CHICONY ELECTRONICS CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT ACCOUNTANTS

DECEMBER 31, 2021 AND 2020

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.

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CHICONY ELECTRONICS CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of Chicony Electronics Co., Ltd. (the "Company") as at December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020 and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's 2021 parent company only financial statements are stated as follows:

Valuation of inventory

Description

Refer to Notes 4(10), 5(2) and 6(5) for the description of accounting policy, critical accounting estimates, uncertainty of assumptions and details of accounts.

The Company's main inventories are keyboard, camera modules and other electronic products. The prices of such inventories are affected by market demand and the rapid technological changes. Therefore, there is a higher risk of market decline. As the assessment of net realisable value of inventories is subject to management judgement, we considered the valuation of inventory as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed whether the Company's accounting policies comply with the relevant standards and the reasonableness of management's evaluation process, including the determination of net realisable value of inventories, the sales expenses and the determination of obsolete inventories. Checked whether the provision policies were consistently adopted in the reporting periods.
2. Obtained net realisable value statement of inventories to confirm whether the calculation logic was adopted consistently, and tested the data sources of selected samples which includes inventory price or purchase price to verify whether the net realisable value used by the management was in compliance with its policies, and recalculated the accuracy of allowance for inventory valuation losses.

Appropriateness of warehouse operating revenue cut-off

Description

Refer to Notes 4(32) and 6(23) for the accounting policies on revenue recognition, critical accounting assumptions and the details of revenue of the investments accounted for using equity method of the Company－Chicony Power Technology Co., Ltd., and its subsidiaries (the "CP Group").

The CP Group's revenue arises from sales of goods, consisting mainly of factory direct shipment and warehouse sales income. Warehouse sales revenue is recognised when the goods are dispatched from the warehouses (transfer of control of products) and it is based on the reports and other relevant information provided by the warehouse custodians. The CP Group's warehouses are located in multiple countries, and the revenue recognition process involves several manual operations. Thus, we considered the warehouse sales income cut-off as one of the key areas of focus for this fiscal year's audit.

<u>How our audit addressed the matter</u>

We performed the following audit procedures on the above key audit matter:

1. We evaluated the internal controls for regular reconciliation between the CP Group and its warehouse custodians.
2. We performed the revenue recognition cut-off tests, including obtaining sufficient appropriate audit evidences from the warehouse custodians and reviewing the reconciliations of the Group's accounting records.
3. We conducted warehouse inventory audit by using physical counts or using confirmation letters to validate inventory balances with the warehouse custodians.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for using equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for using equity method amounted to NT$1,085,293 thousand and NT$1,086,070 thousand, constituting 1.75% and 1.87% of the total assets as at December 31, 2021 and 2020, respectively, and the comprehensive income (including the share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method and share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method) amounted to NT$33,482 thousand and NT$345,983 thousand, constituting 0.54% and 7.66% of the total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Chen, Ching Chang   Weng, Shih-Jung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 9, 2022

The accompanying parent company only 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 audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and report of independent accountants 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.

CHICONY ELECTRONICS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2021	December 31, 2020
	Current assets			
1100	Cash and cash equivalents	6(1)	$ 166,234	$ 666,415
1110	Financial assets at fair value through profit or loss - current	6(2)	329,913	510,732
1120	Financial assets at fair value through other comprehensive income - current	6(3)	1,116,845	990,796
1150	Notes receivable, net	6(4)	26,748	10,162
1170	Accounts receivable, net	6(4)	9,342,003	7,431,063
1180	Accounts receivable - related parties	7	235,349	98,185
1200	Other receivables		30,428	59,113
1210	Other receivables - related parties	7	2,687,189	3,471,579
130X	Inventories, net	6(5)	1,557,151	1,121,834
1410	Prepayments		68,497	95,728
11XX	**Total current assets**		15,560,357	14,455,607
	Non-current assets			
1510	Financial assets at fair value through profit or loss - non-current	6(2)	849,808	714,781
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	87,885	70,803
1550	Investments accounted for using equity method	6(6)	37,110,870	34,442,199
1600	Property, plant and equipment, net	6(7) and 8	1,877,339	1,928,304
1755	Right-of-use assets	6(8)	79,440	98,895
1760	Investment property, net	6(9) and 8	6,252,267	6,459,644
1780	Intangible assets		16,600	15,640
1900	Other non-current assets	8	17,370	18,438
15XX	**Total non-current assets**		46,291,579	43,748,704
1XXX	**Total assets**		$ 61,851,936	$ 58,204,311

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CHICONY ELECTRONICS CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2021	December 31, 2020
	Current liabilities			
2150	Notes payable		$ 3,546	$ 3,663
2170	Accounts payable		321,073	273,124
2180	Accounts payable - related parties	7	16,040,633	15,945,736
2200	Other payables	6(11)	3,487,401	3,268,688
2220	Other payables - related parties	7	9,045,438	8,541,111
2230	Income tax liabilities		1,472,318	1,014,419
2280	Lease liabilities - current		19,443	19,249
2300	Other current liabilities		11,030	125,599
21XX	**Total current liabilities**		30,400,882	29,191,589
	Non-current liabilities			
2570	Deferred income tax liabilities	6(25)	401,164	532,416
2580	Lease liabilities - non-current		61,186	80,629
2640	Accrued pension liabilities	6(13)	154,960	166,381
2670	Other non-current liabilities		380,055	462,053
25XX	**Total non-current liabilities**		997,365	1,241,479
2XXX	**Total liabilities**		31,398,247	30,433,068
	Equity			
	Share capital	6(14)		
3110	Common stock		7,452,927	7,394,603
	Capital surplus	6(15)		
3200	Capital surplus		7,182,465	6,412,535
	Retained earnings	6(16)		
3310	Legal reserve		6,102,860	5,560,152
3320	Special reserve		4,252,574	3,290,829
3350	Unappropriated retained earnings		9,974,608	9,665,615
	Other equity interest	6(17)		
3400	Other equity interest		(4,200,468)	(4,241,214)
3500	**Treasury stocks**	6(14)	(311,277)	(311,277)
3XXX	**Total equity**		30,453,689	27,771,243
	Significant contingent liabilities and unrecognised contract commitments	9		
	Significant events after the balance sheet date	11		
3X2X	**Total liabilities and equity**		$ 61,851,936	$ 58,204,311

The accompanying notes are an integral part of these parent company only financial statements.

CHICONY ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31 2021	Year ended December 31 2020
4000	**Sales revenue**	6(18) and 7	$ 44,363,693	$ 36,581,549
5000	**Operating costs**	6(5) and 7	(38,004,879)	(30,442,599)
5950	**Net operating margin**		6,358,814	6,138,950
	Operating expenses	6(22)(23) and 7		
6100	Selling expenses		(1,163,061)	(1,169,047)
6200	General and administrative expenses		(824,008)	(1,091,177)
6300	Research and development expenses		(1,327,338)	(1,248,962)
6450	Impairment loss determined in accordance with IFRS 9	12(2)	(2,341)	(909)
6000	**Total operating expenses**		(3,316,748)	(3,510,095)
6900	**Operating profit**		3,042,066	2,628,855
	Non-operating income and expenses			
7100	Interest income	6(19) and 7	17,251	24,063
7010	Other income	6(20) and 7	334,778	289,681
7020	Other gains and losses	6(21)	467,019	1,392,349
7050	Finance costs	6(24) and 7	(44,773)	(58,958)
7070	Share of profit of associates and joint ventures accounted for using equity method, net	6(6)	3,117,924	2,037,003
7000	**Total non-operating income and expenses**		3,892,199	3,684,138
7900	**Profit before income tax**		6,934,265	6,312,993
7950	Income tax expense	6(25)	(779,839)	(846,229)
8200	**Profit for the year**		$ 6,154,426	$ 5,466,764
	Other comprehensive income			
	Components of other comprehensive income that will not be reclassified to profit or loss			
8311	Actuarial gains on defined benefit plans	6(13)	$ 9,880	$ 75
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income		212,864	13,835
8330	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		176,198	(275,791)
8310	**Other comprehensive income (loss) that will not be reclassified to profit or loss**		398,942	(261,881)
	Components of other comprehensive income that will be reclassified to profit or loss			
8361	Exchange differences on translation of foreign operations	6(17)	(356,285)	(685,280)
8380	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(17)	(131)	(2,078)
8360	**Other comprehensive loss that will be reclassified to profit or loss**		(356,416)	(687,358)
8300	**Other comprehensive income (loss) for the year**		$ 42,526	($ 949,239)
8500	**Total comprehensive income for the year**		$ 6,196,952	$ 4,517,525
	Earnings per share (in NT dollars)	6(26)		
9750	**Basic earnings per share**		$ 8.71	$ 7.80
9850	**Diluted earnings per share**		$ 8.56	$ 7.68

The accompanying notes are an integral part of these parent company only financial statements.

CHICONY ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings			Other Equity Interest				
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Asset revaluation increment	Treasury stocks	Total equity
2020											
Balance at January 1, 2020		$ 7,344,975	$ 6,114,005	$ 4,976,270	$ 3,105,405	$ 9,370,658	($ 2,115,391)	($ 2,597,937)	$ 1,381,667	($ 311,277)	$ 27,268,375
Profit for 2020		-	-	-	-	5,466,764	-	-	-	-	5,466,764
Other comprehensive loss for 2020	6(17)	-	-	-	-	(298)	(687,358)	(261,583)	-	-	(949,239)
Total comprehensive income (loss)		-	-	-	-	5,466,466	(687,358)	(261,583)	-	-	4,517,525
Appropriations of 2019 earnings:	6(16)										
Legal reserve		-	-	583,882	-	(583,882)	-	-	-	-	-
Special reserve		-	-	-	185,424	(185,424)	-	-	-	-	-
Cash dividends		-	-	-	-	(4,362,815)	-	-	-	-	(4,362,815)
Employees' stock dividends	6(14)	49,628	350,372	-	-	-	-	-	-	-	400,000
Cash dividends paid to the subsidiaries		-	220,443	-	-	-	-	-	-	-	220,443
Adjustments to share of changes in equity of associates and joint ventures		-	105,827	-	-	-	-	-	-	-	105,827
Difference between proceeds from addition and disposal of subsidiary and book value		-	(378,112)	-	-	-	-	-	-	-	(378,112)
Disposal of financial assets at fair value through other comprehensive income		-	-	-	-	(44,132)	-	44,132	-	-	-
Disposal of investment property		-	-	-	-	4,744	-	-	(4,744)	-	-
Balance at December 31, 2020		$ 7,394,603	$ 6,412,535	$ 5,560,152	$ 3,290,829	$ 9,665,615	($ 2,802,749)	($ 2,815,388)	$ 1,376,923	($ 311,277)	$ 27,771,243
2021											
Balance at January 1, 2021		$ 7,394,603	$ 6,412,535	$ 5,560,152	$ 3,290,829	$ 9,665,615	($ 2,802,749)	($ 2,815,388)	$ 1,376,923	($ 311,277)	$ 27,771,243
Profit for 2021		-	-	-	-	6,154,426	-	-	-	-	6,154,426
Other comprehensive (income) loss for 2021	6(17)	-	-	-	-	9,597	(356,416)	389,345	-	-	42,526
Total comprehensive income (loss)		-	-	-	-	6,164,023	(356,416)	389,345	-	-	6,196,952
Appropriations of 2020 earnings:	6(16)										
Legal reserve		-	-	542,708	-	(542,708)	-	-	-	-	-
Special reserve		-	-	-	961,745	(961,745)	-	-	-	-	-
Cash dividends		-	-	-	-	(4,099,110)	-	-	-	-	(4,099,110)
Employees' stock dividends	6(14)	58,324	491,676	-	-	-	-	-	-	-	550,000
Cash dividends paid to the subsidiaries		-	205,497	-	-	-	-	-	-	-	205,497
Adjustments to share of changes in equity of associates and joint ventures		-	116,633	-	-	-	-	-	-	-	116,633
Difference between proceeds from addition and disposal of subsidiary and book value		-	(43,876)	-	-	(243,650)	-	-	-	-	(287,526)
Disposal of financial assets at fair value through other comprehensive income		-	-	-	-	(8,218)	-	8,218	-	-	-
Disposal of investment property		-	-	-	-	401	-	-	(401)	-	-
Balance at December 31, 2021		$ 7,452,927	$ 7,182,465	$ 6,102,860	$ 4,252,574	$ 9,974,608	($ 3,159,165)	($ 2,417,825)	$ 1,376,522	($ 311,277)	$ 30,453,689

The accompanying notes are an integral part of these parent company only financial statements.

CHICONY ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 6,934,265	$ 6,312,993
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(22)	82,278	81,465
Amortisation	6(22)	17,851	16,519
Impairment loss determined in accordance with IFRS 9	12(2)	2,341	909
Interest income	6(19)	(17,251)	(24,063)
Dividend income	6(21)	(52,394)	(30,589)
Interest expense	6(25)	44,773	58,958
Net gain on financial assets and liabilities at fair value through profit or loss	6(2)(21)	(114,611)	(113,857)
Share of profit of associates accounted for using equity method	6(6)	(3,117,924)	(2,037,003)
Gain on disposal of property, plant and equipment	6(21)	-	(285)
Gain on disposal of investment property	6(21)	(51,933)	(222,225)
Gain on fair value adjustment of investment property	6(9)(21)	(5,807)	(25,479)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(16,586)	1,150
Accounts receivable		(1,913,281)	(2,664,192)
Accounts receivable - related parties		(137,164)	109,352
Other receivables		28,685	9,254
Other receivables - related parties		667,150	(261,094)
Inventories, net		(435,317)	359,746
Prepayments		27,231	49,373
Changes in operating liabilities			
Notes payable		(117)	-
Accounts payable		47,949	(66,100)
Accounts payable - related parties		94,897	(6,818,484)
Other payables		768,283	786,619
Other payables - related parties		96,161	(489,937)
Other current liabilities		169	(1,906)
Defined benefit obligation - non-current		(1,541)	(1,040)
Cash inflow (outflow) generated from operations		2,948,107	(4,969,916)
Interest received		17,251	24,063
Dividends received		988,485	731,285
Interest paid		(43,017)	(58,320)
Income tax paid		(446,968)	(125,303)
Net cash flows from (used in) operating activities		3,463,858	(4,398,191)

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CHICONY ELECTRONICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets and liabilities at fair value through profit or loss		($ 525,863)	($ 857,534)
Proceeds from disposal of financial assets and liabilities at fair value through profit or loss		686,266	939,713
Proceeds from disposal of financial assets and liabilities at fair value through other comprehensive income		69,734	558
Acquisition of investments accounted for using equity method		(734,351)	(689,894)
Proceeds from disposal of investments accounted for using equity method		23,527	-
Return of capital from investments accounted for using equity method		-	138,979
Decrease (increase) in other receivables - related parties		117,240	(168,450)
Acquisition of property, plant and equipment	6(9)	(13,187)	(19,590)
Disposal of property, plant and equipment		-	427
Acquisition of investment property		(1,714)	-
Disposal of investment property		145,869	2,394,737
Acquisition of intangible assets		(18,811)	(17,483)
Decrease in refundable deposits		5	38,484
Decrease in other non-current assets		1,063	6,597
Net cash flows (used in) from investing activities		(250,222)	1,766,544
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term borrowings		-	(600,000)
Increase in other payables - related parties	6(27)	408,166	7,547,283
Payment of cash dividends	6(16)	(4,099,110)	(4,362,815)
(Decrease) increase in guarantee deposits received		(3,624)	981
Repayment of lease liabilities	6(27)	(19,249)	(19,058)
Net cash flows (used in) from financing activities		(3,713,817)	2,566,391
Net decrease in cash and cash equivalents		(500,181)	(65,256)
Cash and cash equivalents at beginning of year	6(1)	666,415	731,671
Cash and cash equivalents at end of year	6(1)	$ 166,234	$ 666,415

The accompanying notes are an integral part of these parent company only financial statements.

CHICONY ELECTRONICS CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Chicony Electronics Co., Ltd. (the "Company") was incorporated in 1983 as a company limited by shares under the provisions of the Company Law of the Republic of China. The Company has been a listed company since 1999. The Company is engaged in the manufacturing and sales of keyboards and other computer peripheral components.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These parent company only financial statements were authorised for issuance by the Board of Directors on March 9, 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 the FSC effective from 2021 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 4, 'Extension of the temporary exemption from applying IFRS 9'	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, 'Interest Rate Benchmark Reform— Phase 2'	January 1, 2021
Amendment to IFRS 16, 'Covid-19-related rent concessions beyond 30 June 2021'	April 1, 2021 (Note)

Note: Earlier application from January 1, 2021 is allowed by the FSC.

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 Company’s financial condition and financial performance based on the Company’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:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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
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, 2023
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 Company’s financial condition and financial performance based on the Company’s assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

(2) Basis of preparation

A. Except for the following items, these parent company only 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 obligation.

B. The preparation of financial statements in compliance 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 Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the parent company only financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional and the Company's presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are measured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within other gains and losses.

