Stock Code:2393

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Three Months Ended March 31, 2022 and 2021

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of Everlight Electronics Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Everlight Electronics Co., Ltd. and its subsidiaries ("the Group") as of March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standard 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to $5,501,365 thousand and $5,369,574 thousand, constituting 18% of the consolidated total assets; and the total liabilities amounting to $1,094,366 thousand and $1,051,989 thousand, constituting 10% and 9% of the consolidated total liabilities as of March 31, 2022 and 2021, respectively; as well as the absolute value of the total comprehensive income (loss) amounting to $57,511 thousand and $(36,395) thousand, constituting 7% and 8% of the consolidated total comprehensive income (loss) for the three months ended March 31, 2022 and 2021, respectively.

Furthermore, as stated in Note 6(f), the other equity accounted investments of the Group in its investee companies of $182,604 thousand and $61,926 thousand as of March 31, 2022 and 2021, respectively, and its equity in net earnings on these investee companies of $(450) thousand and $3,570 thousand for the three months ended March 31, 2022 and 2021, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' report are Yiu-Kwan Au and Jui-Lan Lo.

KPMG

Taipei, Taiwan (Republic of China)
May 12, 2022

Notes to Readers

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

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Reviewed only, not audited in accordance with the generally accepted auditing standards as of March 31, 2022 and 2021

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2022		December 31, 2021		March 31, 2021	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 4,720,957	15	4,514,151	15	4,188,842	14
1110	Current financial assets at fair value through profit or loss (note 6(b))	986,400	3	1,206,849	4	619,366	2
1140	Current contract assets (note 6(v))	562	-	2,317	-	-	-
1170	Notes and accounts receivable, net (note 6(c))	6,799,350	22	6,998,255	23	7,155,881	24
1180	Accounts receivable due from related parties, net (notes 6(c) and 7)	27,829	-	36,502	-	32,790	-
1310	Inventories (note 6(e))	1,812,419	6	1,686,565	6	1,843,413	6
1470	Other current assets	419,679	1	549,175	2	660,222	2
1476	Other current financial assets (notes 6(a),6(c),6(d), 6(l) and 8)	5,857,982	19	5,337,506	17	5,610,084	18
		20,625,178	66	20,331,320	67	20,110,598	66
	Non-current assets:						
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	41,450	-	42,071	-	42,634	-
1550	Investments accounted for using the equity method, net (note 6(f))	182,604	1	92,754	-	61,926	-
1560	Non-current contract assets (note 6(v))	34,078	-	36,874	-	55,178	-
1600	Property, plant and equipment (note 6(j))	7,698,751	25	7,631,501	25	7,819,013	26
1755	Right-of-use assets (note 6(k))	412,889	1	399,679	1	426,388	2
1780	Intangible assets	66,969	-	58,654	-	89,813	-
1840	Deferred tax assets	533,499	2	532,179	2	478,900	2
1900	Other non-current assets	181,370	1	207,416	1	200,150	1
1980	Other non-current financial assets (notes 6(a) and 8)	1,217,049	4	1,192,989	4	1,141,884	3
		10,368,659	34	10,194,117	33	10,315,886	34
	Total assets	$ 30,993,837	100	30,525,437	100	30,426,484	100

		March 31, 2022		December 31, 2021		March 31, 2021	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (note 6(m))	$ 2,775,441	9	2,489,960	8	3,608,095	12
2130	Current contract liabilities (note 6(v))	75,931	-	68,297	-	43,921	-
2170	Notes and accounts payable	4,479,497	15	4,806,232	16	4,736,082	16
2180	Accounts payable to related parties (note 7)	317,913	1	284,448	1	264,826	1
2213	Payable on machinery and equipment	522,177	2	631,866	2	423,241	2
2230	Current tax liabilities	611,149	2	527,638	2	415,842	1
2250	Current provisions (notes 6(n) and 9(b))	78,380	-	77,934	-	58,132	-
2280	Current lease liabilities (notes 6(q))	40,121	-	42,140	-	42,784	-
2300	Other current liabilities (notes 6(b) and 6(o))	1,724,609	6	1,961,179	7	1,559,110	5
2322	Long-term borrowings, current portion (note 6(p))	25,666	-	33,503	-	30,806	-
		10,650,884	35	10,923,197	36	11,182,839	37
	Non-Current liabilities:						
2527	Non-current contract liabilities (note 6(v))	44	-	-	-	66,569	-
2540	Long-term borrowings (note 6(p))	66,811	-	69,572	-	98,858	-
2550	Non-current provisions (notes 6(n) and 9(b))	49,695	-	51,895	-	-	-
2570	Deferred tax liabilities	77,722	-	78,218	-	71,705	-
2580	Non-current lease liabilities (note 6(q))	287,722	1	274,444	1	297,053	1
2640	Net defined benefit liabilities	70,025	-	89,750	-	102,278	1
2600	Other non-current liabilities	210,780	1	229,617	1	224,790	1
		762,799	2	793,496	2	861,253	3
	Total liabilities	11,413,683	37	11,716,693	38	12,044,092	40
	Equity:						
	Equity attributable to owners of parent (note 6(t)):						
3110	Ordinary shares	4,433,931	14	4,433,931	15	4,433,931	15
3200	Capital surplus (note 6(t))	9,103,595	29	9,103,595	30	9,084,276	30
	Retained earnings:						
3310	Legal reserve	2,742,830	9	2,742,830	9	2,671,978	8
3320	Special reserve	821,051	3	821,051	3	1,461,039	5
3350	Unappropriated retained earnings	2,708,679	9	2,245,159	7	1,195,358	4
		6,272,560	21	5,809,040	19	5,328,375	17
3400	Other equity interests	(579,273)	(2)	(863,832)	(3)	(842,953)	(3)
		19,230,813	62	18,482,734	61	18,003,629	59
3610	**Non-controlling interests**	349,341	1	326,010	1	378,763	1
	Total equity	19,580,154	63	18,808,744	62	18,382,392	60
	Total liabilities and equity	$ 30,993,837	100	30,525,437	100	30,426,484	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars Except for Earnings Per Share, which is expressed in New Taiwan Dollars)

		For the three months ended March 31			
		2022		2021	
		Amount	%	Amount	%
4000	**Operating revenue (notes 6(v) and 7)**	$ 5,515,894	100	5,885,823	100
5110	**Cost of sales (notes 6(e), 6(r), 7 and 12)**	3,992,611	72	4,353,514	74
5900	**Gross profit**	1,523,283	28	1,532,309	26
	Operating expenses (notes 6(r) and 12):				
6100	Selling expenses	338,143	6	359,648	6
6200	Administrative expenses	490,177	9	481,904	8
6300	Research and development expenses	177,991	3	171,963	3
6450	Expected credit loss (reversal gain) (note 6(c))	35,773	1	(5,002)	-
		1,042,084	19	1,008,513	17
6900	**Net operating income**	481,199	9	523,796	9
	Non-operating income and expenses:				
7100	Interest income (note 6(x))	24,977	-	22,643	-
7190	Other income (note 6(q))	27,393	-	10,398	-
7210	Net (losses) gains on disposals of property, plant and equipment	(563)	-	10,184	-
7235	Gain (losses) on financial assets (liabilities) at fair value through profit or loss, net	3,777	-	(5,683)	-
7050	Finance costs (notes 6(q) and 6(x))	(11,216)	-	(13,402)	-
7590	Other expenses and losses	(1,876)	-	(1,172)	-
7630	Foreign exchange gains (losses), net (note 6(y))	87,390	2	26,312	1
7770	Share of (loss) profit of associates accounted for using the equity method (note 6(f))	(450)	-	3,570	-
		129,432	2	52,850	1
7900	**Profit before tax**	610,631	11	576,646	10
7950	Less: Income tax expenses (note 6(s))	132,942	2	107,326	2
	Profit	477,689	9	469,320	8
8300	**Other comprehensive income:**				
8360	**Items that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	294,230	5	(24,852)	-
8399	Less: income tax related to items that will be reclassified to profit or loss (note 6(s))	509	-	932	-
		293,721	5	(25,784)	-
8300	**Other comprehensive income**	293,721	5	(25,784)	-
	Total comprehensive income	**$ 771,410**	**14**	**443,536**	**8**
	Profit, attributable to:				
8610	Owners of parent	$ 463,520	9	458,063	8
8620	Non-controlling interests	14,169	-	11,257	-
		$ 477,689	**9**	**469,320**	**8**
	Total comprehensive income attributable to:				
8710	Owners of parent	$ 748,079	14	436,161	8
8720	Non-controlling interests	23,331	-	7,375	-
		$ 771,410	**14**	**443,536**	**8**
	Earnings per share (note 6(y))				
9750	**Basic earnings per share**	**$**	**1.05**		**1.03**
9850	**Diluted earnings per share**	**$**	**1.04**		**1.03**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

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

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
			Retained earnings			Other equity interest					
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2021	$ 4,433,931	9,084,110	2,671,978	1,461,039	737,295	(821,051)	-	(821,051)	17,567,302	371,388	17,938,690
Profit for the period	-	-	-	-	458,063	-	-	-	458,063	11,257	469,320
Other comprehensive income for the period	-	-	-	-	-	(21,902)	-	(21,902)	(21,902)	(3,882)	(25,784)
Total comprehensive income for the period	-	-	-	-	458,063	(21,902)	-	(21,902)	436,161	7,375	443,536
Other	-	166	-	-	-	-	-	-	166	-	166
Balance at March 31, 2021	**$ 4,433,931**	**9,084,276**	**2,671,978**	**1,461,039**	**1,195,358**	**(842,953)**	**-**	**(842,953)**	**18,003,629**	**378,763**	**18,382,392**
Balance at January 1, 2022	$ 4,433,931	9,103,595	2,742,830	821,051	2,245,159	(863,832)	-	(863,832)	18,482,734	326,010	18,808,744
Profit for the period	-	-	-	-	463,520	-	-	-	463,520	14,169	477,689
Other comprehensive income for the period	-	-	-	-	-	284,559	-	284,559	284,559	9,162	293,721
Total comprehensive income for the period	-	-	-	-	463,520	284,559	-	284,559	748,079	23,331	771,410
Balance at March 31, 2022	**$ 4,433,931**	**9,103,595**	**2,742,830**	**821,051**	**2,708,679**	**(579,273)**	**-**	**(579,273)**	**19,230,813**	**349,341**	**19,580,154**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the three months ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2022	**2021**
Cash flows from (used in) operating activities:		
Profit before tax	$ 610,631	576,646
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization expense	383,678	402,907
Expected credit loss (reversal gain)	35,773	(5,002)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	4,939	(51,829)
Interest expense	11,216	13,402
Interest income	(24,977)	(22,643)
Share of loss (profit) of associates and joint ventures accounted for using the equity method	450	(3,570)
Loss (gain) on disposal of property, plant and equipment	563	(10,184)
Others	-	122
Total adjustments to reconcile profit (loss)	411,642	323,203
Changes in operating assets and liabilities:		
Decrease in financial assets at fair value through profit or loss, mandatorily measured at fair value	236,187	444,559
Decrease in contract assets	4,551	585,320
Decrease (increase) in notes and accounts receivable (including related parties)	159,216	(872,932)
Increase in inventories	(125,854)	(135,380)
Decrease (increase) in other current assets	129,496	(143,675)
Increase (decrease) in notes and accounts payable (including related parties)	(293,270)	278,728
Decrease in provisions	(14,908)	(14,944)
Decrease in other current liabilities	(256,107)	(179,792)
Decrease in net defined benefit liabilities	(19,725)	(7,164)
Increase in current contract liability	7,678	23,377
Others	(7,039)	(8,029)
Total changes in operating assets and liabilities	(179,775)	(29,932)
Cash inflow generated from operations	842,498	869,917
Interest received	20,707	23,051
Interest paid	(11,735)	(12,336)
Income taxes paid	(49,431)	(9,109)
Net cash flows from operating activities	802,039	871,523
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using the equity method	(90,300)	-
Acquisition of property, plant and equipment	(392,442)	(220,616)
Proceeds from disposal of property, plant and equipment	1,571	83,016
Decrease (increase) in refundable deposits	(3,296)	8,204
Acquisition of intangible assets	(23,847)	(24,309)
Increase in other financial assets	(524,028)	(301,745)
Decrease (increase) in restricted deposits	(3,649)	25,778
Decrease (increase) in prepayments for equipment	13,205	(28,963)
Net cash flows used in investing activities	(1,022,786)	(458,635)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	285,481	(423,800)
Repayments of long-term borrowings	(6,805)	(2,764)
Increase (decrease) in guarantee deposits received	(5,682)	35,792
Payment of lease liabilities	(11,706)	(13,026)
Other financing activities	-	166
Net cash flows from (used in) financing activities	261,288	(403,632)
Effect of exchange rate changes on cash and cash equivalents	166,265	(7,406)
Net increase (decrease) in cash and cash equivalents	206,806	1,850
Cash and cash equivalents at beginning of period	4,514,151	4,186,992
Cash and cash equivalents at end of period	**$ 4,720,957**	**4,188,842**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

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

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars unless otherwise specified)

(1) Company history

Everlight Electronics Co., Ltd. (the "Company") was incorporated in May 1983 as a company limited by shares under the Company Act of the Republic of China (ROC). The major business activities of the Company are the manufacture and sale of LEDs. The Company's common shares were listed on the Taiwan Stock Exchange (TWSE) in November 1999.

The consolidated financial statements are comprised of the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). Please refer to note 4(b) for related information of the Group entities main business activities.

