

ENNOSTAR INC.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2021

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

INDEPENDENT AUDITORS' REPORT

PWCR 21000271

To the Board of Directors and Shareholders of ENNOSTAR Inc.

Opinion

We have audited the accompanying parent company only balance sheet of ENNOSTAR Inc. (the “Company”) as at December 31, 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the period from January 6, 2021 (date of establishment) to December 31, 2021, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent auditors, as described in the other matters section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2021, and its parent company only financial performance and its parent company only cash flows for the period from January 6, 2021 to December 31, 2021 in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audit in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Auditors” and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the parent company only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Auditors in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

The key audit matters in relation to the parent company only financial statements for the year ended December 31, 2021 are outlined as follows:

Assessment of business combination

Description

ENNOSTAR Inc. acquired a 100% equity interest in Lextar Electronics Corporation by exchanging 0.275 common share of ENNOSTAR Inc. into 1 common share of Lextar Electronics Corporation in accordance with the Enterprise Merger and Acquisition Act and other related regulations on January 6, 2021 (the effective date for the merger). The allocation of acquisition price for the merger was based on the allocation report issued by the external appraiser. The identifiable assets acquired and liabilities assumed in the business combination was measured and allocated in the business combination.

As the assumptions of the acquisition price allocation in the business combination involves management's estimates, and are significant to the financial statements, we consider the business combination a key audit matter.

How our audit addressed the matter

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

1. Inquired and evaluated the professional ability, qualifications and objectiveness of the independent appraisal expert appointed by the management.
2. Evaluated the reasonableness of the assumptions for allocation of the acquisition price and appointed our financial advisory experts to assist in the process of evaluating the acquisition price report (including the valuation models and the parameters adopted by the Group, identifiable intangible assets and estimated economic benefits life). Verified the accuracy of the calculations of the valuation model.

3. Obtained the accounting entries of business combination and ensured the assets acquired and liabilities assumed in the business combination were recognised in accordance with the abovementioned price allocation report and the related information was fully disclosed in the notes to the financial statements.

Investments accounted for using the equity method-evaluation of inventories

Description

The subsidiaries of the Company is primarily engaged in manufacturing and sales of LED wafers, chips, packages and models. Due to rapid technological developments, short product lifespans and frequent fluctuations of market prices, the risk of decline in market value and obsolescence for inventories is high. The subsidiaries of the Company evaluates net realized values for inventories which aged over a specific period of time and specific obsolete inventories in order to provide allowance for valuation loss. Since the identification of the above obsolete inventories and their respective net realizable values are subject to management's judgment, it was identified as one of the key audit matters.

How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Obtained an understanding of the Company and subsidiaries's operations and the nature of its industry and interviewed with management to understand the probability of future sales for those out-of-date inventories and to evaluate the reasonableness of allowance for valuation loss.
2. Obtained and validated the accuracy of the detailed listings of inventories aged over a specific period of time and specific obsolete inventories. Validated information of historical sales and discounts for those obsolete inventories to assess the reasonableness of policies in providing allowance for inventory valuation loss.

Other matter – Audit by Other Independent Auditors

We did not audit the 2021 financial statements of certain equity investments accounted for under the equity method. Those financial statements were audited by other independent auditors, whose reports thereon were furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the parent company only financial statements and certain information disclosed in Note 13 relative to these investments, was based solely on the reports of the other independent auditors. These equity investments amounted to NT\$1,320,489 thousand, representing 2.50% of the parent company only total assets as of December 31, 2021, and their comprehensive loss (including share of loss of

associates and joint ventures accounted for under equity method and share of other comprehensive income/(loss) of associates and joint ventures accounted for under equity method) amounted to NT\$1,315 thousand, representing 0.06% of the parent company only comprehensive gain for the period then ended.

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

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

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

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

Auditor’s responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Li, Tien-Yi

Chou, Chien-Hung

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 24, 2022

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

ENNOSTAR INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

		Notes	December 31, 2021	
			AMOUNT	%
Assets				
Current assets				
1100	Cash and cash equivalents	6(1)	\$ 43,752	-
1200	Other receivables		10	-
1210	Other receivables - related parties	7	59,564	-
1410	Prepayments		2,499	-
11XX	Current Assets		105,825	-
Non-current assets				
1550	Investments accounted for under equity method	6(2)	52,707,404	100
1600	Property, plant and equipment	6(3)	10,157	-
1900	Other non-current assets		408	-
15XX	Non-current assets		52,717,969	100
1XXX	Total assets		\$ 52,823,794	100
Liabilities and Equity				
Current liabilities				
2100	Short-term borrowings		\$ 150,000	-
2200	Other payables		304,026	1
2220	Other payables to related parties	7	46,725	-
2300	Other current liabilities		788	-
21XX	Current Liabilities		501,539	1
Non-current liabilities				
2600	Other non-current liabilities		10	-
2XXX	Total Liabilities		501,549	1
Equity				
Share capital		6(4)		
3110	Share capital - common stock		6,852,514	13
Capital surplus		6(5)		
3200	Capital surplus		43,830,638	83
Retained earnings		6(6)		
3350	Unappropriated retained earnings		2,169,446	4
Other equity interest		6(7)		
3400	Other equity interest		(235,543)	-
3500	Treasury stocks	6(4)	(294,810)	(1)
3XXX	Total equity		52,322,245	99
3X2X	Total liabilities and equity		\$ 52,823,794	100