B. Translation of foreign operations

(a) The operating results and financial position of all the entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

(ii) Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

(iii) All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangements, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company still retains partial interest in the former foreign associate or joint arrangements after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangements, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) <u>Financial assets at fair value through profit or loss</u>

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(6) <u>Financial assets at fair value through other comprehensive income</u>

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) <u>Accounts receivable</u>

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

C. The Company's operating pattern of accounts receivable that are expected to be factored is for the purpose of selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in profit or loss.

(8) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and accounts receivable that have a significant financing component, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(9) Derecognition of financial assets

The Company derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; and the Company has not retained control of the financial asset.

(10) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(11) Investments accounted for using equity method / subsidiaries, associates and joint ventures

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Company are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company’s share of its subsidiaries’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company’s share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.

D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

E. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using equity method and are initially recognised at cost.

F. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income.

G. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises the Company's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.

H. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

I. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

J. Upon loss of significant influence over an associate, the Company remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

K. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

L. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

M. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(12) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. Except for buildings and structures which have a useful life of 55 years, the estimated useful lives of other fixed assets are 2~7 years.

(13) Leasing arrangements (lessee) - right-of-use assets / lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability; and

(b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(14) Investment property

An investment property is stated initially at its cost and measured subsequently using the fair value model. A gain or loss arising from a change in the fair value of investment property is recognised in profit or loss.

(15) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1~3 years.

(16) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(17) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(18) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(19) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(20) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(21) Non-hedging and embedded derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For defined contribution plan, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier.

Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(23) <u>Income tax</u>

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(24) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(26) Revenue recognition

A. Sales of goods

(a) Sales revenue of the Company are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

(b) According to the contracts with customers, as the time interval between the transfer of the committed goods or services and payment by the customer does not exceeds one year. The Company will not adjust the transaction prices for the time value of money.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Incremental costs of obtaining a contract

Given that the contractual period lasts less than one year, the Company recognises the incremental costs of obtaining a contract as an expense when incurred although the Company expects to recover those costs.

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

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical accounting judgements – Evaluation of investment property

The Company follows the guidance of IAS 40 'Investment property' to determine the assets to be measured at fair value. Unless in extreme circumstances, there is a definite evidence that fair value od investment property cannot be reliably measured on an ongoing basis, all the investment property of the Company is measured at fair value after the initial recognition.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates.

Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

B. Evaluation of investment property

The Company's investment properties are measured at fair value. The fair value is evaluated using the income approach by an external appraiser. It involves critical assumptions including occupancy rate, rent growth rate, discount rate, etc.. Those assumptions may be affected by the economic conditions, market needs, etc. that may change.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2021	December 31, 2020
Cash on hand and revolving funds	$ 354	$ 348
Checking accounts and demand deposits	165,880	666,067
	$ 166,234	$ 666,415

A. The Company 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. The Company has no cash and cash equivalents pledged to others.

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

Items	December 31, 2021	December 31, 2020
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	$ 641,759	$ 781,128
Unlisted stocks	20,809	20,809
	662,568	801,937
Valuation adjustment	(332,655)	(291,205)
	$ 329,913	$ 510,732
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Unlisted stocks	$ 389,907	$ 394,390
Beneficiary certificates	317,000	267,000
	706,907	661,390
Valuation adjustment	142,901	53,391
	$ 849,808	$ 714,781

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31,	
	2021	2020
Equity instruments	$ 107,092	$ 123,701
Debt instruments	3,264	-
Beneficiary certificates	4,255	(9,844)
	$ 114,611	$ 113,857

B. The Company has no financial assets at fair value through profit or loss pledged to others as collateral.

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

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

Items	December 31, 2021	December 31, 2020
Current items:		
Listed stocks	$ 1,032,775	$ 1,065,503
Valuation adjustment	84,070	(74,707)
	$ 1,116,845	$ 990,796
Non-current items:		
Listed stocks	$ 859,750	$ 859,750
Unlisted stocks	129,000	129,131
	988,750	988,881
Valuation adjustment	(900,865)	(918,078)
	$ 87,885	$ 70,803

A. The Company has elected to classify equity investments that are considered to be strategic investments or have steady dividend income as financial assets at fair value through other comprehensive income - current and financial assets at fair value through other comprehensive income - non-current. The fair values of such investments were $1,116,845, $87,885 and $990,796, $70,803 at December 31, 2021 and 2020, respectively.

B. The Company sold $69,734 and $558 of equity investments at fair value which resulted in cumulative gain (losses) on disposal of $36,874 and ($52) and were transferred as a deduction item to unappropriated retained earnings during the years ended December 31, 2021 and 2020, respectively.

C. 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:

	Years ended December 31,	
	2021	2020
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ 212,864	$ 13,835
Cumulative gain (losses) reclassified to retained earnings due to derecognition	$ 36,874	($ 52)
Dividend income recognised in profit or loss held at end of year	$ 19,191	$ 14,813

D. The Company has no financial assets at fair value through other comprehensive income pledged to others.

E. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Notes and accounts receivable

	December 31, 2021	December 31, 2020
Notes receivable	$ 26,748	$ 10,162
Accounts receivable	$ 9,378,219	$ 7,464,938
Less: Allowance for uncollectible accounts	(36,216)	(33,875)
	$ 9,342,003	$ 7,431,063

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	December 31, 2021		December 31, 2020	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 9,307,732	$ 26,748	$ 7,034,770	$ 10,162
1 to 30 days	19,186	-	241,656	-
31 to 120 days	15,881	-	147,126	-
121 to 215 days	136	-	9,032	-
Over 365 days	35,284	-	32,354	-
	$ 9,378,219	$ 26,748	$ 7,464,938	$ 10,162

The above ageing analysis was based on past due date.

B. As of December 31, 2021 and 2020, the balances of accounts and notes receivable were all from contracts with customers. As of January 1, 2020, the balance of receivables from contracts with customers amounted to $4,812,058.

C. The Company has no notes and accounts receivable pledged to others as collateral.

D. As at December 31, 2021 and 2020, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes and accounts receivable were equivalent to the carrying amount.

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

(5) Inventories

	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 255	$ -	$ 255
Finished goods	1,227,714	(80,991)	1,146,723
Merchandise inventory	418,535	(8,362)	410,173
	$ 1,646,504	($ 89,353)	$ 1,557,151

	December 31, 2020		
	Cost	Allowance for valuation loss	Book value
Finished goods	$ 856,252	($ 82,955)	$ 773,297
Merchandise inventory	373,647	(25,110)	348,537
	$ 1,229,899	($ 108,065)	$ 1,121,834

The cost of inventories recognised as expense for the year:

	Years ended December 31,	
	2021	2020
Cost of goods sold	$ 37,986,167	$ 30,438,901
Loss on decline in market value	18,712	3,698
	$ 38,004,879	$ 30,442,599

(6) Investments accounted for using equity method

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

	December 31, 2021	December 31, 2020
Shown as investments accounted for using equity method		
Subsidiaries		
Chicony Overseas Inc.	$ 24,725,937	$ 23,470,611
Chicony Electronics (Thailand) Co., Ltd.	885,868	544,240
Hipro Overseas (BVI) Inc.	2,555,646	2,593,190
XAVi Technology Corp.	303,798	291,398
Chicony Power Technology Co., Ltd.	4,914,875	4,015,643
Chicony Global Inc.	3,293,355	3,048,916
Unikey Electronics Co., Ltd.	431,391	478,201
	$ 37,110,870	$ 34,442,199
Shown as other non-current liabilities		
Subsidiaries		
Hipro Electronics Ltd.	$ 364,938	$ 443,310

B. The share of profit (loss) of subsidiaries and associates accounted for using equity method for the years ended December 31, 2021 and 2020 are as follows:

	Years ended December 31,	
	2021	2020
Subsidiaries		
Chicony Overseas Inc.	$ 1,364,908	$ 981,748
Chicony Electronics (Thailand) Co., Ltd.	120,912	276,320
Hipro Overseas (BVI) Inc.	14,021	34,153
XAVi Technology Corp.	63,838	74,064
Chicony Power Technology Co., Ltd.	1,436,672	1,130,517
Chicony Global Inc.	314,383	266,534
Hipro Electronics Ltd.	16,261	16,392
Unikey Electronics Co., Ltd.	(213,071)	(742,725)
	$ 3,117,924	$ 2,037,003

C. For the information about subsidiaries, refer to Note 4(3) of consolidated financial statements for the year ended December 31, 2021.

(7) Property, plant and equipment

	Land	Buildings and structures	Testing equipment	Construction in progress	Others	Total
At January 1, 2021						
Cost	$ 341,033	$ 1,623,699	$ 83,498	$ 1,583	$ 174,037	$ 2,223,850
Accumulated depreciation and impairment	-	(111,729)	(60,364)	-	(123,453)	(295,546)
	$ 341,033	$ 1,511,970	$ 23,134	$ 1,583	$ 50,584	$ 1,928,304
2021						
Opening net book amount as at January 1	$ 341,033	$ 1,511,970	$ 23,134	$ 1,583	$ 50,584	$ 1,928,304
Additions	-	-	6,620	-	6,567	13,187
Reclassifications	-	-	254	(1,583)	-	(1,329)
Depreciation	-	(29,042)	(9,415)	-	(24,366)	(62,823)
Closing net book amount as at December 31	$ 341,033	$ 1,482,928	$ 20,593	$ -	$ 32,785	$ 1,877,339
At December 31, 2021						
Cost	$ 341,033	$ 1,623,699	$ 90,172	$ -	$ 180,604	$ 2,235,508
Accumulated depreciation and impairment	-	(140,771)	(69,578)	-	(147,820)	(358,169)
	$ 341,033	$ 1,482,928	$ 20,594	$ -	$ 32,784	$ 1,877,339

	Land	Buildings and structures	Testing equipment	Construction in progress	Others	Total
At January 1, 2020						
Cost	$ 327,859	$ 1,591,225	$ 73,971	$ 1,978	$ 195,239	$ 2,190,272
Accumulated depreciation and impairment	-	(83,278)	(51,205)	-	(125,305)	(259,788)
	$ 327,859	$ 1,507,947	$ 22,766	$ 1,978	$ 69,934	$ 1,930,484
2020						
Opening net book amount as at January 1	$ 327,859	$ 1,507,947	$ 22,766	$ 1,978	$ 69,934	$ 1,930,484
Additions	-	-	10,059	-	4,234	14,293
Disposals	-	-	(1)	-	(141)	(142)
Reclassifications	13,174	32,475	-	(395)	425	45,679
Depreciation	-	(28,452)	(9,690)	-	(23,868)	(62,010)
Closing net book amount as at December 31	$ 341,033	$ 1,511,970	$ 23,134	$ 1,583	$ 50,584	$ 1,928,304
At December 31, 2020						
Cost	$ 341,033	$ 1,623,699	$ 83,498	$ 1,583	$ 174,037	$ 2,223,850
Accumulated depreciation and impairment	-	(111,729)	(60,364)	-	(123,453)	(295,546)
	$ 341,033	$ 1,511,970	$ 23,134	$ 1,583	$ 50,584	$ 1,928,304

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows: None.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Notes 6(12) and 8.

(8) Leasing arrangements - lessee

A. The Company leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 8 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. Short-term leases with a lease term of 12 months or less comprise multifunction printers, low-value assets comprise certain offices and business vehicles. Those were not included in right-of-use assets.

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

	December 31, 2021	December 31, 2020
	Book value	Book value
Buildings and structures	$ 79,440	$ 98,895

	Years ended December 31,	
	2021	2020
	Depreciation expense	Depreciation expense
Buildings and structures	$ 19,455	$ 19,455

D. For the years ended December 31, 2021 and 2020, the Company has no additions to right-of-use assets.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2021	2020
Items affecting profit or loss		
Interest expense on lease liabilities	$ 911	$ 1,102
Expense on short-term lease contracts	705	1,271
Expense on leases of low-value assets	886	1,006

F. For the years ended December 31, 2021 and 2020, the Company's total cash outflow for leases were $21,751 and $22,437, respectively.

(9) Investment property

	2021	2020
At January 1	$ 6,459,644	$ 8,961,010
Additions – from subsequent expenditures	1,714	-
Disposal	(214,898)	(2,479,067)
Reclassifications	-	(47,778)
Gain on fair value adjustment	5,807	25,479
At December 31	$ 6,252,267	$ 6,459,644

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

	Years ended December 31,	
	2021	2020
Rental income from investment property	$ 132,488	$ 128,702
Direct operating expenses arising from the investment property that generated rental income during the year	$ 39,795	$ 35,103
Direct operating expenses arising from the investment property that did not generate rental income during the year	$ 17,033	$ 19,264

B. Basis of investment property at fair value:

The Company's investment properties are land and buildings of office building and residential compound building. Office buildings are located in Sanchong District and Wugu District in New Taipei City. They mainly earn from rental revenue with rental period ranging from 1 to 7 years. Residential compound building is located in Sanchong District in New Taipei City. The main purpose is for sale.

The assumptions used for the years ended December 31, 2021 and 2020 are as follows:

(a) Details of the Company's investment property are as follows:

	December 31, 2021		
The subject	CEC Headquarter	Wugu Building	Chicony Laboratory
Location	Sanchong District, New Taipei City	Wugu District, New Taipei City	Sanchong District, New Taipei City
Valuation method	Income approach	Income approach	Income approach
Valuation firm	Colliers	Colliers	Colliers
Appraiser	Roy Ku	Ariel Ke	Carrie Chan
Evaluation basis date	December 31, 2021	December 31, 2021	December 31, 2021

	December 31, 2020			
The subject	CEC Headquarter	Wugu Building	Chicony Laboratory	Residential Compound Building
Location	Sanchong District, New Taipei City	Wugu District, New Taipei City	Sanchong District, New Taipei City	Sanchong District, New Taipei City
Valuation method	Income approach	Income approach	Income approach	Income approach
Valuation firm	Panasia	Panasia	Panasia	Panasia
Appraiser	Min An, Yang	Shao You, Chung	Shao You, Chung	Min An, Yang
Evaluation basis date	December 15, 2020 (Note)	December 15, 2020 (Note)	December 15, 2020 (Note)	December 31, 2020

Note: We obtained validity statements of appraisal report as of December 31, 2020 from appraiser.

(b) The Company's office buildings' (including car parks) fair value was evaluated using the discounted cash flow analysis of income approach.

The estimation process of the valuation method involves differentiating between rented and not yet rented. The former is calculated by contract rent and the latter is calculated by market price. It also considers comparative rent information of similar properties to determine annual growth range of rent; includes idle loss, decoration offset loss, and the closing balance of disposal value of that property to calculate future cash inflow, then discounted by an appropriated discount rate accumulated until the valuation date. Future cash outflow which consists of expenses directly related to operations, i.e. land tax, house tax, insurance fee, management fee, maintenance fee, replacement allocation, amortisation of agent fee and etc., is estimated based on the actual expenses incurred in the current year, taking into consideration the Company's current operating results and changes which may occur in the future.

(c) The rent, occupancy rate and income of the Company’s office buildings (including car parks) and comparative rent information of similar properties are as follows:

The subject	Estimated rent ($/3.3m²/month)	Similar comparative subject in local or market	Occupancy rate	Income of past year
Year ended December 31, 2021				
CEC Headquarter	$909~$1,017	Equivalent to estimated rent	71.07%	$ 109,613
Wugu Building	$580~$680	Equivalent to estimated rent	100%	22,040
Chicony Laboratory	$750~$825	Equivalent to estimated rent	100%	835

The subject	Estimated rent ($/3.3m²/month)	Similar comparative subject in local or market	Occupancy rate	Income of past year
Year ended December 31, 2020				
CEC Headquarter	$898~$1,012	Equivalent to estimated rent	63.42%	$ 105,827
Wugu Building	$282~$737	Equivalent to estimated rent	100%	22,040
Chicony Laboratory	$730	Equivalent to estimated rent	100%	835
Residential Compound Building	$840~$962	Equivalent to estimated rent	-	-

(d) Rent growth rate is evaluated by considering the lease contract and actual market situation. Discount rate is evaluated by risk premium approach which takes the return rate on investment of the most general goods as standard, adopted the floating interest rate on a 2-year time deposits of a small amount, as posted by the Chunghwa Post Co., Ltd. plus 0.75 percentage points; and explore the liquidity, risk level, value-added level and the ease of management of the subject. The range of rent growth rate and discount rate are as follows:

	December 31, 2021		
	CEC Headquarter	Wugu Building	Chicony Laboratory
Rent growth rate	1.00%	1.00%	1.00%
Discount rate	2.845%	3.00%	2.845%

	December 31, 2020			
	CEC Headquarter	Wugu Building	Chicony Laboratory	Residential Compound Building
Rent growth rate	1.00%	1.00%	1.00%	1.00%
Discount rate	2.23%	2.90%	2.40%	2.12%

C. The fair value information about the investment property is provided in Note 12(3).

D. Information about the investment property that was pledged to others as collateral is provided in Notes 6(12) and 8.

(10) Short-term borrowings

A. The Company had no short-term borrowings as of December 31, 2021 and 2020.

B. As of December 31, 2021 and 2020, the Company had issued guarantee notes for the short-term borrowings amounting to $13,849,200 and $14,203,340, respectively.