(2) Approval date and procedures of the consolidated financial statements

These consolidated financial statements were authorized for issuance by the Board of Directors on May 12, 2022.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2022:

- Amendments to IAS 16 "Property, Plant and Equipment—Proceeds before Intended Use"
- Amendments to IAS 37 "Onerous Contracts－Cost of Fulfilling a Contract"
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 "Reference to the Conceptual Framework"

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.	January 1, 2023

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"
- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

(4) Summary of significant accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 "*Interim Financial Reporting*" which are endorsed and issued into effect by the FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021.

(b) Basis of consolidation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2021. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2021.

List of subsidiaries in the consolidated financial statements:

Investor	Name of subsidiary	Nature of business	Percentage of ownership March 31, 2022	Percentage of ownership December 31, 2021	Percentage of ownership March 31, 2021	Description
The Company	Pai-yee Investment Co., Ltd. (Pai-yee)	Investment	100 %	100 %	100 %	
The Company and Pai-yee	Everlight (BVI) Co., Ltd. (Everlight BVI)	Investment	100 %	100 %	100 %	
The Company	Everlight Electronics (Europe) GmbH (Everlight Europe)	Sale of LEDs	75 %	75 %	75 %	Note 3
The Company	Everlight Americas, Inc. (ELA)	Sale of LEDs	99 %	99 %	99 %	
The Company	Everlight Optoelectronics Korea Co., Ltd. (ELK)	Sale of LEDs	100 %	100 %	100 %	Note 3
The Company	Forever Investment Co., Ltd. (Forever)	Investment	100 %	100 %	100 %	Note 3
The Company	Everlight Intelligence Technology Co., Ltd. (ELIT)	Sale of LED lighting products	100 %	100 %	100 %	Note 3
The Company	WOFI Leuchten GmbH (WOFI Holding)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
The Company and Pai-yee	Everlight Electronic India Private Limited (ELI)	Sale of LEDs	100 %	100 %	100 %	Note 3
The Company	Evlite Electronics Co., Ltd. (Evlite)	Sale of LEDs	100 %	100 %	100 %	Note 3
The Company	Everlight Electronics Singapore Pte. Ltd. (ELS)	Sale of LEDs	100 %	100 %	100 %	Note 3
The Company	Everlight Japan Corporation (ELJ)	Sale of LEDs	100 %	100 %	100 %	Note 3
The Company 、Pai-yee and Forever	Evervision Electronics Co., Ltd. (Evervision TW)	Manufacture and sales of liquid crystal displays and LED processing	66.75 %	66.75 %	65.50 %	Note 1 and 3
Pai-yee	Everlight Optoelectronics (M) SDN. BHD. (Everlight Malaysia)	Business development and customer services	100 %	100 %	100 %	Note 3
ELIT	Everlight Intelligence Technology KZ LLP (ELIT KZ)	Sale of LED lighting products	100 %	100 %	100 %	Note 3
Everlight BVI	Everlight Electronics (China) Co., Ltd. (Everlight China)	Manufacture of LEDs	100 %	100 %	100 %	

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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			Percentage of ownership			
Investor	Name of subsidiary	Nature of business	March 31, 2022	December 31, 2021	March 31, 2021	Description
Everlight BVI and Everlight China	Everlight Lighting (China) Co., Ltd. (Everlight Lighting China)	Sale of LEDs	100 %	100 %	100 %	Note 3
Everlight BVI and Everlight China	Everlight Electronic (Guangzhou) Co., Ltd. (Everlight Electronic (Guangzhou))	Business development and customer services	100 %	100 %	100 %	Note 3
Everlight BVI	Everlight Electronics (Zhongshan) Co., Ltd. (Everlight Zhongshan)	Manufacture of LED-related components	100 %	100 %	100 %	
Everlight BVI	Everlight Electronics (Fujian) Co., Ltd. (Everlight Fujian)	Manufacture and sale of LED backlights and related components	100 %	100 %	90 %	Note 2 and 3
The Company and Everlight Electronic (Guangzhou)	Everlight Lighting Management Consulting (Shanghai) Co., Ltd. (ELMS)	Research and sale of LED lighting products	100 %	100 %	100 %	Note 3
Everlight Lighting China	Zhongshan Everlight Lighting Co., Ltd. (Zhongshan Everlight Lighting)	Research and sale of LED lighting products	100 %	100 %	100 %	Note 2
WOFI Holding	WOFI Wortmann & Filz GmbH (WOFI W&F GmbH)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
WOFI Holding	Euro Technics Trade GmbH (ETT)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
WOFI Holding	WOFI Technics Trade Limited (WTT)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
WOFI Holding	Action GmbH (Action)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
WOFI Holding	WOFI Verkaufsgesellschaft mbH (WOFI VG)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
WOFI Holding	Lamp For Less GmbH (LFL)	Sale of lighting products, pendants and accessories	100 %	100 %	100 %	
Evervision TW	Evervision Electronics (B.V.I.) Limited (Evervision BVI)	Investment	100 %	100 %	100 %	Note 3
Evervision TW	VBest GmbH (VBest)	Sale of LCDs	75 %	75 %	75 %	Note 3
Evervision	VBest Electronics (Kunshan) Ltd. (VBest Kunshan)	Manufacture of LCDs	100 %	100 %	100 %	Note 3
Evervision	Evervision Electronics (H.K.) Limited (Evervision HK)	Sale of LCDs	100 %	100 %	100 %	Note 3

Note 1: The Group has purchased 1.25% equity of Evervision TW from the third party in September 2021. As a result, its percentage of ownership in Evervision TW increased from 65.5% to 66.75%.

Note 2: The Group has purchased 10% equity of Everlight Fujian from the third party in July 2021. As a result, its percentage of ownership in Everlight Fujian increased from 90% to 100%.

Note 3: Non-significant subsidiary, its financial statements for the three months ended March 31, 2022 and 2021 have not been reviewed.

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(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time that the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost under defined benefit plans in the interim period was calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, the significant market fluctuation, significant curtailment, settlement and others, subsequent to the reporting date and was adjusted together with.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 "*Interim Financial Reporting*" and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2021. For the related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2021.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows. Those assumptions and estimation have been updated to reflect the impact of COVID-19 pandemic:

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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(6) Explanation of significant accounts

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2021. Please refer to Note 6 of the 2021 annual consolidated financial statements.

(a) Cash and cash equivalents

	March 31, 2022	December 31, 2021	March 31, 2021
Cash, checking accounts, and demand deposits	$ 2,721,246	3,225,139	3,228,968
Time deposits	1,920,617	1,209,953	667,795
Bonds purchased under resale agreements	79,094	79,059	292,079
	$ 4,720,957	**4,514,151**	**4,188,842**

(i) The time deposits with maturities within three months or less from the acquisition date that are readily convertible to a known amount of cash are subject to an insignificant risk of changes in their fair value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Therefore, the time deposits are classified as cash and cash equivalents. The time deposits with maturities over three months from the acquisition date are recorded as other current financial assets amounting to \$5,086,078, \$4,574,117 and \$4,950,565 as of March 31, 2022, December 31 and March 31, 2021, respectively. The non-current portion of the time deposits with maturities over three months from the acquisition date as recorded as other non-current financial assets amounting to \$338,479, \$325,916 and \$217,735 as of March 31, 2022, December 31 and March 31, 2021, respectively.

(ii) Please refer to note 6(y) for the fair value sensitivity analysis of the financial assets and liabilities of the Group.

(b) Financial assets and liabilities at fair value through profit or loss

	March 31, 2022	December 31, 2021	March 31, 2021
Mandatorily measured at fair value through profit or loss:			
Derivative instruments not used for hedging	$ 2,650	10,485	17,911
Structured deposits and financial products	227,243	460,979	468,611
Beneficiary certificate-funds	84,502	84,454	50,377
Stocks listed on domestic markets	672,005	650,931	62,845
Unlisted common shares	41,450	42,071	62,256
	$ 1,027,850	**1,248,920**	**662,000**
Current	$ 986,400	1,206,849	619,366
Non-current	41,450	42,071	42,634
	$ 1,027,850	**1,248,920**	**662,000**

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2022	December 31, 2021	March 31, 2021
Current financial liabilities held-for-trading (recorded as other current liabilities):			
Derivative instruments not used for hedging	$ 20,138	82	15,267
	$ 20,138	**82**	**15,267**

(i) Capital guarantee financial products (structured deposits) held by the Group, which were recognized as financial assets mandatorily measured at fair value through profit or loss, because the interest was not based on the time value on principal amount outstanding.

(ii) The Group had acquired $585,151 in shares of Ginko International Co., Ltd., which the Group intended to sell in the near term, from active markets in 2021. The aforementioned investment was recognized as financial assets designated as at fair value through profit or loss.

(iii) The Group had sold its shares of Casetek Holding Limited at a fair value of $588,853 in active market in January 2021. The accumulated realized gain on financial assets at fair value through profit or loss was $11,668.

(iv) The Group had sold its unlisted common shares of Kaistar Lighting (Xiamen) Co., Ltd. at a fair value of $171,265 in January 2021. The accumulated realized gain on financial assets at fair value through profit or loss was $24,355.

(v) The Group uses derivative financial instruments to hedge certain foreign exchange and interest risks the Group is exposed to, arising from its operating and financing activities. The following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss and held-for-trading financial liabilities:

1) Forward exchange contracts

	March 31, 2022			
	Contract amount (in thousands)		Currency	Maturity date
Financial assets:				
Forward exchange sold	USD	2,000	USD to TWD	2022.07.12
Forward exchange sold	USD	7,000	USD to RMB	2022.04.07~2022.05.19
Forward exchange sold	TWD	42,602	TWD to USD	2022.05.26~2022.06.28
Forward exchange sold	EUR	1,500	EUR to USD	2022.04.07~2022.05.17
Financial liabilities:				
Forward exchange sold	USD	32,500	USD to TWD	2022.04.07~2022.07.07
Forward exchange sold	USD	4,000	USD to RMB	2022.04.12~2022.04.21
Forward exchange sold	EUR	2,550	EUR to USD	2022.05.24~2022.07.26

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2021			
	Contract amount (in thousands)		Currency	Maturity date
Financial assets:				
Forward exchange sold	USD	40,000	USD to TWD	2022.01.06~2022.04.07
Forward exchange sold	USD	13,000	USD to RMB	2022.01.06~2022.03.15
Forward exchange sold	EUR	3,000	EUR to USD	2022.01.06~2022.03.24
Financial liabilities:				
Forward exchange sold	USD	2,000	USD to TWD	2022.04.12
Forward exchange sold	USD	2,000	USD to RMB	2022.02.22~2022.03.10
Forward exchange sold	EUR	250	EUR to USD	2022.03.08

	March 31, 2021			
	Contract amount (in thousands)		Currency	Maturity date
Financial assets:				
Forward exchange sold	USD	2,000	USD to TWD	2021.06.10~2021.06.22
Forward exchange sold	USD	1,000	USD to RMB	2021.05.20
Forward exchange sold	TWD	19,810	TWD to USD	2021.05.25
Forward exchange sold	EUR	2,500	EUR to USD	2021.04.22~2021.07.20
Financial liabilities:				
Forward exchange sold	USD	25,700	USD to TWD	2021.04.08~2021.06.15
Forward exchange sold	USD	13,000	USD to RMB	2021.04.08~2021.05.13
Forward exchange sold	EUR	250	EUR to USD	2021.07.27

2) Cross currency swap

March 31, 2021					
Contract amount (in thousands)		Contract period	Interest rate payable	Interest rate receivable	Maturity period
Financial liabilities:					
USD	32,000	2021.03.10~2021.12.10	0.37%	0.05%+3LIBOR	2021.12.10

3) Other derivative financial instrument contracts

March 31, 2022			
Contract amount (in thousands)		Rate	Maturity period
Financial assets:			
RMB	50,000	3.10%~3.50%	2022.04.06~2022.07.07

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2021		
Contract amount (in thousands)	**Rate**	**Maturity period**
Financial assets:		
RMB 105,270	3.05%~3.45%	2022.01.21~2022.03.29

March 31, 2021		
Contract amount (in thousands)	**Rate**	**Maturity period**
Financial assets:		
RMB 107,000	3.00%~3.70%	2021.04.01~2021.09.28

(vi) As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any aforementioned financial assets as collateral for its loans.

