100	100	
Glory Science	GLORY TEK (BVI) CO., LTD. (GLORY TEK)	General investments holding	100	100	100	Note 16, 17
GLORY TEK	GLORY OPTICS (BVI) CO., LTD. (GLORY OPTICS)	Sales agent	100	100	100	Note 16, 17
GLORY TEK	GLORY TEK (SAMOA) CO., LTD. (GLORY TEK (SAMOA))	General investments holding	100	100	100	Note 16, 17
GLORY TEK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORYTEK SCIENCE INDIA)	Manufacture and sales of the components of communication and consumer electronics	99.27	99.27	99.27	Note 16, 17
GLORY TEK (SAMOA)	Glorytek (Suzhou) Co., Ltd. (Glorytek Suzhou)	Production and processing and sale of optical lens components and other products	100	100	100	Note 16, 17

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
GLORY TEK (SAMOA)	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	34.88	34.88	34.88	Note 16, 17
GLORY OPTICS	Glorytek (Yancheng) Co., Ltd. (Glorytek Yancheng)	Production and processing and sale of optical lens components and other products	100	100	100	Note 16, 17
Glorytek Yancheng	Yancheng Yaowei Technology Co., Ltd. (YYWT)	Production and processing and sale of optical lens components and other products	100	100	100	Note 16, 17
GLORY Suzhou	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	65.12	65.12	65.12	Note 16, 17

Note 1: Investment or incorporation began in 2022.

Note 2: Investment or incorporation began in 2021.

Note 3: Dissolved or liquidated in 2022.

Note 4: Dissolved or liquidated in 2021.

Note 5: With balance sheet date of March 31. For the preparation of consolidated financial statements, the Company had required FOXLINK MYANMAR, and PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date on December 31 to conform to the balance sheet date of the consolidated financial statements.

Note 6: CULINK has participated in Foxlink India's capital increase in 2021. After the capital increment, Foxlink India became a wholly-owned subsidiary of CULINK and CU with 65.70% and 34.30% ownership, respectively.

Note 7: Foxlink Tianjin Co., Ltd. sold 60.5% equity interests of Changde Fubo Intelligent Technology Co., Ltd. in May 2021 and as a result, the Group decreased its share interest down to 9.5%. After the assessment, the Group lost its control and significant influence over Changde Fubo Intelligent Technology Co., Ltd. which was reclassified as financial assets at fair value through other comprehensive income. Please refer to Note 6(2) for details.

Note 8: CULINK and NEW START increased its investments in FG Xuzhou in May 2021. After the capital increment, CULINK, NEW START and CU hold 51.35%, 27.03% and 21.62% ownership in FG Xuzhou, respectively, at a total shareholding ratio of 100% in FG Xuzhou.

Note 9: FII and FUII subsequently invested in FIE in 2021 and 2022. After the capital increment, FII and FUII hold 10.22% and 89.78% ownership in FIE, respectively, at a total shareholding ratio of 100% in FIE.

Note 10: Studio A sold 100% of its shares in ASHOP to Studio A Hong Kong on January 12, 2021, which was classified as a reorganization of entities under common control.

Note 11: Shinfox increased its capital on April 27, 2021, November 11, 2021 and May 10, 2022. FUII and PQI did not acquire shares proportionally to its interest. As a result, FUII and PQI decreased their share interest from 10.50% to 8.64% and 58.74% to 47.63%, respectively.

Note 12: FIT Holding sold 25% of ownership in Shih Fong in March 2021. As a result, the total ownership of Shih Fong jointly held by FIT Holding and Foxlink Image amounted to 51% with 16.3% and 34.70% ownership, respectively. FIT Holding and Foxlink Image still have control over Shih Fong.

Note 13: FOXLINK TECH invested in SINOBEST on November 27, 2021. After the capital increment, SINOBEST became a wholly-owned subsidiary of FOXLINK TECH and the Company with 8.81% and 91.19% ownership, respectively.

Note 14: Studio A had participated in Septemberzhe's capital increase in September 2021. Septemberzhe subsequently increased its capital in August 2021, however, Studio A and Shinfox did not acquire shares proportionally to its interest. After the capital increment, Studio A and Shinfox hold 25% and 33.5% ownership in Septemberzhe, respectively, for a total shareholding ratio of 58.50% in Septemberzhe.

Note 15: PQI Mobility Inc. completed the registration of cancellation in October 2022.

Note 16: The financial statements for the nine months ended September 30, 2022 were reviewed by the independent auditors of the company.

Note 17: The financial statements for the nine months ended September 30, 2021 were reviewed by the independent auditors of the company.

C. Subsidiaries not included in the consolidated financial statements:

Investor	Subsidiary	Main activity	Ownership(%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
FII	Yixin Precision Industry Co., Ltd. (YX)	Manufacture of electronic telecommunication components and electronic machinery equipment	75	75	75	Note 1
Studio A	Tayih Digital Technology Co., Ltd. (TAYIH)	Manufacture of electronic telecommunication components	60	60	60	Note 2

Note 1: The ratio of total assets to the Company's total assets was insignificant, and it was approved by the Ministry of Economic Affairs on October 5, 2004 to be dissolved and is currently undergoing liquidation procedures. Thus, this subsidiary was not included in the consolidated financial statements.

Note 2: The ratio of total assets to the Company's total assets was insignificant, and it was approved by the Ministry of Economic Affairs on July 7, 2010 to be dissolved and is currently undergoing liquidation procedures. Thus, this subsidiary was not included in the consolidated financial statements.

D. Adjustments for subsidiaries with different balance sheet dates:

Sinocity and DG are subsidiaries of PQI in Hong Kong and Macau, respectively, with balance sheet date of March 31. For the preparation of consolidated financial statements, PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform with the balance sheet date of the Group.

FOXLINK MYANMAR is a subsidiary of SINOBEST in Myanmar with balance sheet date of March 31. For the preparation of consolidated financial statements, SINOBEST had required FOXLINK MYANMAR as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform to the balance sheet date of the consolidated financial statements.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of September 30, 2022, December 31, 2021 and September 30, 2021, the non-controlling interest amounted to \$11,867,869, \$9,216,611 and \$7,756,895, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest					
		September 30, 2022		December 31, 2021		September 30, 2021	
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)
FIT Holding	Taiwan	\$ 4,822,511	61.81%	\$ 4,534,303	61.81%	\$ 4,226,235	61.81%

Summarised financial information of the subsidiaries:

Balance sheets

	FIT Holding		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 20,225,539	\$ 15,569,224	\$ 14,031,273
Non-current assets	10,028,196	8,974,612	9,108,035
Current liabilities	(11,222,570)	(9,293,411)	(10,011,056)
Non-current liabilities	(4,252,841)	(3,259,907)	(3,057,501)
Total net assets	\$ 14,778,324	\$ 11,990,518	\$ 10,070,751

Statements of comprehensive income

	<u>FIT Holding</u>	
	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue	\$ 2,506,468	\$ 2,297,690
Profit before income tax	300,461	147,807
Income tax expense	(63,945)	(25,543)
Profit for the period from continuing operations	210,839	103,513
Profit from non-controlling interest	25,677	18,751
Profit for the period	236,516	122,264
Other comprehensive income (loss) (net of tax)	104,927	(134,345)
Total comprehensive income (loss) for the period	<u>\$ 341,443</u>	<u>(\$ 12,081)</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 25,780</u>	<u>\$ 17,663</u>
Dividends paid to non-controlling interest	<u>\$ 228,289</u>	<u>\$ 154,314</u>

	<u>FIT Holding</u>	
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue	\$ 8,200,280	\$ 6,259,013
Profit before income tax	667,622	481,444
Income tax expense	(157,818)	(127,786)
Profit for the period from continuing operations	438,274	230,279
Profit from non-controlling interest	71,530	123,379
Profit for the period	509,804	353,658
Other comprehensive income (loss) (net of tax)	(65,374)	(337,523)
Total comprehensive income (loss) for the period	<u>\$ 444,430</u>	<u>\$ 16,135</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 71,843</u>	<u>\$ 128,002</u>
Dividends paid to non-controlling interest	<u>\$ 228,289</u>	<u>\$ 154,314</u>

Statements of cash flows

	FIT Holding	
	Nine months ended September 30,	
	2022	2021
Net cash used in operating activities	(\$ 1,894,395)	(\$ 2,350,968)
Net cash (used in) provided by investing activities	(3,534,123)	1,668,690
Net cash provided by financing activities	6,408,533	52,459
Effect of exchange rates on cash and cash equivalents	132,115	(1,314)
Increase (decrease) in cash and cash equivalents	1,112,130	(631,133)
Cash and cash equivalents, beginning of period	4,968,346	5,148,889
Cash and cash equivalents, end of period	<u>\$ 6,080,476</u>	<u>\$ 4,517,756</u>

(4) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 5 years.

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

C. Trademark right (indefinite useful life)

Trademark right acquired from business combinations is stated at cost and regarded as having an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. Trademark right is not amortised, but is tested annually for impairment.

D. Customer relationships

Customer relationships are amortised on a straight-line basis over its estimated useful life of 4 years.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

No significant changes during the period, please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2021.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Cash on hand and revolving funds	\$ 35,215	\$ 27,752	\$ 31,225
Checking accounts and demand deposits	5,962,450	5,713,195	4,771,275
Cash equivalents			
Time deposits	3,811,149	2,866,694	2,859,281
Short-term notes and bills	-	99,962	-
Total	<u>\$ 9,808,814</u>	<u>\$ 8,707,603</u>	<u>\$ 7,661,781</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

<u>Items</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Non-current items:			
Equity instruments			
Unlisted stocks	\$ 1,916,832	\$ 1,808,371	\$ 1,806,461
Valuation adjustment	(706,033)	(692,060)	(431,902)
	<u>\$ 1,210,799</u>	<u>\$ 1,116,311</u>	<u>\$ 1,374,559</u>

A. The Group has elected to classify equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. As of September 30, 2022, December 31, 2021 and September 30, 2021, the fair value of such investments amounted to \$1,210,799, \$1,116,311 and \$1,374,559, respectively.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ -	(\$ 1,984)

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	(\$ 18,375)	\$ 5,457

C. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(3) Financial assets at amortised cost

<u>Items</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Current items:			
Repatriation of capital from Taiwan's offshore companies	\$ 86,810	\$ 76,009	\$ 76,571
Time deposits maturing over three months	330,209	297,126	411,365
Restricted deposits	1,334,247	16,553	2,729,303
Pledged time deposits	1,809,934	1,868,617	8,959,756
	<u>\$ 3,561,200</u>	<u>\$ 2,258,305</u>	<u>\$ 12,176,995</u>
Non-current items:			
Restricted deposits	\$ 14,038	\$ 14,021	\$ 13,992
Pledged time deposits	32,853	131,095	130,327
	<u>\$ 46,891</u>	<u>\$ 145,116</u>	<u>\$ 144,319</u>

Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

(4) Accounts receivable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts receivable	\$ 20,755,927	\$ 16,481,390	\$ 14,380,630
Less: Loss allowance	(150,626)	(111,508)	(89,409)
	<u>\$ 20,605,301</u>	<u>\$ 16,369,882</u>	<u>\$ 14,291,221</u>

A. The information on the Group's ageing analysis of accounts receivable is provided in Note 12(2).

B. As of September 30, 2022, December 31, 2021 and September 30, 2021, accounts receivable were all from contracts with customers. And as of January 1, 2021, the balance of receivables from contracts with customers amounted to \$16,428,603.

C. The quality information of accounts receivable is based on customers' credit ranking and recoverable period of receivables in order to calculate the accrual of impairment. The Group's internal credit ranking policy is that the Group's business and management segment assesses periodically whether the credit ranking of existing customers is appropriate and adjusts to obtain the latest information when necessary. Customers' credit ranking assessment is based on industrial operating scale, profitability and ranking assessed by financial insurance institutions.

The Group has insured accounts receivable of certain customers and the Group will receive 80%~90% compensation if bad debts occur.

D. The Group does not hold any collateral as security.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(5) Transfer of financial assets

A. The Group entered into a factoring agreement with the banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

September 30, 2022							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided
Bank of Taiwan	\$ 621,663	\$ 621,663	\$ 4,762,500	\$ 559,497	\$ 62,166	2.81%~3.81%	None
Citibank	11,113	11,113	11,113	11,113	-	2.59%~3.87%	None
Mega International Commercial Bank	439,216	439,216	1,587,500	395,294	43,922	4.30%	None
December 31, 2021							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided
Bank of Taiwan	\$ 454,358	\$ 454,358	\$ 4,152,000	\$ 408,922	\$ 45,436	0.39%~0.58%	None
Citibank	434,486	434,486	434,486	434,486	-	1.08%~1.2%	None
Mega International Commercial Bank	550,224	550,224	1,384,000	495,202	55,022	0.95%	None
September 30, 2021							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided
Bank of Taiwan	\$ 448,856	\$ 448,856	\$ 4,177,500	\$ 403,970	\$ 44,886	0.43%	None
Citibank	364,697	364,697	364,697	364,697	-	1.05%~1.09%	None
Mega International Commercial Bank	704,191	704,191	1,392,500	633,772	70,419	0.82%	None

B. As of September 30, 2022, December 31, 2021 and September 30, 2021, the Group issued promissory notes to some banks for the factoring agreements signed.

(6) Inventories

	September 30, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 10,765,813	(\$ 514,749)	\$ 10,251,064
Work in progress and semi-finished goods	3,272,181	(28,660)	3,243,521
Finished goods (including merchandise)	7,428,404	(163,811)	7,264,593
Inventory in transit	73,322	-	73,322
	<u>\$ 21,539,720</u>	<u>(\$ 707,220)</u>	<u>\$ 20,832,500</u>

	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 8,004,897	(\$ 485,863)	\$ 7,519,034
Work in progress and semi-finished goods	2,772,536	(36,351)	2,736,185
Finished goods (including merchandise)	5,343,611	(161,729)	5,181,882
Inventory in transit	42,159	-	42,159
	<u>\$ 16,163,203</u>	<u>(\$ 683,943)</u>	<u>\$ 15,479,260</u>

	September 30, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 8,992,862	(\$ 448,728)	\$ 8,544,134
Work in progress	2,920,546	(100,797)	2,819,749
Finished goods (including merchandise)	5,478,736	(144,552)	5,334,184
Inventory in transit	68,932	-	68,932
	<u>\$ 17,461,076</u>	<u>(\$ 694,077)</u>	<u>\$ 16,766,999</u>

The cost of inventories recognised as expense for the period:

	Three months ended September 30,	
	2022	2021
Cost of inventories sold	\$ 22,635,764	\$ 18,795,748
(Gain on reversal of) loss on decline in market value	(928)	24,830
Others (revenue from sale of scraps)	(163,600)	(53,690)
	<u>\$ 22,471,236</u>	<u>\$ 18,766,888</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Cost of inventories sold	\$ 57,723,611	\$ 51,996,375
Loss on decline in market value	23,277	142,709
Others (revenue from sale of scraps)	(303,202)	(348,934)
	<u>\$ 57,443,686</u>	<u>\$ 51,790,150</u>

The Group reversed from a previous inventory write-down because obsolete and slow-moving inventories and inventories with decline in market value were partially sold by the Group during the three months ended September 30, 2022.

(7) Prepayments

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Construction prepayment	\$ 4,250,221	\$ 2,123,863	\$ 1,912,857
Overpaid VAT	1,158,856	852,374	623,204
Others	750,027	436,728	696,419
	<u>\$ 6,159,104</u>	<u>\$ 3,412,965</u>	<u>\$ 3,232,480</u>

(8) Investments accounted for using equity method

Investee	<u>September 30, 2022</u>		<u>December 31, 2021</u>	
	Amount	Ownership percentage (%)	Amount	Ownership percentage (%)
Associates:				
Central Motion Picture Corporation	\$ 1,739,447	17.49%	\$ 1,712,307	17.49%
Well Shin Technology Co., Ltd.	1,266,312	18.84%	1,157,286	18.84%
Sharetronic Data Technology Co., Ltd.	1,256,581	19.94%	1,123,279	19.94%
Chung Chia Power Co., Ltd.	172,567	20.00%	177,038	20.00%
CMPC Cultural & Creative Co., Ltd.	127,753	42.86%	115,149	42.86%
Dongguan Banrin Robot Technology Co., Ltd.	131,394	31.03%	129,169	31.03%
TEGNA ELECTRONICS PRIVATE LIMITED	38,056	30.00%	38,117	30.00%
Synergy Co., Ltd.	33,136	36.76%	35,845	36.76%
CYNC Design Co., Ltd.	8,969	15.38%	9,984	15.38%
Microlink Communications Inc.	(22,026)	21.43%	(21,511)	21.43%
	4,752,189		4,476,663	
Joint venture:				
Chung Chia Power Co., Ltd.	117,830	50.00%	-	-
Add: Prepayments for investments				
-JOURN TA BROTHERS LIMITED	227,072		151,907	
Credit balance of long-term equity investments reclassified to other non-current liabilities	22,026		21,511	
	<u>\$ 5,119,117</u>		<u>\$ 4,650,081</u>	

Investee	September 30, 2021	
	Amount	Ownership percentage (%)
Central Motion Picture Corporation	\$ 1,794,277	17.49%
Sharetronic Data Technology Co., Ltd.	1,086,723	19.94%
Well Shin Technology Co., Ltd.	1,143,044	18.84%
Foxwell Energy Co., Ltd.	-	-
Castles Technology Co., Ltd.	-	-
CMPC Cultural & Creative Co., Ltd.	117,668	42.86%
Dongguan Banrin Robot Technology Co., Ltd.	121,653	31.03%
TEGNA ELECTRONICS PRIVATE LIMITED	38,457	30.00%
CYNC Design Co., Ltd.	9,992	15.38%
Chung Chia Power Co., Ltd.	178,269	20.00%
Microlink Communications Inc.	(21,287)	21.43%
	4,468,796	
Add: Prepayments for investments		
-JOURN TA BROTHERS LIMITED	151,907	
Credit balance of long-term equity investments reclassified to other non-current liabilities	21,287	
	<u>\$ 4,641,990</u>	

A. For the three months and nine months ended September 30, 2022 and 2021, except for Well Shin Technology Co., Ltd. and Castles Technology Co., Ltd., which were recognised based on their financial statements reviewed by independent auditors, share of the profit or loss of other associates and joint ventures amounting to \$62,926, \$22,780, \$118,847 and \$56,037, respectively, were not reviewed by independent auditors.

B. Associates

(a) The basic information of the associates that are material to the Group is summarised below:

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Methods of measurement
		September 30, 2022	December 31, 2021	September 30, 2021		
Central Motion Picture Corporation	Taiwan	17.49%	17.49%	17.49%	Note	Equity method
Well Shin Technology Co., Ltd.	Taiwan	18.84%	18.84%	18.84%	Note	Equity method

Note : As the Group's management holds several seats in the Board of Directors of Central Motion Picture Corporation and Well Shin Technology Co., Ltd., the Group is assessed to have significant influence.

(b) Summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

	Central Motion Picture Corporation		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 496,587	\$ 474,618	\$ 456,798
Non-current assets	17,207,161	17,087,337	17,582,540
Current liabilities	(154,046)	(5,125,799)	(1,105,920)
Non-current liabilities	(6,192,067)	(1,233,697)	(5,274,290)
Total net assets	\$ 11,357,635	\$ 11,202,459	\$ 11,659,128
Share in associate's net assets	\$ 1,739,447	\$ 1,712,307	\$ 1,794,277
Goodwill	-	-	-
Carrying amount of the associates	\$ 1,739,447	\$ 1,712,307	\$ 1,794,277

	Well Shin Technology Co., Ltd.		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 6,163,243	\$ 5,842,419	\$ 5,720,272
Non-current assets	2,479,521	2,483,588	2,492,600
Current liabilities	(1,454,623)	(1,811,697)	(1,780,505)
Non-current liabilities	(661,739)	(566,516)	(560,155)
Total net assets	\$ 6,526,402	\$ 5,947,794	\$ 5,872,212
Share in associate's net assets	\$ 1,229,723	\$ 1,120,697	\$ 1,106,455
Goodwill	36,589	36,589	36,589
Carrying amount of the associates	\$ 1,266,312	\$ 1,157,286	\$ 1,143,044

Statement of comprehensive income

	Central Motion Picture Corporation	
	Three months ended September 30,	
	2022	2021
Revenue	\$ 124,569	\$ 102,219
Profit (loss) for the period from continuing operations	\$ 50,616	(\$ 864,953)
Other comprehensive loss, net of tax	-	(7,000)
Total comprehensive income (loss)	\$ 50,616	(\$ 871,953)
Dividends received from associates	\$ 15,436	\$ 15,432

	Central Motion Picture Corporation	
	Nine months ended September 30,	
	2022	2021
Revenue	\$ 359,601	\$ 304,405
Profit (loss) for the period from continuing operations	\$ 63,194	(\$ 869,773)
Other comprehensive income, net of tax	183,229	12,000
Total comprehensive income (loss)	\$ 246,423	(\$ 857,773)
Dividends received from associates	\$ 15,436	\$ 15,432

	<u>Well Shin Technology Co., Ltd.</u>	
	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue	\$ 1,697,267	\$ 1,540,272
Profit for the period from continuing operations	\$ 333,943	\$ 120,898
Other comprehensive loss, net of tax	61,902	(6,529)
Total comprehensive income	\$ 395,845	\$ 114,369
Dividends received from associates	\$ 44,565	\$ 55,706

	<u>Well Shin Technology Co., Ltd.</u>	
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue	\$ 4,685,303	\$ 4,074,770
Profit for the period from continuing operations	630,729	297,997
Other comprehensive income (loss), net of tax	184,386	(61,802)
Total comprehensive income	\$ 815,115	\$ 236,195
Dividends received from associates	\$ 44,565	\$ 55,706

(c) The carrying amount of the Group's interests in all individually immaterial associates (Note) and the Group's share of the operating results are summarised below:

As of September 30, 2022, December 31, 2021 and September 30, 2021, the carrying amount of the Group's individually immaterial associates amounted to \$1,864,260, \$1,607,070 and \$1,531,475, respectively.