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

ENNOSTAR INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM JANUARY 6, 2021 (DATE OF ESTABLISHMENT) TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

	Items	Notes	Period from January 6, 2021 to December 31, 2021	
			AMOUNT	%
4000	Sales revenue		\$ 2,417,618	100
5000	Operating costs		(235,213)	(10)
5900	Operating margin		2,182,405	90
5950	Net operating margin		2,182,405	90
6900	Operating profit		2,182,405	90
	Non-operating income and expenses			
7100	Interest income		27	-
7010	Other income		241	-
7020	Other gains and losses		(2,976)	-
7050	Finance costs		(1,348)	-
7000	Total non-operating income and expenses		(4,056)	-
7900	Profit before income tax		2,178,349	90
7950	Income tax expense	6(10)	-	-
8200	Profit for the period		<u>\$ 2,178,349</u>	<u>90</u>
	Other comprehensive income			
	Components of other comprehensive income that will not be reclassified to profit or loss			
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		\$ 285,081	12
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(10)	(122,992)	(5)
8310	Components of other comprehensive income that will not be reclassified to profit or loss		162,089	7
	Components of other comprehensive income that will be reclassified to profit or loss			
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		(210,366)	(9)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(10)	(194,616)	(8)
8360	Components of other comprehensive loss that will be reclassified to profit or loss		(404,982)	(17)
8300	Other comprehensive loss		<u>(\$ 242,893)</u>	<u>(10)</u>
8500	Total comprehensive income		<u>\$ 1,935,456</u>	<u>80</u>
	Earnings per share			
9750	Total basic earnings per share		\$	3.21
9850	Total diluted earnings per share		\$	3.20

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

ENNOSTAR INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD FROM JANUARY 6, 2021 (DATE OF ESTABLISHMENT) TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

					Other equity interest			
					Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total equity
	Notes	Share capital - common stock	capital surplus	Unappropriated retained earnings				
2021								
January 6 (Date of establishment)								
Issuance of ordinary shares under business combination		\$ 6,859,527	\$ 42,957,636	\$ -	\$ -	\$ -	\$ -	\$ 49,817,163
Profit for the period	6(6)	-	-	2,178,349	-	-	-	2,178,349
Other comprehensive income(loss) for the period	6(7)	-	-	71	(404,982)	162,018	-	(242,893)
Total comprehensive income(loss)		-	-	2,178,420	(404,982)	162,018	-	1,935,456
Expiration of restricted employee stock	6(4)(5)	(7,013)	7,013	-	-	-	-	-
Distribution to subsidiaries' employee compensation	6(5)	-	195,791	-	-	-	-	195,791
Proceeds from treasury shares transferred to employees	6(5)	-	115,823	-	-	-	-	115,823
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(5)(7)	-	(7,754)	-	(1,553)	-	-	(9,307)
Net change in equity of associates and joint ventures	6(5)	-	(12,617)	-	-	-	-	(12,617)
Changes in ownership interests in subsidiaries accounted for using equity method	6(5)	-	574,746	-	-	-	-	574,746
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(6)(7)	-	-	(8,974)	-	8,974	-	-
Shares of the parent company held by subsidiaries transferred to treasury shares	6(5)	-	-	-	-	-	(294,810)	(294,810)
December 31		<u>\$ 6,852,514</u>	<u>\$ 43,830,638</u>	<u>\$ 2,169,446</u>	<u>(\$ 406,535)</u>	<u>\$ 170,992</u>	<u>(\$ 294,810)</u>	<u>\$ 52,322,245</u>

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

ENNOSTAR INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM JANUARY 6, 2021(DATE OF ESTABLISHMENT) TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>Period from January 6, 2021 to December 31, 2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax		\$ 2,178,349
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	6(7)	71
Interest expense		1,348
Interest income		(143)
Dividend revenue		(6,701)
Share of profit of associates and joint ventures accounted for under the equity method		(2,191,207)
Distribution of compensation to employees		195,791
Changes in operating assets and liabilities		
Changes in operating assets		
Other receivables		(10)
Other receivables-related parties		(59,564)
Prepayments		(2,499)
Changes in operating liabilities		
Other payables		294,025
Other payables-related parties		46,725
Other current liabilities		788
Cash inflow generated from operations		456,973
Dividend received		1,806,701
Interest received		143
Interest paid		(1,348)
Net cash flows from operating activities		2,262,469
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of investments accounted for under the equity method		(2,368,092)
Acquisition of property, plant and equipment	6(11)	(227)
Increase in refundable deposits		(408)
Net cash flows used in investing activities		(2,368,727)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase in short-term loans		150,000
Increase in guarantee deposits received		10
Net cash flows from financing activities		150,010
Net increase in cash and cash equivalents		43,752
Cash and cash equivalents at beginning of year		-
Cash and cash equivalents at end of year		\$ 43,752