(c) Notes and accounts receivable (including related parties)

	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Notes receivable from operating activities	$ 7,349	7,780	23,990
Accounts receivable-measured as amortized cost	7,677,894	7,836,526	8,019,244
	7,685,243	7,844,306	8,043,234
Less: Allowance for uncollectible accounts	(209,329)	(173,403)	(150,973)
	$ 7,475,914	**7,670,903**	**7,892,261**
Notes and accounts receivable, net	$ 6,799,350	6,998,255	7,155,881
Accounts receivable due from related parties, net	27,829	36,502	32,790
Long-term receivables (recorded as other non-current financial assets)	648,735	636,146	703,590
	$ 7,475,914	**7,670,903**	**7,892,261**

(i) Impairment loss on notes and accounts receivables

The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including the reasonable prediction of historical credit loss experience and the future economic situation.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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The loss allowance provision in Taiwan region was determined as follows:

	March 31, 2022		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Not overdue	$ 5,493,403	0.192%	10,573
Overdue 0-90 days	84,827	6.457%	5,477
Overdue 91-180 days	91,308	18.284%	16,695
Overdue 181-270 days	6,177	11.769%	727
Overdue 271-365 days	6,362	4.323%	275
Overdue over one year	155,068	98.611%	152,914
	$ 5,837,145		**186,661**

	December 31, 2021		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Not overdue	$ 5,530,937	0.000%	-
Overdue 0-90 days	313,876	0.000%	-
Overdue 91-180 days	41,308	0.499%	206
Overdue 181-270 days	17,856	1.238%	221
Overdue 271-365 days	6,556	30.750%	2,016
Overdue over one year	150,276	100%	150,276
	$ 6,060,809		**152,719**

	March 31, 2021		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Not overdue	$ 5,971,943	0.009%	528
Overdue 0-90 days	31,625	0.183%	58
Overdue 91-180 days	11,613	0.198%	23
Overdue 181-270 days	1,146	10.209%	117
Overdue 271-365 days	587	37.479%	220
Overdue over one year	137,200	100%	137,200
	$ 6,154,114		**138,146**

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The loss allowance provision in non-Taiwan region was determined as follows:

	March 31, 2022		
Credit rating	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Rating A	$ 1,830,557	0.280%	5,127
Rating B	17,541	100%	17,541
	$ 1,848,098		22,668

	Gross carrying amount
Not overdue	$ 1,748,867
Overdue 0-90 days	78,145
Overdue 91-180 days	2,881
Overdue 181-270 days	664
Overdue 271-365 days	3,210
Overdue over one year	14,331
	$ 1,848,098

	December 31, 2021		
Credit rating	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Rating A	$ 1,755,329	0.098%	1,725
Rating B	28,168	67.307%	18,959
	$ 1,783,497		20,684

	Gross carrying amount
Not overdue	$ 1,666,931
Overdue 0-90 days	86,057
Overdue 91-180 days	1,510
Overdue 181-270 days	831
Overdue 271-365 days	2,278
Overdue over one year	25,890
	$ 1,783,497

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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Credit rating	March 31, 2021 Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Rating A	$ 1,873,578	0.167%	3,124
Rating B	15,542	62.431%	9,703
	$ 1,889,120		**12,827**

	Gross carrying amount
Not overdue	$ 1,814,750
Overdue 0-90 days	50,819
Overdue 91-180 days	5,276
Overdue 181-270 days	2,733
Overdue 271-365 days	3,624
Overdue over one year	11,918
	$ 1,889,120

(ii) The movements in the allowance for impairment loss with respect to notes and accounts receivable were as follows:

	For the three months ended March 31, 2022	2021
Balance on January 1	$ 173,403	156,392
Impairment loss recognized (reversal gain)	35,773	(5,002)
Effects of foreign exchange	153	(417)
Balance on March 31	**$ 209,329**	**150,973**

(iii) The Group entered into an accounts receivable factoring agreement with banks. Based on the terms of agreement, the Group is not responsible for any inability of repayment by accounts receivable during the debt transfer and repayment period. From the factoring of AR, the Group will receive prepayment and compensated deposit amounts in accordance with the factoring agreement. The Group will pay interest to the bank, calculated based on the agreed interest rate for the repayment period made by the customer. Furthermore, the compensated deposit amount cannot be withdrawn prior to the repayment made by the customer, the remaining amount and pledged deposit will be received from banks upon the actual payment from customer and will be recorded under bank accounts. In addition, the Group has to pay the transaction fee with a certain percentage. As of March 31, 2022, December 31 and March 31, 2021, the compensated deposits amounting to $52,201, $75,040 and $32,584, respectively, were recorded under other current financial assets.

As of March 31, 2022, December 31 and March 31, 2021, the details of the factored accounts receivable were as follows:

March 31, 2022					
Amount of sold A/R	Limitation amount	Amount advanced unpaid	Advance amount paid	Amount derecognized	Interest rate
$ 102,557	316,760	-	102,557	102,557	3.5%

December 31, 2021					
Amount of sold A/R	Limitation amount	Amount advanced unpaid	Advance amount paid	Amount derecognized	Interest rate
$ 144,122	315,195	-	144,122	144,122	3.5%

March 31, 2021					
Amount of sold A/R	Limitation amount	Amount advanced unpaid	Advance amount paid	Amount derecognized	Interest rate
$ 67,201	334,526	-	67,201	67,201	3.5%

(iv) As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any notes and accounts receivable as collateral for its loans. Furthermore, the Group provided part of its bank deposits (recorded as other current financial assets) as collateral for the factoring of accounts receivable. Please refer to note 8 for details.

(d) Other receivables (recorded as other current financial assets)

	March 31, 2022	December 31, 2021	March 31, 2021
Other accounts receivable	$ 111,645	99,274	55,163
Less: Loss allowance	(44,359)	(35,762)	-
	$ 67,286	63,512	55,163

The following table presents whether other receivables held by the Group measured at an amount equal to lifetime ECL, and in the latter case, whether they were credit-impaired:

	March 31, 2022	
	Lifetime ECL-not credit-impaired	Lifetime ECL-credit-impaired
Not overdue	$ 67,286	44,359
Overdue	-	-
Gross carrying amount	67,286	44,359
Impairment losses	-	(44,359)
Carrying amount	$ 67,286	-

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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	December 31, 2021	
	Lifetime ECL-not credit-impaired	Lifetime ECL-credit-impaired
Not overdue	$ 63,512	35,762
Overdue	-	-
Gross carrying amount	63,512	35,762
Impairment losses	-	(35,762)
Carrying amount	**$ 63,512**	**-**

	March 31, 2021	
	Lifetime ECL-not credit-impaired	Lifetime ECL-credit-impaired
Not overdue	$ 55,163	-
Overdue	-	-
Gross carrying amount	55,163	-
Impairment losses	-	-
Carrying amount	**$ 55,163**	**-**

The movements in the allowance for impairment loss with respect to other receivable were as follows:

	For the three months ended March 31,	
	2022	2021
Balance of January 1	$ 35,762	-
Write-off provisions	8,597	-
Balance of March 31	**$ 44,359**	**-**

As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any other receivables as collateral for its loans.

(e) Inventories

	March 31, 2022	December 31, 2021	March 31, 2021
Raw materials	$ 339,898	270,696	437,155
Work in progress	333,442	253,634	336,986
Finished goods	1,139,079	1,162,235	1,069,272
	$ 1,812,419	**1,686,565**	**1,843,413**

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The inventory cost (excluding construction cost) recognized as cost of sales amounted to $3,953,885 and $4,307,220 for the three months ended March 31, 2022 and 2021, respectively.

The Group reversed its allowance for inventory valuation and obsolescence loss amounting to $10,264 and $3,802 for the three months ended March 31, 2022 and 2021, respectively, and recorded them as a reduction of cost of sales, because the net realizable value was no longer lower than the cost after the disposal of obsolete inventories.

As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any inventories as collateral for its loans.

(f) Investments accounted for using the equity method

(i) A summary of the Group's financial information for equity-accounted investees at the reporting date was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Associates	$ 182,604	92,754	61,926

(ii) The Group's financial information on investments accounted for using the equity method that are individually insignificant was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
The carrying amount of equity of the individually insignificant associates	$ 182,604	92,754	61,926

	For the three months ended March 31,	
	2022	2021
Attributable to the Group:		
Profit (loss) from continuing operations	$ (450)	3,570

(iii) Except as described below, there were no significant changes in the investments accounted for using the equity method of the Group for the three months ended March 31, 2022 and 2021. The related information, please refer to note 6(g) of the 2021 annual consolidated financial statements.

(iv) The Group had acquired 20% ownership of Anhui Hongming Technology Co., Ltd. (Anhui Hongming) through participation in cash injection with $90,300 in January 2022. Therefore, the Group is able to exercise significant influence over Anhui Hongming's operations and financial policies, thus, the long-term investment in Anhui Hongming was accounted for using the equity method.

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(v) Pledges

As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any investment accounted for using the equity method as collaterals for its loans.

(g) Joint operation

Except as described below, there were no significant changes in joint operation of the Group for the three months ended March 31, 2022 and 2021. For related information please refer to note 6(h) of the 2021 annual consolidated financial statements.

Disputes over the aforementioned joint operation projects had occurred for the three months ended March 31, 2022 and 2021. Please refer to note 9(b) for details.

(h) Changes in a parent's ownership interest in a subsidiary

There were no significant changes in acquisition of subsidiaries for the three months ended March 31, 2022 and 2021. For related information, please refer to note 6(i) of the 2021 annual consolidated financial statements.

(i) Loss control of subsidiaries

There were no significant changes in loss control of subsidiaries for the three months ended March 31, 2022 and 2021. For related information, please refer to note 6(k) of the 2021 annual consolidated financial statements.

(j) Property, plant and equipment

The movements in the property, plant and equipment of the Group were as follows:

	Land	Buildings and construction	Machinery and equipment	Modeling equipment	Office and other equipment	Prepaid Property, plant and equipment	Total
Cost or deemed cost:							
Balance on January 1, 2022	$ 640,380	8,378,707	13,286,681	1,794,979	1,217,586	73,065	25,391,398
Add: additions	-	20,539	167,197	11,608	16,220	67,189	282,753
Add: reclassification	-	1,868	16,591	113	600	4,003	23,175
Less: sales	-	-	(2,202)	(625)	-	-	(2,827)
Less: retirement	-	(980)	(22,572)	(19,477)	(10,765)	-	(53,794)
Effect of movements in exchange rates	203	116,644	241,367	27,514	25,359	3,080	414,167
Balance on March 31, 2022	**$ 640,583**	**8,516,778**	**13,687,062**	**1,814,112**	**1,249,000**	**147,337**	**26,054,872**
Balance on January 1, 2021	$ 644,653	8,348,875	13,440,013	1,707,690	1,205,810	159,204	25,506,245
Add: additions	-	10,022	112,894	31,521	3,267	13,583	171,287
Add: reclassification	-	26,310	73,192	5	784	(100,291)	-
Less: sales	-	-	(377,887)	(3,890)	-	-	(381,777)
Less: retirement	-	-	(45,407)	(3,549)	(7,576)	-	(56,532)
Effect of movement in exchange rates	(1,772)	(26,663)	(24,567)	(2,125)	(2,683)	150	(57,660)
Balance on March 31, 2021	**$ 642,881**	**8,358,544**	**13,178,238**	**1,729,652**	**1,199,602**	**72,646**	**25,181,563**

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	Land	Buildings and construction	Machinery and equipment	Modeling equipment	Office and other equipment	Prepaid Property, plant and equipment	Total
Depreciation and impairments loss:							
Balance on January 1, 2022	$ -	4,506,190	11,037,423	1,380,797	835,487	-	17,759,897
Add: depreciation for the year	-	79,207	216,959	41,977	16,541	-	354,684
Less: sales	-	-	(1,777)	(11)	-	-	(1,788)
Less: retirement	-	(701)	(22,168)	(19,316)	(10,514)	-	(52,699)
Effect of movements in exchange rates	-	83,551	180,332	19,137	13,007	-	296,027
Balance on March 31, 2022	**$ -**	**4,668,247**	**11,410,769**	**1,422,584**	**854,521**	**-**	**18,356,121**
Balance on January 1, 2021	$ -	4,182,535	11,122,999	1,311,360	779,906	-	17,396,800
Add: depreciation for the year	-	100,167	208,444	41,815	20,498	-	370,924
Less: sales	-	-	(307,569)	(1,461)	-	-	(309,030)
Less: retirement	-	-	(45,405)	(3,541)	(7,501)	-	(56,447)
Effect of movements in exchange rates	-	(17,931)	(19,232)	(1,483)	(1,051)	-	(39,697)
Balance on March 31, 2021	**$ -**	**4,264,771**	**10,959,237**	**1,346,690**	**791,852**	**-**	**17,362,550**
Carrying amounts:							
Balance on January 1, 2022	**$ 640,380**	**3,872,517**	**2,249,258**	**414,182**	**382,099**	**73,065**	**7,631,501**
Balance on March 31, 2022	**$ 640,583**	**3,848,531**	**2,276,293**	**391,528**	**394,479**	**147,337**	**7,698,751**
Balance on January 1, 2021	**$ 644,653**	**4,166,340**	**2,317,014**	**396,330**	**425,904**	**159,204**	**8,109,445**
Balance on March 31, 2021	**$ 642,881**	**4,093,773**	**2,219,001**	**382,962**	**407,750**	**72,646**	**7,819,013**

As of March 31, 2022, December 31 and March 31, 2021, the aforesaid property, plant and equipment were not pledged as collateral.