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Profit for the period from continuing operations	\$ 429,823	\$ 141,661
Total comprehensive income	\$ 429,823	\$ 141,661

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Profit for the period from continuing operations	\$ 480,231	\$ 424,672
Total comprehensive income	\$ 480,231	\$ 424,672

Note: Sharetronic Data, Castles, CMPC Cultural & Creative, Microlink, CYNC, Chung Chia Power, Banrin, Synergy, TEGNA and Foxwell Energy.

(d) The fair value of the Group's material associates with quoted market prices is as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Well Shin Technology Co., Ltd.	\$ 1,019,421	\$ 1,074,013	\$ 1,051,730

- C. The Group is the single largest shareholder of Well Shin Technology Co., Ltd. with an 18.84% equity interest. Given that it was a strategic investment, and the Group had no involvement in its substantial operations and no active participation at the last shareholders' meeting by other shareholders, which indicates that the Group has no current ability to direct the relevant activities of Well Shin Technology Co., Ltd., the Group has no control, but only has significant influence, over the investee.
- D. The Group has signed a stock purchase agreement with an individual on September 30, 2014 to purchase all the Company's shares in CMPC amounting to \$150,000 thousand. As of September 30, 2022, uncollected amount was \$141,000 thousand (shown as 'notes receivable') and accrued impairment loss was \$141,000 thousand.
- E. Central Motion Picture Corporation is a litigating party contesting the decision No. 107007 rendered by Ill-gotten Party Assets Settlement Committee on October 9, 2018. Please refer to Note 9(1)A for details on the lawsuit.
- F. The Group gradually sold its equity interests in Castles Technology Co., Ltd. in 2021. As a result, it assessed that it has lost significant influence over the investee after the disposals and subsequently recognised it as financial assets at fair value through other comprehensive income. A gain on disposal of investments amounting to \$110,320 was recognised due to the above transactions.
- G. FIT Holding resigned from the Board of Directors of Foxwell Energy Co., Ltd. on May 20, 2021. As a result, it assessed that it has lost significant influence over the investee and subsequently recognised it as financial assets at fair value through other comprehensive income.

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(9) Property, plant and equipment

	2022						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Construction-in-progress	Total
At January 1							
Cost	\$ 412,428	\$ 15,758,297	\$ 14,361,180	\$ 496,163	\$ 5,018,465	\$ 967,680	\$ 37,014,213
Accumulated depreciation and impairment	-	(3,939,028)	(8,298,577)	(348,110)	(3,403,530)	-	(15,989,245)
	<u>\$ 412,428</u>	<u>\$ 11,819,269</u>	<u>\$ 6,062,603</u>	<u>\$ 148,053</u>	<u>\$ 1,614,935</u>	<u>\$ 967,680</u>	<u>\$ 21,024,968</u>
Opening net book amount	\$ 412,428	\$ 11,819,269	\$ 6,062,603	\$ 148,053	\$ 1,614,935	\$ 967,680	\$ 21,024,968
Additions	-	67,115	1,318,096	46,407	287,116	55,733	1,774,467
Disposals	-	-	(21,873)	(4,075)	(11,340)	-	(37,288)
Reclassifications	-	86,420	206,481	25,611	58,035	(7,930)	368,617
Depreciation charge	-	(304,546)	(1,532,222)	(65,803)	(414,719)	-	(2,317,290)
Net exchange differences	-	286,626	156,871	8,222	48,496	2,714	502,929
Closing net book amount	<u>\$ 412,428</u>	<u>\$ 11,954,884</u>	<u>\$ 6,189,956</u>	<u>\$ 158,415</u>	<u>\$ 1,582,523</u>	<u>\$ 1,018,197</u>	<u>\$ 21,316,403</u>
At September 30							
Cost	\$ 412,428	\$ 16,237,039	\$ 15,717,001	\$ 556,117	\$ 5,260,259	\$ 1,018,197	\$ 39,201,041
Accumulated depreciation and impairment	-	(4,282,155)	(9,527,045)	(397,702)	(3,677,736)	-	(17,884,638)
	<u>\$ 412,428</u>	<u>\$ 11,954,884</u>	<u>\$ 6,189,956</u>	<u>\$ 158,415</u>	<u>\$ 1,582,523</u>	<u>\$ 1,018,197</u>	<u>\$ 21,316,403</u>

	2021						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Construction-in-progress	Total
At January 1							
Cost	\$ 412,428	\$ 15,907,527	\$ 12,450,964	\$ 475,377	\$ 5,178,599	\$ 946,162	\$ 35,371,057
Accumulated depreciation and impairment	-	(3,406,798)	(7,358,879)	(334,007)	(3,420,950)	-	(14,520,634)
	<u>\$ 412,428</u>	<u>\$ 12,500,729</u>	<u>\$ 5,092,085</u>	<u>\$ 141,370</u>	<u>\$ 1,757,649</u>	<u>\$ 946,162</u>	<u>\$ 20,850,423</u>
Opening net book amount	\$ 412,428	\$ 12,500,729	\$ 5,092,085	\$ 141,370	\$ 1,757,649	\$ 946,162	\$ 20,850,423
Additions	-	21,954	2,059,561	53,015	294,797	46,776	2,476,103
Disposals	-	-	(14,670)	(10,806)	(25,033)	-	(50,509)
Disposal of subsidiaries	-	-	-	-	(44,094)	-	(44,094)
Reclassifications	-	8,091	522,803	21,085	70,928	(22,098)	600,809
Reclassified as non-current assets held for sale	-	-	(15,599)	-	-	-	(15,599)
Depreciation charge	-	(290,765)	(1,416,298)	(60,570)	(456,712)	-	(2,224,345)
Net exchange differences	-	(259,162)	(96,885)	(1,025)	(35,596)	(33,376)	(426,044)
Closing net book amount	<u>\$ 412,428</u>	<u>\$ 11,980,847</u>	<u>\$ 6,130,997</u>	<u>\$ 143,069</u>	<u>\$ 1,561,939</u>	<u>\$ 937,464</u>	<u>\$ 21,166,744</u>
At September 30							
Cost	\$ 412,428	\$ 15,781,139	\$ 14,117,975	\$ 477,969	\$ 5,683,929	\$ 937,464	\$ 37,410,904
Accumulated depreciation and impairment	-	(3,800,292)	(7,986,978)	(334,900)	(4,121,990)	-	(16,244,160)
	<u>\$ 412,428</u>	<u>\$ 11,980,847</u>	<u>\$ 6,130,997</u>	<u>\$ 143,069</u>	<u>\$ 1,561,939</u>	<u>\$ 937,464</u>	<u>\$ 21,166,744</u>

The Group's property, plant and equipment were pledged to others as collateral, please refer to Note 8 for detailed information.

(10) Leasing arrangements-lessee

A. The Group leases various assets including land, buildings, transportation equipment. Rental contracts are typically made for periods of 2 to 70 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 1,234,804	\$ 1,253,492	\$ 1,248,490
Buildings	960,113	319,389	307,753
Transportation equipment (Business vehicles)	4,807	4,412	4,224
Office equipment (Photocopiers)	29	81	99
	<u>\$ 2,199,753</u>	<u>\$ 1,577,374</u>	<u>\$ 1,560,566</u>

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 11,138	\$ 10,720
Buildings	76,082	46,463
Transportation equipment (Business vehicles)	817	600
Office equipment (Photocopiers)	17	18
	<u>\$ 88,054</u>	<u>\$ 57,801</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 36,287	\$ 36,639
Buildings	207,622	143,677
Transportation equipment (Business vehicles)	2,433	1,799
Office equipment (Photocopiers)	52	52
	<u>\$ 246,394</u>	<u>\$ 182,167</u>

C. For the three months and nine months ended September 30, 2022 and 2021, the additions to right-of-use assets amounted to \$129,564, \$26,238, \$803,085 and \$151,553, respectively.

D. The information on income and expense accounts relating to lease contracts is as follows:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,879	\$ 1,621
Expense on short-term lease contracts	8,481	9,572
Expense on leases of low-value assets	957	231
Expense on variable lease payments	11,149	11,285

	Nine months ended September 30,	
	2022	2021
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 8,388	\$ 5,102
Expense on short-term lease contracts	27,387	36,116
Expense on leases of low-value assets	1,959	1,233
Expense on variable lease payments	36,393	36,759

E. For the three months and nine months ended September 30, 2022 and 2021, the Group's total cash outflow for leases amounted to \$103,763, \$64,654, \$294,624 and \$243,310, respectively.

F. Variable lease payments

(a) Some of the Group's lease contracts contain variable lease payment terms that are linked to sales generated from a store or a counter in a department store and sales generated from electricity sold. For aforementioned contracts, up to 12.35% of lease payments are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons and various lease payments that depend on sales are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

(b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately \$364.

G. Please refer to Note 8 for information of right-of-use assets provided by the Group as collaterals.

(11) Investment property

	2022		
	Land	Buildings and structures	Total
At January 1			
Cost	\$ 183,076	\$ 516,422	\$ 699,498
Accumulated depreciation and impairment	-	(130,715)	(130,715)
	<u>\$ 183,076</u>	<u>\$ 385,707</u>	<u>\$ 568,783</u>
Opening net book amount	\$ 183,076	\$ 385,707	\$ 568,783
Depreciation charge	-	(9,830)	(9,830)
Net exchange differences	-	8,880	8,880
Closing net book amount	<u>\$ 183,076</u>	<u>\$ 384,757</u>	<u>\$ 567,833</u>
At September 30			
Cost	\$ 183,076	\$ 526,070	\$ 709,146
Accumulated depreciation and impairment	-	(141,313)	(141,313)
	<u>\$ 183,076</u>	<u>\$ 384,757</u>	<u>\$ 567,833</u>

	2021		
	Land	Buildings and structures	Total
At January 1			
Cost	\$ 183,076	\$ 518,891	\$ 701,967
Accumulated depreciation and impairment	-	(117,895)	(117,895)
	<u>\$ 183,076</u>	<u>\$ 400,996</u>	<u>\$ 584,072</u>
Opening net book amount	\$ 183,076	\$ 400,996	\$ 584,072
Depreciation charge	-	(9,688)	(9,688)
Net exchange differences	-	(5,095)	(5,095)
Closing net book amount	<u>\$ 183,076</u>	<u>\$ 386,213</u>	<u>\$ 569,289</u>
At September 30			
Cost	\$ 183,076	\$ 513,504	\$ 696,580
Accumulated depreciation and impairment	-	(127,291)	(127,291)
	<u>\$ 183,076</u>	<u>\$ 386,213</u>	<u>\$ 569,289</u>

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Three months ended September 30,	
	2022	2021
Rental income from the lease of the investment property	<u>\$ 4,194</u>	<u>\$ 4,293</u>
Direct operating expenses arising from the investment property that generated rental income in the period	<u>\$ 3,278</u>	<u>\$ 3,703</u>
	<u>\$ 846</u>	<u>\$ 590</u>
	Nine months ended September 30,	
	2022	2021
Rental income from the lease of the investment property	<u>\$ 12,889</u>	<u>\$ 12,886</u>
Direct operating expenses arising from the investment property that generated rental income in the period	<u>\$ 9,830</u>	<u>\$ 9,688</u>
	<u>\$ 3,059</u>	<u>\$ 3,198</u>

B. Investment property is stated initially at its cost and is depreciated on a straight-line basis over its estimated useful life. The fair value of the investment property held by the Group as at September 30, 2022, December 31, 2021 and September 30, 2021 was \$1,108,917, \$1,085,686 and \$1,108,598, respectively, which was evaluated based on the market prices of similar real estate in the areas nearby, as Level 2 fair value market prices did not change significantly.

C. There was no impairment loss on investment property.

D. The investment property was not pledged to others as collateral.

(12) Intangible assets

	2022					
	Trademark rights	Patent	Goodwill	Customer relationship	Others	Total
At January 1						
Cost	\$ 46,266	\$ 451,126	\$ 3,874,852	\$ -	\$ 386,221	\$ 4,758,465
Accumulated amortisation and impairment	(291)	(220,374)	(2,762,518)	-	(307,725)	(3,290,908)
	<u>\$ 45,975</u>	<u>\$ 230,752</u>	<u>\$ 1,112,334</u>	<u>\$ -</u>	<u>\$ 78,496</u>	<u>\$ 1,467,557</u>
Opening net book amount	\$ 45,975	\$ 230,752	\$ 1,112,334	\$ -	\$ 78,496	\$ 1,467,557
Additions-acquired separately	-	-	-	-	44,303	44,303
Additions-acquired through business combinations	-	-	39,528	197,637	-	237,165
Amortisation charge	(33)	(18,345)	-	(4,257)	(38,811)	(61,446)
Reclassification	-	-	-	-	2,000	2,000
Net exchange differences	6,728	-	55,472	-	981	63,181
Closing net book amount	<u>\$ 52,670</u>	<u>\$ 212,407</u>	<u>\$ 1,207,334</u>	<u>\$ 193,380</u>	<u>\$ 86,969</u>	<u>\$ 1,752,760</u>
At September 30						
Cost	\$ 52,994	\$ 451,126	\$ 3,969,852	\$ 197,637	\$ 416,010	\$ 5,087,619
Accumulated amortisation and impairment	(324)	(238,719)	(2,762,518)	(4,257)	(329,041)	(3,334,859)
	<u>\$ 52,670</u>	<u>\$ 212,407</u>	<u>\$ 1,207,334</u>	<u>\$ 193,380</u>	<u>\$ 86,969</u>	<u>\$ 1,752,760</u>
	2021					
	Trademark rights	Patent	Goodwill	Others	Total	
At January 1						
Cost	\$ 47,588	\$ 451,126	\$ 3,885,756	\$ 395,751	\$ 4,780,221	
Accumulated amortisation and impairment	(247)	(195,914)	(2,652,518)	(277,544)	(3,126,223)	
	<u>\$ 47,341</u>	<u>\$ 255,212</u>	<u>\$ 1,233,238</u>	<u>\$ 118,207</u>	<u>\$ 1,653,998</u>	
Opening net book amount	\$ 47,341	\$ 255,212	\$ 1,233,238	\$ 118,207	\$ 1,653,998	
Additions	-	-	-	34,621	34,621	
Disposals	-	-	-	(1,049)	(1,049)	
Disposal of subsidiaries	-	-	-	(881)	(881)	
Amortisation charge	(33)	(18,345)	-	(59,435)	(77,813)	
Net exchange differences	(1,041)	-	(8,587)	(852)	(10,480)	
Closing net book amount	<u>\$ 46,267</u>	<u>\$ 236,867</u>	<u>\$ 1,224,651</u>	<u>\$ 90,611</u>	<u>\$ 1,598,396</u>	
At September 30						
Cost	\$ 46,547	\$ 451,126	\$ 3,877,169	\$ 416,249	\$ 4,791,091	
Accumulated amortisation and impairment	(280)	(214,259)	(2,652,518)	(325,638)	(3,192,695)	
	<u>\$ 46,267</u>	<u>\$ 236,867</u>	<u>\$ 1,224,651</u>	<u>\$ 90,611</u>	<u>\$ 1,598,396</u>	

A. Goodwill is allocated to the Group's cash-generating units identified according to operating segments as follows:

September 30, 2022						
	System and peripheral products	3C product retail	Memory module	Energy service management	Others	Total
Taiwan	\$ 715,197	\$ -	\$ 8,258	\$ 39,528	\$ -	\$ 762,983
Hong Kong	-	432,745	-	-	-	432,745
All other segments	-	-	-	-	11,606	11,606
	<u>\$ 715,197</u>	<u>\$ 432,745</u>	<u>\$ 8,258</u>	<u>\$ 39,528</u>	<u>\$ 11,606</u>	<u>\$ 1,207,334</u>

December 31, 2021						
	System and peripheral products	3C product retail	Memory module	Energy service management	Others	Total
Taiwan	\$ 715,197	\$ -	\$ 8,258	\$ -	\$ -	\$ 723,455
Hong Kong	-	377,272	-	-	-	377,272
All other segments	-	-	-	-	11,607	11,607
	<u>\$ 715,197</u>	<u>\$ 377,272</u>	<u>\$ 8,258</u>	<u>\$ -</u>	<u>\$ 11,607</u>	<u>\$ 1,112,334</u>

September 30, 2021						
	System and peripheral products	3C product retail	Memory module	Energy service management	Others	Total
Taiwan	\$ 715,197	\$ -	\$ 118,258	\$ -	\$ -	\$ 833,455
Hong Kong	-	379,589	-	-	-	379,589
All other segments	-	-	-	-	11,607	11,607
	<u>\$ 715,197</u>	<u>\$ 379,589</u>	<u>\$ 118,258</u>	<u>\$ -</u>	<u>\$ 11,607</u>	<u>\$ 1,224,651</u>

B. The value of customer relationship arose from the Group acquiring shares in Elegant Energy in February 2022.

C. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections and decisions assisted by independent valuation institutions based on financial budgets approved by the management covering a five-year period. For the nine months ended September 30, 2022 and 2021, goodwill was not impaired.

D. The intangible assets were not pledged to others as collateral.

(13) Non-current assets held for sale

On July 31, 2021, the resolution to sell solar photovoltaic equipment, SET ENERGIA S.R.L. Related assets and liabilities were transferred to the disposal group held for sale. As of December 31, 2021, the assets and liabilities of the disposal group classified as held for sale amounted to \$15,999 and \$0, respectively. The transaction was completed in January 2022.

A. Assets of disposal group held for sale:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Property, plant and equipment	\$ -	\$ 15,599	\$ 15,599

B. There will be no impairment loss recognised as a result of the remeasurement of the disposal group held for sale at the lower of its carrying amount or fair value less costs to sell.

(14) Short-term borrowings

<u>Type of borrowings</u>	<u>September 30, 2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	\$ 7,307,720	1.04%~4.00%	-
Secured borrowings	3,352,719	1.61%~2.50%	Note 8
	<u>\$ 10,660,439</u>		

<u>Type of borrowings</u>	<u>December 31, 2021</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	\$ 4,174,848	0.64%~4%	-
Secured borrowings	50,000	1.36%~1.48%	Note 8
	<u>\$ 4,224,848</u>		

<u>Type of borrowings</u>	<u>September 30, 2021</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	\$ 7,859,967	0.51%~4%	-
Secured borrowings	50,000	1.50%	Note 8
	<u>\$ 7,909,967</u>		

(15) Short-term notes and bills payable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Commercial paper	\$ 573,200	\$ 1,597,500	\$ 1,124,400
Discount amortisation	(500)	(978)	(1,126)
	<u>\$ 572,700</u>	<u>\$ 1,596,522</u>	<u>\$ 1,123,274</u>
Annual interest rate range	<u>1.76%~2.08%</u>	<u>1.22%~1.79%</u>	<u>1.22%~1.788%</u>

Information about short-term notes and bills payable that were pledged to others as collaterals is provided in Note 8.

(16) Other payables

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Payables on salary and bonus	\$ 1,636,270	\$ 1,634,734	\$ 1,362,523
Employees' compensation and remuneration for supervisors and directors	402,585	329,994	236,765
Payables on equipment	468,910	447,305	742,038
Indemnity payable	793,728	-	-
Others	2,331,720	2,205,501	2,035,589
	<u>\$ 5,633,213</u>	<u>\$ 4,617,534</u>	<u>\$ 4,376,915</u>

(17) Bonds payable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Secured corporate bonds	\$ 6,600,000	\$ 6,600,000	\$ 6,600,000
Less: Discount on bonds payable	(18,582)	(21,430)	(22,372)
	<u>\$ 6,581,418</u>	<u>\$ 6,578,570</u>	<u>\$ 6,577,628</u>

A. The main terms of the \$3,600,000 2nd secured corporate bonds issued by the Company on July 29, 2020 are as follows:

- (a) Total initial issue amount: \$3,600,000.
- (b) Issue price: Issue at par value, \$1,000 each.
- (c) Issue period: 5 years, from July 29, 2020 to July 27, 2025.
- (d) Coupon rate: 0.65% fixed per annum.
- (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
- (f) Principal repayment method: Pay entire amount at the maturity date.
- (g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Hua Nan Commercial Bank Ltd., Agricultural Bank of Taiwan Corporation and Mega International Commercial Bank Co., Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

- i. Current assets to current liabilities ratio of at least 1:1;
- ii. Liabilities not exceeding 200% of tangible net equity;
- iii. Interest coverage of at least 400%; and
- iv. Tangible net equity of at least NT\$15,000,000 thousand.

B. The main terms of the \$3,000,000 1st secured corporate bonds issued by the Company on September 26, 2019 are as follows:

- (a) Total initial issue amount: \$3,000,000.
- (b) Issue price: Issue at par value, \$1,000 each.
- (c) Issue period: 5 years, from September 26, 2019 to September 26, 2024.
- (d) Coupon rate: 0.80% fixed per annum.
- (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
- (f) Principal repayment method: Pay entire amount at the maturity date.

(g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Mega International Commercial Bank Co., Ltd. and Chang Hwa Commercial Bank, Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

- i. Current assets to current liabilities ratio of at least 1:1;
- ii. Liabilities not exceeding 200% of tangible net equity;
- iii. Interest coverage of at least 400%; and
- iv. Tangible net equity of at least NT\$15,000,000 thousand.