(11) Other payables

		December 31, 2021		December 31, 2020
Salary payable and annual bonus	$	1,233,260	$	1,076,295
Employees' compensation and directors' and supervisors' remuneration payable		995,636		895,434
Marketing allowance payable		475,981		678,581
Storage charge payable		111,506		93,728
Construction and equipment expense payable		89,117		170,490
Insurance expense payable		53,211		46,012
Freight charges and customs clearing fee payable		40,755		46,758
Others		487,935		261,390
	$	3,487,401	$	3,268,688

(12) Long-term borrowings

As of December 31, 2021 and 2020, the Company had no long-term borrowings while issued guarantee notes for the long-term borrowings amounted to $2,600,000 and $2,000,000, respectively.

In the fourth quarter of 2018, the Company had signed individual credit contracts with E. Sun Commercial Bank, Land Bank of Taiwan and Hua Nan Commercial Bank for long-term operating use. The contract period is 5 years, and the revolving loan facilities are $2,000,000, $1,000,000 and $1,000,000, respectively. For the credit lines mentioned above, the Company has pledged partial floors of the headquarters building as described in Note 8. As of December 31, 2021, the Company has not drawn the credit line.

(13) Pensions

A. Defined benefit plan: Employee contributions

(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor 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 Law. 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 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 would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.

(b) The amounts recognised in the balance sheet are determined as follows:

	December 31, 2021	December 31, 2020
Present value of defined benefit obligations	($ 273,251)	($ 288,749)
Fair value of plan assets	118,291	122,368
Net accrued pension liability	($ 154,960)	($ 166,381)

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2021			
Balance at January 1	($ 288,749)	$ 122,368	($ 166,381)
Current service cost	(1,394)	-	(1,394)
Interest (expense) income	(1,083)	466	(617)
	($ 291,226)	$ 122,834	($ 168,392)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	1,688	1,688
Change in demographic assumptions	(5,786)	-	(5,786)
Change in financial assumptions	5,428	-	5,428
Experience adjustments	8,550	-	8,550
	8,192	1,688	9,880
Pension fund contribution	-	3,552	3,552
Paid pension	9,783	(9,783)	-
Balance at December 31	($ 273,251)	$ 118,291	($ 154,960)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Year ended December 31, 2020			
Balance at January 1	($ 284,256)	$ 116,760	($ 167,496)
Current service cost	(1,444)	-	(1,444)
Interest (expense) income	(2,132)	890	(1,242)
	($ 287,832)	$ 117,650	($ 170,182)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	4,235	4,235
Change in demographic assumptions	(55)	-	(55)
Change in financial assumptions	(9,025)	-	(9,025)
Experience adjustments	4,920	-	4,920
	(4,160)	4,235	75
Pension fund contribution	-	3,726	3,726
Paid pension	3,243	(3,243)	-
Balance at December 31	($ 288,749)	$ 122,368	($ 166,381)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2021 and 2020 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	2021	2020
Discount rate	0.625%	0.375%
Future salary increases	2.500%	2.500%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2021				
Effect on present value of defined benefit obligation	($ 5,332)	$ 5,508	$ 5,317	($ 5,175)
December 31, 2020				
Effect on present value of defined benefit obligation	($ 6,067)	$ 6,273	$ 6,039	($ 5,873)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The method and assumptions used for the preparation of sensitivity analysis during 2021 and 2020 are the same.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2022 amount to $3,627.

(g) As of December 31, 2021, the weighted average duration of the retirement plan is 7.9 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$ 26,206
1-2 year(s)	5,567
2-5 years	93,163
Over 5 years	66,714
	$ 191,650

B. Defined contribution plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2021 and 2020 were $44,944 and $43,355, respectively.

(14) Share capital

A. As of December 31, 2021, the Company's authorised capital was $8,000,000, consisting of 800,000 thousand shares of ordinary stock and the paid-in capital was $7,452,927 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows (shares in thousands):

	2021	2020
At January 1	702,098	697,135
Employee share compensation	5,832	4,963
At December 31	707,930	702,098

B. On March 10, 2021, the Company's Board of Directors approved the employees' stock bonus amounting to $550,000 at the previous closing price of $94.3 (in dollars) before the day of the Board of Directors' meeting (March 9, 2021), issuing 5,832 thousand shares. The Company has obtained a letter of approval from the appropriate authorities. The issue date was set on April 8, 2021, and the Company had completed the related registration on April 23, 2021.

C. On March 10, 2020, the Company's Board of Directors approved the employees' stock bonus amounting to $400,000 at the previous closing price of $80.6 (in dollars) before the day of the Board of Directors' meeting (March 9, 2020), issuing 4,963 thousand shares. The Company has obtained a letter of approval from the appropriate authorities. The issue date was set on April 8, 2020, and the Company had completed the related registration on April 21, 2020.

D. Treasury stock

(a) Reason for stocks reacquisition and movements in the number of the Company's treasury stocks are as follows:

		December 31, 2021		
Name of company holding the shares	Reason for reacquisition	Number of shares (in thousands)	Carrying amount	Fair value (in dollars) (per share)
UNIKEY	For investment	21,174	$ 205,795	$ 82.30
HEC	For investment	16,189	105,482	82.30
		37,363	$ 311,277	

		December 31, 2020		
Name of company holding the shares	Reason for reacquisition	Number of shares (in thousands)	Carrying amount	Fair value (in dollars) (per share)
UNIKEY	For investment	21,174	$ 205,795	$ 86.20
HEC	For investment	16,189	105,482	86.20
		37,363	$ 311,277	

(b) Pursuant to the R.O.C. Securities and Exchange Law, the number of stocks bought back as treasury stock should not exceed 10% of the number of the Company's issued and outstanding stocks and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

(c) Pursuant to the R.O.C. Securities and Exchange Law, treasury stocks should not be pledged as collateral and is not entitled to dividends before it is reissued.

(d) Pursuant to the R.O.C. Securities and Exchange Law, treasury stocks should be reissued to the employees within three years from the reacquisition date and shares not reissued within the three-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

(15) 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 surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

A summary of the Company's capital surplus as of December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
Share premium	$ 4,369,558	$ 3,877,882
Treasury share transactions	2,015,775	1,810,278
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	43,876
Changes in ownership interests in subsidiaries	795,961	679,328
Others	1,171	1,171
	$ 7,182,465	$ 6,412,535

(16) Retained earnings

A. Under 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, if any; and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital stock balance and as special reserve in accordance with relevant regulations when necessary; and the remainder, if any, to be appropriated shall be proposed by the Board of Directors and resolved by the stockholders at the stockholders' meeting.

The Board of Directors can distribute all or part of the distributable dividends and bonus, legal reserve and capital surplus in the form of cash as resolved by a majority vote at their meeting attended by two-thirds of the total number of directors and report to the shareholders which the aforementioned regulation of requiring resolution from the shareholders is not applicable.

B. The Company's dividend policy is summarised below: As the Company is belongs to the continually evolving electronics industry, the dividend policy takes into consideration the capital requirement for new products as well as increase the return on shareholders' investment. Therefore, the total amounts of stockholders' dividends should not exceed 90% of the total distributable earnings, and then the cash dividend should not be less than 10% of the total amounts of stockholders' dividends. The above mentioned restrictions will not to be applicable if total amounts of stockholders' dividends are less than $0.5 (in dollars) per share.

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 distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

(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 Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

D. The appropriations of 2020 and 2019 earnings had been resolved at the shareholders' meeting on June 11, 2021 and June 10, 2020, respectively, and the details are summarised below:

	Years ended December 31,			
	2020		2019	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 542,708		$ 583,882	
Special reserve	961,745		185,424	
Cash dividends	4,099,110	$ 5.50	4,362,815	$ 5.90

The appropriations of 2020 earnings, aside from the cash dividends which have been resolved by the Board of Directors and shall only be reported to the shareholders, the remaining appropriations have been resolved after meeting the statutory voting threshold on June 11, 2021 via the electronic voting platform for shareholders' meeting and had been resolved at the shareholders' meeting on August 27, 2021.

E. Subsequent events: The appropriations of 2021 earnings had been proposed at the Board of Directors' meeting on March 9, 2022, and the details are summarised below:

	Year ended December 31, 2021	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 591,255	
Special reserve	13,076	
Cash dividends	4,586,263	$ 6.10

For the appropriations of 2021 earnings, aside from the cash dividends which have been resolved by the Board of Directors and shall only be reported to the shareholders. The remaining appropriations have not yet been resolved by the shareholders as of March 9, 2022.

(17) Other equity interest

	2021			
	Currency translation	Unrealised gains (losses) on valuation	Revaluation increment	Total
At January 1	($ 2,802,749)	($ 2,815,388)	$ 1,376,923	($ 4,241,214)
Revaluation				
- Company	-	212,864	-	212,864
- Subsidiary	-	176,481	-	176,481
- Transfer out	-	8,218	-	8,218
Currency translation differences:				
- Company	(356,285)	-	-	(356,285)
- Associates	(131)	-	-	(131)
Revaluation increment				
- Transfer out	-	-	(401)	(401)
At December 31	($ 3,159,165)	($ 2,417,825)	$ 1,376,522	($ 4,200,468)

	2020			
	Currency translation	Unrealised gains (losses) on valuation	Revaluation increment	Total
At January 1	($ 2,115,391)	($ 2,597,937)	$ 1,381,667	($ 3,331,661)
Revaluation				
- Company	-	13,835	-	13,835
- Subsidiary	-	(275,418)	-	(275,418)
- Transfer out	-	44,132	-	44,132
Currency translation differences:				
- Company	(685,280)	-	-	(685,280)
- Associates	(2,078)	-	-	(2,078)
Revaluation increment				
- Transfer out	-	-	(4,744)	(4,744)
At December 31	($ 2,802,749)	($ 2,815,388)	$ 1,376,923	($ 4,241,214)

(18) Operating revenue

Disaggregation of revenue from contracts with customers

	Years ended December 31,	
	2021	2020
Revenue from contracts with customers		
Electronic components products	$ 10,144,088	$ 8,686,552
Consumer electronic products and other electronic products	32,466,587	26,143,785
Others	1,753,018	1,751,212
	$ 44,363,693	$ 36,581,549

(19) Interest income

	Years ended December 31,	
	2021	2020
Interest income from bank deposits	$ 146	$ 269
Other interest income	17,105	23,794
	$ 17,251	$ 24,063

(20) Other income

	Years ended December 31, 2021	Years ended December 31, 2020
Rental revenue	$ 132,488	$ 128,702
Dividend income	52,394	30,589
Others	149,896	130,390
	$ 334,778	$ 289,681

(21) Other gains and losses

	Years ended December 31, 2021	Years ended December 31, 2020
Net gain on financial assets and liabilities at fair value through profit or loss - other	$ 114,611	$ 113,857
Net currency exchange gain	310,984	1,035,063
Gain on disposal of property, plant and equipment	-	285
Gain on disposal of investment property	51,933	222,225
Gain on fair value adjustment of investment property	5,807	25,479
Others	(16,316)	(4,560)
	$ 467,019	$ 1,392,349

(22) Expenses by nature

	Years ended December 31, 2021	Years ended December 31, 2020
Employee benefit expense	$ 2,114,460	$ 2,326,528
Depreciation charges on property, plant and equipment and right-of-use asset	82,278	81,465
Amortisation on intangible assets	17,851	16,519

(23) Employee benefit expense

	Years ended December 31, 2021	Years ended December 31, 2020
Wages and salaries	$ 1,854,072	$ 1,935,402
Labor and health insurance fees	97,317	89,475
Pension costs	46,955	46,041
Directors' and supervisors' remuneration	58,082	52,656
Other personnel expenses	58,034	52,954
	$ 2,114,460	$ 2,176,528

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 11% for employees’ compensation and shall not be higher than 1% for directors’ and supervisors’ remuneration.

B. For the years ended December 31, 2021 and 2020, employees’ compensation was accrued at $934,885 and $847,551, respectively; directors’ and supervisors’ remuneration was accrued at $58,082 and $52,656, respectively. The aforementioned amounts were recognised in salary expenses.

The employees’ compensation and directors’ and supervisors’ remuneration were estimated and accrued based on 11.79% and 0.73% of distributable profit of current year for the year ended December 31, 2021, respectively. The employees’ compensation and directors’ and supervisors’ remuneration resolved by the Board of Directors were $934,885 and $58,082, respectively, and the employees’ compensation will be distributed in the form of cash and shares.

C. Employees’ compensation of $847,551 and directors’ and supervisors’ remuneration of $52,656 for 2020 as resolved at the meeting of Board of Directors were in agreement with those amounts recognised in the 2020 financial statements. For the year ended December 31, 2020, 5,832 thousand shares of stock were issued as employee compensation, and the number of shares were calculated based on the price of $94.3 (in dollars).

Information about employees’ compensation and directors’ and supervisors’ remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

D. As of December 31, 2021 and 2020, the Company had 844 and 864 employees, respectively. There were both 6 directors who have not served as employees as of December 31, 2021 and 2020.

E. (a) Average employee benefit expense in 2021 and 2020 was $2,454 and $2,475, respectively.

(b) Average employee salaries in 2021 and 2020 were $2,212 and $2,256, respectively.

(c) Adjustment of average employee salaries was (2%).

(d) Directors who have not served as employees were not included in the calculation of the abovementioned average employee benefit expense and employee salaries.

(e) The Company has no supervisors’ remuneration as it has set up an audit committee.

F. The Company’s remuneration policy is as follows:

Remuneration of directors (including independent directors) includes rewards and directors’ remuneration from earnings distribution. The remuneration is determined by the remuneration committee after considering directors’ participation in the operation of the Company and the value of their contribution to the Company. Remuneration of general manager and vice general manager includes salaries, bonuses, employees’ compensation and pensions contributed under regulations. The remuneration is determined by the remuneration committee after considering the Company’s annual operating revenue, profit performance and the achievement of the managers’ performance goals and referring to the performance and the general pay levels of the industry.

Remuneration of employees includes monthly salaries, bonuses and employees’ compensation. The salary standard of the employees is determined based on the position, education and experience background, professional knowledge and market value. The employees' compensation will be distributed in the form of shares or cash as resolved by the Board of Directors. The Company appraises performance of its employees regularly every year to make sure it knows well about its employees' working performance and uses the appraisal as basis for promotion, training development and remuneration distribution.

Remuneration of directors and managers as well as employees' compensation are reported to the Board of Directors for resolution after being discussed by the remuneration committee.

(24) Finance costs

	Years ended December 31, 2021	Years ended December 31, 2020
Interest expense		
Bank loan	$ 9,900	$ 14,704
Lease liability	911	1,102
Others	33,962	43,152
	$ 44,773	$ 58,958

(25) Income tax

A. Income tax expense

	Years ended December 31, 2021	Years ended December 31, 2020
Current tax:		
Current tax on profits for the year	$ 975,885	$ 981,353
Tax on undistributed earnings	-	7,652
Prior year income tax overestimation	(70,200)	(75,055)
Income tax expense	905,685	913,950
Deferred tax:		
Origination and reversal of temporary differences	(125,846)	(67,721)
Income tax expense	$ 779,839	$ 846,229

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31, 2021	Years ended December 31, 2020
Tax calculated based on profit before tax and statutory tax rate	$ 1,386,853	$ 1,262,599
Prior year income tax overestimation	(70,200)	(75,055)
Tax on undistributed earnings	-	7,652
Effect from items adjusted in accordance with tax regulation	(536,814)	(348,967)
Income tax expense	$ 779,839	$ 846,229

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and investment tax credits are as follows:

	2021			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
- Deferred tax liabilities:				
Fair value adjustment of investment property	($ 376,272)	$ 73,725	$ 5,406	($ 297,141)
Unrealised exchange gain	(156,144)	52,121	-	(104,023)
	($ 532,416)	$ 125,846	$ 5,406	($ 401,164)

	2020		
	January 1	Recognised in profit or loss	December 31
Temporary differences:			
- Deferred tax liabilities:			
Fair value adjustment of investment property	($ 503,041)	$ 126,769	($ 376,272)
Unrealised exchange gain	(97,096)	(59,048)	(156,144)
	($ 600,137)	$ 67,721	($ 532,416)

D. The amounts of deductible temporary differences that were not recognised as deferred tax assets are as follows:

	December 31, 2021	December 31, 2020
Deductible temporary differences	$ 971,589	$ 990,302

E. The Company’s income tax returns through 2019 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	Year ended December 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 6,154,426	706,843	$ 8.71
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	12,446	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 6,154,426	719,289	$ 8.56

	Year ended December 31, 2020		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 5,466,764	701,161	$ 7.80
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	10,767	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 5,466,764	711,928	$ 7.68

(27) Changes in liabilities from financing activities

	2021		
	Lease liability	Other payables - related parties	Total
At January 1	$ 99,878	$ 8,276,526	$ 8,376,404
Changes in cash flow from financing activities	(19,249)	408,166	388,917
At December 31	$ 80,629	$ 8,684,692	$ 8,765,321

	2020			
	Short-term borrowings	Lease liability	Other payables - related parties	Total
At January 1	$ 600,000	$ 118,936	$ 729,243	$ 1,448,179
Changes in cash flow from financing activities	(600,000)	(19,058)	7,547,283	6,928,225
At December 31	$ -	$ 99,878	$ 8,276,526	$ 8,376,404

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Chicony Electronics (DongGuan) Co., Ltd.	Subsidiary
Chicony Electronics (Suzhou) Co., Ltd.	Subsidiary
Chicony Electronics (Chong-Qing) Co., Ltd.	Subsidiary
Mao-Ray Electronics (DongGuan) Co., Ltd.	Subsidiary
Unikey Electronics Co., Ltd.	Subsidiary
Hipro Electronics Ltd.	Subsidiary
Quansun Investment Corp. Ltd.	Subsidiary
Chicony Electronics (Thailand) Co., Ltd	Subsidiary
Chicony Global Inc.	Subsidiary
Chicony Overseas Inc.	Subsidiary
Mao-Feng International Inc.	Subsidiary
Real Young Electronics Co., Ltd	Subsidiary
ShunOn Electronic Co.	Other related party
Clevo Co.	Other related party
Hongwell	Other related party

Note: For the rest of the names of and relationship with related parties, please refer to Note 4(3) of consolidated financial statements.