(k) Right-of-use assets

The Group leases many assets including land, buildings, vehicles, and office equipment. Information about leases for which the Group as a lessee is presented below:

	Land	Buildings and construction	Office and other equipment	Total
Cost:				
Balance on January 1, 2022	$ 354,116	83,585	45,044	482,745
Acquisitions	19,546	1,472	1,039	22,057
Disposal	-	(1,472)	(1,711)	(3,183)
Effect of changes in foreign exchange rates	3,762	1,271	436	5,469
Balance on March 31, 2022	**$ 377,424**	**84,856**	**44,808**	**507,088**
Balance on January 1, 2021	$ 355,387	98,608	37,861	491,856
Acquisition	-	17,541	13,734	31,275
Disposal	(789)	(22,482)	-	(23,271)
Effect of changes in foreign exchange rates	(347)	(1,829)	(1,209)	(3,385)
Balance on March 31, 2021	**$ 354,251**	**91,838**	**50,386**	**496,475**

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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	Land	Buildings and construction	Office and other equipment	Total
Accumulated depreciation and impairment losses:				
Balance on January 1, 2022	$ 32,448	30,599	20,019	83,066
Depreciation for the year	2,865	7,000	3,289	13,154
Disposal	-	(1,472)	(1,711)	(3,183)
Effect of changes in foreign exchange rates	350	624	188	1,162
Balance on March 31, 2022	**$ 35,663**	**36,751**	**21,785**	**94,199**
Balance on January 1, 2021	$ 22,048	40,146	17,426	79,620
Depreciation for the year	2,738	7,719	3,888	14,345
Disposal	(499)	(22,482)	-	(22,981)
Effect of changes in foreign exchange rates	(26)	(379)	(492)	(897)
Balance on March 31, 2021	**$ 24,261**	**25,004**	**20,822**	**70,087**
Carrying amount:				
Balance on January 1, 2022	**$ 321,668**	**52,986**	**25,025**	**399,679**
Balance on March 31, 2022	**$ 341,761**	**48,105**	**23,023**	**412,889**
Balance on January 1, 2021	**$ 333,339**	**58,462**	**20,435**	**412,236**
Balance on March 31, 2021	**$ 329,990**	**66,834**	**29,564**	**426,388**

(l) Other current financial assets

	March 31, 2022	December 31, 2021	March 31, 2021
Time deposits with maturities over three months	$ 5,086,078	4,574,117	4,950,565
Restricted time deposits	652,417	624,837	571,772
Restricted deposits	52,201	75,040	32,584
Other receivables	67,286	63,512	55,163
	$ 5,857,982	**5,337,506**	**5,610,084**

The restricted time deposits are applicable to “ The Management, Utilization, and Taxation of Repatriated Offshore Funds Act” for the Group. The restricted time deposits accounts are used for the purpose of offshore funds.

As of March 31, 2022, December 31 and March 31, 2021, the Group had provided parts of financial assets as collateral for the factoring of accounts receivable and guarantee for contract grant; please refer to note 8 for more information.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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(m) Short-term borrowings

The short-term loans were summarized as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Unsecured bank loans	$ 2,775,441	2,489,960	3,608,095
Unused short-term credit lines	$ 12,571,755	12,755,628	12,402,052
Annual interest rates	0.60%~2.55%	0.50%~2.55%	0.47%~2.55%

(i) For information on the Group's interest risk, foreign currency risk, and liquidity risk, please refer to note 6(y) for details.

(ii) The Group did not provide any assets as collateral for its loans.

(n) Provisions

(i) The carrying amounts of the provisions of the Group were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Provision - current	$ 78,380	77,934	58,132
Provision - non-current	49,695	51,895	-
	$ 128,075	129,829	58,132

(ii) The movements in provisions of the Group for the three months ended March 31, 2022 and 2021 were as follows:

	Onerous Contracts Provision
Balance on January 1, 2022	$ 129,829
Provision made during the year	6,843
Provision reversed during the year	(8,597)
Balance on March 31, 2022	$ 128,075
Balance on January 1, 2021 (as balance on March 31, 2021)	$ 58,132

The provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The mentioned above provisions for the onerous contract, including the amount of provisions estimated by Kazakhstan Joint Operation Project, as of March 31, 2022, December 31 and March 31, 2021, were $105,516, $114,113 and $58,132 respectively.

(o) Other current liabilities

	March 31, 2022	December 31, 2021	March 31, 2021
Refund liabilities – current	$ 47,201	64,630	7,215
Derivative instruments not used for hedging	20,138	82	15,267
Wages and salaries payable	261,630	233,518	263,052
Other payables	859,218	922,005	850,873
Others	536,422	740,944	422,703
	$ 1,724,609	**1,961,179**	**1,559,110**

Refund liabilities mainly represent amounts expected to be paid to customers due to volume discounts under the sales contracts.

(p) Long-term loans

The details were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Unsecured bank loans	$ 92,477	103,075	129,664
Less: current portion	(25,666)	(33,503)	(30,806)
Total	**$ 66,811**	**69,572**	**98,858**
Unused long-term credit lines	**$ -**	**-**	**-**
Range of interest rates	**0.00%~14.78%**	**0.00%~14.78%**	**0.00%~13.47%**

(i) For information on the Group's interest risk and liquidity risk, please refer to Note 6(y) for details.

(ii) The Group provided parts of bank deposits (recorded as other non-current financial assets) as a reserve for long-term borrowings on March 31, 2022 and December 31, 2021. Please refer to Note 8 for details. The Group did not provide any asset as collateral for its loans as of March 31, 2021.

(iii) There were no significant issues, repurchases, and repayments of long-term borrowings for the three months ended March 31, 2022 and 2021. Information on interest expense for the period is discussed in Note 6(x). Please refer to Note 6(r) of the 2021 annual consolidated financial statements for other related information.

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(q) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Current	$ 40,121	42,140	42,784
Non-current	$ 287,722	274,444	297,053

For the maturity analysis, please refer to note 6(y).

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31,	
	2022	2021
Interest on lease liabilities	$ 1,514	1,636
Variable lease payments not included in the measurement of lease liabilities	$ 1,384	1,425
Expenses relating to short-term leases	$ 7,036	6,539
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 77	120
Covid-19-related rent concessions (recognized in other income)	$ 435	401

The amounts recognized in the consolidated statements of cash flows for the Group were as follows:

	For the three months ended March 31,	
	2022	2021
Total cash outflow for leases	$ 21,282	22,345

(i) Real estate leases

For the three months ended March 31, 2022 and 2021, the Group leases land and buildings for its office space and factory. The leases of land typically run for a period for 3 years to 50 years, of office space for 1 to 5 years, and of factory for 3 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases of land and equipment contain extension or cancellation options. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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(ii) Other leases

The Group leases vehicles and other equipment, with lease terms of 2 to 10 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases office, vehicles, and IT equipment with contract terms of 1 to 5 years. These leases are short-term and leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(r) Employee benefits

(i) Defined benefit plans

Given there was no significant volatility of the market or any significant reimbursement, settlement or other one-time event in the prior fiscal year, the pension cost of the Company and Evervision TW in the interim consolidated financial statements shall be measured and disclosed in accordance with the actuarial report measured on December 31, 2021 and 2020.

The pension costs of the defined benefit plans were as follows:

	For the three months ended March 31,	
	2022	**2021**
Cost of sales and operating expenses	$ 570	612

(ii) Defined contribution plans

The Group recognized its pension costs under the defined contribution plans were as follows:

	For the three months ended March 31,	
	2022	**2021**
Cost of sales and operating expenses	$ 38,132	27,218

(s) Income taxes

The Group entities are subject to income tax rates, according to the profit before tax of the interim reporting period, multiplied by the best estimated measurement of the expected effective tax rate by the managers over the year.

(i) The amounts of income tax were as follows:

	For the three months ended March 31,	
	2022	**2021**
Current tax expense	$ 132,942	107,326

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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(ii) The amounts of income tax (profit) recognized in other comprehensive income were as follows:

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Exchange differences on translating foreign operations	$ 509	932

(iii) The tax authorities have examined the Company's income tax returns through 2019. The income tax returns of the subsidiaries in the ROC have been assessed by the tax authorities through 2020.

(t) Capital and other equities

Except as described below, there were no significant changes in the capital and other equity for the three months ended March 31, 2022 and 2021. For related information, please refer to note 6(w) of the 2021 annual consolidated financial statements.

As of March 31, 2022, December 31 and March 31, 2021, the authorized common stocks amounted to $10,000,000 (of which $400,000 were reserved for the exercising of employee share options); face value of each share is $10, which means there were 1,000,000 thousand ordinary shares, in total of which 443,393 thousand shares were issued. All issued shares were paid up upon issuance.

(i) Capital surplus

The balances of capital surplus of the Company were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Additional paid-in capital	$ 7,817,145	7,817,145	7,817,145
Difference between consideration and carrying amount of subsidiaries disposed	78,895	78,895	67,971
Changes in equity of associates accounted for using the equity method	14,884	14,884	6,489
Treasury stock resulting from the redemption of convertible bonds	1,071,632	1,071,632	1,071,632
Share-based payment – employee stock options	119,974	119,974	119,974
Others	1,065	1,065	1,065
	$ 9,103,595	9,103,595	9,084,276

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(ii) Retained earnings

In accordance with the Company's articles, net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes, of the remaining balance, 10% is to be appropriated as legal reserve, and the Company should appropriate the same amount as the special reserve from retained earnings in accordance with legal authorities and legislations. The remainder, accumulated with the unappropriated earnings of prior years, is distributed as additional dividends to shareholders, which cannot be lower than 50% of the total accumulated unappropriated earnings. The distribution rate is based on the proposal of the Company's board of directors and should be approved in the shareholders' meeting.

Cash dividends cannot be lower than 10% of the total cash and stock dividends. However, stock dividends instead of cash dividends are declared if the cash dividends per share are less than NT$0.2 (dollars).

1) Earnings distribution

Based on a resolution of the Company's Board of Directors held on March 23, 2022 and the annual shareholder’s meeting held on July 29, 2021, the appropriations of dividends from the earnings distribution for 2021 and 2020 were as follows:

	2021		2020	
	Amount per share (dollars)	**Total amount**	**Amount per share (dollars)**	**Total amount**
Dividends distributed to common shareholders:				
Cash	$ **3.50**	**1,551,876**	**2.25**	**997,634**

(iii) Other equity (net of tax)

	Foreign exchange differences arising from foreign operation	Unrealized gain (loss) from financial assets at fair value through other comprehensive income	Total
Balance of January 1, 2022	$ (863,832)	-	(863,832)
Foreign exchange differences (net of taxes):			
The Group	284,559	-	284,559
Balance on March 31, 2022	**$ (579,273)**	**-**	**(579,273)**
Balance of January 1, 2021	$ (821,051)	-	(821,051)
Foreign exchange differences (net of taxes):			
The Group	(21,902)	-	(21,902)
Balance on March 31, 2021	**$ (842,953)**	**-**	**(842,953)**

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EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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(u) Earnings per share

For the three months ended March 31, 2022 and 2021, the Group's basic and diluted earnings per share were calculated as follows:

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Basic earnings per share:		
Profit attributable to ordinary shareholders of the Company	$ **463,520**	**458,063**
Weighted-average number of outstanding ordinary shares (thousands)	**443,393**	**443,393**
Diluted earnings per share:		
Profit attributable to ordinary shareholders of the Company (basic) (equal to profit attributable to ordinary shareholders of the Company (diluted))	$ **463,520**	**458,063**
Weighted-average number of outstanding ordinary shares (thousands) (basic)	443,393	443,393
Dilutive effect of potential ordinary shares:		
Employee stock bonus	2,768	2,418
Weighted-average number of outstanding ordinary shares (thousands) (diluted)	**446,161**	**445,811**

The average market value of the Company's shares for purpose of calculating the dilutive effect of stock options was based on the quoted market price for the period during which the options were outstanding.

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended March 31, 2022				
	LED	**LCD**	**Illumination**	**Others**	**Total**
Primary geographical markets:					
Asia	$ 4,409,859	63,954	132,518	16,534	4,622,865
Europe	451,214	36,780	194,538	-	682,532
Others	153,030	40,932	16,535	-	210,497
Total	$ **5,014,103**	**141,666**	**343,591**	**16,534**	**5,515,894**
Major products					
Construction revenue	$ -	-	58,631	-	58,631
Sales revenue	5,014,103	141,666	284,960	16,534	5,457,263
	$ **5,014,103**	**141,666**	**343,591**	**16,534**	**5,515,894**

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	For the three months ended March 31, 2021				
	LED	**LCD**	**Illumination**	**Others**	**Total**
Primary geographical markets:					
Asia	$ 4,891,087	72,221	164,540	14,235	5,142,083
Europe	378,686	20,795	174,166	-	573,647
Others	131,398	24,109	14,586	-	170,093
Total	**$ 5,401,171**	**117,125**	**353,292**	**14,235**	**5,885,823**
Major products					
Construction revenue	$ -	-	79,257	-	79,257
Sales revenue	5,401,171	117,125	274,035	14,235	5,806,566
	$ 5,401,171	**117,125**	**353,292**	**14,235**	**5,885,823**

(ii) Contract balance

	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Notes receivable	$ 7,349	7,780	23,990
Accounts receivables	7,677,894	7,836,526	8,019,244
Less: allowance for impairment	(209,329)	(173,403)	(150,973)
	$ 7,475,914	**7,670,903**	**7,892,261**
Contract assets-illumination	**$ 34,640**	**39,191**	**55,178**
Contract liabilities-illumination	**$ 44**	**-**	**66,569**
Contract liabilities-Advance receipt	**$ 75,931**	**68,297**	**43,921**

For details on accounts receivable and allowance for impairment, please refer to note 6(c).

The amount of revenue recognized for the three months ended March 31, 2022 and 2021 that was included in the contract liability balance at the beginning of the period were $10,203 and $7,798, respectively.

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(w) Remuneration of employees and directors

In accordance with the articles of the Company, if there is annual net income, the Company should appropriate 6%~12% as remuneration to employees, and remuneration to directors not exceeding 1%. However, if the Company has accumulated deficits, the after-tax earnings shall first be offset against any deficit. The employees include those in the subsidiaries who meet specific conditions, which were formulated by the Board of meeting.

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The remuneration to employees amounted to $68,040 and $71,497, and the remuneration to directors amounted to $6,185 and $5,958 for the three months ended March 31, 2022 and 2021, respectively. These amounts are calculated using the Company's profit before tax without the remuneration to employees and directors for the period, and are determined using the earnings allocation method which was stated under the Company's articles. These remunerations are expensed under operating expenses for the period. The related information can be accessed from the Market Observation Post System website. If the board of directors decides to pay the employees compensation in stock, the basis for calculating the number of shares will be the closing price one day before the board of directors' meeting.