(18) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate range</u>	<u>Unused credit line</u>	<u>September 30, 2022</u>
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- including covenants	Borrowing period is from September 2022 to June 2025; pay entire amount when due	1.44%~1.53%	\$ 1,100,000	\$ 2,900,000
- without covenants	Borrowing period is from September 2022 to March 2025; pay entire amount when due	1.27%~1.72%	2,261,250	5,050,000
FIT Holding	Borrowing period is from September 2021 to June 2024; pay entire amount of principal when due, interest is repayable monthly.	1.49%~1.75%	399,000	1,330,000
Foxlink Image	Borrowing period is from July 2021 to September 2024; pay entire amount of principal when due, interest is repayable monthly.	0.95%~1.56%	3,560,000	1,690,000
PQI	Borrowing period is from December 2021 to June 2025; pay entire amount of principal when due, interest is repayable monthly.	1.50%~1.63%	-	900,000
Glory Science	Borrowing period is from July 2019 to July 2024; pay principal and interest based on each bank's regulations	1.44%~1.93%	-	189,000
Shinfox	Principal is repayable in installments from February 2019 to February 2023.	2.09%	-	3,228
Foxwell Energy	Principal is repayable in installments from January 2019 to December 2035.	1.75%~1.83%	286,601	36,708
Bank's secured borrowings				
Foxwell Energy	Principal is repayable in installments from May 2018 to February 2036	1.75%~2.06%	355,963	282,186
Glory Science	Borrowing period is from December 2019 to December 2024; pay principal in installments quarterly, interest is calculated monthly	1.61%	-	45,000
Medium-term and long-term syndicated loans				
Cheng Uei	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to directly repay the loan principal that was originally expired.	1.63%	4,800,000	<u>3,200,000</u>
				15,626,122
Less: Current portion				(824,224)
				<u>\$ 14,801,898</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2021
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- including covenants	Borrowing period is from April 2021 to April 2024; pay entire amount when due	0.85%	\$ 3,500,000	\$ 500,000
- without covenants	Borrowing period is from March 2021 to July 2024; pay entire amount when due	0.77%~0.92%	2,304,750	4,701,250
FIT Holding	Borrowing period is from September 2021 to November 2023; pay entire amount of principal when due, interest is repayable monthly.	1.17%~1.2%	470,000	530,000
Foxlink Image	Borrowing period is from March 2021 to December 2023; pay entire amount of principal when due, interest is repayable monthly.	0.94%~0.98%	2,968,800	1,658,000
PQI	Borrowing period is from July 2021 to July 2023; pay entire amount of principal when due, interest is repayable monthly.	1.25%	100,000	200,000
Glory Science	Borrowing period is from July 2019 to July 2024; pay principal and interest based on each bank's regulations	1.04%~1.5%	64,000	273,000
Shinfox	Principal is repayable in installments from February 2019 to February 2023.	1.71%	-	8,976
Foxwell Energy	Principal is repayable in installments from January 2019 to December 2035.	1.44%~1.49%	286,721	39,188
Bank's secured borrowings				
Foxwell Energy	Principal is repayable in installments from May 2018 to February 2036	1.44%~1.68%	371,283	303,703
Glory Science	Borrowing period is from December 2019 to December 2024; pay principal in installments quarterly, interest is calculated monthly	1.36%	-	65,000
Medium-term and long-term syndicated loans				
Cheng Uei	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to directly repay the loan principal that was originally expired.	1.01%	4,800,000	<u>3,200,000</u>
				11,479,117
Less: Current portion				(302,694)
				<u>\$ 11,176,423</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	September 30, 2021
Long-term bank borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- including covenants	Borrowing period is from March 2021 to May 2023; pay entire amount when due	0.85%~0.9%	\$ 1,800,000	\$ 2,200,000
- without covenants	Borrowing period is from March 2021 to July 2024; pay entire amount when due	0.83%~1.4%	2,580,750	3,052,500
FIT Holding	Borrowing period is from October 2020 to March 2023; pay entire amount of principal when due, interest is repayable monthly.	1.17%~1.2%	400,000	400,000
Foxlink Image	Borrowing period is from November 2020 to September 2023; pay entire amount of principal when due, interest is repayable monthly.	0.94%~0.98%	3,038,500	1,590,000
PQI	Borrowing period is from December 2019 to December 2021; pay entire amount of principal when due interest is repayable monthly.	1.23%	150,000	250,000
Glory Science	Borrowing period is from July 2019 to July 2024; pay principal and interest based on each bank's regulations	1.04%~1.5%	-	347,000
Shinfox	Principal is repayable in installments from February 2019 to February 2023.	1.71%	-	10,876
Foxwell Energy	Principal is repayable in installments from January 2019 to December 2035.	1.49%	35,751	40,014
Bank's secured borrowings				
Foxwell Energy	Principal is repayable in installments from May 2018 to December 2034.	1.49%~1.68%	90,063	324,188
Glory Science	Borrowing period is from December 2019 to December 2024; pay principal in installments quarterly, interest is calculated monthly	1.36%	-	65,000
Medium-term and long-term syndicated loans				
Cheng Uei	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to directly repay the loan principal that was originally expired.	1.01%	4,800,000	<u>3,200,000</u>
				11,479,578
Less: Current portion				(<u>458,728</u>)
				<u>\$ 11,020,850</u>

A. In November 2020, the Group signed a medium-term syndicated revolving NTD credit facility agreement with the Bank of Taiwan as the lead bank. The terms of agreement are summarised below:

- (a) Duration of loan: The loan period of the agreement was 5 years from the agreement signing date.
- (b) Credit line and draw-down: The credit line was NT\$8,000,000 thousand, which can be drawn down in installments of at least NT\$100,000 thousand per draw-down.

- (c) Principal repayment: The duration of each loan drawn down is either 90 days or 180 days at the Company's option. The Company, if without any default, may submit an application to the banks to draw down a new loan with principal equal to the original loan before its maturity, and the new loan is directly used to repay the original loan. The banks and the Company are not required to make remittances for such draw-down and repayment, which is viewed that the Company has received the new loan on the maturity of original loan.
 - (d) Commitment: The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:
 - i. Current assets to current liabilities ratio of at least 1:1;
 - ii. Liabilities not exceeding 200% of tangible net equity;
 - iii. Interest coverage of at least 400%; and
 - iv. Total equity of at least NT\$15,000,000 thousand.
 - (e) The loan period is decided by the borrower. The borrower may choose to early repay the loans during the contract period according to the syndicated loan contract.
- B. The Company entered into the borrowing contracts with Bank SinoPac, Taipei Fubon and Far Eastern International Bank, and the total credit line is \$4,000 thousand. As of September 30, 2022, the borrowings that have been used amounted to \$2,900 thousand. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:
- (a) Current assets to current liabilities ratio of at least 1:1;
 - (b) Liabilities not exceeding 200% of tangible net equity;
 - (c) Interest coverage of at least 400%; and
 - (d) Tangible net equity of at least NT\$15,000,000 thousand.
- C. The Group entered into the borrowing contracts with Bank SinoPac, Entie Commercial Bank, Yuanta Commercial Bank, Taishin International Bank and Far Eastern International Bank, and the total credit line is \$2,500 thousand. As of September 30, 2022, the borrowings that have been used amounted to \$915 thousand. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:
- (a) Current assets to current liabilities ratio of at least 1:1;
 - (b) Liabilities not exceeding 200% of tangible net equity;
 - (c) Financial gearing ratio should be below 75%;
 - (d) Interest coverage of at least 400%;
 - (e) Tangible net equity of at least NT\$1,500,000 thousand to NT\$5,000,000 thousand; and
 - (f) Net asset value of at least NT\$1,800,000 thousand.

D. As of September 30, 2022, the borrowings that have been used amounted to as follows:

Company	Bank	Credit line (in thousands)	Amount of borrowings used
Cheng Uei	E.Sun Bank	\$ 300,000	\$ 300,000
Cheng Uei	Mizuho Bank	USD 30,000	900,000
Cheng Uei	First Bank	600,000	600,000
Cheng Uei	Jih Sun International Bank	300,000	-
Cheng Uei	DBS Bank	USD 35,000	900,000
Cheng Uei	Export-Import Bank of Republic of China	480,000	250,000
Cheng Uei	Cathay Bank	500,000	500,000
Cheng Uei	Yuanta Commercial Bank Co., Ltd.	450,000	400,000
Cheng Uei	Entie Commercial Bank	500,000	500,000
Cheng Uei	Taiwan Cooperative Bank	500,000	-
Cheng Uei	United Overseas Bank	USD 10,000	100,000
Cheng Uei	KGI Bank	1,000,000	300,000
Cheng Uei	Panhsin Bank	300,000	300,000
FIT Holding, Foxlink Image, PQI and Glory Science	Jih Sun International Bank (Note)	500,000	450,000
FIT Holding and PQI	Hua Nan Commercial Bank (Note)	200,000	70,000
Foxlink Image and PQI	Mega International Commercial Bank	300,000	300,000
FIT Holding	Mega International Commercial Bank	300,000	300,000
FIT Holding	The Shanghai Commercial & Savings Bank	300,000	200,000
FIT Holding	Far Eastern International Bank	200,000	130,000
Foxlink Image	E.Sun Bank (Note)	400,000	-
Foxlink Image	KGI Bank	400,000	165,000
Foxlink Image	Bank of Taiwan	300,000	300,000
Foxlink Image	Hua Nan Commercial Bank	200,000	-
Foxlink Image	Taiwan Cooperative Bank	500,000	500,000
Foxlink Image	First Bank	250,000	250,000
Foxlink Image	Cathay Bank (Note)	300,000	260,000
PQI	Hua Nan Commercial Bank	70,000	70,000
PQI	Mega International Commercial Bank	300,000	300,000
PQI	Yuanta Commercial Bank Co., Ltd.	300,000	300,000
PQI	The Shanghai Commercial & Savings Bank	300,000	300,000
Glory Science	Hua Nan Commercial Bank	85,000	85,000
Glory Science	Chang Hwa Bank	85,000	85,000
Glory Science	Export-Import Bank of Republic of China	64,000	64,000
Shinfox	The Shanghai Commercial & Savings Bank	3,228	3,228
Foxwell Energy Corporation Ltd.	Taishin International Bank (Note)	179,314	50,844
Foxwell Energy Corporation Ltd.	Mega International Commercial Bank	202,204	202,204
Foxwell Energy Corporation Ltd.	Bank SinoPac	579,940	65,846

Note: The credit line was shared by short-term and long-term borrowings and were disclosed in the consolidation.

(19) Pensions

- A.(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labour Standards Act, covering all regular employees' service years prior to the enforcement of the Labour Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labour standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labour pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.
- (b) The pension costs under the abovementioned defined contribution plan for the three months and nine months ended September 30, 2022 and 2021 were \$673, \$645, \$2,020 and \$1,933, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2023 amount to \$163,701.
- B.(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a funded defined contribution pension plan (the "New Plan") under the Labour Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labour Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The Company's Mainland China subsidiaries have a funded defined contribution plan. Monthly contributions are based on the employees' monthly salaries (the contribution ratio for the three months and nine months ended September 30, 2022 and 2021 is between 10.2%~21%) and wages to an independent fund administered by the government in accordance with the pension regulations. Other than the monthly contributions, the Group has no further obligations.

(c) The pension costs under the abovementioned defined contribution pension plan for the three months and nine months ended September 30, 2022 and 2021 were \$262,520, \$213,900, \$715,734 and \$601,660, respectively.

(20) Share capital

A. As of September 30, 2022, the Company's authorised common stock was \$7,000,000 (including 50,000,000 shares reserved for the issuance of employees' warrants), and the issued and outstanding shares were both 484,823,940 shares.

B. Treasury shares

Before becoming a subsidiary, Foxlink Image Technology Co., Ltd. held the parent's capital stock for general investment purpose. The company did not purchase more equity instruments after acquiring control over Foxlink Image on October 1, 2018. As of September 30, 2022, December 31, 2021 and September 30, 2021, the detailed information of Foxlink Image's parent equity shares is as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Thousand shares	<u>27,503</u>	<u>27,503</u>	<u>27,503</u>
Book value	<u>\$ 272,066</u>	<u>\$ 272,066</u>	<u>\$ 272,066</u>

(21) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital reserve to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	<u>2022</u>					
	<u>Share premium</u>	<u>Treasury share transactions</u>	<u>Difference between proceeds from acquisition or disposal of subsidiary and book value</u>	<u>Changes in ownership interests in subsidiaries</u>	<u>Change in net equity of associates accounted for using equity method</u>	<u>Total</u>
At January 1	\$ 9,337,850	\$ 71,336	\$ 589,709	\$ 3,829	\$ 250,151	\$ 10,252,875
Cash dividends distributed to subsidiaries	-	15,755	-	-	-	15,755
Adjustments due to not participating in the capital increase of investees proportionately	-	-	110,200	65	3,532	113,797
At September 30	<u>\$ 9,337,850</u>	<u>\$ 87,091</u>	<u>\$ 699,909</u>	<u>\$ 3,894</u>	<u>\$ 253,683</u>	<u>\$ 10,382,427</u>

	2021					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for using equity method	Total
At January 1	\$ 9,337,850	\$ 45,078	\$ 196,481	\$ 3,336	\$ 246,001	\$ 9,828,746
Cash dividends distributed to subsidiaries	-	26,258	-	-	-	26,258
Adjustments due to not participating in the capital increase of investees proportionately	-	-	21,164	237	2,543	23,944
At September 30	<u>\$ 9,337,850</u>	<u>\$ 71,336</u>	<u>\$ 217,645</u>	<u>\$ 3,573</u>	<u>\$ 248,544</u>	<u>\$ 9,878,948</u>

(22) Retained earnings

A. Based on the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The appropriation of remainder shall be proposed by the Board of Directors and be resolved by the shareholders.

The Board of Directors may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, distribute dividends and bonus, capital surplus or legal reserve, in whole or in part, in the form of cash. The above distribution is not subject to approval by the shareholders.

B. According to the Company's Articles of Incorporation, no more than 90% of the distributable retained earnings shall be distributed as stockholders' bonus and cash dividend distributed in any calendar year shall be at least 20% of the total distributable earnings in that year based on future capital expenditures budget and capital requirements.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

(c) As of January 1, 2018, the amounts previously set aside by the Company as special reserve for the initial application of IFRSs amounted to \$665,206. Furthermore, the Company did not reverse special reserve to retained earnings for the three months and nine months ended September 30, 2022 and 2021 as a result of the use, disposal or reclassification of related assets. As of September 30, 2022, December 31, 2021 and September 30, 2021, the amount of special reserve set aside for the initial application of IFRSs all amounted to \$665,206.

E. Details of the appropriation of 2021's and 2020's net income which was resolved at the stockholders' meeting on September 21, 2022 and July 15, 2021 are as follows:

	Year ended December 31, 2021		Year ended December 31, 2020	
	Amount	Dividend per share (NTD)	Amount	Dividend per share (NTD)
Legal reserve	\$ 94,372	\$ -	\$ 195,628	\$ -
Special reserve	565,304	-	(298,188)	-
Cash dividends	768,490	1.5	1,280,818	2.5
Total	<u>\$ 1,428,166</u>	<u>\$ 1.5</u>	<u>\$ 1,178,258</u>	<u>\$ 2.5</u>

Information about earnings distribution of the Company as approved and proposed by the Board of Directors and resolved by the shareholders' will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(23) Other equity items

	2022		
	Financial assets at fair value through other comprehensive income	Translation of foreign financial statements	Total
At January 1	(\$ 472,609)	(\$ 2,129,042)	(\$ 2,601,651)
Valuation adjustment			
- Group	(11,424)	-	(11,424)
- Associates	44,235	-	44,235
Currency translation differences:			
- Group	-	743,494	743,494
- Associates	-	(63,622)	(63,622)
At September 30	<u>(\$ 439,798)</u>	<u>(\$ 1,449,170)</u>	<u>(\$ 1,888,968)</u>

	2021		
	Financial assets at fair value through other comprehensive income	Translation of foreign financial statements	Total
At January 1	(\$ 306,223)	(\$ 1,730,123)	(\$ 2,036,346)
Valuation adjustment			
- Group	(1,630)	-	(1,630)
- Associates	2,099	-	2,099
Currency translation differences:			
- Group	-	(605,541)	(605,541)
- Associates	-	(5,427)	(5,427)
At September 30	<u>(\$ 305,754)</u>	<u>(\$ 2,341,091)</u>	<u>(\$ 2,646,845)</u>

(24) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods over time and at a point in time in the following major product lines and generates related revenue in each reportable segment:

	Three months ended September 30,	
	2022	2021
Systems and peripheral products	\$ 12,312,173	\$ 9,916,799
3C component	9,707,115	7,959,431
3C product retail	3,965,575	2,546,662
Energy service management	572,141	754,426
Total	<u>\$ 26,557,004</u>	<u>\$ 21,177,318</u>
	Nine months ended September 30,	
	2022	2021
Systems and peripheral products	\$ 28,963,032	\$ 25,977,858
3C component	24,330,373	21,815,138
3C product retail	10,229,994	8,917,717
Energy service management	2,677,254	1,774,200
Total	<u>\$ 66,200,653</u>	<u>\$ 58,484,913</u>

B. Unfulfilled construction contracts

Aggregate amount of the transaction price allocated to and the year expected to recognise revenue for the unsatisfied performance obligations in relation to the contracted significant construction contracts as of September 30, 2022, December 31, 2021 and September 30, 2021 are as follows:

<u>Year</u>	<u>Year expected to recognise revenue</u>	<u>Contracted amount(before tax)</u>
September 30, 2022	2022~2025	\$ 52,154,845
December 31, 2021	2021~2025	54,669,266
September 30, 2021	2021~2025	56,657,104

C. Contract assets and contract liabilities

(a) The Group has recognised the following revenue-related contract assets and liabilities:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Contract assets:			
Contract assets-construction contracts	<u>\$ 1,351,206</u>	<u>\$ 3,216,453</u>	<u>\$ 1,166,461</u>
Contract liabilities:			
Contract liabilities-advance sales receipts	817,562	601,474	809,720
Contract liabilities-construction contracts	<u>5,387</u>	<u>2,293</u>	<u>4,707</u>
Total	<u>\$ 822,949</u>	<u>\$ 603,767</u>	<u>\$ 814,427</u>

(b) Contract assets and liabilities recognised for the aforementioned construction contracts as at September 30, 2022, December 31, 2021 and September 30, 2021 are as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Aggregate costs incurred plus recognised profits	\$ 6,502,357	\$ 4,366,249	\$ 2,204,290
Less: Progress billings	(<u>5,156,538</u>)	(<u>1,152,089</u>)	(<u>1,042,536</u>)
Net balance sheet position for construction in progress	<u>\$ 1,345,819</u>	<u>\$ 3,214,160</u>	<u>\$ 1,161,754</u>
Presented as:			
Current contract assets	\$ 1,351,206	\$ 3,216,453	\$ 1,166,461
Current contract liabilities	(<u>5,387</u>)	(<u>2,293</u>)	(<u>4,707</u>)
Total	<u>\$ 1,345,819</u>	<u>\$ 3,214,160</u>	<u>\$ 1,161,754</u>

(c) Revenue recognised that was included in the contract liability balance at the beginning of the period:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Sales revenue received in advance	<u>\$ 74,405</u>	<u>\$ 49,189</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Sales revenue received in advance	\$ 171,258	\$ 400,736

D. Please refer to Note 9 for the information of significant construction contracts of the Group.

(25) Interest income

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Interest income from bank deposits	\$ 34,196	\$ 17,439

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Interest income from bank deposits	\$ 70,199	\$ 60,395

(26) Other income

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Rental revenue	\$ 4,194	\$ 4,293
Other revenue-other	113,344	158,904
	<u>\$ 117,538</u>	<u>\$ 163,197</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Rental revenue	\$ 12,889	\$ 12,886
Other revenue-other	314,636	397,948
	<u>\$ 327,525</u>	<u>\$ 410,834</u>

(27) Other gains and losses

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Loss on disposal of property, plant and equipment	(\$ 8,453)	(\$ 370)
Gain on disposal of investments	-	32,603
Net currency exchange gains	401,074	2,227
Depreciation charge on investment property	(3,278)	(3,703)
Loss on indemnity (Note)	(793,728)	-
Other gains and losses	(45,648)	(9,194)
	<u>(\$ 450,033)</u>	<u>\$ 21,563</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
(Loss) gain on disposal of property, plant and equipment	(\$ 6,514)	\$ 2,099
Gain on disposal of investments	-	166,209
Net currency exchange gains (losses)	612,301	(51,563)
Depreciation charge on investment property	(9,830)	(9,688)
Loss on indemnity (Note)	(793,728)	-
Other gains and losses	(55,472)	(35,397)
	<u>(\$ 253,243)</u>	<u>\$ 71,660</u>

Note: Please refer to Note 9(A)C. for details.