(2) Significant related party transactions

A. Operating revenue:

	Years ended December 31, 2021	Years ended December 31, 2020
Sales of goods:		
- Subsidiaries	$ 41	$ 4,862
- Other related parties	3,999	2,196
Sales of services:		
- Chicony Global Inc.	1,462,224	1,639,600
- Chicony Electronics (Suzhou) Co., Ltd.	155,772	28,824
- Other subsidiaries	77,952	74,484
	$ 1,699,988	$ 1,749,966

The price, terms of the sale and related contracts with related parties were the same with those to third parties, with reasonable rebates. In general, the collection periods ranged from 60 to 90 days. However, extension is given depending on the financial situation of related parties.

B. Purchases:

	Years ended December 31, 2021	Years ended December 31, 2020
Purchases of goods:		
- Chicony Electronics (Suzhou) Co., Ltd.	$ 12,914,490	$ 10,251,441
- Chicony Electronics (Thailand) Co., Ltd.	9,206,574	6,832,902
- Chicony Electronics (DongGuan) Co., Ltd.	8,749,523	6,539,090
- Mao-Ray Electronics (DongGuan) Co., Ltd.	4,898,968	4,354,564
- Other subsidiaries	329,563	298,240
	$ 36,099,118	$ 28,276,237

The terms of the purchases from related parties were the same as those to third parties.

C. Receivables from related parties:

	December 31, 2021	December 31, 2020
Accounts receivable:		
- Chicony Electronics (Suzhou) Co., Ltd.	$ 158,284	$ 26,943
- Chicony Electronics (Chong-Qing) Co., Ltd.	77,065	71,185
- Other subsidiaries	-	7
- Other related parties	-	50
	235,349	98,185
Other receivables		
- Real Young Electronics Co., Ltd	230,873	505,318
- Chicony Global Inc.	186,856	574,219
- Other subsidiaries	21,700	27,042
	439,429	1,106,579
	$ 674,778	$ 1,204,764

Other non-operating receivables due from related parties mainly arose from payments on behalf of others, management consulting service income, office rental income (no interest charged) and interest receivables from loans to related parties.

D. Payables to related parties:

	December 31, 2021	December 31, 2020
Accounts payable:		
- Chicony Electronics (Suzhou) Co., Ltd.	$ 7,181,968	$ 6,793,433
- Chicony Electronics (DongGuan) Co., Ltd.	6,520,180	5,025,106
- Chicony Electronics (Thailand) Co., Ltd	1,411,756	1,023,161
- Mao-Ray Electronics (DongGuan) Co., Ltd.	839,662	2,997,522
- Other subsidiaries	87,067	106,502
- Other related parties	-	12
	16,040,633	15,945,736
Other payables:		
- Chicony Electronics (DongGuan) Co., Ltd.	270,280	141,899
- Other subsidiaries	90,466	122,686
	360,746	264,585
	$ 16,401,379	$ 16,210,321

(a) The payables from related parties arise mainly from purchase transactions. The credit term is limited from 60 to 180 days after the date of transaction. The payables are unsecured in nature and bear no interest.

(b) Other accounts payable to related parties mainly arose from service expense, collection of payments on behalf of others, payments on behalf of related parties and interest payable on loans.

E. Service purchase – commission, maintenance and repair services and marketing service expense (shown as 'Selling expenses')

	Years ended December 31	
	2021	2020
Subsidiaries	$ 16,920	$ 35,538

F. Lease transactions - lessor

(a) As of December 31, 2021, the main lease contracts between the Company and related parties are as follows:

Lessee	Leased object	Lease payment	Lease term
Subsidiaries	Buildings and structures	$ 99~3,917/ month	2020.10.01~2023.12.31
Other related parties	Buildings and structures	$ 213/ month	Less than one year

(b) The Company's rental income during the year derived from leasing offices to related parties is as follows:

	Years ended December 31	
	2021	2020
Subsidiaries	$ 61,936	$ 62,409
Other related parties	2,573	854
	$ 64,509	$ 63,263

G. Management consulting service income (shown as 'Miscellaneous income - others')

	Years ended December 31	
	2021	2020
Subsidiaries	$ 23,634	$ 22,143

H. Dividend income

	Years ended December 31	
	2021	2020
Subsidiaries (shown as deductions from 'Investments accounted for using equity method')	$ 936,091	$ 700,696
Other related parties (shown as 'Other income')	7,860	5,240
	$ 943,951	$ 705,936

I. Dividend expenditure

	Years ended December 31	
	2021	2020
Subsidiaries (shown as 'Addition to investments accounted for using equity method')	$ 205,497	$ 220,443

J. Financing

(a) Loans to related parties:

i. Outstanding balance:

	December 31, 2021	December 31, 2020
Unikey Electronics Co., Ltd.	$ 1,008,760	$ 1,132,000
Quansun Investment Corp. Ltd.	600,000	604,000
Hipro Electronics Ltd.	445,000	435,000
Other subsidiaries	194,000	194,000
	$ 2,247,760	$ 2,365,000

ii. Interest income:

	Years ended December 31,	
	2021	2020
Unikey Electronics Co., Ltd.	$ 7,917	$ 11,013
Quansun Investment Corp. Ltd.	4,413	5,646
Hipro Electronics Ltd.	3,245	1,163
Other subsidiaries	1,530	5,972
	$ 17,105	$ 23,794

The loans to associates are repayable monthly over 2 years and carry interest at 0.8%~1% per annum for the year ended December 31, 2020. However, the loans do not carry interest starting from June 2021.

(b) Loans from related parties:

i. Outstanding balance:

	December 31, 2021	December 31, 2020
Chicony Overseas Inc.	$ 3,346,461	$ 3,389,329
Chicony Global Inc.	2,297,025	2,391,505
Mao-Feng International Inc.	1,948,043	1,987,462
Other subsidiaries	1,093,163	508,230
	$ 8,684,692	$ 8,276,526

ii. Interest expense:

	Years ended December 31, 2021	Years ended December 31, 2020
Chicony Overseas Inc.	$ 14,449	$ 18,597
Chicony Global Inc.	9,800	14,407
Mao-Feng International Inc.	7,958	8,792
Other subsidiaries	1,755	1,356
	$ 33,962	$ 43,152

The loans from associates are repayable monthly over 2 years and carry interest at 0.8%~1% per annum for the year ended December 31, 2020. However, the loans do not carry interest starting from June 2021.

K. Endorsements and guarantees and commitments

As of December 31, 2021 and 2020, the credit guarantee provided by the Company to subsidiaries' borrowings are as follows:

	Years ended December 31, 2021	Years ended December 31, 2020
Subsidiaries	$ -	$ 338,820

(3) Key management compensation

	Years ended December 31, 2021	Years ended December 31, 2020
Salaries and other short-term employee benefits	$ 108,503	$ 95,778
Termination benefits	1,562	1,689
Share-based payments	126,138	122,756
	$ 236,203	$ 220,223

8. PLEDGED ASSETS

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

Pledged asset	Book value December 31, 2021	Book value December 31, 2020	Purpose
Refundable deposits (shown as "Other non-current assets")	$ 6,331	$ 6,326	Bid bond and margin for operating lease
Property, plant and equipment	515,446	523,726	Long-term borrowings
Investment property	4,314,958	4,320,404	Long-term borrowings
	$ 4,836,735	$ 4,850,456	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

In addition to the information in Notes 6(10) and 6(12), more information on significant commitments and contingencies is disclosed as follows:

(1) As of December 31, 2021, for bank loans, financing forward exchange contracts, bill purchased and commercial paper issuance, the Company provided standby promissory notes payable totaling \$18,368,435 as security.

(2) As of December 31, 2021, the capital expenditures that have not yet been incurred amounted to \$14,258.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On March 9, 2022, the Board of Directors during its meeting resolved the distribution of 2021 earnings and proposed the distribution of employees' compensation and directors' and supervisors' remuneration. The information is provided in Notes 6(16) and 6(23).

12. OTHERS

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company'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 Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2021	December 31, 2020
Financial assets		
Financial assets mandatorily measured at fair value through profit or loss - current	$ 329,913	$ 510,732
Financial assets at fair value through other comprehensive income - current	1,116,845	990,796
Financial assets mandatorily measured at fair value through profit or loss - non-current	849,808	714,781
Financial assets at fair value through other comprehensive income - non-current	87,885	70,803
Financial assets at amortised cost		
Cash and cash equivalents	166,234	666,415
Notes receivable	26,748	10,162
Accounts receivable (including related parties)	9,577,352	7,529,248
Other receivables (including related parties)	2,717,617	3,530,692
Guarantee deposits paid	6,331	6,326
	$ 14,878,733	$ 14,029,955

	December 31, 2021	December 31, 2020
Financial liabilities		
Financial liabilities at amortised cost		
Notes payable	3,546	3,663
Accounts payable (including related parties)	16,361,706	16,218,860
Other payables (including related parties)	12,532,839	11,809,799
Lease liability	80,629	99,878
	$ 28,978,720	$ 28,132,200

B. Financial risk management policies

(a) The Company’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. To minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts and foreign currency swap contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the Company'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, 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

<u>Foreign exchange risk</u>

i. The Company 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 Company 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 Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2021			Year ended December 31, 2021		
				Sensitivity analysis		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD:NTD	USD 353,830	27.6750	$ 9,792,245	1%	$ 97,922	$ -
Non-Monetary items						
USD:NTD	USD 1,116,337	27.6750	$ 30,894,626	1%	$ -	$ 308,946
THB:NTD	USD 1,068,340	0.8292	$ 855,868	1%	$ -	$ 8,859
Financial liabilities						
Monetary items						
USD:NTD	USD 924,780	27.675	$ 25,593,287	1%	$ 255,933	$ -

	December 31, 2020			Year ended December 31, 2020		
				Sensitivity analysis		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD:NTD	USD 290,397	28.235	$ 8,199,359	1%	$ 81,994	$ -
Non-Monetary items						
USD:NTD	USD 1,038,476	28.235	$ 29,321,360	1%	$ -	$ 293,214
Financial liabilities						
Monetary items						
USD:NTD	USD 883,405	28.235	$ 24,942,940	1%	$ 249,429	$ -

Total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2021 and 2020, amounted to $310,984 and $1,035,063, respectively.

Price risk

i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise shares and open-end funds issued by the domestic and foreign companies. 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, post-tax profit for the years ended December 31, 2021 and 2020 would have increased/decreased by $11,797 and $12,255, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $12,047 and $10,616, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. During the years ended December 31, 2021 and 2020, the Company's borrowings at variable rate were denominated in the NTD, USD and JPY.

At December 31, 2021 and 2020, if market interest rates had been 25bp higher with all other variables held constant, there would be no impact on other comprehensive income for the years ended December 31, 2021 and 2020.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company 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 and the contract cash flows of debt instruments stated at amortised cost and fair value through profit or loss.

ii. According to the Company's internal management policy, the Company only trade with the good credit bank. According to the credit policy, each local entity in the Company 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. The Company adopts the following assumption 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.

iv. The Company classifies customer's accounts receivable, contract assets and rents receivable in accordance with customer types. The Company applies the simplified approach using the provision matrix to estimate expected credit loss.

v. According to the Company's internal management policy, the default occurs when the contract payments are past due over 360 days.

vi. 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) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

vii. The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable, contract assets and lease payments receivable. On December 31, 2021 and 2020, the provision matrix is as follows:

	Expected loss rate	Total book value	Loss allowance
December 31, 2021			
Not past due	0%~0.1%	$ 9,543,081	$ 43
1 to 30 days past due	0.26%	19,186	50
31 to 120 days past due	0.36%	15,881	828
121 to 215 days past due	8.33%	136	11
Over 360 days past due	100%	35,284	35,284
		$ 9,613,568	$ 36,216

	Expected loss rate	Total book value	Loss allowance
December 31, 2020			
Not past due	0%~0.3%	$ 7,132,955	$ -
1 to 30 days past due	2%~5%	241,656	243
31 to 120 days past due	3%~10%	147,126	375
121 to 125 days past due	10%~20%	9,032	903
Over 360 days past due	100%	32,354	32,354
		$ 7,563,123	$ 33,875

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

	2021	2020
	Accounts receivable	Accounts receivable
At January 1	$ 33,875	$ 32,966
Provision for impairment loss	2,341	909
At December 31	$ 36,216	$ 33,875

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements.

ii. Company treasury invests surplus cash in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As at December 31, 2021 and 2020, the Company held money market position of $1,612,638 and $2,167,595, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

iii. The Company has the following undrawn borrowing facilities:

	December 31, 2021	December 31, 2020
Expiring within one year	$ 13,849,200	$ 14,203,340
Expiring beyond one year	4,000,000	4,000,000
	$ 17,849,200	$ 18,203,340

iv. The table below analyses the Company'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. The amounts disclosed in the table are the contractual undiscounted cash flows.

December 31, 2021 Non-derivative financial liabilities:	Less than 1 year	Over 1 year
Accounts payable (including related parties)	$ 16,361,706	$ -
Other payables (including related parties)	12,532,839	-
Lease liability	20,160	62,160

December 31, 2020 Non-derivative financial liabilities:	Less than 1 year	Over 1 year
Accounts payable (including related parties)	$ 16,218,860	$ -
Other payables (including related parties)	11,809,799	-
Lease liability	20,160	82,320

(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 Company's investment in listed stocks (including emerging stocks), beneficiary certificates and convertible bonds, 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 Company's investment in most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in certain derivative instruments and investment property is included in Level 3.

B. The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, notes payable, accounts payable and other payables (including related parties) are approximate to their fair values.

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

(a) The related information on the nature of the assets and liabilities is as follows:

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets mandatorily measured at fair value through profit or loss - current				
Equity securities	$ 329,913	$ -	$ -	$ 329,913
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Equity securities	-	-	613,396	613,396
Beneficiary certificates	79,959	-	156,453	236,412
Financial assets measured at fair value through other comprehensive income - current				
Equity securities	1,116,845	-	-	1,116,845
Financial assets measured at fair value through other comprehensive income - non-current				
Equity securities	-	23,192	64,693	87,885
Investment property (Note)	-	-	6,252,267	6,252,267
	$ 1,526,717	$ 23,192	$ 7,086,809	$ 8,636,718

December 31, 2020	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets mandatorily measured at fair value through profit or loss - current				
Equity securities	$ 510,732	$ -	$ -	$ 510,732
Financial assets mandatorily measured at fair value through profit or loss - non-current				
Equity securities	-	-	532,624	532,624
Beneficiary certificates	18,090	-	164,067	182,157
Financial assets measured at fair value through other comprehensive income - current				
Equity securities	990,796	-	-	990,796
Financial assets measured at fair value through other comprehensive income - non-current				
Equity securities	-	10,899	59,904	70,803
Investment property (Note)	-	-	6,459,644	6,459,644
	$ 1,519,618	$ 10,899	$ 7,216,239	$ 8,746,756

Note: Investment property measured at fair value.

(b) The methods and assumptions the Company used to measure fair value are as follows:

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

	Listed shares	Emerging shares	Open-end fund	Convertible bond
Market quoted price	Closing price	Average trade price	Net asset value	Closing

D. For the years ended December 31, 2021 and 2020, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the years ended December 31, 2021 and 2020:

	2021		
	Beneficiary certificates	Equity securities	Total
At January 1	$ 164,067	$ 592,528	$ 756,595
Sold during the year	-	(8,266)	(8,266)
(Losses) gains recognised in profit or loss	(7,614)	88,907	81,293
Gains recognised in other comprehensive income	-	4,920	4,920
At December 31	$ 156,453	$ 678,089	$ 834,542
Movement of unrealised gain or loss in profit or loss of assets and liabilities held as at December 31, 2021 (Recorded under other gains and losses)	($ 7,614)	$ 88,907	$ 81,293

	2020		
	Beneficiary certificates	Equity securities	Total
At January 1	$ 84,060	$ 598,812	$ 682,872
Acquired during the year	87,000	-	87,000
Sold during the year	-	(23,473)	(23,473)
(Losses) gains recognised in profit or loss	(6,993)	37,779	30,786
Gains recognised in other comprehensive income	-	(20,590)	(20,590)
At December 31	$ 164,067	$ 592,528	$ 756,595
Movement of unrealised gain or loss in profit or loss of assets and liabilities held as at December 31, 2020 (Recorded under other gains and losses)	($ 6,993)	$ 37,779	$ 30,786

For the information on investment property movement in level 3, please refer to Note 6(9).