The remuneration to employees amounted to $286,630 and $163,907. The remuneration to directors amounted to $26,042 and $16,812 in 2021 and 2020, respectively. The related information can be accessed from the Market Observation Post System website. There had been no differences between the actual amounts and the estimation of employee compensation in 2021 and 2020.

(x) Non-operating income and expenses

For the three months ended March 31, 2022 and 2021, the interest income and finance costs were as follows:

(i) Interest income

	For the three months ended March 31, 2022	2021
Cash in banks	$ 24,816	21,973
Other	161	670
	$ 24,977	**22,643**

(ii) Finance costs – interest expenses

	For the three months ended March 31, 2022	2021
Loans	$ 9,702	11,766
Lease liabilities	1,514	1,636
	$ 11,216	**13,402**

(y) Financial Instruments

Except for the contention mentioned below, there were no significant changes in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk, and market risk arising from financial instruments. For the related information, please refer to note 6(aa) of the 2021 annual consolidated financial statement.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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(i) Credit risk

1) Exposure to credit risk

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

2) Credit risk of receivables

For credit risk and credit impairment of note and accounts receivable, please refer to note 6(c).

For credit impairment of other receivables, please refer to note 6(d).

(ii) Liquidity Risk

The following are the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying Amount	Contractual cash flows	Within 1 year	1 ~ 2 years	Over 2 years
March 31, 2022					
Non-derivative financial liabilities:					
Short-term borrowings	$ 2,775,441	(2,780,076)	(2,780,076)	-	-
Notes and accounts payable (including related parties)	4,797,410	(4,797,410)	(4,797,410)	-	-
Payables on construction and equipment	522,177	(522,177)	(522,177)	-	-
Other payables	1,644,067	(1,644,067)	(1,644,067)	-	-
Lease liabilities (including current and non-current)	327,843	(425,704)	(45,651)	(28,814)	(351,239)
Long-term loans (including current portion)	92,477	(110,345)	(34,402)	(31,475)	(44,468)
Guaranteed deposits received	184,953	(184,953)	-	-	(184,953)
Derivative financial liabilities:					
Forward exchange contracts not used for hedging:	20,138				
Outflow	-	(1,125,477)	(1,125,477)	-	-
Inflow	-	1,106,300	1,106,300	-	-
	$ 10,364,506	**(10,483,909)**	**(9,842,960)**	**(60,289)**	**(580,660)**

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	Carrying Amount	Contractual cash flows	Within 1 year	1 ~ 2 years	Over 2 years
December 31, 2021					
Non-derivative financial liabilities:					
Short-term borrowings	$ 2,489,960	(2,493,283)	(2,493,283)	-	-
Notes and accounts payable (including related parties)	5,090,680	(5,090,680)	(5,090,680)	-	-
Payables on construction and equipment	631,866	(631,866)	(631,866)	-	-
Other payables	1,894,243	(1,894,243)	(1,894,243)	-	-
Lease liabilities (including current and non-current)	316,584	(408,445)	(47,511)	(29,060)	(331,874)
Long-term loans (including current portion)	103,075	(124,524)	(45,422)	(32,492)	(46,610)
Guaranteed deposits received	190,635	(190,635)	-	-	(190,635)
Derivative financial liabilities:					
Forward exchange contracts not used for hedging:	82				
Outflow	-	(118,640)	(118,640)	-	-
Inflow	-	118,769	118,769	-	-
	$ 10,717,125	(10,833,547)	(10,202,876)	(61,552)	(569,119)
March 31, 2021					
Non-derivative financial liabilities:					
Short-term borrowings	$ 3,608,095	(3,615,962)	(3,615,962)	-	-
Notes and accounts payable (including related parties)	5,000,908	(5,000,908)	(5,000,908)	-	-
Payables on construction and equipment	423,241	(423,241)	(423,241)	-	-
Other payables	1,509,719	(1,509,719)	(1,509,719)	-	-
Lease liabilities (including current and non-current)	339,837	(436,356)	(48,817)	(39,274)	(348,265)
Long-term loans (including current portion)	129,664	(166,221)	(48,331)	(37,489)	(80,401)
Guaranteed deposits received	185,110	(185,110)	-	-	(185,110)
Derivative financial liabilities:					
Forward exchange contracts not used for hedging:	15,267				
Outflow	-	(1,112,513)	(1,112,513)	-	-
Inflow	-	1,098,469	1,098,469	-	-
	$ 11,211,841	(11,351,561)	(10,661,022)	(76,763)	(613,776)

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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(iii) Currency risk

1) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

	March 31, 2022			December 31, 2021			March 31, 2021		
	Foreign currency (in thousands)	Exchange rate	TWD	Foreign currency (in thousands)	Exchange rate	TWD	Foreign currency (in thousands)	Exchange rate	TWD
Financial assets									
Monetary items									
USD	$ 153,975	USD/TWD =28.6220	4,407,072	176,639	USD/TWD =27.69	4,891,134	177,252	USD/TWD =28.5310	5,057,177
RMB	747,020	RMB/TWD =4.5150	3,372,795	665,090	RMB/TWD =4.3482	2,891,944	768,013	RMB/TWD =4.3547	3,344,466
HKD	459,527	HKD/TWD =3.6543	1,679,250	480,141	HKD/TWD =3.5517	1,705,317	421,833	HKD/TWD =3.6702	1,548,211
Financial liabilities									
Monetary items									
USD	85,593	USD/TWD =28.6220	2,449,843	92,004	USD/TWD =27.69	2,547,591	130,180	USD/TWD =27.8660	3,714,166
USD	39,618	USD/RMB =6.3393	1,133,946	50,363	USD/RMB =6.3681	1,394,511	57,362	USD/RMB =6.4452	1,636,595
RMB	1,051,499	RMB/TWD =4.5150	4,747,518	1,096,884	RMB/TWD =4.3482	4,769,471	1,088,640	RMB/TWD =4.3235	4,740,701

2) Sensitivity analysis

The Group's exposure to foreign currency risk of monetary items arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, notes and accounts receivable, other receivables, financial assets at fair value through other comprehensive income, loans and borrowings, notes and accounts payables and other payables that are denominated in foreign currency. A 5% of appreciation (depreciation) of each major foreign currency against the Group's functional currency as of March 31, 2022 and 2021 would have increased (decreased) the profit before tax by $76,706 for the three months ended March 31, 2022, and increased (decreased) the profit before tax by $26,531 for the three months ended March 31, 2021. The analysis is performed on the same basis for both periods.

3) Exchange gains and losses of monetary items

As the Group deals in diverse foreign currencies, gains or losses on foreign exchange were summarized as a single amount. For the three months ended March 31, 2022 and 2021, the foreign exchange gains (losses), including both realized and unrealized, amounted to $87,390 and $26,312, respectively.

(iv) Interest rate analysis

The details of financial assets and liabilities exposed to interest rate risk were as follows:

	Carrying amount		
	March 31, 2022	**December 31, 2021**	**March 31, 2021**
Variable rate instruments:			
Financial assets	$ 2,952,489	3,690,118	3,701,579
Financial liabilities	(1,260,170)	(1,414,499)	(2,328,504)
	$ 1,692,319	2,275,619	1,373,075

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments on the reporting date. Regarding the assets and liabilities with variable interest rates, the analysis is on the basis of the assumption that the amount of assets and liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents management of the Group's assessment on the reasonably possible interval of interest rate change.

If the interest rate had increased or decreased by 0.25%, the effects of the net profit before tax for the three months ended March 31, 2022 and 2021, were as follows, which would have mainly resulted from bank borrowings and cash in banks with variable interest rates.

	For the three months ended March 31,	
	2022	**2021**
Increase by 0.25%	$ 1,058	858
Decrease by 0.25%	(1,058)	(858)

(v) Fair value

1) The kinds of financial instruments and fair value

The fair value of the Group's financial assets and liabilities at fair value through profit or loss, and financial assets at fair value through other comprehensive income are measured on a recurring basis. The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. They shall not include fair value information of the financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value and investments in equity instruments which do not have any quoted price in an active market in which the fair value cannot be reasonably measured.

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	March 31, 2022				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:					
Derivative financial assets	$ 2,650	-	2,650	-	2,650
Non-derivative financial assets mandatorily measured at fair value through profit or loss	1,025,200	756,507	268,693	-	1,025,200
	1,027,850				
Financial assets measured at amortized cost					
Cash and cash equivalents	4,720,957	-	-	-	-
Notes and accounts receivable (including related parties)	6,827,179	-	-	-	-
Other current financial assets	5,857,982	-	-	-	-
Refundable deposits (recorded as other non-current assets)	122,919	-	-	-	-
Other non-current financial assets	1,217,049	-	-	-	-
	18,746,086				
	$ 19,773,936				
Financial liabilities at fair value through profit or loss:					
Derivative financial liabilities	$ 20,138	-	20,138	-	20,138
Financial liabilities measured at amortized cost:					
Short-term borrowings	2,775,441	-	-	-	-
Notes and accounts payable (including related parties)	4,797,410	-	-	-	-
Payable on construction and equipment	522,177	-	-	-	-
Lease liabilities	327,843	-	-	-	-
Other current payables (recorded as other current liabilities)	1,644,067	-	-	-	-
Long-term loans (including current portion)	92,477	-	-	-	-
Guaranteed deposits received (recorded as other non-current liabilities)	184,953	-	-	-	-
	10,344,368				
	$ 10,364,506				

(Continued)

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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	December 31, 2021				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:					
Derivative financial assets	$ 10,485	-	10,485	-	10,485
Non-derivative financial assets mandatorily measured at fair value through profit or loss	1,238,435	735,385	503,050	-	1,238,435
	1,248,920				
Financial assets measured at amortized cost:					
Cash and cash equivalents	4,514,151	-	-	-	-
Notes and accounts receivable (including related parties)	7,034,757	-	-	-	-
Other current financial assets	5,337,506	-	-	-	-
Refundable deposits (recorded as other non-current assets)	119,623	-	-	-	-
Other non-current financial assets	1,192,989	-	-	-	-
	18,199,026				
	$ 19,447,946				
Financial liabilities at fair value through profit or loss:					
Derivative financial liabilities	$ 82	-	82	-	82
Financial liabilities measured at amortized cost:					
Short-term borrowings	2,489,960	-	-	-	-
Notes and accounts payable (including related parties)	5,090,680	-	-	-	-
Payables on construction and equipment	631,866	-	-	-	-
Lease liabilities	316,584	-	-	-	-
Other current payables (recorded as other current liabilities)	1,894,243	-	-	-	-
Long-term loans (including current portion)	103,075	-	-	-	-
Guaranteed deposits received (recorded as other non-current liabilities)	190,635	-	-	-	-
	10,717,043				
	$ 10,717,125				

(Continued)

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	March 31, 2021				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:					
Derivative financial assets	$ 17,911	-	17,911	-	17,911
Non-derivative financial assets mandatorily measured at fair value through profit or loss	644,089	113,222	530,867	-	644,089
	662,000				
Financial assets measured at amortized cost:					
Cash and cash equivalents	4,188,842	-	-	-	-
Notes and accounts receivable (including related parties)	7,188,671	-	-	-	-
Other current financial assets	5,610,084	-	-	-	-
Refundable deposits (recorded as other non-current assets)	114,451	-	-	-	-
Other non-current financial assets	921,325	-	-	-	-
Restricted deposits (recorded as other non-current assets)	220,559	-	-	-	-
	18,243,932				
	$ 18,905,932				
Financial liabilities at fair value through profit or loss:					
Derivative financial liabilities	$ 15,267	-	15,267	-	15,267
Financial liabilities measured at amortized cost:					
Short-term borrowings	3,608,095	-	-	-	-
Notes and accounts payable (including related parties)	5,000,908	-	-	-	-
Payables on construction and equipment	423,241	-	-	-	-
Lease liabilities	339,837	-	-	-	-
Other current payables (recorded as other current liabilities)	1,509,719	-	-	-	-
Long-term loans (including current portion)	129,664	-	-	-	-
Guarantee deposits received (recorded as other non-current liabilities)	185,110	-	-	-	-
	11,196,574				
	$ 11,211,841				

(Continued)

2) Fair value valuation technique of financial instruments not measured at fair value

The Group estimates instruments that are not measured at fair value, by method and presumption as follows:

a) The book value of financial assets and liabilities at amortized cost are similar to their fair value.

3) Fair value valuation technique of financial instruments measured at fair value

a) The fair value of financial assets and liabilities traded in active markets, including listed stocks, fund beneficiary certificates, emerging stocks and listed convertible bonds, etc., is based on quoted market prices.

b) The fair value of unlisted shares without an active market is assessed by using the net asset value per share approach, P/E ratio approach, and P/B ratio approach.

c) The fair value of derivative instruments is based on quoted prices. When quoted prices are unavailable, the fair value is estimated by adapting a valuation technique using the estimates and hypothesis referred from those used by financial instruments, or the binomial options pricing model which is generally accepted by the market participants.

d) For all other financial assets and financial liabilities, the fair value is determined using a discounted cash flow analysis based on expected future cash flows.

4) There were no transfers from one level to another of the Group for the three months ended March 31, 2022 and 2021.

(z) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(ad) of the 2021 annual consolidated financial statements.

(aa) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in note 6(ae) of the 2021 annual consolidated financial statements. Also, management believes that there were no significant changes in the Group's capital management information as disclosed in the 2021 annual financial statements.