(28) Finance costs

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Interest expense	\$ 82,309	\$ 56,343
Corporate bonds	23,679	23,665
Lease liabilities	2,879	1,621
	<u>\$ 108,867</u>	<u>\$ 81,629</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Interest expense	\$ 198,962	\$ 179,050
Corporate bonds	71,025	70,986
Lease liabilities	8,388	5,102
	<u>\$ 278,375</u>	<u>\$ 255,138</u>

(29) Expenses by nature

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Employee benefit expense	\$ 4,012,036	\$ 3,068,569
Depreciation expense	855,323	817,295
Amortisation charges on intangible assets	18,332	25,261
Transportation expense	179,933	151,934
Advertising costs	26,517	13,949
Operating lease payments	20,587	21,088
	<u>\$ 5,112,728</u>	<u>\$ 4,098,096</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Employee benefit expense	\$ 9,690,903	\$ 8,884,234
Depreciation expense	2,563,684	2,406,512
Amortisation charges on intangible assets	61,446	77,813
Transportation expense	491,209	481,043
Advertising costs	50,467	60,412
Operating lease payments	65,739	74,108
	<u>\$ 12,923,448</u>	<u>\$ 11,984,122</u>

(30) Employee benefit expense

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Wages and salaries	\$ 3,482,721	\$ 2,609,112
Labour and health insurance fees	153,173	125,660
Pension costs	263,193	214,545
Other personnel expenses	112,949	119,252
	<u>\$ 4,012,036</u>	<u>\$ 3,068,569</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Wages and salaries	\$ 8,327,535	\$ 7,598,358
Labour and health insurance fees	402,647	369,734
Pension costs	717,754	603,593
Other personnel expenses	242,967	312,549
	<u>\$ 9,690,903</u>	<u>\$ 8,884,234</u>

- A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.
- B. For the three months and nine months ended September 30, 2022 and 2021, employees' compensation was accrued at \$116,599, \$35,937, \$157,604 and \$52,102, respectively; directors' and supervisors' remuneration was both accrued at \$9,137, \$2,878, \$12,712 and \$4,342, respectively. The aforementioned amounts were recognised in salary expenses.
- C. The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on the distributable profit of current period for the nine months ended September 30, 2022 and percentage as prescribed by the Company's Articles of Incorporation.
- D. Employees' compensation and directors' and supervisors' remuneration of 2021 as resolved at the Board of Directors were in agreement with those amounts recognised in the profit or loss of 2021.

E. Information about employees' compensation and directors' and supervisors' remuneration of the Company as approved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Current tax:		
Tax payable incurred in current period	\$ 168,693	\$ 105,355
Tax on undistributed surplus earnings	650	1,584
Prior year income tax under estimation	10,884	925
Total current tax	<u>180,227</u>	<u>107,864</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>250,076</u>	<u>86,806</u>
Total deferred tax	<u>250,076</u>	<u>86,806</u>
Income tax expense	<u>\$ 430,303</u>	<u>\$ 194,670</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Current tax:		
Tax payable incurred in current period	\$ 517,072	\$ 421,156
Tax on undistributed surplus earnings	5,267	43,385
Prior year income tax under (over) estimation	20,651	(17,481)
Total current tax	<u>542,990</u>	<u>447,060</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>312,350</u>	<u>79,929</u>
Total deferred tax	<u>312,350</u>	<u>79,929</u>
Income tax expense	<u>\$ 855,340</u>	<u>\$ 526,989</u>

(b) The income tax relating to components of other comprehensive income is as follows:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Currency translation differences	\$ 47,099	(\$ 14,085)
Remeasurement of defined benefit obligations	-	-
	<u>\$ 47,099</u>	<u>(\$ 14,085)</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Currency translation differences	\$ 169,968	(\$ 152,742)
Remeasurement of defined benefit obligations	-	-
	<u>\$ 169,968</u>	<u>(\$ 152,742)</u>

B. The latest year of the Company's and its domestic subsidiaries' income tax returns that have been assessed and approved by the Tax Authority is as follows:

	<u>Status of Assessment</u>
The Company, LM, Proconn, FUII, FII, Elegant Energy, PSI, Foxwell Energy, Shinfox Natural Gas, Foxwell Power, DU Precision, WCT, FAT, Jing Jing, Zhi De Investment, Darts, Suntain and Straight A	Assessed and approved up to 2020
Shinfox	Assessed and approved up to 2019
Studio A, Foxlink Image, PQI, Glory Science and FIT Holding	Assessed and approved up to 2018

Note: The PSI's income tax returns through 2018 have not yet been assessed and approved by the Tax Authority.

(32) Earnings per share

	<u>Three months ended September 30, 2022</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 729,725	484,824	\$ 1.51
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 729,725	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	3,930	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 729,725</u>	<u>488,754</u>	<u>\$ 1.49</u>

	Three months ended September 30, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 397,434	484,824	\$ 0.82
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 397,434	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	963	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 397,434	485,787	\$ 0.82
	Nine months ended September 30, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,245,864	484,824	\$ 2.57
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,245,864	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	4,649	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,245,864	489,473	\$ 2.55

	Nine months ended September 30, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 721,556	484,824	\$ 1.49
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 721,556	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,369	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 721,556	486,193	\$ 1.48

(33) Transactions with non-controlling interest

A. Disposal of equity interest in a subsidiary (that did not result in a loss of control)

In March 2021, the Group disposed of 25% of shares of its subsidiary - Shih Fong Power Co., Ltd. for a total cash consideration of \$690,000. The carrying amount of non-controlling interest in Shih Fong Power Co., Ltd. was \$588,281 at the disposal date. This transaction resulted in an increase in the non-controlling interest by \$660,512 and an increase in the equity attributable to owners of the parent by \$29,488.

In November 2021, the Group disposed of 0.74% of shares of its subsidiary - Shinfox Energy Co., Ltd. for a total cash consideration of \$112,809. The carrying amount of non-controlling interest in Shinfox Energy Co., Ltd. was \$2,827,409 at the disposal date. This transaction resulted in an increase in the non-controlling interest by \$86,340 and an increase in the equity attributable to owners of the parent by \$27,009.

B. The Group did not participate in the capital increase raised by the second-tier subsidiary proportionally to its interest to the subsidiary

The second-tier subsidiary, Shinfox Energy Co., Ltd., and Septemberzhe Co., Ltd. increased its capital by issuing new shares in 2021. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 9.22% and 41.5%, respectively. The transaction increased non-controlling interest by \$2,395,862 and increased the equity attributable to owners of parent by \$365,812.

The second-tier subsidiary, Shinfox Energy Co., Ltd., and Foxwell Power Co., Ltd. increased its capital by issuing new shares in 2022. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 3.01% and 18.77%, respectively. The transaction increased non-controlling interest by \$2,381,970 and increased the equity attributable to owners of parent by \$109,968.

(34) Business combinations

- A. On February 14, 2022, the Group acquired 100% of the share capital of Elegant Energy for \$200,000 and obtained control over Elegant Energy. As a result of the acquisition, the Group is expected to increase its presence in the land-based wind market.
- B. The following table summarises the consideration paid for Elegant Energy and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	<u>February 14, 2022</u>
Purchase consideration	
Cash	\$ 200,000
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	786
Other current assets	3,293
Intangible assets	197,637
Other current liabilities	(1,716)
Deferred tax liabilities:	(39,528)
Total identifiable net assets	<u>160,472</u>
Goodwill	<u>\$ 39,528</u>

- C. The allocation of purchase price due to acquisition of Elegant Energy was completed in the first quarter of 2022. The fair value of the acquired identifiable intangible assets and goodwill amounted to \$197,637 and \$39,528, respectively.
- D. The operating revenue included in the consolidated statement of comprehensive income since February 14, 2022 contributed by Elegant Energy was \$1,998. Elegant Energy also contributed profit before income tax of \$1,990 over the same period. Had Elegant Energy been consolidated from January 1, 2022, the consolidated statement of comprehensive income would show operating revenue of \$66,201,402 and profit before income tax of \$2,512,818.

(35) Supplemental cash flow information

Investment activities with partial cash payments:

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchase of property, plant and equipment	\$ 1,774,467	\$ 2,476,103
Add: Opening balance of payable on equipment	447,305	583,447
Less: Ending balance of payable on equipment	(468,910)	(742,038)
Cash paid during the period	<u>\$ 1,752,862</u>	<u>\$ 2,317,512</u>

(36) Changes in liabilities from financing activities

	2022						Liabilities from
	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	financing activities - gross	
At January 1	\$ 4,224,848	\$ 1,596,522	\$ 6,578,570	\$ 11,479,117	\$ 406,162	\$ 24,285,219	
Changes in cash flow from financing activities	6,435,591	(1,023,822)	-	4,147,005	(228,885)	9,329,889	
Impact of changes in foreign exchange rate	-	-	-	-	78,442	78,442	
Interest expense	-	-	-	-	8,383	8,383	
Changes in other non-cash items	-	-	2,848	-	792,741	795,589	
At September 30	<u>\$ 10,660,439</u>	<u>\$ 572,700</u>	<u>\$ 6,581,418</u>	<u>\$ 15,626,122</u>	<u>\$ 1,056,843</u>	<u>\$ 34,497,522</u>	
	2021						Liabilities from
	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	financing activities - gross	
At January 1	\$ 4,341,582	\$ 387,222	\$ 6,574,982	\$ 12,825,768	\$ 417,534	\$ 24,547,088	
Changes in cash flow from financing activities	3,570,357	736,052	-	(1,346,190)	(170,891)	2,789,328	
Impact of changes in foreign exchange rate	(1,972)	-	-	-	5,226	3,254	
Interest expense	-	-	-	-	5,102	5,102	
Changes in other non-cash items	-	-	2,646	-	151,553	154,199	
At September 30	<u>\$ 7,909,967</u>	<u>\$ 1,123,274</u>	<u>\$ 6,577,628</u>	<u>\$ 11,479,578</u>	<u>\$ 408,524</u>	<u>\$ 27,498,971</u>	

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Well Shin Technology Co., Ltd. (Well Shin)	Associate
Sharetronic Data Technology Co., Ltd. (Sharetronic)	Associate
Microlink Communications Inc. (Microlink)	Associate
Central Motion Picture Corporation (Central Motion Picture)	Associate
Deepwaters Digital Support Inc. (Deepwaters)	Associate
Dongguan Banrin Robot Technology Co., Ltd. (Banrin)	Associate
Synergy Co., Ltd. (Synergy)	Associate (Note 1)
Chung Chia Power Co., Ltd. (Chung Chia)	Associate (Note 2)
Hsin Hung International Investment Co., Ltd. (HSIN HUNG)	Other related party
Hon Hai Precision Industry Co., Ltd. (Hon Hai)	Other related party
Changde Kingplus Electronic Technology CO., LTD. (Changde Kingplus)	Other related party (Note 3)

Names of related parties	Relationship with the Group
Foxwell Energy Co., Ltd.	Other related party (Note 4)
Changyuan Wind Power Ltd. (Changyuan)	Other related party (Note 4)
Beiyuan Wind Power Ltd. (Beiyuan)	Other related party (Note 4)
Shinfox Power Co., Ltd. (Shinfox Power)	Other related party (Note 4)
Chern Feng Engineering Tech Co., Ltd. (Chern Feng)	Other related party

Note 1: The Group acquired the investment accounted for using equity method in the fourth quarter of 2021, so it is listed as a related party.

Note 2: The Group acquired the investment accounted for using equity method in the second quarter of 2022, so it is listed as a related party.

Note 3: On May 13, 2021, FTJ sold its equity interests in the subsidiary, CDFB, and lost its control and significant influence over CDFB. Consequently, the joint investor, Changde Kingplus, was no longer a related party since May 13, 2021.

Note 4: FIT Holding resigned its directorship from Foxwell Energy Co., Ltd. on May 20, 2021, therefore, Foxwell Energy Co., Ltd. and its subsidiaries were no longer related parties since May 20, 2021.

(2) Significant related party transactions

A. Operating revenue

	Three months ended September 30,	
	2022	2021
Sales of goods:		
- Associates	\$ 1,575	\$ 990
- Other related parties	165,242	332,394
	<u>\$ 166,817</u>	<u>\$ 333,384</u>
	Nine months ended September 30,	
	2022	2021
Sales of goods:		
- Associates	\$ 1,594	\$ 1,129
- Other related parties	604,056	763,181
	<u>\$ 605,650</u>	<u>\$ 764,310</u>
	Three months ended September 30,	
	2022	2021
Sales of services:		
- Associates	\$ 7,351	\$ -
- Other related parties	-	-
	<u>\$ 7,351</u>	<u>\$ -</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Sales of services:		
-Associates	\$ 47,437	\$ 237
-Other related parties	-	399,190
	<u>\$ 47,437</u>	<u>\$ 399,427</u>

(a) All the credit terms on sales to related parties were 120 to 180 days after monthly billings. The credit terms on sales to third parties were 30 to 120 days after monthly billing or upon shipment of goods, except for receivables arising from the sales of tooling that are collectible upon acceptance by customers.

(b) The Group's sales of services to the abovementioned related parties refer to construction revenue and service revenue from contracts such as electricity sales revenue charged from the contracted construction agreements, contracted agreements for development, design, manufacture and supervision of construction and the operation and maintenance contract for wind turbine generator system (WTGS) entered with other related parties, and the transaction price and credit terms are the same with the market situation or the general customers.

B. Operating costs

(a) Purchase

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchases of goods:		
- Associates	\$ 135,610	\$ 45,458
- Other related parties	416,025	304,682
	<u>\$ 551,635</u>	<u>\$ 350,140</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchases of goods:		
- Associates	\$ 272,676	\$ 138,707
- Other related parties	871,941	677,532
	<u>\$ 1,144,617</u>	<u>\$ 816,239</u>

The purchase price in relation to the transaction made with related parties is based on mutual agreement. All purchases from related parties are at arm's-length. Payment period was 60 to 120 days after receipt of goods from suppliers.

(b) Construction cost

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Construction cost		
- Other related parties	<u>\$ 18,106</u>	<u>\$ -</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Construction cost		
- Other related parties	<u>\$ 38,082</u>	<u>\$ -</u>

Except for construction cost which is calculated based on the construction contract entered into using market, other payments of the transactions between the Group and the abovementioned related parties are calculated based on the actual amount incurred and paid monthly

C. Receivables from related parties

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts receivable:			
- Other related parties	\$ 359,664	\$ 244,686	\$ 227,140
- Associates	<u>80,455</u>	<u>68,219</u>	<u>67,694</u>
	<u>\$ 440,119</u>	<u>\$ 312,905</u>	<u>\$ 294,834</u>
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Other receivables (Financing):			
- Associates			
Microlink	\$ 55,000	\$ 55,000	\$ 55,000
- Other related parties	-	-	6,198
Other receivables (Others):			
- Associates	10,565	-	-
- Other related parties	<u>526</u>	<u>6,213</u>	<u>-</u>
	<u>\$ 66,091</u>	<u>\$ 61,213</u>	<u>\$ 61,198</u>

Other receivables mainly refer to the rental income received from related parties, and the collection terms are based on mutual agreement.

D. Payables to related parties:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts payable:			
- Associates	\$ 146,975	\$ 61,683	\$ 49,106
- Other related parties	<u>127,763</u>	<u>110,424</u>	<u>162,865</u>
	<u>\$ 274,738</u>	<u>\$ 172,107</u>	<u>\$ 211,971</u>

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Other payables-Receipts under custody:			
- Associates	\$ 22,236	\$ -	\$ 14,262
- Other related parties	<u>11,387</u>	<u>14,144</u>	<u>17,713</u>
	<u>\$ 33,623</u>	<u>\$ 14,144</u>	<u>\$ 31,975</u>

E. Lease transactions - lessee

(a) The Group leases buildings from related parties. Rental contracts are typically made for periods of 3 years. Rents are paid at the end of the month.

(b) Acquisitions of right-of-use assets

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Associates	<u>\$ 4,654</u>	<u>\$ -</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Associates	\$ 4,654	\$ -
Other related parties	<u>-</u>	<u>26,762</u>
	<u>\$ 4,654</u>	<u>\$ 26,762</u>

(c) Lease liability

i. Outstanding balance:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Associates	\$ 11,244	\$ 10,943	\$ 13,548
Other related parties	<u>15,767</u>	<u>22,391</u>	<u>24,581</u>
	<u>\$ 27,011</u>	<u>\$ 33,334</u>	<u>\$ 38,129</u>

ii. Interest expense

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Associates	\$ 34	\$ 56
Other related parties	<u>69</u>	<u>104</u>
	<u>\$ 103</u>	<u>\$ 160</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Associates	\$ 109	\$ 183
Other related parties	<u>234</u>	<u>104</u>
	<u>\$ 343</u>	<u>\$ 287</u>

(3) Key management compensation

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	\$ 49,135	\$ 21,905
Post-employment benefits	707	507
Total	<u>\$ 49,842</u>	<u>\$ 22,412</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	\$ 94,966	\$ 58,920
Post-employment benefits	2,017	1,542
Total	<u>\$ 96,983</u>	<u>\$ 60,462</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Pledged asset</u>	<u>Book value</u>			<u>Purpose</u>
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>	
Property, plant and equipment	\$ 2,512,051	\$ 2,552,974	\$ 922,614	Short-term notes and bills, short and long-term borrowings, debt mortgage guarantee
Right-of-use assets	202,243	199,897	-	- Debt mortgage guarantee
Repatriation of capital from Taiwan's offshore companies (shown as financial assets at amortised cost-current)	86,810	76,009	76,571	Repatriation of capital from Taiwan's offshore companies
Restricted deposits and time deposits-current (shown as financial assets at amortised cost-current)	3,144,181	1,885,170	3,589,059	Customs deposit, guarantee for L/C issued for purchases of materials, government grants coupon trust, construction performance security deposit, short-term borrowings and guaranteed bill
Refundable deposits (shown as other current assets)	1,005,211	2,657	4,171	Construction performance security deposit, performance security deposit
Restricted deposits and time deposits-non-current (shown as financial assets at amortised cost-non-current)	46,891	145,116	144,319	Litigation deposit and collateral for long-term borrowings, reserve account and performance security deposit and development deposit
Refundable deposits (shown as other non-current assets)				Customs deposit, plant deposit and rental performance security deposit, security deposit and Electrical energy performance security deposit
	<u>363,297</u>	<u>331,480</u>	<u>283,194</u>	
	<u>\$ 7,360,684</u>	<u>\$ 5,193,303</u>	<u>\$ 5,019,928</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

- A. Central Motion Picture Corporation (the “Central Motion Picture”), an equity method investment of the Group, was determined to be an affiliate organisation of the Kuomintang by the Ill-gotten Party Assets Settlement Committee (the “Ill-gotten Party”) in its written disposition, Dang-Chan-Chu-Zi No. 107007, issued on October 9, 2018. Under paragraph 1, Articles 5 and 9 of the Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organisations (the “Act”), properties were held by the Central Motion Picture when the Act was released on August 10, 2016 are considered as unjustly received properties. The presumed ill-gotten party assets as prescribed in the preceding paragraph 1 of Article 5 are prohibited from being transferred or disposed since from the date of promulgation of this Act. However, this limit is not applicable if it is necessary to perform its legal duties or other justifiable reasons. The properties held by the Central Motion Picture are considered as unjustly received properties; however, their existing rights in leases, superficies, mortgage or pawnage are not affected if Ill-gotten Party considers such assets as unjustly received assets and then orders the bona fide third party to transfer such assets to the State, local self-governing bodies, or original owners. Under Article 16, the Central Motion Picture may file an administrative litigation (an action for revocation) in the Taipei High Administrative Court within two months after the aforementioned written disposition was served. In addition, the Central Motion Picture may file for a suspension of execution under Paragraph 2, Article 116 of the Administrative Litigation Act. On December 12, 2018, Central Motion Picture Corporation submitted cause of action to the Taipei High Administrative Court, which ruled to approve the suspension of execution in January 2020. However, Ill-gotten Party subsequently filed an appeal against the ruling, and it was dismissed by the High Administrative Court in February 2020. Meanwhile, Central Motion Picture filed a revocation action with the Taipei High Court, and it was pending approval as of January 14, 2020. The Central Motion Picture and the Ill-gotten Party entered into an administrative contract on August 24, 2021 and settled at the Taipei High Court on September 17, 2021. The original copy of the written disposition will be cancelled if the Central Motion Picture remits \$950 million to an account designated by the Ill-gotten Party by October 23, 2021. The Central Motion Picture remitted the payment on September 24, 2021, and the litigation procedure was terminated.

B. The Group's subsidiary, Shih Fong Power Co., Ltd. ("Shih Fong"), carried out the "Shih Fong Power's FongPing River and Its Tributary Hydroelectric Project" (the "Project") in Hualien County and planned to build a weir in FongPing River for hydropower plants to generate electricity. Since 2000, the Company has successively obtained the permit to build the infrastructure as an electricity enterprise and the work permit to operate power generation equipment as an electricity enterprise (the "Work Permit"). As the construction was unable to be completed on time, the Company has applied 15 times for an extension of the Work Permit as approved by the Ministry of Economic Affairs. The most recent one was extended from December 31, 2020 to December 31, 2021.

However, the local indigenous peoples (the "Petitioners") filed a petition on May 14, 2021 according to the Article 21 of the Indigenous Peoples Basic Law (the "Law"), stating that the land used in the construction was the "indigenous land, tribe and their adjoin-land which owned by governments", and it shall consult and obtain consent by indigenous peoples or tribes or even their participation in accordance with the Law. The regulatory authority issued the Work Permit before the consultation and consent processes are implemented, which is not in compliance with the Law. Thus, the Petitioners filed a petition with the Executive Yuan, requesting "the suspension of the Project" and "the revocation of work permit in 2021". The Executive Yuan dismissed the petition concerning "the suspension of the Project", but the Petitioners filed an administrative litigation with the Taipei High Administrative Court. On December 3, 2021, the Taipei High Administrative Court rendered a judgement that the Project is suspended until the administrative litigation is finalised. Shih Fong filed a counterappeal according to the laws to suspend the effect of the ruling. On January 24, 2022, the case was transferred to the Supreme Administrative Court for final judgement. On September 30, 2022, the Supreme Administrative Court revoked the original verdict made by the Taipei High Administrative Court, excluding certain final judgements. In addition, regarding the dispute on "the revocation of work permit in 2021", Shih Fong received a letter on March 14, 2022 issued by the Ministry of Economic Affairs per Jing-Shou-Neng-Zi Letter No. 11103002490, dated March 10, 2022. The letter is issued based on the administrative appeal decision rendered by the Executive Yuan, which requests Shih Fong to carry out the consultation and consent processes pursuant to the Article 21 of the "Indigenous Peoples Basic Law" as the Law is applicable to Shih Fong during the extension period, and send the consultation and consent documents obtained thereby to the Ministry of Economic Affairs. On April 29, 2022, Shih Fong requested to revoke the administrative litigation related to the dispute on "the revocation of work permit in 2021". Currently, the case trial has been initiated by the court on November 9, 2022. However, as of the reporting date, the judgement had not been made.