F. For the years ended December 31, 2021 and 2020, there was no transfer into or out from Level 3.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	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	$ 2,646	Market approach	Discount for lack of marketability	-	The higher the discount for lack of marketability, the lower the fair value
"	675,443	Net asset value	N/A	-	N/A
Venture capital shares Private equity fund investment	156,453	Net asset value	N/A	-	N/A
Investment property	6,252,267	Income approach	Revenue growth rate, discount rate	-	The higher the revenue growth rate, the higher the fair value; the higher the discount rate, the lower the fair value

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 6,725	Market approach	Discount for lack of marketability	-	The higher the discount for lack of marketability, the lower the fair value
"	585,803	Net asset value	N/A	-	N/A
Venture capital shares Private equity fund investment	164,067	Net asset value	N/A	-	N/A
Investment property	6,459,644	Income approach	Revenue growth rate, discount rate	-	The higher the revenue growth rate, the higher the fair value; the higher the discount rate, the lower the fair value

H. The Company 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. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2021			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Market approach,	±1%	$ 6,134	($ 6,134)	$ 647	($ 647)
Beneficiary certificates	Net asset value	±1%	1,565	(1,565)	-	-
			$ 7,699	($ 7,699)	$ 647	($ 647)

			December 31, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Market approach,	±1%	$ 5,326	($ 5,326)	$ 599	($ 599)
Beneficiary certificates	Net asset value	±1%	1,641	(1,641)	-	-
			$ 6,967	($ 6,967)	$ 599	($ 599)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

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 NT$300 million or 20% of the Company's paid-in capital: Please refer to table 4.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: Please refer to table 5.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: Please refer to table 6.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: Please refer to table 7.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more:

Please refer to table 8.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2) and 6(22) in the consolidated financial statements.

J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 10.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 11.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 13(1).

(4) Major shareholders information

Major shareholders information: Please refer to table 12.

14. SEGMENT INFORMATION

Not applicable.

CHICONY ELECTRONICS CO., LTD.
DETAILS OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS – CURRENT
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Name of financial instrument	Summary	No. of shares/sheets/ units (Note)	Face value	Amount	Interest rate	Acquisition Cost	Fair value Unit price	Fair value Amount
Listed stocks								
Laster Tech Corporation Ltd.		5,247				$ 462,326	$ 44.05	$ 231,130
MOSA INDUSTRIAL CORPORATION		445				25,741	42.15	18,757
Newmax Technology Co., Ltd.		1,244				82,332	39.45	49,060
Wiwynn Corporation		6				5,530	1,115.00	6,690
Solomon Technology Corporation		694				13,589	23.90	16,587
ASLAN Pharmaceuticals Limited		220				52,241	31.00	6,819
						$ 641,759		$ 329,043
Unlisted stocks								
JHL Biotech Inc. Taiwan		290				$ 20,809	3.00	$ 870
						$ 662,568		$ 329,913

Note: In thousand shares/thousand sheet/thousand units

CHICONY ELECTRONICS CO., LTD.
DETAILS OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – CURRENT
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Name of financial instrument	Summary	No. of shares/sheets/ units (Note)	Face value	Amount	Interest rate	Acquisition Cost	Fair value Unit price	Fair value Amount
Listed stocks								
Clevo Co.		13,101				$ 564,540	$ 33.00	$ 432,320
Genesis Photonics Inc.		304				21,350	8.39	2,554
AcBel Polytech Inc.		3,727				172,043	36.60	136,408
ShunOn Electronic Co.		10,802				233,288	44.60	481,781
Alcor Micro Corp.		1,056				41,554	60.40	63,782
						$ 1,032,775		$ 1,116,845

Note: In thousand shares/thousand sheet/thousand units

CHICONY ELECTRONICS CO., LTD.
DETAILS OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Client Name	Summary	Amount	Remark
Client			
A Company		$ 2,063,841	
B Company		1,650,608	
C Company		868,852	
D Company		821,222	
E Company		700,145	
Others		3,273,551	Amount past due over one year is $35,284
		9,378,219	Each individual customer balance did not exceed 5% of the account balance.
Less: Allowance for doubtful accounts		(36,216)	
		$ 9,342,003	
Related parties			
Chicony Electronics (Chong-Qing) Co., Ltd.		$ 77,065	
Chicony Electronics (Suzhou) Co., Ltd.		158,284	
		$ 235,349	

CHICONY ELECTRONICS CO., LTD.
DETAILS OF OTHER RECEIVABLES – RELATED PARTY
DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Items	Summary	Amount	Remark
Unikey Electronics Co., Ltd.		$ 1,010,966	
Quansun Investment Corp. Ltd.		601,223	
Hipro Electronics Ltd.		445,933	
Real Young Electronics Co., Ltd.		230,873	
Qun-Jing Power Co., Ltd.		194,395	
Chicony Global Inc.		186,856	
Others		16,943	
		$ 2,687,189	

CHICONY ELECTRONICS CO., LTD.
DETAILS OF INVENTORIES
DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Items	Summary	Amount		Remark
		Costs	Net realisable value	
Raw materials		$ 255	$ 306	
Finished goods		1,227,714	1,500,662	
Merchandise inventory		418,535	574,196	
Less: Allowance for valuation loss		(89,353)	-	
		$ 1,557,151	$ 2,075,164	

CHICONY ELECTRONICS CO., LTD.
DETAILS OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS – NON-CURRENT
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Name and type		At January 1		Additions for the year		Decrease for the year		At December 31	
		Shares	Fair value	Shares	Amount	Shares	Amount	Shares	Fair value
WK Venture Capital Management Co., Ltd.	Stock	15,380	$ 271,938	-	$ 33,047	-	$ -	15,380	$ 304,985
Top Taiwan Venture Capital Management Co., Ltd.	"	7,500	72,205	-	23,886	-	-	7,500	96,091
Chen Ding Venture Capital Management Co., Ltd.	"	10,000	111,934	-	26,585	-	-	10,000	138,519
Sheng Da Venture Capital Management Co., Ltd.	"	3,000	33,000	570	9,114	-	-	3,570	42,114
Magi Capital Venture Co., Ltd.	Preferred stock	363	43,547	-	-	(46)	(11,860)	317	31,687
Fuh Hwa Smart Energy Securities Investment Trust Fund	Beneficiary certificates	9,000	77,850	-	-	-	(3,960)	9,000	73,890
Fuh Hwa Securities Investment Trust Fund	"	8,700	86,217	-	-	-	(3,654)	8,700	82,563
Fuh Hwa New Oriental Securities Investment Trust Fund	"	9,000	18,090	-	-	-	(1,980)	9,000	16,110
Fuh Hwa Small Capital Fund	"	-	-	402	63,849		-	402	63,849
			$ 714,781		$ 156,481		($ 21,454)		$ 849,808

Note 1: In thousand shares/thousand sheet/thousand units

Note 2: The reason for additions and decreases in financial assets at fair value through profit or loss - non-current was fair value valuation.

CHICONY ELECTRONICS CO., LTD.
DETAILS OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – NON-CURRENT
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Name and type		At January 1		Additions for the year		Decrease for the year		At December 31	
		Shares	Fair value	Shares	Amount	Shares	Amount	Shares	Fair value
TAIPEI TECH Venture Capital Co., Ltd.	Stock	3,500	$ 47,250	-	$ 1,428	-	$ -	3,500	$ 48,679
Maxima Ventures I, Inc.	"	13	131	-	-	(13)	(131)	-	-
Maxima Ventures II, Inc.	"	3,000	4,647	-	5,834	-	-	3,000	10,481
Taiwan Cultural and Creative Co., Ltd.	"	1,600	1,151	-	1,737	-	-	1,600	2,887
MKD Technology Inc.	"	1,600	6,725	-	-	-	(4,079)	1,600	2,646
Genesis Photonics Inc.	Private stock	4,225	10,899	-	12,293	-	-	4,225	23,192
			$ 70,803		$ 21,292		($ 4,210)		$ 87,885

Note: In thousand shares/thousand sheet/thousand units

CHICONY ELECTRONICS CO., LTD.
DETAILS OF INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
(INCLUDING OTHER NON-CURRENT LIABILITIES – OTHER)
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

	Balance at January 1		Additions for the year		Reductions for the year		Transfers for the year		Balance at December 31			Fair value or net assets value			
Name	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Ownership	Amount	Unit price	Total amount	Collateral	Remark
Shown as investments accounted for using equity method															
Chicony Overseas Inc.	1,000	$ 23,470,611	-	$ 1,434,545	-	($ 179,219)	-	$ -	1,000	100%	$ 24,725,937	-	$ 24,725,937	None	
Chicony Electronics (Thailand) Co., Ltd.	4,843,384	544,240	3,370,000	427,202	-	(85,574)	-	-	8,213,384	82.11%	885,868	-	885,868	" "	
Hipro Overseas (BVI) Inc.	12,560,000	2,593,190	-	14,021	-	(51,565)	-	-	12,560,000	100%	2,555,646	-	2,555,646	"	
Chicony Power Technology Co.,	200,467,594	4,015,643	6,239,000	1,949,184	-	(1,049,952)	-	-	206,706,594	52.71%	4,914,875	-	5,857,905	"	
XAVi Electronics Ltd.	32,428,442	291,398	-	79,792	1,026,000	(67,392)	-	-	31,402,442	45.15%	303,798	-	404,411	"	
Chicony Global Inc.	1,000,000	3,048,916	-	425,055	-	(180,616)	-	-	1,000,000	100%	3,293,355	-	3,678,873	"	
Unikey Electronics Co., Ltd.	90,000,000	478,201	-	166,261	-	(213,071)	-	-	90,000,000	100%	431,391	-	2,174,036	"	
Shown as other non-current liabilities - other															
Hipro Electronics Ltd.	4,660,000	(443,310)	-	179,200	-	(100,828)	-	-	4,660,000	100%	(364,938)	-	967,411	None	
		$ 33,998,889		$ 4,675,260		($ 1,928,217)		$ -			$ 36,745,932				

Note 1: The reason of additions in investment accounted for using equity method was increasing in share of profit of associates and joint ventures accounted for using equity method, financial statements translation differences of foreign operations under equity method, unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income under equity method, and cash dividends paid to the subsidiaries.

Note 2: The reason of decrease in investment accounted for using equity method was disposal of investments, increasing in share of loss of associates and joint ventures accounted for using equity method, financial statements trasnlation differences of foreign operations under equity method, unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income under equity method, adjustments to share of changes in equity of associates and joint ventures, and cash dividends received from the subsidiaries.

Note 3: The reason of differences between the balance at December 31 and the net assets value of investments was unrealised gross profit and subsidiaries holding the Copmany's stock which treated as treasury stock writting off investments accounted for using equity method.

CHICONY ELECTRONICS CO., LTD.
DETAILS OF ACCOUNTS PAYABLE
DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Supplier Name	Summary	Amount	Remark
Supplier			
A Company		$ 58,117	
B Company		50,457	
C Company		32,040	
D Company		30,633	
E Company		25,211	
F Company		19,351	
Others		105,264	Each individual supplier balance did
		$ 321,073	not exceed 5% of the account balance.
Related parties			
Chicony Electronics (Suzhou) Co., Ltd.		$ 7,181,968	
Chicony Electronics (DongGuan) Co., Ltd.		6,520,180	
Mao-Ray Electronics (DongGuan) Co., Ltd.		839,662	
Chicony Electronics (Thailand) Co., Ltd		1,411,756	
Others		87,067	
		$ 16,040,633	

CHICONY ELECTRONICS CO., LTD.
DETAILS OF SALES REVENUE
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Items	Shipments	Amount	Remark
Electronic component products	42,272 pieces	$ 10,144,088	
Consumer electronic products and other electronic products	55,080 pieces	32,466,587	
Others		1,753,018	
		$ 44,363,693	

CHICONY ELECTRONICS CO., LTD.
DETAILS OF OPERATING COSTS
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Items	Amount
Materials at January 1	$ -
Add: Purchases	42,211
Less: Materials at December 31	(255)
Cost of materials sold	(41,956)
Transfer to operating expenses	-
Materials used during the year	-
Direct labor	-
Manufacturing expenses	-
Manufacturing cost	-
Add: Finished goods inventory at January 1	1,229,899
Purchases	9,849,468
Less: Finished goods inventory at December 31	(1,646,249)
Transfer to operating expenses	(5,781)
Cost of goods sold of triangular trade	28,397,279
Cost of materials sold	41,956
Loss on decline in market value	18,712
Others	119,595
Operating cost	$ 38,004,879

CHICONY ELECTRONICS CO., LTD.
DETAILS OF OPERATING EXPENSES
YEAR ENDED DECEMBER 31, 2021
(In thousands of New Taiwan dollars)

Items	Selling expenses	General and administrative expenses	Reserch and development expenses	Total
Wages and salaries	$ 325,598	$ 540,346	$ 1,046,210	$ 1,912,154
Pension costs	7,817	13,865	25,273	46,955
Rental expenses	994	382	215	1,591
Travelling expenses	2,015	5,849	22,903	30,767
Shipment expenses	143,241	-	-	143,241
Postage and phone expenses	3,307	6,672	1,121	11,100
Repair and maintenance expenses	11,041	41,616	357	53,014
Advertising expenses	40,595	16	-	40,611
Utilities	1,306	6,534	2,846	10,686
Insurance expenses	25,115	37,182	53,577	115,874
Entertainment	3,812	1,219	404	5,435
Food stipend	4,589	6,931	12,668	24,188
Taxes	13,557	42,790	6,207	62,554
Depreciation	21,449	43,763	17,066	82,278
Amortisation	637	5,401	11,813	17,851
Employee benefits	4,437	5,522	12,588	22,547
Commission	386,779	-	-	386,779
Export charge fees	63,617	8,548	38	72,203
Donations	1	6,467	-	6,468
Service fees	4,208	25,779	16,353	46,340
Inspection fees	29,749	2,633	11,941	44,323
Research material expenses	244	136	33,847	34,227
Others	68,953	22,357	51,911	143,221
	$ 1,163,061	$ 824,008	$ 1,327,338	$ 3,314,407

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Loans to others

Year ended December 31, 2021

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2021	Balance at December 31, 2021	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
					(Note 4)	(Note 5)			(Note 3)						(Note 1,2)	(Note 1,2)	
0	The Company	Qun-Jing	Other receivables	Yes	$ 400,000	$ 200,000	$ 194,000	0.6%-0.8%	2	$ -	Working capital	$ -	-	$ -	$ 9,136,107	$ 12,181,476	-
0	The Company	Quansun	"	"	1,300,000	650,000	600,000	0.6%-0.8%	2	-	"	-	-	-	$ 9,136,107	$ 12,181,476	-
0	The Company	UNIKEY	"	"	3,000,000	1,500,000	1,008,760	0.6%-0.8%	2	-	"	-	-	-	$ 9,136,107	$ 12,181,476	-
0	The Company	CET	"	"	1,398,000	1,383,750	-	1.00%	2	-	"	-	-	-	$ 9,136,107	$ 12,181,476	-
0	The Company	HEC	"	"	1,000,000	500,000	445,000	0.6%-0.8%	2	-	"	-	-	-	$ 9,136,107	$ 12,181,476	-
1	CGI	The Company	"	"	3,120,765	2,905,875	2,297,025	0%-1%	2	-	"	-	-	-	US$ 132,931	US$ 132,931	-
2	COI	The Company	"	"	3,566,250	3,542,400	3,346,461	0%-1%	2	-	"	-	-	-	US$ 862,922	US$ 891,061	-
2	COI	CGI	"	"	501,300	498,150	61,992	0%-0.8%	2	-	"	-	-	-	US$ 862,922	US$ 891,061	-
2	COI	KUM	"	"	228,240	221,400	191,234	0%-1%	2	-	"	-	-	-	US$ 862,922	US$ 891,061	-
3	Mao-Feng	The Company	"	"	2,139,750	2,075,625	1,948,043	0%-1%	2	-	"	-	-	-	US$ 389,107	US$ 389,107	-
4	CEM3	Mao-Qun	"	"	174,400	173,760	173,760	2.00%	2	-	"	-	-	-	RMB 2,092,837	RMB 2,092,837	-
5	CEM5	CEM3	"	"	283,400	282,360	282,360	1.50%	2	-	"	-	-	-	RMB 813,316	RMB 813,316	-
5	CEM5	CEM2	"	"	523,200	521,280	521,280	1.50%	2	-	"	-	-	-	RMB 813,316	RMB 813,316	-
6	HOI	CGI	"	"	1,953,192	1,342,238	1,342,238	0%-2%	2	-	"	-	-	-	US$ 92,345	US$ 92,345	-
6	HOI	RealYoung	"	"	97,002	94,095	94,095	0%-1%	2	-	"	-	-	-	US$ 92,345	US$ 92,345	-
6	HOI	The Company	"	"	1,100,075	1,093,163	1,093,163	0%-0.8%	2	-	"	-	-	-	US$ 92,345	US$ 92,345	-
7	CP	CPUS	"	"	171,180	152,213	127,305	1%-1.5%	2	-	"	-	-	-	$ 4,445,384	$ 4,445,384	-
7	CP	CPHK	"	"	1,369,440	1,245,375	1,237,073	1%-1.5%	2	-	"	-	-	-	$ 4,445,384	$ 4,445,384	-
7	CP	CPTH	"	"	361,400	359,775	193,725	1.00%	2	-	"	-	-	-	$ 4,445,384	$ 4,445,384	-
7	CP	WTS	"	"	57,060	41,513	32,933	1%-1.5%	2	-	"	-	-	-	$ 4,445,384	$ 4,445,384	-
7	CP	CT	"	"	65,000	65,000	59,000	1%-1.5%	2	-	"	-	-	-	$ 4,445,384	$ 4,445,384	-
8	CPDG	WTK	"	"	9,994	-	-	1.60%	2	-	"	-	-	-	RMB 315,763	RMB 315,763	-
8	CPDG	Zhuzhou Torch Auto Lamp Co., Ltd.	"	"	319,588	318,415	312,334	1.60%	2	-	"	-	-	-	RMB 315,763	RMB 315,763	-
9	CPI	CP	"	"	1,383,705	1,342,238	1,292,423	0.00%	2	-	"	-	-	-	US$ 250,505	US$ 250,505	-