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(ab) Investing and financial activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the three months ended March 31, 2022 and 2021, were acquisition of right-of-use assets by lease; please refer to note 6(k). Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2022	Cash flows	Non-cash changes		March 31, 2022
			Amendment	Foreign exchange movement	
Short-term borrowings	$ 2,489,960	285,481	-	-	2,775,441
Long-term borrowings	103,075	(6,805)	-	(3,793)	92,477
Lease liabilities	316,584	(11,706)	22,057	908	327,843
Guarantee deposits received	190,635	(5,682)	-	-	184,953
Total liabilities from financing activities	$ 3,100,254	261,288	22,057	(2,885)	3,380,714

	January 1, 2021	Cash flow	Non-cash changes		March 31, 2021
			Acquisition	Foreign exchange movement	
Short-term borrowings	$ 4,031,895	(423,800)	-	-	3,608,095
Long-term borrowings	134,444	(2,764)	-	(2,016)	129,664
Lease liabilities	323,941	(13,026)	30,981	(2,059)	339,837
Guarantee deposits received	149,318	35,792	-	-	185,110
Total liabilities from financing activities	$ 4,639,598	(403,798)	30,981	(4,075)	4,262,706

(7) Related-party transactions

(a) Names and relationship with related parties

The following are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Tekcore Co., Ltd. (Tekcore)	Equity-accounted investee by the Group
Well Service Company Ltd. (Well)	Equity-accounted investee by the Group
Anhui Hongming Technology Co., Ltd. (Anhui Hongming)	Equity-accounted investee by the Group

Note: After the reelection by the shareholders' meeting of Well and the Group disposed all its shareholdings in August 2021, the Group is no longer the corporate director of Well and Well is not a related party of the Group.

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(b) Significant related party transactions

(i) Sales

The amounts of significant sales by the Group to related parties were as follows:

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Associates	$ 11,175	14,308

There were no significant differences in the collection periods and sales prices between the related parties and other customers, and the payment term was 60 to 165 days. There were no significant differences in the payment term between the related parties and other customers.

(ii) Purchase

The amounts of significant purchases by the Group from related parties were as follows:

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Associates	$ 181,956	172,824

The payment term was 90 to 150 days for other related parties and third-party suppliers.

(iii) Accounts receivable from related parties

The accounts receivable due from related parties was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Associates	$ 27,829	36,502	32,790

(iv) Accounts payable to related parities

The accounts payable to related parties was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Associates	$ 317,913	284,448	264,826

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Short-term employee benefits	$ 14,794	15,370
Others	85	99
	$ **14,879**	**15,469**

There are no termination benefits and other long-term benefits.

(8) Pledged assets

The carrying amounts of the pledged assets were as follows:

Assets	Objectives	March 31, 2022	December 31, 2021	March 31, 2021
Time deposits and restricted deposits (recorded as other non-current financial assets)	Guarantee for contract grant and guarantee for construction contracts	$ 219,109	220,559	220,559
Restricted deposits (recorded as other current financial assets)	Contract of accounts receivable factoring	52,201	75,040	32,584
Restricted deposits (recorded as other non-current financial assets)	Reserve account for long-term borrowings	10,726	10,368	-
		$ **282,036**	**305,967**	**253,143**

(9) Commitments and contingencies

(a) Except as described below, there were no significant differences between the commitments and the contingencies of the Group. For related information, please refer to note 9 of the 2021 annual consolidated financial statements.

(b) The Group and local companies A3 Commerce LLP and Altocom Asia LLP in Kazakhstan (hereinafter "Consortium A") executed in 2017 a contract for the project of installation as well as maintenance and operation of intelligent street lights with the Pavlodar Government, the Republic of Kazakhstan. The project period is six years and the total contract price is USD 8,967 thousand. Consortium A has completed installation of light fixtures under the contract. On January 4, 2019, the Pavlodar Government completed the acceptance of the installation. Nevertheless, during the subsequent operation period, the Pavlodar Government found a shortage in certain equipment of the intelligent control system, installed by A3 Commerce LLP, a member of Consortium A, and suspended release of the project payments for the second quarter of 2020, as well as the ensuing quarters, and issued a letter on October 26, 2020, asking Consortium A to install the missing intelligent control system according to the contract as soon as possible.

(Continued)

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
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The Group believes that Consortium members A3 Commerce LLP failed to diligently perform its obligations of installing the intelligent control system, and Altocom Asia LLP failed to exercise the duty of management of maintenance and operation, and that both entities have become incompetent. To protect its rights and interests, the Group sent a letter to the Pavlodar Government in December 2020, asking for a change by removing A3 Commerce LLP and Altocom Asia LLP from the Consortium. However, the Pavlodar Government only sent a letter in January 2021, reemphasizing its request to correct the issues of equipment shortage and defects as mentioned above, and then filed a lawsuit on February 9, 2021, at a Kazakhstan court, demanding a termination of the contract with Consortium A and a compensation of KZT 268,883 thousand (approximately $18,203). The Group has retained Baker McKenzie Taipei Office and Almaty Office, with the goal of negotiating with Pavlodar Government to amend the contract and to allow the Group to complete the unfinished project individually. Because the Pavlodar Government failed to proceed with the negotiation with Consortium A before directly filing a lawsuit to terminate the contract, the local court in Kazakhstan has dismissed both the Pavlodar Government's action on March 10, 2021 and its appeal on April 22, 2021, for that the procedure was not compliant with the laws. The Pavlodar Government promptly started its negotiations with Consortium A after its action was dismissed.

According to the opinion issued by its lawyers on March 22, 2021, the Group is now trying to understand the claims and share of responsibilities of both parties, hoping to come up with a negotiation proposal to resolve the disputes. However, the actual outcome remains unpredictable. The maximum risk exposure in the case of contract termination is approximately $141,599. As of December 31, 2020, the Group has estimated a projected loss of $58,754 for 2020 based on reasonably estimated obligations. It also reserves the right to take legal recourse against Consortium members A3 Commerce LLP and Altocom Asia LLP for damage to the Group's right caused by their project defects.

Further more, on June 21, 2021, the Energy and Utilities Department of the Pavlodar region filed a lawsuit against the Utilities, Road, and Passenger Traffic Department of the Pavlodar City, all members of Consortium A, as well as all its contractors, claiming to invalidate the acceptance of the project completion in January 2019. The Group has hired lawyers to defend in court arguing that because the very same lawsuit was initiated by the Pavlodar Government in December 2020, and the court already ruled that the lawsuit was baseless and dismissed the case, so on the basis of the principle of double jeopardy, as well as on the fact that the plaintiff failed to comply with the pre-trial procedure for negotiation and that the Pavlodar Government has no legal right to claim to verify the acceptance is invalid, the lawsuit shall be dismissed. The lawyers have also asked the court to transfer the case to another court. On July 21, 2021, the first instance court ruled for a change of venue. Later, the Energy and Utilities Department of the Pavlodar region filed an appeal against such ruling. On August 5, 2021, the second instance court reversed the ruling of change of venue, and the case was remanded to the first instance court to continue the review. On September 13, 2021, the first instance court decided to dismiss the Group's arguments regarding the principle of double jeopardy, as well as regarding that the plaintiff failed to comply with the pre-trial procedure for negotiation and that the Pavlodar Government has no legal right to claim to verify the acceptance is invalid, and the court issued a judgment determining the project acceptance in January 2019 is invalid. Nevertheless, the Group believes the decision is apparently inconsistent with the law, and filed an appeal on October 1, 2021, to dismiss the ruling and another appeal on October 19, 2021, against the above judgment that determines the acceptance is invalid. On December 28, 2021, the second instance court judge dismissed the Group's motion and appeal, a dismissal that has the effect of a final court judgment. The Group filed an appeal against the second instance ruling and judgment with the third instance court, and the third instance court dismissed the Group's appeal on April 4, 2022. The Group will continue to appeal against the third instance judgment, and will continue to negotiate and pursue the possibility of success in the international arbitration. The claim of the case was only to confirm that the act of acceptance in January 2019 is invalid, and the Pavlodar Government did not seek any compensation.

Because the negotiations between the parties were not successful, the Pavlodar Government again filed a lawsuit against Consortium A, asking to terminate the contract with Consortium A and demanding a compensation of KZT 1,345,882 thousand (approximately $85,733) on February 10,2022. The Group has retained lawyers for defense to ensure protection of the maximum legal interest of the Group. In view that termination of agreement may not be the best possible outcome for the parties, efforts are being made to continue negotiations with the Pavlodar Government to seek a resolution that benefits both parties. On April 27, 2022, the first instance court in its judgment granted all claims from the Pavlodar Government. The Group believes that such judgment is apparently contrary to the laws, so it will appeal against the first instance judgment, and continue to negotiate and pursue the possibility of success in subsequent international arbitration.

The Group and a local company Altocom Asia LLP in Kazakhstan (hereinafter "Consortium B") executed a contract for the project of installation as well as maintenance and operation for intelligent street lights with the Taraz Government, the Republic of Kazakhstan in 2019. The project period is six years. The total contract price is USD 14,196 thousand. Consortium B is installing light fixtures according to the contract. On March 18, 2021, the Taraz Government claimed that Consortium B performed certain project work before the corresponding design papers were ready and failed to complete the project as agreed by December 30, 2020, and therefore, the Government filed a lawsuit to terminate the contract. However, the Group believed that Consortium B has proceeded with the relevant work under the contract and that there were no delays or defects as claimed. According to the opinion issued by its lawyers on March 22, 2021, the Group is now trying to understand the claims and share of responsibilities of the parties. However, the actual outcome remains unpredictable. Because the Taraz Government failed to proceed with the negotiation with Consortium B before directly filing a lawsuit to terminate the contract, the lawyers representing the Group are expecting to make a defense against the Taraz Government's action by claiming that the procedure was not compliant with the laws. The Group's lawyers have also filed a motion for change of venue and have been trying to negotiate with the Taraz Government to resolve the disputes. On April 22, 2021, the local court of laws granted the motion for change of venue and decided to transfer the case to a local commercial court. On July 21, 2021, the commercial court of Taraz Province issued a ruling against the Group. The Group filed an appeal on August 19, 2021. On September 23, 2021, the second instance court issued a judgment to dismiss the appeal, and such judgment is final and binding. Because the Group believes Consortium B was not at fault, it filed an appeal against the second instance judgment with the third instance court, and the third instance court dismissed the appeal on April 18, 2022. The Group will appeal against the third instance judgment, and will continue to negotiate and pursue the possibility of success in the international arbitration. In this case, the judgment is only to determine whether the termination of contract is valid, and the Taraz Government did not claim for compensations. On the other hand, the Group will claim against the Taraz Government for return of equipment or price. Based on the evaluation, the above-mentioned matters do not have any material effects on the finance and operations of the Group.

According to the opinion issued by its lawyers on March 17, 2022, the Group evaluated the outcome of the final judgments of the two cases and possible amount to be claimed, and entered an additional provision of $55,981 for 2021 recorded as other expenses and losses. Further, in response to the expected uncollectible accounts receivable due to the above two cases and expenditures of loans to other Consortium members, the Group entered reserve for loss totaling $84,143 recorded as impairment loss, as well as provisions in the amount of $80,897 based on the Group's expected responsibility for Consortium members' unpaid bank loans under the Consortium contract. Further, it also reserves the right to take legal recourse against Consortium members A3 Commerce LLP and Altocom Asia LLP for damage to the Group's right caused by their project defects. For the other parts, further evaluations will be made when more specific information about case development is available. Nevertheless, based on the Group's evaluation, the above-mentioned matters do not have any material effects on the finance and operations.

As of March 31,2022 and December 31, 2021, the accumulated losses of the above two cases were $198,878.

(c) Significant commitments unrecognized:

(i) As of March 31, 2022, December 31 and March 31, 2021, the Group's signed significant commitments to purchase machinery, equipment and commitments for construction contracts not yet due amounted to $592,576, $756,448 and $177,247, respectively.

(ii) As of March 31, 2022, December 31 and March 31, 2021, the unused balance of the Group's outstanding standby letters of credit amounted to$27,520, $27,836 and $0, respectively.

(10) Losses Due to Major Disasters: none

(11) Subsequent Events: none

(12) Other

(a) The following are the summary statement of current period employee benefits, depreciation and amortization expenses by function:

By function / By item	Three months ended March 31, 2022			Three months ended March 31, 2021		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits						
Salary	448,062	419,973	868,035	545,412	475,999	1,021,411
Labor and health insurance	22,613	36,933	59,546	21,523	35,785	57,308
Pension	25,140	13,562	38,702	15,045	12,785	27,830
Others	29,244	17,434	46,678	31,410	17,796	49,206
Depreciation	238,628	129,210	367,838	234,552	150,717	385,269
Amortization	9,203	6,637	15,840	10,376	7,262	17,638

(Continued)

(b) Seasonality of interim operation

The operation of the Group is not subject to seasonal fluctuations.

(13) Other disclosures

(a) Information on significant transactions

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the three months ended March 31, 2022:

(i) Loans to other parties: Please refer to table 1.

(ii) Guarantees and endorsements for other parties: None.

(iii) Securities held as of March 31, 2022 (excluding investment in subsidiaries, associates and joint ventures): Please refer to table 2.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: Please refer to table 3.

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: Please refer to table 4.

(ix) Information derivative financial instruments transaction: Please refer to note 6(b).

(x) Business relationships and significant intercompany transactions: Please refer to table 5.

(b) Information on investees: Please refer to table 6.

(c) Information on investment in Mainland China: Please refer to table 7.

(d) Major shareholders: There is no shareholders holding more than 5% shares.