C. The Group's subsidiary, Fugang Electric (Maanshan) Co., Ltd. ("FG MAANSHAN"), a subsidiary of the Group, has a lawsuit with Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. On November 19, 2021, Ma'anshan Intermediate People's Court in Anhui Province rendered a first-instance decision pursuant to the Articles 201 and 206 of "Contract Law of The People's Republic of China", Articles 26 and 53 of "Guarantee Law of The People's Republic of China", Article 26 of "Provisions of the Supreme People's Court on Certain Issues concerning Application of Law in Trial of Cases involving Private Lending" and Article 142 of "Administrative Procedure Law of the People's Republic of China", and affirmed that FG MAANSHAN shall pay principal amounting to RMB 274,450 thousand and interest amounting to RMB 139,488.9 thousand, based on the principal agreed in the court's judgement and interest calculated until the date when the principal is fully repaid, to Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. within 30 days from the effective date of this judgement. If the payments are not repaid on time, Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. has the priority right to get compensation by converting the properties pledged by FG MAANSHAN into money or seek preferential payments from the proceeds from the auction or sale of the properties concerned.

On March 17, 2022, Fugang Electric (Maanshan) Co., Ltd. filed an administrative litigation with the Ma'anshan Intermediate People's Court in Anhui Province against the People's Government of Ma'anshan Municipality, the Administrative Committee of Ma'anshan Economic and Technological Development Zone and Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. pursuant to Article 12 of the "Administrative Procedure Law of the People's Republic of China". Fugang Electric (Maanshan) Co., Ltd., received the dismissal of the administrative litigation by the Ma'anshan Intermediate People's Court in Anhui Province on May 6, 2022 and filed an appeal to the Ma'anshan Higher People's Court in Anhui Province on May 13, 2022. The administrative litigation has been filed as a case by the Ma'anshan Higher People's Court in Anhui Province on July 6, 2022. Additionally, on August 8, 2022, the Ma'anshan Higher People's Court in Anhui Province denied the appeal and upheld the original administrative litigation. According to the judgement, on August 24, 2022, FG MAANSHAN filed a motion for a retrial with Supreme People's Court, and on October 10, 2022, the case had been filed. Because the litigants had reached a settlement, on October 31, 2022, FG MAANSHAN withdrew the motion for retrial.

On December 7, 2021, FG MAANSHAN filed a second instance appeal with the Higher People's Court of Anhui Province to request to modify or remand the decision according to the first instance. Trials of the case had been initiated by the Higher People's Court of Anhui Province on May 11, 2022. On October 14, 2022, FG MAANSHAN and Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. signed the settlement agreement, and on October 18, 2022, both parties reached a settlement in Anhui Ma'anshan Intermediate People's Court. Based on the agreement, FG MAANSHAN should repay the borrowing principal from

Maanshan Economic and Technological Development Zone Construction Investment Co., Ltd. in the amount of RMB 31.44 million before October 31, 2022. The residual of RMB 333.96 million should be repaid by using right-of-use assets, property and all buildings and affiliated facilities in relation to property on the accounts of FG MAANSHAN, and the actual written transfer procedures should be completed before January 20, 2023. Because of the settlement agreement, FG MAANSHAN was responsible for the loss on disposal of assets transferred and indemnity in the amount of RMB 179.25 million (accounted as other gains and losses).

- D. The Group's subsidiary, Foxwell Energy Corporation Ltd. ("Foxwell Energy"), entered into a 'Transportation and Installment Contract of Wind Turbines in Wind Farm Site No. 26' with a Singapore contractor, Teras Offshore Pte. Ltd. As the contractor failed to submit the essential documents within the time frame prescribed in the contract, Foxwell Energy has the right to revoke the contract and has notified the contractor in writing of the termination of the contract. After receiving the written notice from Foxwell Energy, the contractor entrusted a lawyer on December 11, 2021 to request for compensation from Foxwell Energy, and state that it will refer the matter to arbitration if the compensation is not paid. On December 24, 2021, Foxwell Energy also appointed a lawyer to send a letter stating that it was a lawful termination of the contract and it reserves the right to claim compensation from the contractor. As of November 11, 2022, Foxwell Energy has not yet received the notice of arbitration submitted by the contractor to the arbitration institution, and the termination of the contract has no impact on the original construction contract and subsequent performance obligations.

(2) Commitments

- A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Equipment purchase contract			
Contract price	\$ 2,787,233	\$ 1,033,214	\$ 507,240
Outstanding amount	\$ 1,428,216	\$ 507,771	\$ 409,524
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Construction contract			
Contract price	\$ 39,308,698	\$ 39,631,214	\$ 33,557,894
Outstanding amount	\$ 29,546,618	\$ 34,837,318	\$ 29,997,141

- B. As of September 30, 2022, December 31, 2021 and September 30, 2021, the letters of guarantee to be issued by the bank, which are required for contracting the Phase II of Taipower's Offshore Wind Power Project, the "Wind Farm Property Procurement and Installation Project", both amounted to \$5,400,000, of which the amounts of collateral pledged by the Group to the banks (shown as financial assets at amortised cost) were \$1,620,000, \$1,620,000 and \$2,700,000, respectively, the amounts of endorsements and guarantees provided by the Group were \$3,780,000, \$4,700,000 and \$1,800,000, respectively, and the amounts of collateral pledged by using the letters

of guarantee issued by the subcontractor were \$1,608,370, \$1,608,370 and \$2,531,170, respectively.

- C. As of September 30, 2022, December 31, 2021 and September 30, 2021, the letters of guarantee to be issued by the bank, which are required for contracting the Solar System Integration Project, amounted to \$125,463, \$100,699 and \$911,469, respectively.
- D. On August 13, 2020, the Group entered into an equipment procurement contract and an operation and maintenance contract with Taiwan Power Company for the Phase II of Taipower's Offshore Wind Power Project, and the "Wind Farm Property Procurement and Installation Project" amounted to \$56,588,000 and \$6,300,000, respectively. The terms of the equipment procurement contract specifies that the Company shall complete the foundation construction for wind turbine generator system and offshore substation as of September 30, 2024, shall complete all wind turbine generator system which shall be under the security constrained dispatch process as of September 30, 2025, shall complete the whole construction as of December 31, 2025 and shall provide 2 years warranties from the date of completion and acceptance of the whole construction. In addition, the equipment shall provide guaranteed generating capacity. The performance term of this project is divided into stages progress and the final completion deadline. The default penalty shall be computed until the termination date of the contract according to each stage of the project. The operation and maintenance contract specifies the terms such as the guaranteed annual availability and default penalty of all wind turbine generator system as well as the relevant rights and obligations of both parties. The contract period is 5 years from the time when all wind turbine generator system are under the security constrained dispatch process. As of September 30, 2022, the construction was constructed as scheduled, and no compensation loss was made due to overdue construction.
- E. The Group entered into an operation and maintenance contract with Changyuan Wind Power Ltd., Beiyuan Wind Power Ltd. and Shinfox Power Co., Ltd. for wind turbine generator system and solar energy equipment. The contract specifies the terms such as the bonus and penalty of operation and maintenance which are calculated based on ceiling and floor guaranteed generating capacity as well as the relevant rights and obligations of both parties. The contract period is for 20 years from the parallel connection date.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT SUBSEQUENT EVENTS

- (1) In October 2022, the Group's subsidiary, Foxwell Power, and O-Bank and other syndicated banks signed a mid-term revolving loan contract in New Taiwan dollars, with a total credit line of \$1,750,000. The credit period was divided into item A and item B for 3 years and 5 years starting from the date of withdrawal, respectively.
- (2) On November 10, 2022, the Board of Directors of the Group's subsidiary, Shinfox, resolved the new investment of 40% equity interest in Shinfox Far East Company Pte. Ltd., and the investment amount

was expected to be within USD 32,000 thousand.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the actual financial condition.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Financial assets</u>			
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ 1,210,799	\$ 1,116,311	\$ 1,374,559
Financial assets at amortised cost/loans and receivables			
Cash and cash equivalents	9,808,814	8,707,603	7,661,781
Financial assets at amortised cost	3,608,091	2,403,421	4,221,314
Notes receivable	25,175	46,874	31,765
Accounts receivable	21,045,420	16,682,787	14,586,055
Other receivables	491,302	373,774	324,167
Guarantee deposits paid	1,368,508	334,137	287,365
	<u>\$ 37,558,109</u>	<u>\$ 29,664,907</u>	<u>\$ 28,487,006</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 10,660,439	\$ 4,224,848	\$ 7,909,967
Short-term notes and bills payable	572,700	1,596,522	1,123,274
Notes payable	171	150	151
Accounts payable	17,677,138	17,067,133	14,387,852
Other accounts payable	5,633,213	4,617,534	4,376,915
Corporate bonds payables	6,581,418	6,578,570	6,577,628
Lease liability	1,056,848	406,162	408,524
Long-term borrowings (including current portion)	15,626,122	11,479,117	11,479,578
Guarantee deposits received	36,617	38,885	25,071
	<u>\$ 57,844,666</u>	<u>\$ 46,008,921</u>	<u>\$ 46,288,960</u>

B. Risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.

- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB and HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2022

	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 229,449	31.75	\$ 7,285,006
RMB : NTD	37,352	4.47	166,963
HKD : NTD	7,510	4.04	30,340
EUR : NTD	502	31.26	15,693
JPY : NTD	126,641	0.22	27,861
USD : RMB	3,923	7.11	124,555
USD : HKD	76	7.85	2,413
RMB : HKD	48	1.11	215
JPY : HKD	1,567	0.05	345
<u>Non-monetary items</u>			
RMB : USD	\$ 29,395	0.14	\$ 131,394
RMB : HKD	281,047	1.11	1,256,281
INR : USD	97,579	0.01	38,056
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 665,865	31.75	\$ 21,141,214
RMB : NTD	914	4.47	4,086
HKD : NTD	6,826	4.04	27,577
EUR : NTD	1,510	31.26	47,203
JPY : NTD	167,054	0.22	36,752
USD : RMB	31,818	7.11	1,010,222
USD : HKD	272	7.85	8,636

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December 31, 2021

	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 644,628	27.68	\$ 17,843,303
RMB : NTD	61,380	4.34	266,389
HKD : NTD	34,694	3.55	123,164
EUR : NTD	513	31.32	16,067
JPY : NTD	483,152	0.24	115,956
USD : RMB	2,700	6.37	74,736
USD : HKD	111	7.80	3,072
RMB : HKD	48	1.22	208
<u>Non-monetary items</u>			
RMB : USD	\$ 29,762	0.16	\$ 129,169
RMB : HKD	258,820	1.22	1,123,279
INR : USD	102,319	0.01	38,117
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 836,634	27.68	\$ 23,158,029
RMB : NTD	85,835	4.34	372,524
HKD : NTD	19,451	3.55	69,051
EUR : NTD	18,311	31.32	573,501
JPY : NTD	43,222	0.24	10,373
USD : RMB	115,241	6.37	3,189,871
USD : HKD	136	7.80	3,764
HKD : RMB	794	0.82	2,819

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September 30, 2021			
	Foreign currency amount		Book value (NTD)
	(In thousands)	Exchange rate	
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 441,392	27.86	\$ 12,297,181
RMB : NTD	123,242	4.31	531,173
HKD : NTD	28,696	3.59	103,019
EUR : NTD	532	33.15	17,636
JPY : NTD	489,636	0.25	122,409
USD : RMB	4,831	6.46	134,592
USD : HKD	84	7.77	2,340
RMB : HKD	48	1.20	207
<u>Non-monetary items</u>			
RMB : USD	\$ 787,000	0.15	\$ 121,653
RMB : HKD	252,140	1.20	1,086,723
INR : USD	103,938	0.01	38,457
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 521,707	27.86	\$ 14,534,757
RMB : NTD	563	4.31	2,427
HKD : NTD	23,704	3.59	85,097
EUR : NTD	223	33.15	7,392
JPY : NTD	16,073	0.25	4,018
USD : RMB	36,548	6.46	1,018,227
USD : HKD	1,228	7.77	34,212
RMB : HKD	3,514	1.20	15,145
HKD : RMB	61	0.83	219

iv. The total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2022 and 2021 amounted to \$401,074, \$2,227 \$612,301 and (\$51,563), respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

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Nine months ended September 30, 2022

Sensitivity Analysis

	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	72,850	\$ -
RMB : NTD	1%		1,670	-
HKD : NTD	1%		303	-
EUR : NTD	1%		157	-
JPY : NTD	1%		279	-
USD : RMB	1%		1,246	-
USD : HKD	1%		24	-
RMB : HKD	1%		2	-
JPY : HKD	1%		3	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	211,412	\$ -
RMB : NTD	1%		41	-
HKD : NTD	1%		276	-
EUR : NTD	1%		472	-
JPY : NTD	1%		368	-
USD : RMB	1%		10,102	-
USD : HKD	1%		86	-

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Nine months ended September 30, 2021

Sensitivity Analysis

	<u>Degree of variation</u>		<u>Effect on profit or loss</u>		<u>Effect on other comprehensive income</u>
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	1%	\$	122,972	\$	-
RMB : NTD	1%		5,312		-
HKD : NTD	1%		1,030		-
EUR : NTD	1%		176		-
JPY : NTD	1%		1,224		-
USD : RMB	1%		1,346		-
USD : HKD	1%		23		-
RMB : HKD	1%		2		-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	1%	\$	145,348	\$	-
RMB : NTD	1%		24		-
HKD : NTD	1%		851		-
EUR : NTD	1%		74		-
JPY : NTD	1%		40		-
USD : RMB	1%		10,182		-
USD : HKD	1%		342		-
RMB : HKD	1%		151		-
HKD : RMB	1%		2		-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise domestic or foreign listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant. Other components of equity for the nine months ended September 30, 2022 and 2021 would have increased (decreased) by \$9,686 and \$10,996, respectively, as a result of gains/losses on equity securities other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's interest rates of borrowings are fixed and floating rate. For the nine months ended September 30, 2022 and 2021, the Group's borrowings issued by floating rate are priced in New Taiwan dollars, Renminbi and US dollar.
- ii. As of September 30, 2022, December 31, 2021 and September 30, 2021, if interest rates on borrowings at that date had been 1% lower/higher with all other variables held constant, post-tax profit for the nine months ended September 30, 2022 and 2021 would have been \$93,757 and \$68,878 lower/higher, respectively, mainly as a result of higher interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. Group treasury manages credit risk of cash in banks and other financial instruments based on the Group's credit policy. Because the Group's counterparties are determined based on the Group's internal control, only rated banks with an optimal rating and financial institutions with investment grade are accepted.
- iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

The Group adopts the assumptions under IFRS 9 and considers the industry characteristics, the default occurs when the contract payments are past due over 120 days.

- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
 - (ii) A breach of contract.

- vi. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the simplified approach using provision matrix to estimate expected credit loss under the provision matrix basis.
- vii. The Group used the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable. As of September 30, 2022, December 31, 2021 and September 30, 2021, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
<u>At September 30, 2022</u>					
Expected loss rate	0.03%~0.07%	0.03%~4.64%	2.90%~41.67%	100%	
Total book value	\$ 18,990,292	\$ 917,596	\$ 774,769	\$ 73,270	\$ 20,755,927
Loss allowance	\$ 12,281	\$ 42,599	\$ 22,476	\$ 73,270	\$ 150,626

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
<u>At December 31, 2021</u>					
Expected loss rate	0.05%	1.31%	13.46%	100%	
Total book value	\$ 15,483,718	\$ 720,848	\$ 211,679	\$ 65,145	\$ 16,481,390
Loss allowance	\$ 8,459	\$ 9,421	\$ 28,483	\$ 65,145	\$ 111,508

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
<u>At September 30, 2021</u>					
Expected loss rate	0.07%	4.44%	11.87%	100%	
Total book value	\$ 13,573,464	\$ 555,684	\$ 223,121	\$ 28,361	\$ 14,380,630
Loss allowance	\$ 9,896	\$ 24,676	\$ 26,476	\$ 28,361	\$ 89,409

- viii. Movements in relation to the group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2022	2021
	Accounts receivable	Accounts receivable
At January 1	\$ 111,508	\$ 118,373
Provision for (reversal of) impairment loss	36,198	(28,296)
Effect of foreign exchange	2,920	(668)
At September 30	<u>\$ 150,626</u>	<u>\$ 89,409</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the carrying amounts of notes payable, accounts payable and other payables are approximate to the amounts of contractual undiscounted cash flows and those accounts will expire within a year, the amounts of financial liabilities disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

September 30, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	\$ 10,928,821	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	574,458	-	-	-	-
Lease liabilities	302,422	185,015	93,339	170,503	457,917
Long-term borrowings (including current portion)	1,051,533	8,764,245	2,712,873	3,313,234	166,515

Non-derivative financial liabilities:

December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	\$ 4,322,864	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	1,600,067	-	-	-	-
Lease liabilities	177,917	113,717	30,414	20,348	198,021
Long-term borrowings (including current portion)	335,993	8,598,833	1,381,087	3,302,689	189,678

Non-derivative financial liabilities:

September 30, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	\$ 8,088,480	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	1,140,043	-	-	-	-
Lease liabilities	160,233	103,634	44,364	23,336	100,925
Long-term borrowings (including current portion)	473,703	6,498,783	1,139,463	3,310,378	206,850

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in non-hedging derivatives is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, short-term notes and bills payable notes payable, accounts payable, other payables and long-term borrowings are approximate to their fair values.

	September 30, 2022			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 6,600,000	\$ -	\$ 6,581,418	\$ -
	December 31, 2021			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 6,600,000	\$ -	\$ 6,578,570	\$ -
	September 30, 2021			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 6,600,000	\$ -	\$ 6,577,628	\$ -

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

September 30, 2022	Level 1	Level 2	Level 3	Total
Assets :				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ -	\$ -	\$ 1,210,799	\$ 1,210,799

December 31, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets :				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,116,311</u>	\$ <u>1,116,311</u>
September 30, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets :				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,374,559</u>	\$ <u>1,374,559</u>

E. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.
- (c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

- F. For the nine months ended September 30, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- G. The following chart is the movement of Level 3 for the nine months ended September 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
	<u>Equity securities</u>	<u>Equity securities</u>
At January 1	\$ 1,116,311	\$ 986,704
Recorded as unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	(18,375)	5,457
Acquired in the period	89,460	173,760
Decreased in the period	-	(37,469)
Transfers into level 3	-	252,088
Effect of exchange rate changes	23,403	(5,981)
At September 30	<u>\$ 1,210,799</u>	<u>\$ 1,374,559</u>

- H. For the nine months ended September 30, 2022 and 2021, there was no transfer into or out from Level 3.
- I. Group treasury is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.
- J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	<u>Fair value at</u>	<u>Valuation</u>	<u>Significant</u>	<u>Range</u>	<u>Relationship of</u>
	<u>September 30,</u>	<u>technique</u>	<u>unobservable input</u>	<u>(weighted average)</u>	<u>inputs to fair value</u>
	<u>2022</u>				
Non-derivative equity instrument:					
Unlisted shares	\$ 1,210,799	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 1,116,311	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value

	Fair value at September 30, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 1,374,559	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. For financial assets and liabilities categorised within Level 3, there is no significant impact to other comprehensive income on September 30, 2022, December 31, 2021 and September 30, 2021 if the net asset value increase or decrease by 1%.

(4) Other matters

The Group's financial condition and financial performance were not affected by the Covid-19 outbreak and various preventive measures which were imposed by the government in the third quarter of 2022.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

For the nine months ended September 30, 2021, except for financial statements of CU, FII, FUII, Zhi De Investment, FGEDG, FGEKS, DGFQ, FG XuZhou, FOXLINK, FIT Holding, FGEKS, FGEDG, DGFQ, PQI, Foxlink Image, Glory Science, APIX, AITL, Shinfox, Foxwell Energy, Sinocity, DG, PQI YANCHENG, PQI (Xuzhou), Dongguan Fu Wei, GLORY TEK, GLORY OPTICS, GLORY TEK (SAMOA), GLORY TEK SCIENSE INDIA, Glorytek Suzhou, GOYC, Glorytek Yancheng and YYWT which were reviewed by independent auditors, the financial statements of other subsidiaries were not reviewed by independent auditors.

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

For the information on investees, except for current profit (loss) for the nine months ended September 30, 2022 that is translated using the monthly average exchange rate in 2022, others are translated using the spot rate at September 30, 2022.

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Processing on order plant invested in Mainland China:

In 1997, the Company rented plants located in Shenzhen and Dongguan, Guangdong Province, Mainland China, respectively, through the investee, CU International Ltd. and operated the plants through processing on order. The plants were primarily engaged in the manufacture of electronic telecommunication components and electric wire, under Cu International Ltd. without their own corporate entity for the operating period ended December 2017. As of November 11, 2022, the plants are still under the cancellation process.