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2021	Balance at December 31, 2021	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
					(Note 4)	(Note 5)			(Note 3)						(Note 1,2)	(Note 1,2)	
10	CPSZ	CPTZ	"	"	174,400	173,760	130,320	1.60%	2	-	"	-	-	-	RMB 732,002	RMB 732,002	-
11	Directmax	Xavi	"	"	85,590	83,025	83,025	0.00%	2	-	"	-	-	-	US$ 13,400	US$ 13,400	-
12	Systemax	Xavi	"	"	224,920	199,260	199,260	0.00%	2	-	"	-	-	-	US$ 7,460	US$ 7,460	-
13	Xavi	XAVi Thailand	"	"	140,964	140,964	91,212	0.9%-1%	2	-	"	-	-	-	$ 358,282	$ 358,282	-

Note 1: In accordance with the financing procedures of the Company, total financing amount should not exceed 40% of the Company’s stockholders’ equity and

a. the total financing amount to any individual party should not exceed 30% of the Company’s stockholders’ equity and the amount of sales/purchase during the year for the purpose of business.

b. the total financing amount to any individual party should not exceed 30% of the Company’s stockholders’ equity for the purpose of loan.

c. for the purpose of loan between the Company's foreign subsidiaries or from foreign subsidiaries to the Company, for which the Company both have 100% shares directly or indirectly, the total financing amount should not exceed the borrower's stockholders' equity, and the lending period may not exceed 3 years; and the financing amount to single company shall be subject to the following restrictions:

(a) the total financing amount should not exceed the borrower's stockholders' equity and the amount of sales/purchase during the year for the purpose of business.

(b) the total financing amount should not exceed the borrower's stockholders' equity for the purpose of loan.

d. except for c., the financing period should not exceed one year.

Note 2: In accordance with the financing procedures of the subsidiary, total financing amount should not exceed the subsidiary’s stockholders’ equity audited or reviewed by CPA and

a. the total financing amount to any individual party should not exceed 40% of the subsidiary’s stockholders’ equity for the purpose of short-term financing.

b. the total financing amount to any individual party should not exceed 50% of the subsidiary’s stockholders’ equity and the amount of sales/purchase during the year for the purpose of business.

c. the limit on the loans to granted between the subsidiary – CP’s foreign subsidiaries or from foreign subsidiaries to the Company for which the subsidiary – CP directly or indirectly holds 100% of its voting shares is the borrower’s net asset based on the latest audited or reviewed consolidated

(a) the total financing amount should not exceed the borrower's stockholders' equity and the amount of sales/purchase during the year for the purpose of business.

(b) the total financing amount should not exceed the borrower's stockholders' equity for the purpose of loan.

d. except for c., the financing period should not exceed one year.

Note 3: The numbers filled in the column of ‘Nature of loan are as follows:

(1) The business transaction is ‘1’.

(2) The short-term financing is ‘2’.

Note 4: The maximum balance is the maximum outstanding balance during the year ended December 31, 2021.

Note 5: The ending balance had been approved at the Board of Directors’ meeting.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2021

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2021	Outstanding endorsement/ guarantee amount at December 31, 2021	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
0	The Company	CEZ	2	$ 7,613,422	$ 337,380	$ -	$ -	-	0.00%	$ 15,226,845	Y	N	N	-

Note 1：Relationship between the endorser/guarantor and the party being endorsed/guaranteed is as follows:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly or indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(4) Between the endorser/guarantor parent company both owns directly or indirectly more than 90% voting shares of the endorsed/guaranteed subsidiaries.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Performance guarantees for pre-sales sales contracts under the Consumer Protection Act.

Note 2: In accordance with the guarantee procedure of the Company, the total guarantee amount is limited to 50% of the Company’s capital. The Company’s guarantee to each entity is limited to 50% of the total guarantee amount.
The grand total guarantee amount of the Group is limited to 50% of the Company’s capital, and other restrictions are as follows:

a. the total guarantee amount, except the above mentioned restriction, to any individual party should not exceed the higher amount of sales/purchase during the year for the purpose of business.

b. the total guarantee amount is limited to the Company’s stockholders’ equity when the Company takes guarantee procedure to the entity whose stockholders’ equity is lower than 50% of its paid-in capital.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2021

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 December 31, 2021 Number of shares	Book value	Ownership (%)	Fair value	Footnote
The Company	Common stock	Laster Tech Corporation Ltd.	Corporate director	Financial assets at fair value through profit or loss - current	5,246,987	$ 231,130	5.68%	$ 231,130	-
The Company	Common stock	Newmax Technology Co., Ltd.	"	"	1,243,607	49,060	0.68%	49,060	-
The Company	Common stock	Solomon Technology Corporation	-	"	694,000	16,587	0.40%	16,587	-
The Company	Common stock	Eden Biologics, Inc.	-	"	290,000	870	0.07%	870	-
The Company	Common stock	MOSA INDUSTRIAL CORPORATION	-	"	445,000	18,757	0.24%	18,757	-
The Company	Common stock	Wiwynn Corporation	-	"	6,000	6,690	0.00%	6,690	-
The Company	Common stock	ASLAN Pharmaceuticals Limited	-	"	220,000	6,819	0.58%	6,819	-
The Company	Common stock	WK Venture Capital XI	Corporate director	Financial assets at fair value through profit or loss - non-current	15,380,000	304,985	15.38%	304,985	-
The Company	Common stock	Top Taiwan Venture Capital Group	"	"	7,500,000	96,091	9.38%	96,091	-
The Company	Common stock	Chengding Venture Capital Group	"	"	10,000,000	138,519	7.41%	138,519	-
The Company	Common stock	Sheng Da Venture Capital Group	"	"	3,570,000	42,114	10.71%	42,114	-
The Company	Preferred stock	Magi Capital Venture Co., Ltd	-	"	317,184	31,687	7.79%	31,687	-
The Company	Beneficiary certificate	Fuh Hwa Smart Energy Securities Investment Trust Fund	-	"	9,000,000	73,890	—	73,890	-
The Company	Beneficiary certificate	Fuh Hwa New Oriental Securities Investment Trust Fund	-	"	9,000,000	16,110	—	16,110	-
The Company	Beneficiary certificate	Fuh Hwa New Energy Efficient Securities Investment Trust Fund	-	"	8,700,000	82,563	—	82,563	-
The Company	Beneficiary certificate	Fuh Hwa Small Capital Fund	-	"	402,350	63,849	—	63,849	
The Company	Common stock	Clevo Co.	Common chairman	Financial assets at fair value through other comprehensive income - current	13,100,608	432,320	2.02%	432,320	-
The Company	Common stock	Genesis Photonics Inc.	-	"	304,350	2,554	0.43%	2,554	-
The Company	Common stock	AcBel Polytech Inc.	-	"	3,727,000	136,408	0.72%	136,408	-
The Company	Common stock	ShunOn Electronic Co.	Corporate director	"	10,802,254	481,781	7.30%	481,781	-
The Company	Common stock	Alcor Micro,Corp.	"	"	1,056,000	63,782	1.50%	63,782	-
The Company	Private equity	Genesis Photonics Inc.	-	Financial assets at fair value through other comprehensive income - non-current	4,224,458	23,192	6.03%	23,192	-
The Company	Common stock	Taipei Tech innoFund	Corporate director	"	3,500,000	48,679	11.67%	48,679	-
The Company	Common stock	Maxima Ventures II, Inc.	-	"	3,000,000	10,481	8.21%	10,481	-
The Company	Common stock	Taiwan Cultural and Creative Co., Ltd.	-	"	1,600,000	2,887	5.78%	2,887	-
The Company	Common stock	MKD Technology Inc.	-	"	1,600,000	2,646	6.66%	2,646	-
CP	Common stock	Newmax Technology Co., Ltd.	Corporate director	Financial assets at fair value through profit or loss - current	2,660,983	104,976	1.44%	104,976	-
CP	Common stock	Powertech Technology Inc.	An independent director of CP is the company's chairman	"	100,000	9,770	0.01%	9,770	-
CP	Common stock	Taiwan Semiconductor Manufacturing Co., Ltd.	-	"	300,000	184,500	0.00%	184,500	-
CP	Common stock	United Microelectronics Corporation	-	"	500,000	32,500	0.00%	32,500	-
CP	Common stock	ASE Technology Holding Co., Ltd	-	"	200,000	21,300	0.00%	21,300	-
CP	Common stock	WK Venture Capital XI	Corporate director	Financial assets at fair value through profit or loss - non-current	1,000,000	19,830	1.00%	19,830	-
CP	Common stock	Top Taiwan Venture Capital Group	"	"	7,500,000	96,091	9.38%	96,091	-
CP	Common stock	Chengding Venture Capital Group	"	"	10,000,000	138,519	7.41%	138,519	-

					As of December 31, 2021				
Securities held by		Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
CP	Beneficiary certificate	Fuh Hwa New Oriental Securities Investment Trust Fund	-	Financial assets at fair value through profit or loss - non-current	6,000,000	$ 10,739	—	$ 10,739	-
CP	Beneficiary certificate	Fuh Hwa Smart Energy Securities Investment Trust Fund	-	"	21,000,000	172,410	—	172,410	-
CP	Beneficiary certificate	Fuh Hwa New Energy Efficient Securities Investment Trust Fund	-	"	5,800,000	55,042	—	55,042	-
CP	Common stock	Clevo Co.	Common chairman	Financial assets at fair value through other comprehensive income - current	4,538,000	149,754	0.70%	149,754	-
CP	Common stock	Genesis Photonics Inc.	"	"	1,236,392	10,373	1.77%	10,373	-
CP	Private equity	Genesis Photonics Inc.	"	Financial assets at fair value through other comprehensive income - non-current	1,979,291	11,302	2.83%	11,302	-
CP	Common stock	Taipei Tech innoFund	Corporate director	"	1,500,000	20,862	5.00%	20,862	-
HEC	Common stock	Clevo Co.	Common chairman	Financial assets at fair value through other comprehensive income - current	11,370,823	375,237	1.75%	375,237	-
HEC	Common stock	The Company	The Company	"	16,188,935	1,332,349	2.17%	1,332,349	Note 2
UNIKEY	Common stock	Newmax Technology Co., Ltd.	Corporate director	Financial assets at fair value through profit or loss - current	18,825,998	742,685	10.22%	742,685	-
UNIKEY	Common stock	Clevo Co.	Common chairman	Financial assets at fair value through other comprehensive income - current	16,730,000	552,090	2.57%	552,090	-
UNIKEY	Common stock	The Company	The Company	"	21,174,298	1,742,645	2.84%	1,742,645	Note 3
CGI	Preferred stock	PRP CE1 BC1 Inc.	-	Financial assets at fair value through profit or loss - non-current	122,487	2,717	—	2,717	-
CGI	Bond	PRP CE1 BC1	-	Financial assets at amortised cost - non-current	-	445,025	—	445,025	-
COI	Common stock	Laster Tech Corporation Ltd.	Corporate director	Financial assets at fair value through profit or loss - current	2,027,763	89,323	2.19%	89,323	-
COI	Common stock	Wiwynn Corporation	-	"	10,000	11,150	0.01%	11,150	-
COI	Common stock	ZILLTEK TECHNOLOGY CORP.	-	"	11,000	4,400	0.03%	4,400	-
COI	Common stock	Q Technology (Group) Company Limited	-	"	5,636,000	201,624	0.48%	201,624	-
COI	Common stock	Valens Semiconductor Ltd.	-	"	300,000	63,929	0.00%	63,929	-
COI	Common stock	Marvell Technology, Inc.	-	"	2,228	5,394	0.00%	5,394	-
COI	Common stock	Wealth Guard Ventures Limited	-	Financial assets at fair value through profit or loss - non-current	602,373	31,861	17.28%	31,861	-
COI	Beneficiary certificate	Celesta Capital II, L.P.	-	"	6,426,373	186,173	—	186,173	-
COI	Beneficiary certificate	Celesta Capital IV, L.P.	-	"	2,700,000	76,090	—	76,090	-
COI	Beneficiary certificate	MagiCapital Fund II, L.P.	-	"	4,619,900	223,517	—	223,517	-
COI	Common stock	Clevo Co.	Common chairman	Financial assets at fair value through other comprehensive income - current	10,104,000	333,432	1.56%	333,432	-
COI	Common stock	Alpha Professional Holdings Limited	-	"	500	2	0.00%	2	-
COI	Common stock	CTBC Securities Co., Ltd.	-	"	270,000	30,983	0.00%	30,983	-
COI	Common stock	Merrimack Pharmacenticals, Inc.	-	"	84,482	9,142	0.63%	9,142	-
COI	Preferred stock	SAGA-CHINA	-	Financial assets at fair value through other comprehensive income - non-current	4,739,493	108,893	—	108,893	-
CPI	Beneficiary certificate	Celesta Capital II, L.P.	-	Financial assets at fair value through profit or loss - non-current	3,213,187	93,087	—	93,087	-
CPI	Beneficiary certificate	Celesta Capital IV, L.P.	-	"	1,350,000	38,045	—	38,045	-
CPI	Beneficiary certificate	Marvell Technology, Inc.	-	Financial assets at fair value through profit or loss - current	2,264	5,482	—	5,482	-
CPI	Common stock	Anxin-China Holdings Limited	-	Financial assets at fair value through other comprehensive income - current	8,300,000	-	0.27%	-	-
Quansun	Common stock	New Hung Kuan Enterprise Co., Ltd	-	Financial assets at fair value through other comprehensive income - non-current	8,140,000	152,639	21.71%	152,639	Note 4
Quansun	Common stock	Clevo Co.	Common chairman	Financial assets at fair value through other comprehensive income - current	7,100,000	234,300	1.09%	234,300	-
Qun-Jing	Common stock	Clevo Co.	"	"	2,100,000	69,300	0.32%	69,300	-
XAVi	Common stock	Chicony Power Technology Co., Ltd.	Affiliated company	Financial assets at fair value through profit or loss - current	514,160	40,156	0.13%	40,156	-
XAVi	Common stock	Laster Tech Corporation Ltd.	Corporate director	"	805,055	35,463	0.83%	35,463	-
XAVi	Bond	Yeong Guan Energy Technology Group Co., Ltd. The third unsecured convertible bonds	-	"	213,000	20,980	—	20,980	-
XAVi	Beneficiary certificate	Fuh Hwa New Oriental Securities Investment Trust Fund	-	Financial assets at fair value through profit or loss - non-current	3,000,000	5,370	—	5,370	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9 'Financial instruments'.
Note 2: Provided 12,600,000 shares pledged for short-term loan.
Note 3: Provided 7,200,000 shares pledged for short-term loan.
Note 4: The Company holds over 20% ownership interest of the entity, however, based on objectives indicators; the Company has no significant influence on the entity.