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(14) Segment information:

(a) Information about reported segment profit or loss, segment assets, and the basis of segment measurement for reportable segments

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies as stated in note 4. The Group evaluates performance on the basis of net operating income or loss. There were no intersegment revenues.

	For the three months ended March 31, 2022					
	LED segment	**LCD segment**	**Illumination segment**	**Others**	**Adjustments & eliminations**	**Total**
Revenues						
Revenues from external customers	$ 5,014,103	141,666	343,591	16,534	-	5,515,894
Intersegment revenues	-	-	-	-	-	-
Total revenues	**$ 5,014,103**	**141,666**	**343,591**	**16,534**	**-**	**5,515,894**
Reportable segment profit (loss)	**$ 544,845**	**8,479**	**(75,195)**	**3,070**	**-**	**481,199**

	For the three months ended March 31, 2021					
	LED segment	**LCD segment**	**Illumination segment**	**Others**	**Adjustments & eliminations**	**Total**
Revenues						
Revenues from external customers	$ 5,401,171	117,125	353,292	14,235	-	5,885,823
Intersegment revenues	-	-	-	-	-	-
Total revenues	**$ 5,401,171**	**117,125**	**353,292**	**14,235**	**-**	**5,885,823**
Reportable segment profit (loss)	**$ 591,210**	**(3,485)**	**(64,789)**	**860**	**-**	**523,796**

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Table 1 Loans to other parties
March 31, 2022

Unit: thousand dollars

No	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period (Note 5)	Ending balance (Note 5)	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing	Note
													Item	Value			
0	The Company	Everlight Lighting China	Other receivables	Yes	$ 175,734	$ -	-	-%	Short term financing	-	Business turnover	-		-	1,923,081	7,692,325	Note6
0	The Company	Everlight Lighting China	Other receivables	Yes	541,800	-	-	1.0%	Short term financing	-	Financing Services	-		-	1,923,081	7,692,325	Note6
0	The Company	Altocom Asia LLP	Other receivables	No	87,211	56,357	32,823	1.0%	Short term financing	-	Financing Services	32,823		-	1,923,081	7,692,325	-
0	The Company	A3 Commerce LLP	Other receivables	No	34,575	22,068	12,291	1.0%	Short term financing	-	Financing Services	12,291		-	1,923,081	7,692,325	-
						$ 78,425	45,114										
1	Everlight Zhongshan	Zhongshan Everlight Lighting	Other receivables	Yes	20,318	-	-	2.5%	Short term financing	-	Financing Services	-		-	377,034	377,034	Note6
2	Everlight BVI	Everlight China	Other receivables	Yes	858,660	858,660	286,220	-%	Short term financing	-	Financing Services	-		-	2,914,720	2,914,720	Note6
2	Everlight China	Everlight Lighting China	Other receivables	Yes	451,500	451,500	451,500	2.5%	Short term financing	-	Financing Services	-		-	2,190,603	2,190,603	Note6
						$ 1,310,160	737,720										

Note 1: According to the Company's "Procedures of Lending Funds to Other Parties", the total amount of loans to others cannot exceed 40% of the net worth of the Company; and to borrowers having business relationship with the Company, the total amount for lending the borrower cannot exceed the transaction amount of business dealings between the two parties in the last fiscal year. For those companies with short term financing needs, the amount of each fund financing cannot exceed 10% of the Company's net worth.

Note 2: According to Everlight Zhongshan's "Procedures of Lending Funds to Other Parties", the total amount of loans to others cannot exceed 40% of the net worth of Everlight Zhonghshan; and to borrowers having business relationship with Everlight Zhongshan, the total amount for lending the borrower cannot exceed the transaction amount of business dealings between the two parties in the last fiscal year. For those companies with short term financing needs, the amount of cash fund financing cannot exceed 40% of Everlight Zhongshan's net worth.

Note 3: According to Everlight BVI's "Procedures of Lending Funds to Other Parties", the total amount of loans to others cannot exceed 40% of the net worth of Everlight BVI; and to borrowers having business relationship with Everlight BVI, the total amount for lending the borrower cannot exceed the transaction amount of business dealings between the two parties in the last fiscal year. For those companies with short term financing needs, the amount of each fund financing cannot exceed 40% of Everlight BVI's net worth.

Note 4: According to Everlight China's "Procedures of Lending Funds to Other Parties", the total amount of loans to others cannot exceed 40% of the net worth of Everlight China; and to borrowers having business relationship with Everlight China, the total amount for lending the borrower cannot exceed the transaction amount of business dealings between the two parties in the last fiscal year. For those companies with short term financing needs, the amount of each fund financing cannot exceed 40% of Everlight China's net worth.

Note 5: The amounts were translated into New Taiwan dollars at the exchange rates at the ending date of the reporting period.

Note 6: The aforementioned transactions had been eliminated in the consolidated financial statements.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 2 Securities held as of March 31, 2022 (excluding investment in subsidiaries, associates and joint ventures)
March 31, 2022

Unit: thousand dollars/thousand shares

Name of holder	Category and name of security	Relationship with security issuer	Account name	Ending balance				Note
				Shares/Units (thousands)	Carrying value (Note 1)	Percentage of ownership (%)	Fair value	
The Company	SinoPac TWD Money Market Fund	None	Current financial assets at fair value through profit or loss	5,869	$ 82,491	-%	$ 82,491	
The Company	Cathay Financial Holding Co., Ltd. Preferred Stock B	None	Current financial assets at fair value through profit or loss	100	6,280	-%	6,280	
The Company	Shin Kong Financial Holding Co., Ltd. Preferred Stock B	None	Current financial assets at fair value through profit or loss	666	28,505	-%	28,505	
The Company	WT Microelectronics Co., Ltd. Preferred Stock A	None	Current financial assets at fair value through profit or loss	600	29,790	-%	29,790	
The Company	Ginko International Co., Ltd.	None	Current financial assets at fair value through profit or loss	1,110	308,580	-%	308,580	
					$ 455,646			
Pai yee	Taishin 1699 Money Market Fund	None	Current financial assets at fair value through profit or loss	147	$ 2,011	-%	2,011	
Pai yee	Ginko International Co., Ltd.	None	Current financial assets at fair value through profit or loss	520	144,560	-%	144,560	
					$ 146,571			
Forever	Ginko International Co., Ltd.	None	Current financial assets at fair value through profit or loss	555	$ 154,290	-%	154,290	
Pai yee	Taipei Tech innofund Stocks	Pai yee is the corporate director of this company	Non-current financial assets at fair value through profit or loss	3,000	$ 41,450	-%	41,450	
Everlight Zhongshan	Structured deposits	None	Current financial assets at fair value through profit or loss	-	$ 136,198	-%	136,198	
Everlight China	Structured deposits	None	Current financial assets at fair value through profit or loss	-	$ 91,045	-%	91,045	

Note 1: The amounts were translated into New Taiwan dollars at the exchange rates at the ending date of the reporting period.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 3 Related party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock
March 31, 2022

Unit: In Thousands of New Taiwan Dollar

Name of Company	Name of Counter party	Relationship	Transaction Details				Abnormal Transaction		Notes/ Account (Payable) or Receivable		Note
			Purchase/ (Sale)	Amount (Note 1)	Percentage of total purchases /sales	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note 3)	Percentage of total notes/accounts receivable (payable)	
The Company	Evlite	100% owned subsidiary	(Sales)	$ (291,722)	(6%)	OA 120	No significant difference to the general customers	General export receivables in 30~120 days	Accounts Receivable 454,075	8%	Note 2
The Company	Everlight Europe	75% owned subsidiary	(Sales)	(323,692)	(7%)	OA 120	No significant difference to the general customers	General export receivables in 30~120 days	Accounts Receivable 224,878	4%	Note 2
The Company	Everlight Lighting China	100% owned sub-subsidiary	(Sales)	(282,802)	(6%)	Depending on the credit conditions of the ultimate customers	No significant difference to the general customers	General export receivables in 30~120 days	Accounts Receivable 393,526	7%	Note 2
The Company	Everlight China	100% owned sub-subsidiary	Purchases	2,405,254	78%	OA 120	Terms not comparable to other general trading price	General purchase payments in 90~120 days	Accounts Payable (4,076,343)	(71%)	Note 2
Everlight China	The Company	Ultimate holding company	(Sales)	(2,517,645)	(97%)	OA 120	-	-	Accounts Receivable 4,076,343	97%	Note 2
Everlight China	Tekcore	Equity accounted investee by the Company	Purchases	138,198	8%	OA 120	Terms not comparable to other general trading price	General purchase payments in 90 days	Accounts Payable (241,542)	(9%)	-
Everlight Lighting China	The Company	Ultimate holding company	Purchases	315,765	49%	Depending on the credit conditions of the ultimate customers	-	General purchase payments in 90~120 days	Accounts Payable (393,526)	(34%)	Note 2
Everlight Europe	The Company	Parent company	Purchases	326,323	100%	OA 120	-	-	Accounts Payable (223,644)	(100%)	Note 2
Evlite	The Company	Parent company	Purchases	296,100	100%	OA 90	-	General purchase payments in 90~120 days	Accounts Payable (453,986)	(100%)	Note 2

Note 1: The amounts were translated into New Taiwan dollars at the three months ended March 31,2022 average exchange rates.
Note 2: The transaction amounts of the subsidiaries are inconsistent with the Company since the financial statements of the subsidiaries did not consider the adjustments made by the Company for processing trade and in transit inventory. Furthermore, all transactions between companies mentioned in note 2 had been eliminated in the consolidated financial statements.
Note 3: The accounts were translated into New Taiwan dollars at the exchange rate at the ended date of the reporting period.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 4 Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock
March 31, 2022

Unit: In Thousands of New Taiwan Dollar

Name of company	Counterparty	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period (Note 1)	Allowance for bad debts
					Amount	Action taken		
The Company	Evlite	100% owned subsidiary	$ 454,075	2.50	-		$ 94,341	-
The Company	Everlight Europe	75% owned subsidiary	224,878	6.88	-		99,920	-
The Company	ELA	99% owned subsidiary	100,239	2.06			28,366	-
The Company	Everlight China	100% owned sub-subsidiary	328,789 (Note 4)	-	-		5,797	-
The Company	Everlight Lighting China	100% owned sub-subsidiary	393,526	2.43	-		86,412	-
Everlight BVI	Everlight China	100% owned subsidiary	286,220 (Note 3)	-	-		-	-
Everlight China	Everlight Lighting China	With the same parent company	451,500 (Note 3)	-	-		-	-
Everlight China	The Company	Ultimate holding company	4,076,343	2.45	-		1,039,890	-
Everlight China	Everlight Lighting China	With the same parent company	134,022	2.97	-		29,475	-
Everlight Zhongshan	The Company	Ultimate holding company	137,520	2.33	-		23,219	-
Vbest Kunshan	Evervision TW	66.75% owned subsidiary	129,715	2.42	-		-	-

Note 1: Information as of May 05, 2022.
Note 2: The amounts were translated into New Taiwan dollars at the exchange rates at the reporting date.
Note 3: Lending funds (including interest).
Note 4: Receivables on machinery and equipment.
Note 5: The aforementioned transactions had been eliminated in the consolidated financial statements.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 5 Business relationships and significant intercompany transactions
March 31, 2022

Unit: In Thousands of New Taiwan Dollar

No. (Note 1)	Name of company	Counter-party	Relationship (Note 2)	Intercompany transactions			
				Financial statements accounts	Amount	Terms	Percentage of consolidated net revenue or total assets
0	The Company	Everlight Europe	1	Sales revenue	$ 323,692	There is no significant difference on the price offered to general customers; and the credit period is OA 120 days.	6%
			1	Accounts receivable	224,878	There is no significant difference on the price offered to general customers; and the credit period is OA 120 days.	1%
0	The Company	Evlite	1	Sales revenue	291,722	There is no significant difference on the price offered to general customers; and the credit period is OA 120 days.	5%
			1	Accounts receivable	454,075	There is no significant difference on the price offered to general customers; and the credit period is OA 120 days.	1%
0	The Company	Everlight Lighting China	1	Sales revenue	282,802	There is no significant difference on the price offered to general customers; and the receivables depend on the terms of the ultimate customer.	5%
			1	Accounts receivable	393,526	There is no significant difference on the price offered to general customers; and the receivables depend on the terms of the ultimate customer.	1%
0	The Company	ELA	1	Sales revenue	57,622	There is no significant difference on the price offered to general customers; and the credit period is OA 140 days.	1%
			1	Accounts receivable	100,239	There is no significant difference on the price offered to general customers; and the credit period is OA 140 days.	0%
0	The Company	Everlight China	1	Other receivable due from related parties (Note 3)	328,789	OA 120 days, upon acceptance	1%
1	Everlight China	The Company	2	Sales revenue	2,517,645	There is no general price for comparison; and the credit period is OA 120 days.	45%
			2	Accounts receivable	4,076,343	There is no general price for comparison; and the credit period is OA 120 days.	13%
1	Everlight China	Everlight Lighting China	3	Outsourcing processing income	82,157	There is no general price for comparison; and the credit period is OA 90 days.	1%
			3	Accounts receivable	134,022	There is no general price for comparison; and the credit period is OA 90 days.	0%
			3	Other receivable due from related parties (Note 4)	451,500	Rate 2.5%	1%
2	Everlight Zhongshan	The Company	2	Sales revenue	83,987	There is no general price for comparison; and the credit period is OA 120 days.	1%
			2	Accounts receivable	137,520	There is no general price for comparison; and the credit period is OA 120 days.	0%
3	Everlight BVI	Everlight China	3	Other receivable due from related parties (Note 4)	286,220	Rate 0%	1%
4	Vbest Kunshan	Evervision TW	3	Sales revenue	86,036	There is no general price for comparison and the credit period is OA 150 days.	2%
			3	Accounts receivable	129,715	There is no general price for comparison and the credit period is OA 150 days.	0%

Note 1: The numbers filled in as follows:
1. 0 represents the parent company.
2. Subsidiaries are sorted in a numerical order starting from 1.
Note 2: Relationship with the transactions labeled as follows:
1. Represents the transactions from the parent company to the subsidiaries.
2. Represents the transactions from the subsidiaries to the parent company.
3. Represents the transactions between the subsidiaries.
Note 3: Receivables on machinery and equipment.
Note 4: Lending funds (including interest).