B. Investee in Mainland China, main business activities, paid-in capital, investment method, amount remitted from Taiwan to Mainland China / amount remitted back to Taiwan, ownership, investment income (loss), investments in Mainland China as of September 30, 2021, book value, investment income remitted back and ceiling on investments in Mainland China: Please refer to table 9.

C. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China, and price, payment terms, unreleased income/loss and other related information relating to investments in Mainland China:

- (a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period:

		Nine months ended September 30, 2022	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Purchases of goods	\$ 17,844,162	38%
Fugang Electronic (Dongguan) Co., Ltd.	Purchases of goods	\$ 12,303,105	26%
Fugang Electric (Xuzhou) Co., Ltd.	Purchases of goods	\$ 10,467,742	22%
Fushineng Electronics (Kunshan) Co., Ltd.	Purchases of goods	\$ 2,650,620	6%
Fugang Electric (Kunshan) Co., Ltd.	Purchases of goods	\$ 1,486,936	3%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Purchases of goods	\$ 194,006	-
Fugang Electric (Maanshan) Co., Ltd.	Purchases of goods	\$ 228,397	-

		September 30, 2022	
Company name	General ledger account	Amount	Percentage of total amount
Fugang Electronic (Dongguan) Co., Ltd.	Accounts payable	\$ 3,951,449	19%
Fugang Electric (Xuzhou) Co., Ltd.	Accounts payable	\$ 2,680,878	13%
Fushineng Electronics (Kunshan) Co., Ltd.	Accounts payable	\$ 1,711,609	8%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Accounts payable	\$ 1,308,116	6%
Fugang Electric (Maanshan) Co., Ltd.	Accounts payable	\$ 323,958	2%
Fuqiang Electric (Yancheng) Co., Ltd.	Accounts payable	\$ 125	-

- (b) Balance and purpose of provision of endorsements/guarantees or collateral at the end of the period: Please refer to table 2.
- (c) Maximum balance, ending balance, interest rate range and interest for financing during the nine months and as at September 30, 2022: Please refer to table 1.
- (d) Other transactions that have a significant impact on the profit/loss of current period or on the financial condition, such as the rendering or receiving of service:

		Nine months ended September 30, 2022	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Raw materials purchased on behalf of others	\$ 8,968,219	32%
Fugang Electric (Xuzhou) Co., Ltd.	Raw materials purchased on behalf of others	\$ 8,226,011	30%
Fugang Electronic (Dongguan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 6,969,276	25%
Fushineng Electronics (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 1,167,040	4%
Fugang Electric (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 840,322	3%
Fugang Electric (Maanshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 209,715	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 170,133	1%

		Nine months ended September 30, 2022	
Company name	General ledger account	Amount	Percentage of total amount
Fushineng Electronics (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 29,591	6%
Dongguan Fuqiang Electronics Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 19,627	4%
Fugang Electric (Xuzhou) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 45,768	10%
Fugang Electronic (Dongguan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 1,126	-

		September 30, 2022	
Company name	General ledger account	Amount	Percentage of total amount
Fugang Electric (Xuzhou) Co., Ltd.	Other receivables	\$ 2,574,649	30%
Fushineng Electronics (Kunshan) Co., Ltd.	Other receivables	\$ 1,433,173	17%
Fugang Electric (Maanshan) Co., Ltd.	Other receivables	\$ 645,097	8%
Fugang Electric (Kunshan) Co., Ltd.	Other receivables	\$ 366,069	5%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Other receivables	\$ 125,538	1%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Other receivables	\$ 66,157	1%
Fuqiang Electric (Yancheng) Co., Ltd.	Other receivables	\$ 13,499	-
Fugang Electric (Yancheng) Co., Ltd.	Other receivables	\$ 493	-

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

The Group has classified the reportable operating segments based on product types. The Company's operations and segmentation are both developed according to the product types. The current main product types are: 3C component, systems and peripheral products, 3C product retail and others.

(2) Measurement of segment information

The Board of Directors of the Group uses operating profit to measure the operating segments and as evaluation basis of the segments' performance.

(3) Segment information

The financial information of reportable segments provided to Chief Operating Decision-Maker is as follows:

Nine months ended September 30, 2022

	3C component department	Systems and peripheral products department	3C product retail department	Energy service management	Adjustments	Total
External Revenue	\$ 24,330,373	\$ 28,963,031	\$ 10,229,995	\$ 2,677,254	\$ -	\$ 66,200,653
Revenue from Internal Customers	<u>1,369,823</u>	<u>137,648</u>	<u>-</u>	<u>-</u>	<u>(1,507,471)</u>	<u>-</u>
Segment Revenue	<u>\$ 25,700,196</u>	<u>\$ 29,100,679</u>	<u>\$ 10,229,995</u>	<u>\$ 2,677,254</u>	<u>(\$ 1,507,471)</u>	<u>\$ 66,200,653</u>
Segment Profit	<u>\$ 535,259</u>	<u>\$ 1,562,118</u>	<u>\$ 212,975</u>	<u>\$ 117,758</u>	<u>\$ -</u>	<u>\$ 2,428,110</u>

Nine months ended September 30, 2021

	3C component department	Systems and peripheral products department	3C product retail department	Energy service management	Adjustments	Total
External Revenue	\$ 21,815,138	\$ 25,977,858	\$ 8,917,717	\$ 1,774,200	\$ -	\$ 58,484,913
Revenue from Internal Customers	<u>1,057,236</u>	<u>74,527</u>	<u>-</u>	<u>-</u>	<u>(1,131,763)</u>	<u>-</u>
Segment Revenue	<u>\$ 22,872,374</u>	<u>\$ 26,052,385</u>	<u>\$ 8,917,717</u>	<u>\$ 1,774,200</u>	<u>(\$ 1,131,763)</u>	<u>\$ 58,484,913</u>
Segment (Loss) Profit	<u>(\$ 49,734)</u>	<u>\$ 735,148</u>	<u>\$ 139,903</u>	<u>\$ 416,843</u>	<u>\$ -</u>	<u>\$ 1,242,160</u>

(4) Reconciliation for segment profit (loss)

The external revenue and segment profit (loss) reported to the chief operating decision-maker are measured in manner consistent with revenue and profit (loss) before tax in the financial statements. Therefore, no reconciliation was needed.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Loans to others
Nine months ended September 30, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2022	Balance at September 30, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
0	Cheng Uei Precision Industry Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables	Yes	\$ 3,000,000	\$ -	\$ -	-	2	\$ -	Operations	\$ -	-	\$ -	\$ 4,920,777	\$ 9,841,554	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables-related parties	Yes	57,642	-	-	-	2	-	Operations	-	-	-	2,938,587	2,938,587	
1	Fugang Electric (Kunshan) Co., Ltd.	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Other receivables-related parties	Yes	27,036	26,838	26,838	-	2	-	Operations	-	-	-	2,938,587	2,938,587	
2	World Circuit Technology Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other receivables-related parties	Yes	60,000	40,000	40,000	-	2	-	Operations	-	-	-	112,892	112,892	
2	World Circuit Technology Co., Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	55,000	55,000	-	2	-	Operations	-	-	-	112,892	112,892	
2	World Circuit Technology Co., Ltd.	Suntain Co., Ltd.	Other receivables	Yes	40,000	-	-	-	2	-	Operations	-	-	-	112,892	112,892	
3	Culink Tianjin Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables-related parties	Yes	225,300	223,650	223,650	-	2	-	Operations	-	-	-	240,518	240,518	
4	Foxlink Energy (Tianjin) Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables-related parties	Yes	174,447	174,447	174,447	-	2	-	Operations	-	-	-	180,338	180,338	
5	Foxlink International Investment Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	-	-	-	2	-	Operations	-	-	-	1,629,380	1,629,380	
5	Foxlink International Investment Ltd.	FOXLINK VETNAM CO., LTD.	Other receivables	Yes	58,980	47,625	47,625	1%	2	-	Operations	-	-	-	1,629,380	1,629,380	
6	Fu Uei International Investment Ltd.	Foxlink International Investment Ltd.	Other receivables	Yes	30,000	-	-	-	2	-	Operations	-	-	-	1,291,956	1,291,956	
6	Fu Uei International Investment Ltd.	FOXLINK ARIZONA INC.	Other receivables	Yes	127,000	127,000	63,500	1%	2	-	Operations	-	-	-	1,291,956	1,291,956	
6	Fu Uei International Investment Ltd.	Suntain Co., Ltd.	Other receivables	Yes	40,000	40,000	40,000	-	2	-	Operations	-	-	-	1,291,956	1,291,956	
7	FOXLINK TECHNOLOGY LIMITED	Cheng Uei Precision Industry Co., Ltd.	Other receivables	Yes	127,000	127,000	127,000	-	2	-	Operations	-	-	-	912,355	912,355	
7	FOXLINK TECHNOLOGY LIMITED	CU INTERNATIONAL LTD.	Other receivables	Yes	695,325	695,325	695,325	-	2	-	Operations	-	-	-	912,355	912,355	
8	Foxlink Tianjin Co., Ltd.	Fugang Electronic (Kunshan) Co., Ltd.	Other receivables	Yes	393,120	357,840	357,840	-	2	-	Operations	-	-	-	1,490,493	1,490,493	
8	Foxlink Tianjin Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Other receivables	Yes	247,830	246,015	246,015	-	2	-	Operations	-	-	-	1,490,493	1,490,493	
8	Foxlink Tianjin Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Other receivables	Yes	130,320	-	-	-	2	-	Operations	-	-	-	1,490,493	1,490,493	

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2022	Balance at September 30, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
9	Zhi De Investment Co., Ltd.	CU INTERNATIONAL LTD.	Other receivables	Yes	\$ 100,000	\$ 100,000	\$ 100,000	1%	2	-	Operations	-	-	-	\$ 233,432	\$ 233,432	
10	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Other receivables	Yes	202,770	-	-	-	2	-	Operations	-	-	-	10,381,779	10,381,779	
10	Dongguan Fuqiang Electronics Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	Other receivables	Yes	168,975	167,738	167,738	-	2	-	Operations	-	-	-	10,381,779	10,381,779	
11	Fugang Electronic (Dongguan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	Other receivables	Yes	261,348	259,434	259,434	-	2	-	Operations	-	-	-	6,975,259	6,975,259	
12	Fuzhan Electronics (Shanghai) Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	Other receivables	Yes	49,566	49,203	49,203	-	2	-	Operations	-	-	-	53,372	53,372	
13	Fushineng Electronics (Kunshan) Co., Ltd.	FUQIANG ELECTRIC (YANCHENG) CO., LTD.	Other receivables	Yes	36,048	35,784	35,784	-	2	-	Operations	-	-	-	2,333,325	3,111,101	
14	Studio A Inc.	Straight A Inc.	Other receivables	Yes	250,000	250,000	-	-	2	-	Operations	-	-	-	252,896	252,896	
15	Studio A Technology Limited	Kunshan Fugang Electric Trading Co., Ltd.	Other receivables	Yes	121,320	121,320	121,320	2%	2	-	Operations	-	-	-	443,113	443,113	
15	Studio A Technology Limited	AShop Co., Ltd.	Other receivables	Yes	127,000	127,000	63,500	2%	2	-	Operations	-	-	-	443,113	443,113	
15	FIT Holding Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables	Yes	900,000	900,000	870,000	1.625%	2	-	Operations	-	-	-	2,333,325	3,111,101	
16	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Other receivables	Yes	300,000	-	-	1.2%	2	-	Operations	-	-	-	1,062,850	1,062,850	
16	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	Other receivables	Yes	478,720	268,380	178,920	1.5%-2.5%	2	-	Operations	-	-	-	1,062,850	1,062,850	
16	Foxlink Image Technology Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables	Yes	500,000	400,000	100,000	1.625%	2	-	Operations	-	-	-	1,062,850	1,062,850	
17	Glorytek (Suzhou) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	28,838	28,627	-	3%	2	-	Operations	-	-	-	305,919	305,919	
17	Glorytek (Suzhou) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	225,300	223,650	161,028	3%	2	-	Operations	-	-	-	305,919	305,919	
18	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables	Yes	300,000	-	-	Average borrowing interest rate plus 0.1%	2	-	Group's capital management	-	-	-	4,097,480	4,097,480	
19	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables	Yes	540,720	536,760	536,760	1.5%	2	-	Group's capital management	-	-	-	719,898	719,898	

Note 1: The numbers as follows represent the nature of loan:

- (1) Business transaction is labelled as "1".
- (2) Short-term financing is labelled as "2".

Note 2: (1) Limit on loans granted to a single party is 20% of the Company's net asset value.

- (2) Limit on loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding Co., Ltd. is 40% of their net asset value.
- (3) Limit on loans granted to direct or indirect holding foreign subsidiaries is 100% of their net asset value.
- (4) Limit on loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
- (5) Limit on loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 30% of FIT Holding Co., Ltd.'s net asset value on recent financial report.

Note 3: (1) Ceiling on total loans granted to the company is 40% of the Company's net asset value.

- (2) Ceiling on total loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding is 40% of their net asset value.
- (3) Ceiling on total loans granted to the direct or indirect holding subsidiaries is 100% of their net asset value.
- (4) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
- (5) Ceiling on total loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 40% of their net asset value on recent financial report.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Provision of endorsements and guarantees to others
Nine months ended September 30, 2022

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2022	Outstanding endorsement/ guarantee amount at September 30, 2022	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	\$ 36,905,829	\$ 1,351,800	\$ 1,341,900	\$ 1,341,900	\$ -	5.45	\$ 73,811,658	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INTERNATIONAL INCORPORATION	The Company's third-tier subsidiary	36,905,829	1,028,700	1,028,700	276,289	-	4.18	73,811,658	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Inc.	The Company's second-tier subsidiary	36,905,829	1,270,000	1,270,000	515,925	-	5.16	73,811,658	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Technology Limited	The Company's third-tier subsidiary	36,905,829	1,365,250	1,270,000	451,168	-	5.16	73,811,658	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	The Company's third-tier subsidiary	36,905,829	897,280	857,250	152,083	-	3.48	73,811,658	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	ASHOP CO., LTD.	The Company's forth-tier subsidiary	36,905,829	889,000	889,000	77,470	-	3.61	73,811,658	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Straight A Inc.	The Company's third-tier subsidiary	36,905,829	2,133,600	476,250	68,733	-	1.94	73,811,658	Y	N	N	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.'s subsidiary	36,905,829	76,602	76,041	76,041	-	0.31	73,811,658	Y	N	Y	
1	Fugang Electric (Kunshan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.'s sibling company	36,905,829	1,236,672	1,227,615	1,227,615	-	4.99	73,811,658	N	N	Y	
2	Studio A Inc.	Studio A Technology Limited	Studio A Inc.'s subsidiary	36,905,829	301,625	301,625	-	-	1.23	73,811,658	Y	N	N	
3	FOXLINK INTERNATIONAL IND.	FOXLINK ARIZONA INC.	FOXLINK INTERNATIONAL IND.'s sibling company	36,905,829	546,862	546,862	546,862	-	2.22	73,811,658	N	N	N	
4	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	46,666,518	1,636,103	1,636,103	716,103	-	21.04	46,666,518	Y	N	N	
4	FIT Holding Co., Ltd.	Glory Science Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	46,666,518	1,224,190	1,224,190	724,190	-	15.74	46,666,518	Y	N	N	
4	FIT Holding Co., Ltd.	Shin Fong Power Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	46,666,518	3,000,000	3,000,000	-	-	38.57	46,666,518	Y	N	N	

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2022	Outstanding endorsement/ guarantee amount at September 30, 2022	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
5	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Foxlink Image Technology Co., Ltd.'s third-tier subsidiary	\$ 15,942,762	\$ 1,025,000	\$ 1,025,000	\$ 725,000	-	13.18	\$ 15,942,762	N	N	N	
5	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Foxlink Image Technology Co., Ltd.'s sibling company	15,942,762	300,000	300,000	150,000	-	3.86	15,942,762	N	N	N	
5	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Shinfox Energy Co., Ltd.' s sibling company	61,462,206	16,880,000	16,880,000	16,211,756	-	217.03	61,462,206	Y	N	N	

Note 1: Calculation for limit on endorsements/guarantees provided for a single party is as follows:

- (1) For subsidiaries whose shares are 90% or above held by the Company, ceiling on total amount of endorsements and guarantees provided by the Company is 150% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 150% of the Company's net asset value.
- (2) For FIT Holding Co.,Ltd., limit on endorsements and guarantees for a single party is 600% of FIT Holding Co.,Ltd.'s current net asset value and for subsidiary whose equity is no less than 90% held by FIT Holding Co.,Ltd., is 600% of FIT Holding Co.,Ltd.'s net asset value.
- (3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

Note 2: Calculation for limit on endorsements/guarantees provided is as follows:

- (1) The Company's and subsidiaries' endorsements and guarantees to others should not exceed 300% of the Company's net asset value.
- (2) FIT Holding Co.,Ltd.'s endorsements and guarantees to others and subsidiaries should not exceed 600% of FIT Holding Co., Ltd.'s net asset value in the latest financial statements.
- (3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
September 30, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2022				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
Fu Uei International Investment Ltd.	Trinity Investment Corporation	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	3,000	\$ 30,000	10.00	\$ 30,000	
Fu Uei International Investment Ltd.	ADE TECHNOLOGY INC.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	500	11,500	1.45	11,500	
CULINK INTERNATIONAL LTD.	Gamma 2 Robotics, Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	862	-	9.00	-	
CULINK INTERNATIONAL LTD.	OCCIPITAL,INC	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	389	-	2.50	-	
CULINK INTERNATIONAL LTD.	V5 SYSTEMS ,INC	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	1,460	-	4.63	-	
CULINK INTERNATIONAL LTD.	Motiv Inc	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	273	-	1.70	-	
CULINK INTERNATIONAL LTD.	LeadSun WINION Limited	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	3,000	95,250	40.07	95,250	
CULINK INTERNATIONAL LTD.	MedWand Solutions Inc.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	63	-	2.89	-	
FOXLINK TECHNOLOGY LIMITED	LEADSUN NEW STAR CORP.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	875	19,740	12.50	19,740	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Dongguan PowerWise Technology Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	1,250	44,730	4.00	44,730	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Zhongneng Lithium Battery Technology Taizhou Co., Ltd	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	922	89,460	3.30	89,460	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Hebei Gellec New Energy Science&technology Co.,Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	3,333	89,460	1.71	89,460	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Changzhou Qitai No.1 Venture Capital Partnership (Limited Partnership)	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	20,000	89,460	6.33	89,460	
Foxlink Tianjin Co., Ltd.	Changde Fubo Intelligent Technology Co., Ltd.	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	-	4,250	9.50	4,250	
FIT Holding Co., Ltd.	Foxwell Energy Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income-non-current	21,147	210,529	12.00	210,529	
Foxlink Image Technology Co., Ltd.	TAIWAN STAR TELECOM CORPORATION LIMITED	N/A	Financial assets at fair value through other comprehensive income-non-current	50,000	225,400	0.80	225,400	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2022				Footnote
				Number of shares (in thousand shares)	Book value	Ownership (%)	Fair value	
Foxlink Image Technology Co., Ltd.	Wellgen Medical Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income-non-current	1,500	\$ -	15.56	\$ -	
Power Quotient International Co., Ltd.	SAINT SONG CORP.	N/A	Financial assets at fair value through other comprehensive income-non-current	127	-	1.05	-	
Power Quotient International Co., Ltd.	OURS TECHNOLOGY INC.	N/A	Financial assets at fair value through other comprehensive income-non-current	13	-	0.21	-	
Power Quotient International Co., Ltd.	INNOPLUS CO., LTD.	N/A	Financial assets at fair value through other comprehensive income-non-current	160	-	12.00	-	
Power Quotient International Co., Ltd.	TAIWAN STAR TELECOM CORPORATION LIMITED	N/A	Financial assets at fair value through other comprehensive income-non-current	50,000	225,400	0.80	225,400	
Power Quotient International Co., Ltd.	STACK DEVICES CORPORATION	N/A	Financial assets at fair value through other comprehensive income-non-current	70	-	0.11	-	
POWER QUOTIET TECHNOLOGY (YANCHENG) Co., Ltd.	Jiangsu Foxlink New Energy Technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income-non-current	-	75,620	12.90	75,620	
Shinfox Energy Co., Ltd.	Corvus Energy Ltd.	N/A	Financial assets at fair value through other comprehensive income-non-current	22	-	0.04	-	
Shinfox Energy Co., Ltd.	SEC INTERNATIONAL INC.	N/A	Financial assets at fair value through other comprehensive income-non-current	54	-	9.00	-	
Foxwell Energy Corporation Ltd.	Full Entertainment Marketing Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income-non-current	300	-	3.00	-	

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Nine months ended September 30, 2022

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2021		Addition		Disposal				Balance as at September 30, 2022	
					Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Fu Uei International Investment Ltd.	Shinfox Energy Co., Ltd.	Investment accounted for using equity method	Note 1	Subsidiary	13,335	\$ 535,714	3,640	\$ 320,360	-	\$ -	\$ -	\$ -	16,975	\$ 884,944
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Investment accounted for using equity method	Note 1	Subsidiary	73,519	2,953,307	20,073	1,766,454	-	-	-	-	102,951	4,879,075

Note 1 : Capital increase by cash.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Nine months ended September 30, 2022