CHICONY ELECTRONICS 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

Year ended December 31, 2021

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

					Balance as at January 1, 2021		Addition (Note 3)		Disposal (Note 3)				Balance as at December 31, 2021 (Note 4)	
Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
The Company	Chicony Power Technology Co., Ltd.	Investments acoounted for using equity method	External person and external cooperate person	Subsidiary	200,467,594	$ 2,352,241	6,239,000	$ 440,572	-	$ -	$ -	$ -	206,706,594	$ 2,792,813

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.
Note 2: It is applicable to disclosure information when marketable securities were recognized as "investments accounted for using equity method".
Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT$300 million or 20% of paid-in capital or more.
Note 4: It refers to the initial costs without considering the amortisation or valuation of exchange rate at the end of the year.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Acquisition of real estate reaching $300 million or 20% of paid-in capital or more

Year ended December 31, 2021

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

							If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:						
Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount	Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
CET	Construction in process	2019/11/8 (Date of contract signing)	$ 1,033,357 (THB 1,246,210 thousand)	$ 1,033,357	JWS Construction Co., Ltd., etc.	None	-	-	-	$ -	Contract	Plant (For the Purpose of Conducting Business)	None

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate acquired should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing date, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more

Year ended December 31, 2021

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Real estate disposed by	Real estate	Transaction date or date of the event	Date of acquisition	Book value	Disposal amount	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship with the seller	Reason for disposal	Basis or reference used in setting the price	Other commitments
The Company	Investment property	2019/12/24 - 2021/6/18	2016/2/25	$ 2,599,780	$ 2,782,327	$ 2,782,327	$ 182,547	Employees of the Group and the associates and unintended audience	Employees of the Group and the associates and unintended audience	Employees' housing purchased by the employees	Valuation agency: Panasia Limited Valuation amount: NTD 2,715,606,160	None

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate disposed of should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT$10 per share, the 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more

Year ended December 31, 2021

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty (Note 3)	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
The Company	CEM2	Subsidiary owned by COI	Purchases	$ 8,749,523	23	60~180 days	Note 1	60~180 days	($ 6,520,180)	40	–
CEM2	The Company	The parent company of COI	Sales	(8,749,523)	85	60~180 days	Note 2	60~180 days	6,520,180	89	–
The Company	CEM3	Subsidiary owned by Mao-Feng	Purchases	12,914,490	34	60~180 days	Note 1	60~180 days	(7,181,968)	44	–
CEM3	The Company	The parent company of COI	Sales	(12,914,490)	51	60~180 days	Note 2	60~180 days	7,181,968	72	–
The Company	CEM5	Subsidiary owned by COI	Purchases	328,520	1	60~180 days	Note 1	60~180 days	(87,067)	1	–
CEM5	The Company	The parent company of COI	Sales	(328,520)	5	60~180 days	Note 2	60~180 days	87,067	2	–
The Company	Mao-Ray	Subsidiary owned by Real Young	Purchases	4,898,968	13	60~180 days	Note 1	60~180 days	(839,662)	5	–
Mao-Ray	The Company	The parent company of COI	Sales	(4,898,968)	64	60~180 days	Note 2	60~180 days	839,662	37	–
The Company	CET	Subsidiary owned by COI	Purchases	9,206,574	24	60~180 days	Note 1	60~180 days	(1,411,756)	9	–
CET	The Company	The parent company of COI	Sales	(9,206,574)	89	60~180 days	Note 2	60~180 days	1,411,756	90	–
CEM2	CET	Affiliated company	Sales	(333,732)	3	60~90 days	Note 2	60~90 days	545,907	7	–
CET	CEM2	Affiliated company	Purchases	333,732	3	60~90 days	Note 1	60~90 days	(545,907)	26	–
CGI	CEM2	Affiliated company	Sales	(162,808)	1	60~90 days	Note 2	60~90 days	-	-	–
CEM2	CGI	Affiliated company	Purchases	162,808	2	60~90 days	Note 1	60~90 days	-	-	–
CGI	CEM3	Affiliated company	Sales	(345,009)	2	60~90 days	Note 2	60~90 days	81,729	1	–
CEM3	CGI	Affiliated company	Purchases	345,009	1	60~90 days	Note 1	60~90 days	(81,729)	1	–
CGI	CAI	Affiliated company	Sales	(957,037)	5	60~90 days	Note 2	60~90 days	582,587	9	–
CAI	CGI	Affiliated company	Purchases	957,037	99	60~90 days	Note 1	60~90 days	(582,587)	100	–
CGI	CEZ	Affiliated company	Sales	(233,871)	1	60~90 days	Note 2	60~90 days	2,013	0	–
CEZ	CGI	Affiliated company	Purchases	233,871	92	60~90 days	Note 1	60~90 days	(2,013)	45	–
CEM2	CGI	Affiliated company	Sales	(1,065,168)	10	60~180 days	Note 2	60~180 days	-	-	–
CGI	CEM2	Affiliated company	Purchases	1,065,168	5	60~180 days	Note 1	60~180 days	-	-	–
Mao-Ray	CGI	Affiliated company	Sales	(2,252,385)	29	60~180 days	Note 2	60~180 days	1,243,005	54	–
CGI	Mao-Ray	Affiliated company	Purchases	2,252,385	12	60~180 days	Note 1	60~180 days	(1,243,005)	21	–
CEM3	CGI	Affiliated company	Sales	(8,866,012)	35	60~180 days	Note 2	60~180 days	1,435,692	14	–
CGI	CEM3	Affiliated company	Purchases	8,866,012	46	60~180 days	Note 1	60~180 days	(1,435,692)	25	–
CEM5	CGI	Affiliated company	Sales	(5,185,683)	74	60~180 days	Note 2	60~180 days	3,108,873	87	–
CGI	CEM5	Affiliated company	Purchases	5,185,683	27	60~180 days	Note 1	60~180 days	(3,108,873)	53	–

Purchaser/seller	Counterparty	Relationship with the counterparty (Note 3)	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 receivable (payable)	
CET	CGI	Affiliated company	Sales	($ 495,385)	5	60~180 days	Note 2	60~180 days	$ 25,476	2	–
CGI	CET	Affiliated company	Purchases	495,385	3	60~180 days	Note 1	60~180 days	(25,476)	0	–
Mao-Ray	CEM2	Affiliated company	Sales	(197,730)	1	60~90 days	Note 2	60~90 days	77,108	1	–
CEM2	Mao-Ray	Affiliated company	Purchases	197,730	22	60~90 days	Note 1	60~90 days	(77,108)	11	–
CEM3	CEM5	Affiliated company	Sales	(147,040)	1	60~90 days	Note 2	60~90 days	-	-	–
CEM5	CEM3	Affiliated company	Purchases	147,040	2	60~90 days	Note 1	60~90 days	-	-	–
Qun-Yang	CEM3	Affiliated company	Sales	(101,830)	101	90 days	Note 2	90 days	18,316	99	–
CEM3	Qun-Yang	Affiliated company	Purchases	101,830	0	90 days	Note 1	90 days	(18,316)	0	–
CPSZ	CEM3	Affiliated company	Sales	(520,551)	3	90 days	Note 2	90 days	231,839	7	–
CEM3	CPSZ	Affiliated company	Purchases	520,551	2	90 days	Note 1	90 days	(231,839)	3	–
CP	CEM3	Affiliated company	Sales	(1,655,192)	4	90 days	Note 2	90 days	653,347	6	–
CEM3	CP	Affiliated company	Purchases	1,655,192	7	90 days	Note 1	90 days	(653,347)	10	–
CP	CEM2	Affiliated company	Sales	(265,675)	1	90 days	Note 2	90 days	58,675	1	–
CEM2	CP	Affiliated company	Purchases	265,675	3	90 days	Note 1	90 days	(58,675)	2	–
CP	CEM5	Affiliated company	Sales	(957,316)	3	90 days	Note 2	90 days	403,023	4	–
CEM5	CP	Affiliated company	Purchases	957,316	16	90 days	Note 1	90 days	(403,023)	22	–
CP	Mao-Ray	Affiliated company	Sales	(273,154)	1	90 days	Note 2	90 days	99,984	1	–
Mao-Ray	CP	Affiliated company	Purchases	273,154	4	90 days	Note 1	90 days	(99,984)	5	–
CP	CET	Affiliated company	Sales	(158,908)	-	90 days	Note 2	90 days	11,428	0	–
CET	CP	Affiliated company	Purchases	158,908	1	90 days	Note 1	90 days	(11,428)	1	–
CP	CEZ	Affiliated company	Sales	(150,780)	-	90 days	Note 2	90 days	655	0	–
CEZ	CP	Affiliated company	Purchases	150,780	59	90 days	Note 1	90 days	(655)	15	–
CP	CPUS	Affiliated company	Sales	(693,063)	2	90 days	Note 2	90 days	433,225	4	–
CPUS	CP	Affiliated company	Purchases	693,063	100	90 days	Note 1	90 days	(433,225)	100	–
CPDG	CP	Affiliated company	Sales	(9,053,507)	95	90 days	Note 2	45 days	2,212,133	93	–
CP	CPDG	Affiliated company	Purchases	9,053,507	28	90 days	Note 1	45 days	(2,212,133)	28	–
CPSZ	CP	Affiliated company	Sales	(15,858,217)	94	45 days	Note 2	45 days	2,772,316	85	–
CP	CPSZ	Affiliated company	Purchases	15,858,217	47	45 days	Note 1	45 days	(2,772,316)	35	–
CPSZ	CPTH	Affiliated company	Sales	(276,228)	2	60 days	Note 2	60 days	146,773	4	
CPTH	CPSZ	Affiliated company	Purchases	276,228	25	60 days	Note 1	60 days	(146,773)	40	
CPCQ	CP	Affiliated company	Sales	(7,380,469)	96	45 days	Note 2	45 days	2,614,771	97	–
CP	CPCQ	Affiliated company	Purchases	7,380,469	22	45 days	Note 1	45 days	(2,614,771)	33	–

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty (Note 3)	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
CPCQ	CPSZ	Affiliated company	Sales	($ 252,180)	3	60 days	Note 2	60 days	$ 50,989	2	–
CPSZ	CPCQ	Affiliated company	Purchases	252,180	2	60 days	Note 1	60 days	(50,989)	1	–
CPTH	CP	Affiliated company	Sales	(538,557)	100	45 days	Note 2	45 days	182,516	100	–
CP	CPTH	Affiliated company	Purchases	538,557	2	45 days	Note 1	45 days	(182,516)	2	–
GSE	CPSZ	Affiliated company	Sales	(314,806)	31	60 days	Note 2	60 days	129,901	30	–
CPSZ	GSE	Affiliated company	Purchases	314,806	2	60 days	Note 1	60 days	(129,901)	2	–
GSE	CPDG	Affiliated company	Sales	(334,596)	33	60 days	Note 2	60 days	154,619	36	–
CPDG	GSE	Affiliated company	Purchases	334,596	4	60 days	Note 1	60 days	(154,619)	4	–
GSE	CPCQ	Affiliated company	Sales	(108,165)	11	60 days	Note 2	60 days	44,702	10	–
CPCQ	GSE	Affiliated company	Purchases	108,165	2	60 days	Note 1	60 days	(44,702)	2	–
CPDG	Zhuzhou Torch	Affiliated company	Sales	(224,223)	1	60 days	Note 2	60 days	62,271	3	–
Zhuzhou Torch	CPDG	Affiliated company	Purchases	224,223	26	60 days	Note 1	60 days	(62,271)	37	–
CET	XAVi	Affiliated company	Sales	(525,500)	5	45~180 days	Note 2	45~180 days	124,849	8	–
XAVi	CET	Affiliated company	Purchases	525,500	18	45~180 days	Note 1	45~180 days	(124,849)	84	–
XAVi Suzhou	XAVi	Affiliated company	Sales	(1,893,789)	68	45~180 days	Note 2	45~180 days	-	-	–
XAVi	XAVi Suzhou	Affiliated company	Purchases	1,893,789	66	45~180 days	Note 1	45~180 days	-	-	–
XAVi Suzhou	XAVi Thailand	Affiliated company	Sales	(266,535)	10	45~180 days	Note 2	45~180 days	118,910	63	–
XAVi Thailand	XAVi Suzhou	Affiliated company	Purchases	266,535	30	45~180 days	Note 1	45~180 days	(118,910)	23	–
XAVi Thailand	XAVi	Affiliated company	Sales	(460,846)	100	45~180 days	Note 2	45~180 days	24,184	44	–
XAVi	XAVi Thailand	Affiliated company	Purchases	460,846	16	45~180 days	Note 1	45~180 days	(24,184)	16	–
CEM2	Newmax	Associate	Purchases	102,715	1	60~90 days	Note 1	60~90 days	(1,509)	0	–
CEM3	Newmax	Associate	Purchases	211,623	1	60~90 days	Note 1	60~90 days	(28,119)	0	–
CEM3	KAPOK	Other related party	Sales	(642,252)	3	60 days	Note 2	60 days	236,933	2	–
CEM3	JiaXing ShunOn	Other related party	Purchases	575,300	2	60~90 days	Note 1	60~90 days	(104,880)	2	–
CEM3	Far win (Kunshan) Co., Ltd.	Other related party	Purchases	455,213	2	60~90 days	Note 1	60~90 days	(54,582)	1	–
CEM3	ShunOn Electronic Co.	Other related party	Purchases	173,559	1	60~90 days	Note 1	60~90 days	(19,656)	1	–
CEM5	ShunOn Electronic Co.	Other related party	Purchases	486,284	8	60~90 days	Note 1	60~90 days	(90,930)	5	–
CEM5	Far win (Kunshan) Co., Ltd.	Other related party	Purchases	195,955	3	60~90 days	Note 1	60~90 days	(20,280)	1	–
Mao-Ray	Far win (Dongguan) Co., Ltd.	Other related party	Purchases	175,167	2	60~90 days	Note 1	60~90 days	(22,179)	1	–
CP	KAPOK	Other related party	Sales	(396,433)	1	60 days	Note 2	60 days	110,982	1	–

Note 1: Purchases from related parties were basically the same as those from third parties.
Note 2: Sales to related parties were basically the same as those to third parties.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching $100 million or 20% of paid-in capital or more

December 31, 2021

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2021	Turnover rate	Overdue receivables Amount	Overdue receivables Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
Accounts receivable								
The Company	CEM3	Subsidiary owned by Mao-Feng	$ 158,283	0.01	$ −	−	$ −	$ −
CEM2	The Company	The parent company of COI	6,520,180	1.52	−	−	−	−
Mao-Ray	The Company	The parent company of COI	839,662	2.55	−	−	−	−
CEM3	The Company	The parent company of COI	7,181,968	1.85	−	−	−	−
CEM3	KAPOK	Other related party	236,933	3.01	−	−	−	−
CEM3	CGI	Affiliated company	1,435,692	7.19	−	−	−	−
CEM2	CET	Affiliated company	545,907	0.69	−	−	−	−
CGI	CAI	Affiliated company	582,587	2.10	−	−	−	−
CET	The Company	Affiliated company	1,411,756	7.56	−	−	−	−
CET	XAVi	Affiliated company	124,849	4.03	−	−	−	−
CEM5	CGI	Affiliated company	3,108,873	2.05	−	−	−	−
Mao-Ray	CGI	Affiliated company	1,243,005	3.62	−	−	−	−
CP	CEM3	Affiliated company	653,347	3.02	−	−	−	−
CP	CEM5	Affiliated company	403,023	3.03	−	−	−	−
CPSZ	CEM3	Affiliated company	231,839	2.14	−	−	−	−
CP	CPUS	Affiliated company	433,225	1.73	−	−	−	−
CP	KAPOK	Other related party	110,982	4.73	−	−	−	−
CPDG	CP	Affiliated company	2,212,133	4.27	−	−	−	−
CPSZ	CP	Affiliated company	2,772,316	5.15	−	−	−	−
CPSZ	CPTH	Affiliated company	146,773	3.05	−	−	−	−
CPCQ	CP	Affiliated company	2,614,771	2.71	−	−	−	−
GSE	CPSZ	Affiliated company	129,901	2.53	−	−	−	−
CPTH	CP	Affiliated company	182,516	4.58	−	−	−	−
GSE	CPDG	Affiliated company	154,619	2.54	−	−	−	−
XAVi Suzhou	XAVi Thailand	Affiliated company	118,910	1.90	−	−	−	−
Other receivable								
The Company	UNIKEY	Subsidiary owned by the Company	$ 1,010,966	−	$ −	−	$ −	$ −
The Company	HEC	Subsidiary owned by the Company	445,933	−	−	−	−	−
The Company	Qun-Jing	Subsidiary owned by HEC	194,395	−	−	−	−	−
The Company	Quansun	Subsidiary owned by HEC	601,223	−	−	−	−	−
The Company	Real Young	Subsidiary owned by COI	230,873	−	−	−	−	−
The Company	CGI	Subsidiary owned by the Company	186,856	−	−	−	−	−
COI	The Company	The Company	3,379,507	−	−	−	−	−
COI	KUM	Affiliated company	194,326	−	−	−	−	−
CGI	The Company	The Company	2,317,704	−	−	−	−	−
CGI	CEM2	Affiliated company	2,236,437	−	−	−	−	−
CGI	CET	Affiliated company	3,295,597	−	−	−	−	−
Mao-Feng	The Company	The Company	1,964,794	−	−	−	−	−
CEM2	CET	Affiliated company	424,391	−	−	−	−	−
CEM3	Mao-Qun	Affiliated company	178,434	−	−	−	−	−
CEM5	CEM2	Affiliated company	534,479	−	−	−	−	−
CEM5	CEM3	Affiliated company	285,313	−	−	−	−	−
CP	CPHK	Affiliated company	1,245,135	−	−	−	−	−
CP	CPUS	Affiliated company	128,140	−	−	−	−	−
CP	CPTH	Affiliated company	193,979					
CPDG	Zhuzhou Torch	Affiliated company	314,878	−	−	−	−	−
CPSZ	CPTZ	Affiliated company	133,514	−	−	−	−	−
CPI	CP	Affiliated company	1,292,423	−	−	−	−	−
HOI	CGI	Affiliated company	1,357,753	−	−	−	−	−
HOI	The Company	The Company	1,096,273	−	−	−	−	−
XAVi Overseas	Directmax	Affiliated company	107,421	−	−	−	−	−
Systemax	XAVi	Affiliated company	199,260	−	−	−	−	−