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 6 Information on investees
March 31, 2022

Unit: In Thousands of New Taiwan Dollar

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Ending balance			Net income (Losses) of the Investee (Note 3)	Share of profits/losses of investee	Note
				March 31, 2022	December 31, 2021	Shares (In thousands)	Percentage of ownership	Carrying value			
The Company	Everlight BVI	Registered in British Virgin Islands	Investment	$ 4,762,934	$ 4,762,934	1,540	98%	$ 7,146,451	77,695	76,141	Subsidiaries (Note 4)
The Company	Pai yee	New Taipei City	Investment	580,253	580,253	23,940	100%	499,432	7,931	7,931	Subsidiaries (Note 4)
The Company	ELA and its subsidiaries	Registered in the USA	Sale of LEDs	373,396	373,396	11,375	98.91%	14,184	4,645	4,595	Subsidiaries (Note 4)
The Company	Evervision TW and its subsidiaries	New Taipei City	Manufacture and sales of LCDs and LED processing	35,455	35,455	4,477	24.27%	253,346	9,047	2,196	Subsidiaries (Note 4)
The Company	Everlight Europe	Registered in Germany	Sale of LEDs	2,203	2,203	75	75%	140,927	40,551	30,413	Subsidiaries (Note 4)
The Company	ELK	Korea	Sale of LEDs	6,485	6,485	38	100%	76,744	7,304	7,304	Subsidiaries (Note 4)
The Company	Forever	New Taipei City	Investment	400,000	400,000	42,488	100%	438,194	7,512	7,512	Subsidiaries (Note 4)
The Company	ELIT	New Taipei City	Sale of LED lighting products	500,000	500,000	20,000	100%	191,767	8,749	8,756	Subsidiaries (Note 4)
The Company	Tekcore	Nantou County	Manufacture and sale of EPI wafers and chips of LED	489,580	489,580	4,767	9.23%	57,996	(3,068)	(283)	(Note 1)
The Company	Evlite	Kwun Tong, Kowloon, Hong Kong	Sale of LEDs	71,324	71,324	7,000	100%	136,308	1,490	1,490	Subsidiaries (Note 4)
The Company	ELI	Registered in India	Sale of LEDs	1,984	1,984	353	80%	14,630	2,900	2,320	Subsidiaries (Note 4)
The Company	ELS	Singapore	Sale of LEDs	5,989	5,989	200	100%	12,644	349	349	Subsidiaries (Note 4)
The Company	WOFI Holding and its subsidiaries	Germany	Sale of lighting products, pendants and accessories	475,374	475,374	5,775	100%	(229,674)	(40,924)	(40,924)	Subsidiaries (Note 4)
The Company	ELJ	Japan	Sale of LEDs	14,911	14,911	5	100%	19,006	927	927	Subsidiaries (Note 4)
Pai yee	Everlight BVI	Registered in British Virgin Islands	Investment	120,740	120,740	37	2%	140,349	77,695	1,554	Subsidiaries (Note 4)
Pai yee	Evervision TW and its subsidiaries	New Taipei City	Manufacture and sales of LCDs and LED processing	54,401	54,401	2,716	14.72%	123,753	9,047	1,332	Subsidiaries (Note 4)
Pai yee	Tekcore	Nantou County	Manufacture and sale of EPI wafers and chips of LED	28,833	28,833	2,819	5.46%	34,307	(3,068)	(167)	(Note 2)
Pai yee	Everlight Malaysia	Registered in Malaysia	Business development and customer services	2,240	2,240	254	100%	2,570	-	-	Sub-subsidiaries (Note 4)
Pai yee	ELI	India	Sale of LEDs	493	493	88	20%	3,595	2,900	580	Subsidiaries (Note 4)
ELIT	ELIT KZ	Kazakhstan	Sale of LED lighting products	73	73	-	100%	3,256	(3,012)	(3,012)	Sub-subsidiaries (Note 4)
Forever	Evervision TW and its subsidiaries	New Taipei City	Manufacture and sales of LCDs and LED processing	30,978	30,978	5,120	27.76%	201,393	9,047	2,511	Subsidiaries (Note 4)
Forever	EleOcom Inc.	New Taipei City	Manufacture and sales of electronic components and communication equipment	45,000	45,000	4,500	32.14%	-	-	-	-

Note 1: The market price is $91,048.
Note 2: The market price is $53,849.
Note 3: The amounts were translated into New Taiwan dollars at the three months ended March 31,2022 average exchange rates.
Note 4: The transactions between companies mentioned in note 4 had been eliminated in the consolidated financial statements.

EVERLIGHT ELECTRONICS CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 7 Information on investment in Mainland China
March 31, 2022

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Unit: In Thousands of New Taiwan Dollar、Foreign currency

Name of investee	Main businesses and products	Total amount of paid in capital (Note 6)	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2022	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2022	Net income (losses) of the investee	Percentage of ownership owned directly or indirectly by the company	Investment Income (losses) (Note 4)	Carrying amount as of March 31, 2022 (Note 6)	Accumulated remittance of earnings as of March 31, 2022
					Outflow	Inflow						
The Company and Pai yee:												
Everlight China	Manufacture of LEDs	3,542,654 (US$113,500、RMB65,129) (Note 7)	(Note 1)	3,158,724 (US$110,360)	-	-	3,158,724 (US$110,360)	72,253	100%	72,253	5,476,509	(Note 8)
Everlight Lighting China	Sale of LEDs	286,220 (US$10,000) (Note 11)	(Note 1)	148,834 (US$5,200)	-	-	148,834 (US$5,200)	1,204	100%	1,204 (Note12)	338,196 (Note12)	-
Everlight Electronic (Guangzhou)	Business development and customer services	206,839 (US$128、RMB45,000) (Note 19)	(Note 1)	3,664 (US$128)	-	-	3,664 (US$128)	(143)	100%	(143) (Note20)	201,268 (Note20)	-
Everlight Zhongshan	Manufacture of LED related components	858,660 (US$30,000)	(Note 1)	858,660 (US$30,000)	-	-	858,660 (US$30,000)	3,310	100%	3,310	942,587	-
Everlight Fujian	Manufacture and sale of LED backlights and related	715,550 (US$25,000)	(Note 1)	631,567 (US$16,250、RMB36,868)	-	-	631,567 (US$16,250、RMB36,868)	2,868	100%	2,868	705,643	-
ELMS	Research and sale of LED lighting products	428,925 (RMB95,000) (Note 22)	Direct investment	107,299 (US$1,294、RMB15,562)	-	-	107,299 (US$1,294、RMB15,562)	(362)	100%	(362) (Note21)	6 (Note21)	-
Evervision TW:												
Vbest Kunshan	Post assemble STN display and assemble module	515,196 (US$18,000)	(Note 2)	515,196 (US$18,000)	-	-	515,196 (US$18,000)	(3,313)	66.75%	(2,209)	446,387	-
Everlight Lighting China:												
Zhongshan Everlight Lighting	Research and sale of LED lighting products	148,995 (RMB33,000)	(Note 3)	-	-	-	-	147	100%	147	5,734	-
Everlight China												
Anhui Hongming	Research and Manufacture of Mini LED lighting products	451,500 (RMB100,000)	(Note 3)	-	-	-	-	-	20%	-	90,300	-

Table 7 Information on investment in Mainland China
March 31, 2022

(ii) Limitation on investment in Mainland China:

Company Name	Accumulated Investment in Mainland China as of March 31, 2022 (Note 6)	Investment Amounts Authorized by Investment Commission of Ministry of Economic Affairs (Note 6)	Limitation on investment in Mainland China by Investment Commission of Ministry of Economic Affairs
The Company and Pai yee (Note 5)	5,103,101 (USD169,003 thousand 、RMB58,892 thousand) (Notes 9、10、13、16、17、24 and 25)	5,233,088 (USD170,898 thousand 、RMB75,669 thousand)	11,538,487
ELIT	140,665 (USD2,723 thousand 、RMB13,893 thousand) (Notes 9 and 18)	140,665 (USD2,723 thousand 、RMB13,893 thousand)	122,754
Evervision TW	604,955 (Notes 15 and 23) (USD21,136 thousand)	604,955 (USD21,136 thousand)	519,991 (Note 14)

Note 1： Indirect investment in Mainland China through companies registered in a third region.
Note 2： Indirect investment in Mainland China through an existing company registered in a third region.
Note 3： Indirect investment in Mainland China through an existing company in Mainland China.
Note 4： Except for Everlight China and Everlight Zhongshan, which recognized their gains and losses on investment in accordance with interim financial statements of investees, the gains and losses on investment of the remaining companies were recognized according to the investees' self reported financial statements and the amounts were translated into New Taiwan Dollars at the three months March 31 average exchange rate in 2022.
Note 5： Including the investment amount of USD 3,790 thousand approved by Pai yee.
Note 6： The amounts were translated into New Taiwan dollars at the exchange rates at the end of the reporting period.
Note 7： The difference from the Company's outflow of investment was due to the retained earnings transferred to the capital of Everlight China amounting to USD 3,140 thousand and RMB 65,129 thousand in 2007 and 2015, respectively.
Note 8： Including the remittance amounting to USD 10,140 thousand from Guangzhou Everlight to Everlight BVI to be invested in Everlight China by Everlight BVI in 2007.
Note 9： The liquidation of Yi Yao was completed in January 2020; the aforesaid investment amounting to USD 48 thousand was included in the Company's accumulated outflow of investment from Taiwan and amounting to USD 723 thousand was included in the ELIT's accumulated outflow of investment from Taiwan.
Note 10： The liquidation of Everlight Electronics (Guangzhou) Co., Ltd. was completed in 2011; and the aforesaid investment amounting to USD 3,750 thousand was included in the Company's accumulated outflow of investment from Taiwan.
Note 11： The difference from the Company's outflow of investment was due to the amount of USD 4,800 thousand invested in Everlight Lighting China from Everlight China's owned fund.
Note 12： Including the gains or losses on investment and ending balance of the carrying value of investment in Everlight Lighting China by Everlight China.
Note 13： Shanghai Yaming Lighting Co., Ltd. (Yaming) had been in the process of liquidation in 2020, the aforesaid investment amounting to USD 1,464 thousand was included in the Company's accumulated outflow of investment from Taiwan.
Note 14： After the investment of Evervision TW in Mainland China, its net equity decreased due to its capital reduction in 2012. Therefore, the amount in the approval letter from the Investment Commission of Ministry of Economic Affairs is higher than required for the limitation on investment in accordance with the legal authorities.
Note 15： Including the investment amount of the factory in Mainland China written off in 2012 amounting to USD 2,750 thousand.
Note 16： Including the investments amounting to USD 216 thousand in Inferpoint Touch Solutions (ShenZhen) Limited and Inferpoint Systems (Shenzhen) Limited through Inferpoint Systems Limited, an investee at cost, in Mainland China. The Company sold its equities in December 2013, but had not applied to eliminate the investment amounting to USD 9,475 thousand.
Note 17： Everlight Yi Guang Technology (Shanghai) Ltd. had completed its liquidation in April 2014. The aforesaid investment amount included the accumulated outward remittance from the Company for investment amounting to USD 293 thousand.
Note 18： ELIT sold 100% equity of ELMS to the Company in January 2014. The aforesaid investment amounting to USD 2,000 thousand and RMB 13,893 thousand were included in ELIT's accumulated outflow of investment from Taiwan.
Note 19： The difference from the Company's outflow of investment was due to the amount of RMB 45,000 thousand invested in Everlight Electronic (Guangzhou) from Everlight China's owned fund.
Note 20： Including the gains or losses on investment and ending balance of carrying value of investment in Everlight Electronic (Guangzhou) by Everlight China.
Note 21： Including the gains or losses on investment and ending balance of the carrying value of investment in ELMS by Everlight Electronic (Guangzhou).
Note 22： The difference from the Company's outflow of investment was due to the amount of RMB 45,000 thousand invested in ELMS from Everlight Electronic (Guangzhou)'s owned fund.
Note 23： The liquidation of Debao was completed in June 2017; and the aforesaid investment amounting to USD 386 thousand was included in the Evervision company's accumulated outflow of investment from Taiwan.
Note 24： In July 2021, Everlight BVI had acquired the shares of Everlight Electronics (Fujian) Co.,Ltd. from a third party with a cash consideration of RMB 15,446 thousand and USD 69 thousand, and the shareholding increased from 90% to 100%. The aforementioned amount had been paid.
Note 25： The Board of Directors of the Company had resolved to liquidate Everlight Fujian Co., Ltd. on May 12, 2022.
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(iii) Significant transactions:

Please refer to "Information on significant transactions" and "Business relationships and significant intercompany transactions" for the information on significant direct or indirect transactions between the Group and the investee companies in Mainland China for the three months ended March 31,2022.