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
The Company	FOXLINK INTERNATIONAL INC.	The Company's third-tier subsidiary	Sales	(\$ 12,726,633)	(28)	Note 1	Note 1	Note 1	\$ 5,059,357	31	
The Company	Hon Hai Precision Industry Co., Ltd.	This company's director is the second-degree relative of the Company's chairman	Sales	(604,056)	(1)	Note 1	Note 1	Note 1	357,862	2	
The Company	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	Purchases	17,844,162	38	Note 2	Note 2	Note 2	-	-	
The Company	Fugang Electronic (Dongguan) Co., Ltd.	"	Purchases	12,303,105	26	Note 2	Note 2	Note 2	(3,951,449)	(19)	
The Company	Fugang Electric (Xuzhou) Co., Ltd.	"	Purchases	10,467,742	22	Note 2	Note 2	Note 2	(2,680,878)	(13)	
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	"	Purchases	2,650,620	6	Note 2	Note 2	Note 2	(1,711,609)	(8)	
The Company	Fugang Electric (Kunshan) Co., Ltd.	"	Purchases	1,486,936	3	Note 2	Note 2	Note 2	-	-	
The Company	Hon Hai Precision Industry Co., Ltd.	This company's director is the second-degree relative of the Company's chairman	Purchases	683,722	1	Note 2	Note 2	Note 2	(97,605)	(0)	
The Company	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	The Company's second-tier subsidiary	Purchases	364,069	1	Note 2	Note 2	Note 2	(376,132)	(2)	
The Company	Well Shin Technology Co., Ltd.	The Company's investee company accounted for using equity method	Purchases	270,527	1	Note 2	Note 2	Note 2	(146,500)	(1)	
The Company	Fugang Electric (Maanshan) Co.,	The Company's second-tier subsidiary	Purchases	228,397	0	Note 2	Note 2	Note 2	(323,958)	(2)	
The Company	SINOBEST BROTHERS LIMITED	The Company's subsidiary	Purchases	201,827	0	Note 2	Note 2	Note 2	(86,807)	(0)	
The Company	Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	Purchases	194,006	0	Note 2	Note 2	Note 2	-	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
FOXLINK INTERNATIONAL INC.	The Company	This company is the ultimate parent company of the Company	Purchases	\$ 12,726,633	100	Note 2	Note 2	Note 2	(\$ 5,059,357)	(79)	
Dongguan Fuqiang Electronics Co., Ltd.	The Company	"	Sales	(17,844,162)	(92)	Note 1	Note 1	Note 1	-	-	
Fugang Electronic (Dongguan) Co., Ltd.	The Company	"	Sales	(12,303,105)	(88)	Note 1	Note 1	Note 1	3,951,449	67	
Fugang Electric (Kunshan) Co., Ltd.	The Company	"	Sales	(1,486,936)	(76)	Note 1	Note 1	Note 1	-	-	
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	"	Sales	(2,650,620)	(81)	Note 1	Note 1	Note 1	1,711,609	81	
Fugang Electric (Maanshan) Co., Ltd.	The Company	"	Sales	(228,397)	(72)	Note 1	Note 1	Note 1	323,958	79	
Fugang Electric (Xuzhou) Co., Ltd.	The Company	"	Sales	(10,467,742)	(92)	Note 1	Note 1	Note 1	2,680,878	98	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company	"	Sales	(194,006)	(38)	Note 1	Note 1	Note 1	-	-	
SINOBEST BROTHERS LIMITED	The Company	"	Sales	(201,827)	(98)	Note 1	Note 1	Note 1	86,807	99	
FOXLINK INDIA ELECTRIC PRIVATE LIMITED	The Company	"	Sales	(364,069)	(30)	Note 1	Note 1	Note 1	376,132	46	
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Sales	(476,158)	(3)	Note 1	Note 1	Note 1	320,060	5	
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	"	Purchases	476,158	3	Note 2	Note 2	Note 2	(320,060)	(5)	
Dongguan Fuqiang Electronics Co., Ltd.	DU Precision Industry Co., Ltd.	"	Sales	(407,057)	(2)	Note 1	Note 1	Note 1	-	-	
DU Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	Purchases	407,057	100	Note 2	Note 2	Note 2	-	-	
Suntain Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	This company's director is the second-degree relative of the Company's chairman	Purchases	150,137	59	Note 2	Note 2	Note 2	(13,417)	(100)	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Straight A Inc.	Studio A Inc.	Affiliated company	Sales	(\$ 300,904)	(15)	Note 1	Note 1	Note 1	\$ -	-	
Studio A Inc.	Straight A Inc.	"	Purchases	300,904	4	Note 2	Note 2	Note 2	-	-	
Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	"	Sales	(795,168)	(66)	Note 1	Note 1	Note 1	305,294	100	
Shanghai Fugang Electric Trading Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	"	Purchases	795,168	93	Note 2	Note 2	Note 2	(305,294)	(100)	
Wei Hai Fu Kang Electric Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	"	Sales	(104,124)	(28)	Note 1	Note 1	Note 1	30,194	19	
ACCU-IMAGE TECHNOLOGY LIMITED	Wei Hai Fu Kang Electric Co., Ltd.	"	Purchases	104,124	99	Note 2	Note 2	Note 2	(30,194)	(99)	
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	Sales	(257,895)	(70)	Note 1	Note 1	Note 1	130,995	81	
Foxlink Image Technology Co., Ltd.	Wei Hai Fu Kang Electric Co., Ltd.	"	Purchases	257,895	8	Note 2	Note 2	Note 2	(130,995)	(14)	

Note 1: Please refer to Note 7(2)A. for the details.

Note 2: Please refer to Note 7(2)B. for the details.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
Nine months ended September 30, 2022

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	FOXLINK INTERNATIONAL INC.	The Company's third-tier subsidiary	\$ 5,059,357	2.52	None	N/A	\$ 1,359,421	None
The Company	Fugang Electric (Xuzhou) Co., Ltd.	The Company's second-tier subsidiary	2,574,649	Note 1	"	"	735,270	"
The Company	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	"	1,990,173	Note 1	"	"		"
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	"	1,433,173	Note 1	"	"	-	"
The Company	Fugang Electric (Maanshan) Co., Ltd.	"	645,097	Note 1	"	"	13,293	"
The Company	Fugang Electric (Kunshan) Co., Ltd.	"	366,069	Note 1	"	"	73,624	"
The Company	Hon Hai Precision Industry Co., Ltd.	This company's chairman is the second-degree relative of the Company's chairman	357,862	1.68	"	"	100,744	"
The Company	SINOBEST BROTHERS LIMITED	The Company's subsidiary	187,634	Note 1	"	"	-	"
The Company	Foxlink Automotive Technology (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	125,538	Note 1	"	"	22,115	"
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,711,609	1.55	"	"	-	"
Fu Gang Electronic (Nan Chang) Co., Ltd.	The Company	"	1,308,116	0.00	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	The Company	"	3,951,449	3.11	"	"	-	"
Fugang Electric (Maanshan) Co., Ltd.	The Company	"	323,958	0.71	"	"	-	"
Fugang Electric (Xuzhou) Co., Ltd.	The Company	"	2,680,878	3.90	"	"	-	"
FOXLINK INDIA ELECTRIC PRIVATE LIMITED	The Company	"	376,132	0.97	"	"	-	"
Well Shin Technology Co., Ltd.	The Company	The Company's investee company accounted for using equity method	146,500	1.85	"	"	-	"

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Zhi De Investment Co., Ltd.	CU INTERNATIONAL LTD.	Affiliated company	\$ 112,710	Note 1	\$ 100,000	N/A	\$ -	None
CU INTERNATIONAL LTD.	Dongguan Fuqiang Electronics Co., Ltd.	"	147,807	Note 1	None	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	CU INTERNATIONAL LTD.	"	108,677	0.00	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	320,060	1.49	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	281,514	Note 1	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	"	264,766	Note 1	259,434	Overdue receivable are expected to be gradually collected in 2023	-	"
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	"	312,537	Note 1	167,738	"	-	"
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	"	1,862,760	0.00	None	N/A	-	"
Culink Tianjin Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	223,650	Note 1	223,650	Overdue receivable are expected to be gradually collected in 2023	-	"
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	"	302,904	Note 1	None	N/A	-	"
Fugang Electric (Kunshan) Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	"	153,690	0.45	"	"	-	"
Foxlink Tianjin Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	"	357,840	Note 1	357,840	Overdue receivable are expected to be gradually collected in 2023	-	"
Foxlink Energy (Tianjin) Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	174,447	Note 1	174,447	"	-	"
Foxlink Tianjin Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	246,015	Note 1	246,015	"	-	"
Foxlink Tianjin Co., Ltd.	CU INTERNATIONAL LTD.	"	398,379	0.00	None	N/A	-	"
FOXLINK TECHNOLOGY LIMITED	CU INTERNATIONAL LTD.	"	695,325	Note 1	695,325	"	-	"
FOXLINK TECHNOLOGY LIMITED	The Company	"	127,000	Note 1	127,000	"	-	"
Fuqiang Electric (Maanshan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	137,043	0.11	None	"	-	"
Studio A Technology Limited	Kunshan Fugang Electric Trading Co., Ltd.	"	121,320	Note 1	121,320	Overdue receivable are expected to be gradually collected in 2023	-	"

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	Affiliated company	\$ 305,294	2.60	None	N/A	\$ -	None
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Subsidiary	870,000	Note 1	"	"	-	"
Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	Affiliated company	100,000	Note 1	"	"	-	"
Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	178,920	Note 1	"	"	-	"
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	355,007	0.03	"	"	-	"
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	141,065	Note 1	"	"	-	"
Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	263,631	Note 1	"	"	-	"
Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	167,828	Note 1	"	"	-	"
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	316,919	2.97	"	"	62,622	"
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	141,510	0.01	"	"	15,656	"
Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	130,995	4.02	"	"	61,289	"
Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	536,760	Note 1	"	"	-	"

Note 1: The turnover rate was not applicable as the receivables were recorded as other receivables.

Cheng Uei Precision Industry Co., Ltd.
Significant inter-company transactions during the reporting periods
Nine months ended September 30, 2022

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INTERNATIONAL INC.	1	Sales	\$ 12,726,633	Sales prices are based on the mutual agreement	19
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INTERNATIONAL INC.	1	Accounts receivable	5,059,357	The collections depend on the financial situation after offsetting the receivables against the payables	5
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Purchases	17,844,162	Purchase prices are based on the mutual agreement	27
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Purchases	1,486,936	Purchases prices are based on the mutual agreement	2
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Other receivables	366,069	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Purchases	2,650,620	Purchases prices are based on the mutual agreement	4
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Other receivables	1,433,173	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Accounts payable	1,711,609	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Purchases	12,303,105	Purchases prices are based on the mutual agreement	19
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Accounts payable	3,951,449	The collections depend on the financial situation after offsetting the receivables against the payables	4
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	1	Other receivables	125,538	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fu Gang Electronic (Nan Chang) Co., Ltd.	1	Accounts payable	1,308,116	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK TECHNOLOGY LIMITED	1	Other payables	127,000	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	1	Purchases	228,397	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	1	Other receivables	645,097	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	1	Accounts payable	323,958	The collections depend on the financial situation after offsetting the receivables against the payables	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	1	Other receivables	\$ 2,574,649	The collections depend on the financial situation after offsetting the receivables against the payables	3
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	1	Purchases	10,467,742	Purchases prices are based on the mutual agreement	16
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	1	Accounts payable	2,680,878	The collections depend on the financial situation after offsetting the receivables against the payables	3
0	Cheng Uei Precision Industry Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	1	Purchases	194,006	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	SINOBEST BROTHERS LIMITED	1	Other receivables	187,634	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	SINOBEST BROTHERS LIMITED	1	Purchases	201,827	Purchase prices are based on the mutual agreement	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	1	Other receivables	1,990,173	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	1	Accounts payable	376,132	The collections depend on the financial situation after offsetting the receivables against the payables	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	1	Purchases	364,069	Purchase prices are based on the mutual agreement	1
1	CU INTERNATIONAL LTD.	Dongguan Fuqiang Electronics Co., Ltd.	3	Other receivables	147,807	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	CU INTERNATIONAL LTD.	Dongguan Fuqiang Electronics Co., Ltd.	3	Prepaid expenses	178,505	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	CU INTERNATIONAL LTD.	Fugang Electronic (Dongguan) Co., Ltd.	3	Accounts payable	108,677	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	CU INTERNATIONAL LTD.	Foxlink Tianjin Co., Ltd.	3	Accounts payable	398,379	The collections depend on the financial situation after offsetting the receivables against the payables	-
1	CU INTERNATIONAL LTD.	FOXLINK TECHNOLOGY LIMITED	3	Other payables	695,325	The collections depend on the financial situation after offsetting the receivables against the payables	1
1	CU INTERNATIONAL LTD.	Zhi De Investment Co., Ltd.	3	Other payables	112,710	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Prepaid expenses	210,959	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	302,904	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Accounts receivable	153,690	The collections depend on the financial situation after offsetting the receivables against the payables	-
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Tianjin Co., Ltd.	3	Other payables	357,840	The collections depend on the financial situation after offsetting the receivables against the payables	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Purchases	\$ 476,158	Purchases prices are based on the mutual agreement	1
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Other payables	281,514	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	312,537	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Accounts payable	137,043	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	3	Accounts receivable	1,862,760	The collections depend on the financial situation after offsetting the receivables against the payables	2
3	Dongguan Fuqiang Electronics Co., Ltd.	Foxlink Energy (Tianjin) Ltd.	3	Other payables	174,447	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Culink Tianjin Co., Ltd.	3	Other payables	223,650	The collections depend on the financial situation after offsetting the receivables against the payables	-
3	Dongguan Fuqiang Electronics Co., Ltd.	DU Precision Industry Co., Ltd.	3	Sales	407,057	Sales prices are based on the mutual agreement	1
3	Dongguan Fuqiang Electronics Co., Ltd.	Foxlink Tianjin Co., Ltd.	3	Other payables	246,015	The collections depend on the financial situation after offsetting the receivables against the payables	-
4	Fugang Electronic (Dongguan) Co., Ltd.	Fugang Electric (Maanshan) Co., Ltd.	3	Other receivables	264,766	The collections depend on the financial situation after offsetting the receivables against the payables	-
4	Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Accounts receivable	320,060	The collections depend on the financial situation after offsetting the receivables against the payables	-
5	Studio A Technology Limited	Kunshan Fugang Electric Trading Co., Ltd.	3	Other receivables	121,320	The collections depend on the financial situation after offsetting the receivables against the payables	-
6	Straight A Inc.	Studio A Inc.	3	Sales	300,904	Purchase prices are based on the mutual agreement	-
7	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Sales	795,168	Sales prices are based on the mutual agreement	1
7	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Accounts receivable	305,294	The collections depend on the financial situation after offsetting the receivables against the payables	-
8	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	1	Other receivables	870,000	Based on the company's policy	3
9	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	3	Other receivables	100,000	Based on the company's policy	-
9	Foxlink Image Technology Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	178,920	Based on the company's policy	1
10	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	263,631	Based on the company's policy	1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
10	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Accounts receivable	\$ 355,007	Based on the company's policy	1
10	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	141,065	Based on the company's policy	-
11	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	167,828	The collections depend on the financial situation after offsetting the receivables against the payables	1
12	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing income	634,888	The flexible collection based on the financial situation	8
12	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	316,919	The flexible collection based on the financial situation	1
13	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	141,510	The flexible collection based on the financial situation	-
13	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Processing revenue	118,129	The flexible collection based on the financial situation	1
14	Wei Hai Fu Kang Electric Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	3	Sales	104,124	The flexible collection based on the financial situation	1
14	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Sales	257,895	The flexible collection based on the financial situation	3
14	Wei Hai Fu Kang Electric Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivables	130,995	The flexible collection based on the financial situation	-
15	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	536,760	Based on the company's policy	2

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is '0'.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Disclosure of the transactions of related party over \$100 million only and the related party transactions for counterparty are not disclosed.

Note 5: Transaction prices and terms are determined based on mutual agreement as no similar transaction can be compared with.

Cheng Uei Precision Industry Co., Ltd.
Information on investees
Nine months ended September 30, 2022