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting period
Year ended December 31, 2021

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	The Company	UNIKEY	1	Other receivables-related party	$ 1,010,966	Note 5	1.21
1	CGI	The Company	2	Other receivables-related party	2,317,704	Note 5	2.77
2	COI	The Company	2	Other receivables-related party	3,379,507	Note 5	4.04
3	CET	The Company	2	Accounts receivable-related party	1,411,756	Note 4	1.69
"	CET	The Company	2	Sales	9,206,574	Note 4	8.57
4	CEM2	The Company	2	Sales	8,749,523	Note 4	8.14
"	CEM2	The Company	2	Accounts receivable-related party	6,520,180	Note 4	7.79
5	CEM3	The Company	2	Sales	12,914,490	Note 4	12.02
"	CEM3	The Company	2	Accounts receivable-related party	7,181,968	Note 4	8.58
"	CEM3	CGI	3	Sales	8,866,012	Note 4	8.25
"	CEM3	CGI	3	Accounts receivable-related party	1,435,692	Note 4	1.71
6	CEM5	CGI	3	Sales	5,185,683	Note 4	4.83
"	CEM5	CGI	3	Accounts receivable-related party	3,108,873	Note 4	3.71
7	Mao-Ray	The Company	2	Sales	4,898,968	Note 4	4.56
"	Mao-Ray	The Company	2	Accounts receivable-related party	839,662	Note 4	1.00
"	Mao-Ray	CGI	3	Sales	2,252,385	Note 4	2.10
"	Mao-Ray	CGI	3	Accounts receivable-related party	1,243,005	Note 4	1.16
8	Mao-Feng	The Company	2	Other receivables-related party	1,964,794	Note 5	2.35

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
9	CP	CEM3	3	Sales	1,655,192	Note 4	1.54
"	CP	CPHK	3	Other receivables-related party	1,245,135	Note 5	1.49
10	HOI	CGI	3	Other receivables-related party	1,357,753	Note 5	1.62
"	HOI	The Company	2	Other receivables-related party	1,096,273	Note 5	1.31
11	CPSZ	CP	3	Sales	15,858,217	Note 4	14.76
"	CPSZ	CP	3	Accounts receivable-related party	2,772,316	Note 4	3.31
12	CPCQ	CP	3	Sales	7,380,469	Note 4	6.87
"	CPCQ	CP	3	Accounts receivable-related party	2,614,771	Note 4	3.12
13	CPDG	CP	3	Sales	9,053,507	Note 4	8.42
"	CPDG	CP	3	Accounts receivable-related party	2,212,133	Note 4	2.64
14	CPI	CP	3	Other receivables-related party	1,292,423	Note 5	1.54
15	XAVi-Suzhou	XAVi	3	Sales	1,893,789	Note 4	1.76

Other transactions between the parent company and subsidiaries not exceeding 1% of the consolidated total revenue or total assets are not disclosed. Those transactions are shown in other assets and revenue.

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:

(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 year-end balance of 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: Sales to related parties were basically the same as those to third parties, with consideration of transaction quantities and market situation, the payment terms were basically the same as third parties .

Note 5: The terms of related party loans depends on both parties’ operation situation.

Note 6: Receivables from advances and service charges of related parties.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Information on investees (not including investees in Mainland China)

Year ended December 31, 2021

Table 10

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2021	Initial investment amount: Balance as at December 31, 2020	Shares held as at December 31, 2021: Number of shares	Shares held as at December 31, 2021: Ownership (%)	Shares held as at December 31, 2021: Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
The Company	COI	BVI	(1) Sales of computer peripherals (2) Management of overseas acquisitions & investments	$ 265,326	$ 265,326	1,000	100.00%	$ 24,725,937	$ 1,365,296	$ 1,364,908	Subsidiary
	CET	Thailand	Manufacturing and sales of computer peripherals	783,011	489,232	8,213,384	82.11%	885,868	151,091	120,912	Subsidiary
	UNIKEY	Taiwan R.O.C.	Manufacturing and sales of computer peripherals	150,000	150,000	90,000,000	100.00%	431,391	(96,612)	(213,071)	Subsidiary
	HOI	BVI	(1) Sales of switching power supplies and other electronic parts (2) Management of overseas acquisitions & investments	412,003	412,003	12,560,000	100.00%	2,555,646	14,021	14,021	Subsidiary
	HEC	Taiwan R.O.C.	Sales of switching power supplies and other electronic parts	2,330	2,330	4,660,000	100.00%	(364,938)	105,300	16,261	Subsidiary
	XAVi	Taiwan R.O.C.	Researching, manufacturing and selling the DSL bridges and routers	121,163	125,122	31,402,440	45.15%	303,798	147,655	63,838	Subsidiary
	CGI	Malaysia	Sales of computer peripherals	33,027	33,027	1,000,000	100.00%	3,293,355	425,054	314,383	Subsidiary
	CP	Taiwan R.O.C.	(1) Research, manufacture and sales of switching power supply, other electronic parts and equipment, and lamps (2) Smart building system business	2,792,813	2,352,241	206,706,594	52.71%	4,914,875	2,827,207	1,436,672	Subsidiary
UNIKEY	Real Young	BVI	(1) Design and sales of computer peripherals (2) Management of overseas acquisitions & investments	41,490	41,490	1,275,000	13.95%	146,418	139,470	-	Sub-subsidiary
	XAVi	Taiwan R.O.C.	Researching, manufacturing and selling the DSL bridges and routers	1,615	-	133,261	0.19%	1,702	147,655	-	Sub-subsidiary
COI	CAI	U.S.A	Sales of computer peripherals	89,944 (USD 3,250)	89,944 (USD 3,250)	3,250,000	100.00%	82,747	(456)	-	Sub-subsidiary
	CAGI	U.S.A	Internet solution for E-Commerce solution	85,931 (USD 3,105)	85,931 (USD 3,105)	12,400,000	100.00%	(1,224)	(45)	-	Sub-subsidiary
	Mao-Feng	BVI	(1) Sales of computer peripherals (2) Management of overseas acquisitions & investments	63,486 (USD 2,294)	63,486 (USD 2,294)	2,294,000	100.00%	10,768,526	447,215	-	Sub-subsidiary
	CET	Thailand	Manufacturing and sales of computer peripherals	216,502 (USD 7,823)	261,502 (USD 7,823)	1,789,141	17.89%	193,256	151,091	-	Sub-subsidiary
	KUM	Samoa	(1) Sales of computer peripherals (2) Management of overseas acquisitions & investments	62,850 (USD 2,271)	62,850 (USD 2,271)	2,284,142	100.00%	(175,713)	10,599	-	Sub-subsidiary
	CEZ	Czech Republic	Sales of computer peripherals	194 (USD 7)	194 (USD 7)	-	100.00%	224,927	366	-	Sub-subsidiary
	GFI	Cayman Islands	(1) Sales of computer peripherals (2) Management of overseas acquisitions & investments	66,199 (USD 2,392)	66,199 (USD 2,392)	2,310,000	60.00%	(195,882)	(9,508)	-	Sub-subsidiary
	Real Young	BVI	(1) Design and sales of computer peripherals (2) Management of overseas acquisitions & investments	223,393 (USD 8,072)	223,393 (USD 8,072)	7,864,780	86.05%	910,861	139,470	-	Sub-subsidiary

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
COI	CEJ	Japan	Sales of computer peripherals	$ 2,629 (USD 95)	$ 2,629 (USD 95)	-	100.00%	$ 10,888	$ 782	$ -	Sub-subsidiary
	Swift Success Holdings limited	Samoa	Investment holdings	148,393 (USD 5,362)	148,393 (USD 5,362)	-	40.00%	199,928	36,628	-	Investments accounted for using equity method
CP	CPH	BVI	Investment holdings	326,350 (USD 10,000)	326,350 (USD 10,000)	10,000,000	100.00%	6,563,962	514,058	-	Sub-subsidiary
	CPTH	Thailand	Sales of switching power supplies and other electronic parts	271,773 (THB 290,000)	237,744 (THB 250,000)	99,000,000	100.00%	149,601	(55,420)	-	Sub-subsidiary
CPH	CPI	Cayman Islands	Investment holdings	278,500 (USD 10,000)	278,500 (USD 10,000)	10,000,000	100.00%	6,932,735	514,058	-	Sub-subsidiary
CPI	CPUS	U.S.A	Sales of switching power supplies and other electronic parts	36,678 (USD 1,317)	36,678 (USD 1,317)	1,500,000	100.00%	11,704	(11,971)	-	Sub-subsidiary
	CPHK	Hong Kong	Research and development center	306,816 (HKD 85,800)	306,816 (HKD 85,800)	46,800,000	100.00%	5,407,612	555,489	-	Sub-subsidiary
	WitsLight Technology	Samoa	Design, research and development, manufacturing and sales of LED lighting modules and investment holdings	287,273 (USD 10,315)	258,170 (USD 9,270)	12,800,000	100.00%	76,105	(27,628)	-	Sub-subsidiary
WTS	CT	Taiwan R.O.C.	Design, researching and developing and sales of automotive and motorcycle lamps and other components	3,000	3,000	300,000	100.00%	(60,463)	(13,272)	-	Sub-subsidiary
Kuang Mao	Sky-Fine	Samoa	Sales of computer peripherals	68,994 (USD 2,493)	68,994 (USD 2,493)	310,423	29.00%	18,455	39,637	-	Investments accounted for using equity method
HEC	Quansun	Taiwan R.O.C.	Investment holdings	80,000	80,000	8,000,000	100.00%	(207,357)	5,329	-	Sub-subsidiary
	Qun-Jung	Taiwan R.O.C.	Manufacturing and sales of computer peripherals	1,000	1,000	100,000	100.00%	(124,217)	(245)	-	Sub-subsidiary
	CP	Taiwan R.O.C.	(1) Research, manufacture and sales of switching power supply, other electronic parts and equipment, and lamps (2) Smart building system business	54,811	54,811	1,202,830	0.31%	65,898	2,827,207	-	Subsidiary
XAVi	Directmax	BVI	Management of overseas acquisitions and investments	332,791 (USD 10,250)	332,791 (USD 10,250)	7,750,000	100.00%	370,852	(25,164)	-	Sub-subsidiary
	Xavi Technologies (Thailand) Co., Ltd.	Thailand	Manufacturing, processing and sales of communication products	53,637 (THB 55,000)	49,065 (THB 50,000)	5,499,997	100.00%	75,057	8,669	–	Sub-subsidiary
Directmax	XAVi Overseas	BVI	Management of overseas acquisitions and investments	324,942 (USD 10,000)	324,942 (USD 10,000)	7,500,000	100.00%	105,670	-	-	Sub-subsidiary
	Systemax	BVI	Sales of DSL bridges and routers	7,849 (USD 250)	7,849 (USD 250)	250,000	100.00%	206,459	3,024	-	Sub-subsidiary

Note: The amount of NTD exchanged from foreign currency in the table were exchanged with the exchange rate at financial reporting date except profit or loss was exchanged with the average exchange rate from January 1, 2021 to December 31, 2021.

Information on investments in Mainland China

Year ended December 31, 2021

Table 11

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, 2021	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021: Remitted to Mainland China	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021 (Note 2) (Note 4)	Book value of investments in Mainland China as of December 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
Chicony Electronics (Dong Guan) Co., Ltd.	Manufacturing and sales of computer peripherals	$ 322,150	(2)A	$ 317,555	$ -	$ -	$ 317,555	$ 126,790	100%	$ 126,790 (2)B	$ 4,134,218	$ -	–
Chicony Electronics (Suzhou) Co., Ltd.	Manufacturing and sales of computer peripherals	967,558	(2)C	329,424	-	-	329,424	434,709	100%	434,709 (2)B	9,093,324	-	–
Chicony Electronics (Chong-Qing) Co., Ltd.	Manufacturing and sales of computer peripherals	435,788	(2)A	-	-	-	-	643,069	100%	643,069 (2)B	3,533,838	-	–
Mao-Ray Electronics (Dong Guan) Co., Ltd.	Manufacturing of electronic parts, keyboards and plastic products	277,530	(2)B	236,374	-	-	236,374	135,606	100%	135,606 (2)B	1,351,439	-	–
Suzhou Mao-Qun Electronics Co., Ltd.	Manufacturing of electronic parts, keyboards and plastic products	124,911	(2)D	93,661	-	-	93,661	(7,797)	60%	(4,678) (2)B	(289,552)	-	–
Suzhou Qun-Yang Electronics Co., Ltd.	Manufacturing of electronic parts, keyboards and plastic products	4,804	(2)D	-	-	-	-	(8,015)	60%	(4,809) (2)B	(89,571)	-	–
XAVi Technology (Suzhou) Co., Ltd.	Manufacturing and sales of DSL bridges	324,942	(2)F	324,942	-	-	324,942	(28,188)	45.34%	(12,780) (2)B	83,119	-	–
Chicony Power Technology (Dong Guan) Co., Ltd.	Manufacturing and sales of switching power supplies and other electronic parts	593,135	(2)E	286,935	-	-	286,935	131,240	53.02%	69,584 (2)B	1,371,254	-	–
Chicony Power Technology (Suzhou) Co., Ltd.	Manufacturing and sales of switching power supplies and LED lighting equipment	1,297,467	(2)E	194,245	-	-	194,245	342,404	53.02%	181,543 (2)B	3,178,846	-	–
Quang Sheng Electronics (Nangchang) Co., Ltd.	Manufacturing of switching power supplies and other electronics parts	131,175	(2)E	97,602	-	-	97,602	9,753	53.02%	2,707 (2)B	240,951	-	–

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, 2021	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021: Remitted to Mainland China	Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021 (Note 2) (Note 4)		Book value of investments in Mainland China as of December 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
Chicony Power Technology (Chong Qing) Co., Ltd.	Manufacturing and sales of switching power supplies and LED lighting equipment	$ 301,744	(2)E	$ -	$ -	$ -	$ -	$ 254,786	53.02%	$ 135,088	(2)B	$ 1,890,037	$ -	–
Chicony Energy Saving Technology (Shanghai) Co., Ltd.	Sales of LED lighting equipment	44,379	(2)E	-	-	-	-	(817)	53.02%	(433)	(2)B	45,048	-	–
Chicony Power Technology Trading (Dong Guan) Co., Ltd.	Importing and exporting of switching power supplies, LED lighting equipment, and other electronic parts and smart building system business	10,491	(2)E	-	-	-	-	165	53.02%	87	(2)B	71	-	–
Chicony Power Technology Trading (Taizhou) Co., Ltd.	Researching and developing, manufacturing, sales, installation, aftersale, and advisory services of electric machinery, electric frequency device and industry automation equipment; manufacturing and sales of electrical machinery and components; import and export of goods and technique	90,030	(2)E	-	-	-	-	(161,918)	53.02%	(85,849)	(2)B	(124,271)	-	–
WitsLight Technology (Kunshan) Co., Ltd.	Manufacturing and sales of LED lighting modules	331,859	(2)G	-	-	-	-	(13,843)	53.02%	(8,737)	(2)B	169,335	-	–
Zhuzhou Torch Auto Lamp Co., Ltd.	Production and sales of automotive and motorcycle components, electric machine and device, lamps and plastic products	228,654	(2)G	-	-	-	-	(13,426)	53.02%	(8,546)	(2)B	164,318	-	–

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021 (Note 3)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 3)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
The Company	$ 2,055,256	$ 3,063,955	$ 18,272,213
	(USD 74,264 thousand)	(USD 110,712 thousand)	

Note 1: Investment methods are classified into the following three categories:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China, the investing companies includes:

A. Chicony Overseas Inc.

B. Real Young Elec. Co., Ltd.

C. Mao-Feng International Inc.

D. Global Faith Inc.

E. Chicony Power Technology Hong Kong Limited(CPHK)

F. Directmax International Ltd.

G. WitsLight Technology Co., Ltd..

(3) Others.

Note 2: In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2021' column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A.The financial statements were audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B.The financial statements were audited and attested by R.O.C. parent company's CPA.

C.Others

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Note 4: Calculated based on the Company's ending combined shareholding ratio.

CHICONY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Major shareholders information

December 31, 2021

Table 12

Expressed in thousands of NTD
(Except as otherwise indicated)

Name of major shareholders	Shares		
	Number of shares held (commen shares)	Number of shares held (preference shares)	Ownership (%)
Hsu, Kun-Tai	56,615,782	-	7.59%

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

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