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	CU INTERNATIONAL LTD.	British Virgin IS.	Manufacture of electronic telecommunication components and reinvestment business	\$ 15,187,613	\$ 14,628,813	478,350	100	\$ 24,993,916	\$ 884,665	\$ 758,393	
The Company	CULINK INTERNATIONAL LTD.	British Virgin IS.	Reinvestment business	1,023,239	1,023,239	32,228	100	1,354,562	305,533	305,533	
The Company	Foxlink International Investment Ltd.	Taiwan	General investments holdings	3,350,000	3,350,000	408,750	100	3,801,384	49,128	49,128	
The Company	Fu Uei International Investment Ltd.	Taiwan	General investments holdings	4,250,000	3,550,000	425,000	100	3,216,536	(108,123)	(108,123)	
The Company	Well Shin Technology Co., Ltd.	Taiwan	Manufacture and sales of electric wire and cable as well as electronic telecommunication components	270,065	270,065	22,282	18.84	1,266,312	630,729	118,847	
The Company	Darts Technologies Corporation	Taiwan	Manufacture of electronic telecommunication and wireless components	762,566	762,566	47,576	97	881,818	68,762	66,566	
The Company	DU Precision Industry Co., Ltd.	Taiwan	Sales of raw materials and products of various connectors	600,000	600,000	60,000	100	81,826	32,913	32,913	
The Company	FOXLINK TECHNOLOGY LIMITED.	HONG KONG	Reinvestment business	350,615	350,615	86,700	100	923,962	(1,384)	(1,384)	
The Company	Suntain Co., Ltd.	Taiwan	Electroplating processing services	190,810	190,810	20,602	100	243,599	26,590	26,590	
The Company	FOXLINK ARIZONA INC.	USA	Energy service management	177,800	-	5,600	100	41,040	(126,140)	(126,140)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	SINOBEST BROTHERS LIMITED	HONG KONG	Reinvestment business	\$ 657,352	\$ 657,352	20,704	91.19	\$ 372,545	(\$ 36,108)	(\$ 32,927)	
FOXLINK TECHNOLOGY LIMITED.	SINOBEST BROTHERS LIMITED	HONG KONG	Reinvestment business	62,686	62,686	2,000	8.81	35,987	(36,108)	(3,181)	
SINOBEST BROTHERS LIMITED	FOXLINK MYANMAR COMPANY LIMITED	Myanmar	Manufacture and sales of electronic telecommunication components	720,852	720,852	22,704	100	445,994	(23,846)	(23,846)	
DU Precision Industry Co., Ltd.	CELINK INTERNATIONAL LTD.	British Virgin IS	Sales of raw materials and products of various connectors	525,018	525,018	16,536	100	-	-	-	
Darts Technologies Corporation	BENEFIT RIGHT LTD.	British Virgin IS	General investments holdings	312,611	312,611	9,846	100	927,226	68,786	68,786	
BENEFIT RIGHT LTD.	POWER CHANNEL LIMITED	HONG KONG	General investments holdings	244,793	244,793	6	64.25	865,745	106,770	68,600	
CU INTERNATIONAL LTD.	NEW START INDUSTRIES LTD.	British Virgin IS	Reinvestment business	273,050	273,050	8,600	100	2,780,554	(316,611)	(316,611)	
CU INTERNATIONAL LTD.	FOXLINK TECHNICAL INDIA PRIVATE LIMITED	INDIA	Manufacture and sales of electronic telecommunication components	102,489	102,489	209,400	34.30	43,234	(35,461)	(12,177)	
CU INTERNATIONAL LTD.	SOLTERAS LIMITED	British Virgin IS	Reinvestment business	63,500	63,500	1,960	100	-	-	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Foxlink Automotive Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components	40,958	40,958	5,000	100	47,311	(324)	(324)	
CULINK INTERNATIONAL LTD.	PACIFIC WEALTH LIMITED	Cayman Islands	General investments holdings	31,750	31,750	1,000	100	(115,777)	(8,970)	(8,970)	
CULINK INTERNATIONAL LTD.	Foxlink Technical India Private Ltd.	INDIA	Manufacture and sales of electronic telecommunication components	172,521	172,521	21,546	65.70	82,817	(35,461)	(23,299)	
CULINK INTERNATIONAL LTD.	Foxlink Powerbank International Technology Private Ltd.	INDIA	Manufacture and sales of electronic telecommunication components	623	623	160	0.73	622	(760)	(7)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
CULINK INTERNATIONAL LTD.	Glorytek Science India Private Limited	INDIA	Trading and manufacture	\$ 623	\$ 623	160	0.73	\$ 621	(\$ 939)	(\$ 4)	
PACIFIC WEALTH LIMITED	FOXLINK INTERNATIONAL, INC	USA	Sales of electronic telecommunication components	15,875	15,875	500	100	(115,777)	(8,970)	(8,970)	
Foxlink Technical India Private Ltd.	Tegna Electronics Private Limited	INDIA	Trading and manufacture	11,684	11,684	3,001	10	12,790	(5,010)	(501)	
Foxlink International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,357,624	1,357,624	58,303	23.67	1,758,607	438,274	100,144	
Foxlink International Investment Ltd.	Yixin Precision Industry Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components and electronic machinery equipment	60,000	60,000	6,000	75	-	-	-	
Foxlink International Investment Ltd.	Microlink Communications Inc.	Taiwan	Manufacture and sales of telecommunication equipment and apparatus	80,000	80,000	6,857	21.43	(22,026)	(2,405)	(515)	
Foxlink International Investment Ltd.	World Circuit Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components and flexible printed circuit	469,500	469,500	15,650	69.56	196,307	17,859	12,422	
Foxlink International Investment Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	900,000	900,000	15,000	13.60	1,545,496	63,194	8,185	
Foxlink International Investment Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	INDIA	Manufacture and sales of electronic telecommunication components	160,662	160,662	31,439	10.22	61,246	(297,691)	(33,772)	
Foxlink International Investment Ltd.	CYNC Design Co., Ltd.	Taiwan	Sales of electronic telecommunication components	10,000	10,000	1,000	15.38	8,969	(6,600)	(1,015)	
Foxlink International Investment Ltd.	FOXLINK VIETNAM CO., LTD.	Vietnam	Sales of electronic telecommunication components	119,318	36,089	4,300	100	57,899	(45,260)	(45,260)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxlink Image Technology Co., Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	\$ 257,656	\$ 257,656	4,294	3.89	\$ 193,951	\$ 63,194	\$ 2,341	
World Circuit Technology Co., Ltd.	VALUE SUCCESS LTD.	British Virgin IS.	Holding company and reinvestment business	190,208	190,208	5,000	100	34,872	52	52	
VALUE SUCCESS LTD.	CAPITAL GUARDIAN LIMITED	HONG KONG	Sales of electronic telecommunication components	190,208	190,208	3,005	100	34,801	52	52	
CAPITAL GUARDIAN LIMITED	World Circuit Technology (Hong Kong) Limited	HONG KONG	Sales of electronic telecommunication components	33,009	33,009	-	100	39,288	52	52	
Fu Uei International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	456,240	456,240	14,690	5.97	391,051	438,274	25,205	
Fu Uei International Investment Ltd.	Studio A Inc.	Taiwan	Sales of electronic telecommunication components	96,200	96,200	13,196	51	371,872	130,743	66,679	
Fu Uei International Investment Ltd.	VA Product Inc.	Taiwan	Sales of electronic telecommunication components	16,642	16,642	2,400	100	27,135	9,490	9,490	
Fu Uei International Investment Ltd.	Zhi De Investment Co., Ltd.	Taiwan	General investments holdings	2,184,388	2,184,388	170,918	100	599,418	36,236	36,236	
Fu Uei International Investment Ltd.	CMPC Cultural & Creative Co., Ltd.	Taiwan	Venture capital industry	150,000	150,000	15,000	42.86	127,753	871	416	
Fu Uei International Investment Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Mechanical installation and piping engineering	694,170	373,810	18,673	8.64	884,944	116,037	10,313	
Fu Uei International Investment Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	INDIA	Manufacture and sales of electronic telecommunication components	1,010,999	728,621	276,315	89.78	538,287	(297,691)	(263,919)	
Zhi De Investment Co., Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,258,208	1,258,208	21,056	8.55	436,513	438,274	36,166	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
Studio A Inc.	Tayih Digital Technology Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components	\$ 3,000	\$ 3,000	300	60	\$ -	\$ -	\$ -	
Studio A Inc.	Straight A Inc.	Taiwan	Sales of electronic telecommunication components	66,600	66,600	10,123	100	175,561	57,441	57,441	
Studio A Inc.	Studio A Technology Limited	HONG KONG	Sales of electronic telecommunication components	10,312	10,312	2,550	51	228,965	12,535	6,393	
Studio A Inc.	Jing Jing Technology Co., Ltd.	Taiwan	Sales of electronic telecommunication components	3,700	3,700	3,700	100	7,974	22	22	
Studio A Inc.	Septemberzhe Co., Ltd	Taiwan	Dredging industry	100,000	100,000	10,000	25	108,789	27,430	6,857	
Studio A Technology Limited	Studio A Macau Limited	MACAO	Sales of electronic telecommunication components	-	2,022	-	-	-	(1)	(1)	
Studio A Technology Limited	ASHOP CO., LTD	South Korea	Sales of electronic telecommunication components	4,763	-	100,000	100	47,872	(19,094)	(18,578)	
FIT Holding Co., Ltd.	Glory Science Co., Ltd.	Taiwan	Manufacture and sales of optical instruments	2,814,868	2,214,868	60,000	100	759,470	(225,428)	(225,428)	
FIT Holding Co., Ltd.	Foxlink Image Technology Co., Ltd.	Taiwan	Manufacture and sales of image scanners and multifunction printers	3,011,140	3,011,140	164,994	100	3,392,185	595,086	590,426	
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Taiwan	Manufacture and sales of electronic telecommunication components	3,372,180	3,372,180	444,691	100	4,833,507	79,838	79,528	
FIT Holding Co., Ltd.	Shih Fong Power Co., Ltd.	Taiwan	Hydroelectricity	299,952	299,952	37,500	16.30	386,336	(1,795)	(293)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
FIT Holding Co., Ltd.	Synergy Co., Ltd.	Taiwan	Optoelectronics industry, Renewable energy and Energy technical services	\$ 36,760	\$ 36,760	3,676	36.76	\$ 33,136	(\$ 7,369)	(\$ 2,709)	
Foxlink Image Technology Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	British Virgin IS	Manufacture of image scanners and multifunction printers	1,148,616	1,148,616	13,241	100	1,817,102	233,128	233,128	
Foxlink Image Technology Co., Ltd.	Shih Fong Power Co., Ltd.	Taiwan	Hydroelectricity	957,600	957,600	79,800	34.70	953,604	(1,795)	(623)	
ACCU-IMAGE TECHNOLOGY LIMITED	POWER CHANNEL LIMITED	HONG KONG	Holding company and reinvestment business	155,575	155,575	4	35.75	583,080	106,770	38,170	
Glory Science Co., Ltd.	GLORY TEK (BVI) CO., LTD.	British Virgin IS	General investments holdings	1,419,431	1,419,431	40,700	100	143,782	(220,513)	(220,513)	
GLORY TEK (BVI) CO., LTD.	GLORY TEK (SAMOA) CO., LTD.	Samoa	General investments holdings	795,357	795,357	25,051	100	425,851	(115,013)	(115,013)	
GLORY TEK (BVI) CO., LTD.	GLORY OPTICS (BVI) CO., LTD.	British Virgin IS	Sales agent	508,000	508,000	16,000	100	(287,924)	(104,580)	(104,580)	
GLORY TEK (BVI) CO., LTD.	GLORYTEK SCIENCE INDIA PRIVATE LIMITED	INDIA	Trading and manufacture	106,866	106,866	21,773	99.27	84,442	(939)	(960)	
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	TEGNA ELECTRONICS PRIVATE LIMITED	INDIA	Trading and manufacture	11,683	11,683	3,001	10	12,634	(5,010)	(501)	
Power Quotient International Co., Ltd.	Power Quotient International(H.K.) Co., Ltd.	HONG KONG	Sales of electronic telecommunication components	429,068	429,068	106,100	100	720,471	8,900	8,900	
Power Quotient International Co., Ltd.	PQI JAPAN CO., LTD	Japan	Sales of electronic telecommunication components	23,129	23,129	24	100	(155,452)	-	-	
Power Quotient International Co., Ltd.	SYSKOM DEVELOPMENT CO., LTD	British Virgin IS	Specialized investments holding	344,900	344,900	10,863	100	87,226	(754)	(754)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
Power Quotient International Co., Ltd.	Apix LIMITED	British Virgin IS	Specialized investments holding	\$ 3,285,147	\$ 3,285,147	13	100	\$ 1,204,984	\$ 37,098	\$ 37,098	
Power Quotient International Co., Ltd.	PQI Mobility Inc.	Samoa	Specialized investments holding	317,500	317,500	10,000	100	-	1,655	1,655	Note 1
Power Quotient International Co., Ltd.	Power Sufficient International Co., Ltd.	Taiwan	Sales of medical instruments	10,000	10,000	1,000	100	12,927	(126)	(126)	
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Energy service management	3,646,600	1,880,146	102,951	47.63	4,879,075	116,037	55,268	
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Taiwan	Energy service management	6,100,000	3,000,000	610,000	100	6,197,939	95,940	95,940	
Shinfox Energy Co., Ltd.	Shinfox Natural Gas Co., Ltd.	Taiwan	Energy service management	120,000	120,000	12,000	80	66,803	(29,254)	(23,403)	
Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	Taiwan	Energy service management	672,600	99,000	48,140	80.23	719,031	8,825	7,080	
Shinfox Energy Co., Ltd.	Septemberzhe Co., Ltd	Taiwan	Dredging industry	134,000	134,000	13,400	33.50	145,784	27,430	9,189	
Shinfox Energy Co., Ltd.	Jiuwei Power Co., Ltd.	Taiwan	Natural gas power generation business	50,000	30,000	5,000	100	44,294	(5,694)	(5,694)	
Shinfox Energy Co., Ltd.	Chung Chia Power Co., Ltd.	Taiwan	Steam power cogeneration	180,000	180,000	12,000	20	172,567	(22,351)	(4,470)	
Shinfox Energy Co., Ltd.	Elegant Energy TECH Co., Ltd.	Taiwan	Natural gas power generation business	200,000	-	500	100	205,440	8,846	8,846	
Shinfox Energy Co., Ltd.	Yuanshan Forest Natural Resources Co., Ltd.	Taiwan	Afforestation	10,000	-	1,000	100	9,985	(15)	(15)	
Shinfox Energy Co., Ltd.	Chung Chia Power Co., Ltd.	Taiwan	Electricity generating enterprise	120,000	-	12,000	50	117,830	(659)	(330)	
Shinfox Energy Co., Ltd.	Guanwei Power Co., Ltd	Taiwan	Electricity generating enterprise	35,700	-	3,570	100	35,677	(23)	(23)	
Shinfox Energy Co., Ltd.	Diwei Power Co., Ltd	Taiwan	Electricity generating enterprise	30,000	-	3,000	100	29,979	(21)	(21)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares (in thousand shares)	Ownership (%)	Book value			
Foxwell Energy Corporation Ltd.	Liangwei Power Co., Ltd	Taiwan	Electricity generating enterprise	\$ 40,000	\$ -	4,000	100	\$ 39,980	(\$ 20)	(\$ 20)	
SYSCOM DEVELOPMENT CO., LTD	Foxlink Powerbank International Technology Private Limited	INDIA	Sales of electronic telecommunication components	106,775	106,775	21,790	99.27	84,519	(760)	(754)	
Apix LIMITED	Sinocity Industries Limited	HONG KONG	Sales of electronic telecommunication components	2,729,700	2,729,700	6,000	100	953,623	34,027	34,027	
Apix LIMITED	Perennial Ace Limited	British Virgin IS	Specialized investments holding	676,275	676,275	-	100	251,213	3,071	3,071	
Sinocity Industries Limited	DG Lifestyle Store Limited	MACAO	Sales of electronic telecommunication components	393	393	100	100	(6,944)	(5,663)	(5,663)	
Perennial Ace Limited	Studio A Technology Limited	HONG KONG	Sales of electronic telecommunication components	4,998	4,998	1,225	24.50	109,994	12,535	3,071	
Foxlink Powerbank International Technology Private Limited	TEGNA ELECTRONICS PRIVATE LIMITED	INDIA	Trading and manufacture	11,683	11,683	3,001	10	12,632	5,010	501	

Note 1: The company completed the liquidation in October 2022.

Cheng Uei Precision Industry Co., Ltd.
Information on investments in Mainland China
Nine months ended September 30, 2022

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income of investee as of September 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022 (Note 2)	Book value of investments in Mainland China as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fugang Electronic (Dongguan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 1,366,096	Investment through an existing company in the third area	\$ 1,366,096	\$ -	\$ -	\$ 1,366,096	\$ 952,446	100	\$ 952,446	\$ 6,975,258	\$ -	
Culink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	127,000	Investment through an existing company in the third area	31,750	-	-	31,750	636	100	636	240,517	-	
Fugang Electric (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,857,625	Investment through an existing company in the third area	3,857,625	-	-	3,857,625	(437,470)	100	(437,470)	2,938,585	-	
Dong Guan Fu Shi Chang Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,786	Investment through an existing company in the third area	3,785	-	-	3,785	-	100	-	2,508	-	
Dongguan Fuqiang Electronics Co., Ltd.	Manufacture and sales of electronic telecommunication components	3,772,218	Investment through an existing company in the third area and the investee company in Mainland China	3,137,218	-	-	3,137,218	964,823	100	964,823	10,381,780	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	203,394	Investment through an existing company in the third area and the investee company in Mainland China	95,250	-	-	95,250	(17,288)	100	(17,288)	322,359	-	
Foxlink Energy (Tianjin) Ltd.	Manufacture and sales of electronic telecommunication components	127,000	Investment through an existing company in the third area	127,000	-	-	127,000	858	100	858	180,336	-	
Fushineng Electronics (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	381,000	Investment through an existing company in the third area	381,000	-	-	381,000	115,311	100	115,311	1,400,509	-	
Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Manufacture and sales of electronic telecommunication components	142,875	Investment through an existing company in the third area	142,875	-	-	142,875	(2,433)	100	(2,433)	70,410	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income of investee as of September 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022 (Note 2)	Book value of investments in Mainland China as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fu Gang Electronic (Nan Chang) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 1,587,500	Investment through an existing company in the third area and the investee company in Mainland China	\$ 1,587,500	\$ -	\$ -	\$ 1,587,500	\$ 129,972	100	\$ 129,972	\$ 1,274,925	\$ -	
Fugang Electric (YANCHENG) Co., Ltd.	Manufacture and sales of electronic telecommunication components	95,250	Investment through an existing company in the third area	76,200	-	-	76,200	456	80	365	52,003	-	
FUQIANG ELECTRIC (YANCHENG) Co., Ltd.	Manufacture and sales of electronic telecommunication components	317,500	Investment through an existing company in the third area	317,500	-	-	317,500	(11,142)	100	(11,142)	(36,469)	-	
Foxlink Tianjin Co., Ltd.	Manufacture and sales of electronic telecommunication components	571,500	Investment through an existing company in the third area	165,100	-	-	165,100	(495,399)	100	(495,399)	1,491,444	-	
Kunshan Fugang Investment Co., Ltd.	Reinvestment business	952,500	Investment through the investee company in Mainland China	952,500	-	-	952,500	1,931	100	1,931	1,716,551	-	
FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	Manufacture and sales of electronic telecommunication components	966,189	Investment through an existing company in the third area	317,500	-	-	317,500	(975,921)	100	(975,921)	(1,103,768)	-	
Fuzhan Electronics (Shanghai) Co., Ltd.	Manufacture and sales of electronic telecommunication components	236,571	Investment through the investee company in Mainland China	236,571	-	-	236,571	98	100	98	34,793	-	
Kunshan Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	173,321	Investment through the investee company in Mainland China	-	-	-	-	8,943	51	4,561	13,525	-	
Kunshan Fu Shi You Trading Co., Ltd.	Sales of electronic telecommunication components	62,146	Investment through the investee company in Mainland China	-	-	-	-	(106)	51	(54)	13,362	-	
Shanghai Fugang Electric Trading Co., Ltd.	Sales of electronic telecommunication components	8,878	Investment through the investee company in Mainland China	-	-	-	-	20,109	51	10,256	(61,285)	-	
Shanghai Standard Information Technology Co., Ltd.	Sales of electronic telecommunication components	4,439	Investment through the investee company in Mainland China	-	-	-	-	(6,153)	51	(3,138)	(6,398)	-	
Sharetronic Data Technology Co., Ltd.	Manufacture and sales of electronic telecommunication components	687,682	Investment through an existing company in the third area	244,793	-	-	244,793	516,859	20	106,503	1,256,581	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income of investee as of September 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022 (Note 2)	Book value of investments in Mainland China as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
FUQIANG ELECTRIC (MAANSHAN) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 158,750	Investment through the investee company in Mainland China	\$ -	\$ -	\$ -	\$ -	\$ (23)	\$ 100	\$ (23)	\$ 143,070	\$ -	
Fugang Electric (Xuzhou) Co., Ltd.	Manufacture and sales of electronic telecommunication components	2,730,500	Investment through an existing company in the third area	1,174,750	-	-	1,174,750	659,147	100	659,147	2,499,578	-	
Dongguan Banrin Robot Technology Co., Ltd.	Manufacture and sales of automated equipment	134,190	Investment through the investee company in Mainland China	-	-	-	-	6,896	31.03	(1,593)	131,394	-	
Suzhou Keyu Rui Automobile Technology Co., Ltd.	Trading and manufacture	11,183	Investment through the investee company in Mainland China	-	-	-	-	(71)	55.56	(208)	24,250	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	General investments holding	447,300	Investment through an existing company in the third area	-	-	-	-	(8,694)	50	(4,347)	432,916	-	
Dong Guan HanYang Computer Co., Ltd.	Manufacture of image scanners and multifunction printers and investment of real estate	192,487	Investment through an existing company in the third area	192,487	-	-	192,487	20,604	100	20,604	300,061	-	
Dong Guan Fu Zhang Precision Industry Co.,Ltd.	Mould development and moulding tool manufacture	257,564	Investment through an existing company in the third area	189,404	-	-	189,404	(14,657)	100	(14,657)	206,334	-	
Wei Hai Fu Kang Electric Co., Ltd.	Manufacture and sales of parts and moulds of photocopiers and scanners	254,000	Investment through an existing company in the third area	158,750	-	-	158,750	63,634	100	63,634	330,964	-	
Dongguan Fu Wei Electronics Co., Ltd.	Manufacture and sales of image scanners, multifunction and parts printers	190,500	Investment through an existing company in the third area	168,540	-	-	168,540	111,685	100	111,685	486,214	-	
Glorytek (Suzhou) Co., Ltd.	Trading and manufacture	444,500	Investment through an existing company in the third area	399,490	-	-	399,490	(73,765)	100	(73,765)	305,919	-	
Glorytek (Yancheng) Co., Ltd.	Trading and manufacture	285,750	Investment through an existing company in the third area	256,815	-	-	256,815	(125,640)	100	(125,640)	(552,786)	-	
Yancheng Yaowei Technology Co., Ltd.	Trading and manufacture	44,730	Investment through the investee company in Mainland China	-	-	-	-	(58,513)	100	(58,513)	86,939	-	
Glorytek (Yancheng) Co., Ltd.	Trading and manufacture	965,126	Investment through an existing company in the third area and the investee company in Mainland China	326,960	-	-	326,960	(118,247)	100	(118,247)	356,635	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income of investee as of September 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2022 (Note 2)	Book value of investments in Mainland China as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
POWER QUOTIENT TECHNOLOGY (YANCHENG) Co., Ltd.	Manufacture and sales of electronic telecommunication components	\$ 635,000	Investment through an existing company in the third area	Note 1	\$ -	\$ -	\$ -	\$ 5,111	\$ 100	\$ 5,111	\$ 719,898	\$ -	
PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sales of electronic telecommunication components	44,730	Investment through the investee company in Mainland China	Note 2	-	-	-	90	100	90	44,945	-	
Kunshan Jiuwei Info Tech Co., Ltd.	Supply chain finance energy service management	1,588	Direct investment	1,588	-	-	1,588	(1,856)	100	(1,856)	16,674	-	

Note 1: The financing amount remitted to PQI's indirect investment of POWER QUOTIENT TECHNOLOGY (YANCHENG) Co., Ltd. was through an existing company in the third area.

Note 2: The financing amount remitted to PQI's indirect investment of PQI (Xuzhou) New Energy Co., Ltd. were through POWER QUOTIENT TECHNOLOGY (YANCHENG) Co., Ltd.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Cheng Uei Precision Industry Co., Ltd.	\$ 14,215,013	\$ 16,458,118	The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the certificate of scope of operations issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.
Foxlink Image Technology Co., Ltd.	858,177	1,026,784	1,594,276
Glory Science Co., Ltd.	983,265	1,331,913	456,061
Power Quotient International Co., Ltd.	1,588	693,579	6,442,164

Note 1: It was the reinvestment in Mainland China through an existing company in the third area by cash and the investment was approved by the Investment Commission of MOEA.

Note 2: Recognition of investment income (loss), except for Fugang Electronic (Dongguan) Co., Ltd., Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (Kunshan) Co., Ltd., Fugang Electric (Xuzhou) Co., Ltd., Dongguan Fu Wei Electronics Co., Ltd., Glorytek (Suzhou) Co., Ltd., Glory Optics(Yancheng) Co., Ltd., Glorytek (Yancheng) Co., Ltd. and Yancheng Yaowei Technology Co., Ltd. for the nine months ended September 30, 2022 were recognised based on the financial statements that were reviewed by independent auditors, remaining subsidiaries were recognised based on the financial statements that were not reviewed by the independent auditors.

Note 3: The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the scope of operations certificate of being qualified for operating headquarters issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.

Note 4: The investments through the investee company in Mainland China of the Company including: Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (MAANSHAN) Co., Ltd., Fuzhan Electronics (Shanghai) Co., Ltd., Fu Gang Electronic (Nan Chang) Co., Ltd., Foxlink Automotive Technology (Kunshan) Co., Ltd., Kunshan Fugang Electric Trading Co., Ltd., Kunshan Fu Shi You Trading Co., Ltd., Shanghai Fugang Electric Trading Co., Ltd., Shanghai Standard Information Technology Co., Ltd., Fuqiang Electric (MAANSHAN) Co., Ltd., Dongguan Banrin Robot Technology Co., Ltd., Suzhou Keyu Rui Automobile Technology Co., Ltd., and Changde Fubo Intelligent Technology Co., Ltd., except for the investment via the holding companies in Mainland China, other investments shall not be approved by Investment Commission of MOEA.

Cheng Uei Precision Industry Co., Ltd.
 Major shareholders information
 Nine months ended September 30, 2022

Table 10

Number of major shareholders	Shares	
	Name of shares held	Ownership (%)
HSIN HUNG International Investment Co., Ltd.	100,535,228	19.62%
CENTRAL MOTION PICTURE CORPORATION	32,584,000	6.36%
Foxlink Image Technology Co., Ltd.	27,503,000	5.36%