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

ENNOSTAR INC.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE PERIOD FROM JANUARY 6, 2021 (DATE OF ESTABLISHMENT) TO
DECEMBER 31, 2021

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

1. HISTORY AND ORGANIZATION

Ennostar Inc. (the “Company”) was incorporated on January 6, 2021. The Company’s share have been traded on the Taiwan Stock Exchange in the Republic of China since the date of its incorporation. The share exchange transaction, wherein the Company was established by Epistar Corporation (“Epistar”) and acquired all issued and outstanding ordinary shares of Epistar and Lextar Electronics Corporation (“Lextar”) by way of share exchange, has been approved both at Epistar’s board meeting on June 18, 2020 and special shareholders’ meeting on August 7, 2020. The share exchange was conducted at an exchange ratio of 1 ordinary share of Epistar and Lextar for 0.5 and 0.275 ordinary share of the Company respectively. As a result, Epistar and Lextar became wholly-owned subsidiaries of the Company on January 6, 2021, and both of Epistar’s and Lextar’s ordinary shares have been delisted while the ordinary shares of the Company were listed starting from the same date under the symbol “3714”.

The Company was mainly engaged in the management of investee business.

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

These parent company only financial statements were authorized for issuance by the Board of Directors on February 24, 2022.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022
The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.	
(3) <u>IFRSs issued by IASB but not yet endorsed by the FSC</u>	
New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:	

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, these parent company only financial statements have been prepared under the historical cost convention:

- Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
- Financial assets at fair value through other comprehensive income.
- Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

- B. The preparation of financial statements in compliance with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional currency.

Foreign currency transactions and balances

- A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- B. Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- C. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss as part of the fair value gain or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- D. All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within “other gains and losses”.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;

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

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6) Derecognition of financial assets

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

- A. The contractual rights to receive cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from the financial assets have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial assets.
- C. The Company neither retains nor transfers substantially all risks and rewards of ownership of the financial asset; however, it has not retained control of the financial asset.

(7) Investments accounted for using the equity method/ subsidiaries and associates

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Company are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- C. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise losses proportionate to its ownership.
- D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- E. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Company loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.
- F. Associates are all entities over which the Company has significant influence but no control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

- G. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- H. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes does not affect the Company's ownership percentage of the associate, the Company recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- I. Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.
- J. When the Company disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- K. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(8) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Office equipment	2 ~ 20 years
Leasehold improvements	3 ~ 15 years

(9) Impairment of non-financial assets

- A. The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.
- B. The recoverable amounts of goodwill and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognized in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(10) Borrowings

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

(11) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.
- C. If the credit risk results in fair value changes in financial liabilities designated as at fair value through profit or loss, they are recognised in other comprehensive income in the circumstances other than avoiding accounting mismatch or recognising in profit or loss for loan commitments or financial guarantee contracts.

(12) Derecognition of financial liabilities

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

(13) Employee benefits

A. Short-term employee benefits

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

B. Pensions

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

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

Employees' compensation and directors' and supervisors' remuneration are recognized as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(14) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year when the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

(15) Share capital

- A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(16) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's Board of Directors. Cash dividends are recorded as liabilities.

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

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

(1) Critical judgments in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Investments accounted for using the equity method-evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the subsidiaries of the Company must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the subsidiaries of the Company evaluates the amounts of obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2021, the carrying amount of inventories of the subsidiaries of the Company was \$5,688,379.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2021</u>
Checking accounts and demand deposits	\$ 23,752
Bonds sold under repurchase agreement	20,000
	<u>\$ 43,752</u>

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

(2) Investments accounted for using the equity method

	<u>December 31, 2021</u>
Subsidiaries:	
Epistar Corporation	\$ 39,027,656
Lextar Electronics Corporation	11,619,154
Harvestar Investment Corp.	676,611
Amengine Corporation	8,193
Calystar Investment Corp.	289,866
	<u>51,621,480</u>
Associates:	
Tyntek Corporation	\$ 634,214
GCS Holdings, Inc.	451,710
	<u>1,085,924</u>
	<u>\$ 52,707,404</u>

A. Subsidiaries

Information on subsidiaries is provided in Note 4(3) of the 2021 consolidated financial statements.

B. Associates

The carrying amount of the Company's interests in all individually immaterial associates and the Company's share of the operating results are summarized below:

As of December 31, 2021, the carrying amount of the Company's individually immaterial associates amounted to \$1,085,924.

	Period from January 6 to December 31, 2021
Gain for the period from continuing operations	\$ 346,352
Other comprehensive loss	(78,537)
Total comprehensive gain	<u>\$ 267,815</u>

C. The investment gain from equity method investees for the period from January 6 to December 31, 2021 amounted to \$2,191,207.

D. The other comprehensive gain from equity method investees for the period from January 6 to December 31, 2021 amounted to \$74,715.

E. The fair value of the Company's material associates with quoted market prices is as follows:

	December 31, 2021
Tyntek Corporation	\$ 674,702
GCS Holdings, Inc.	443,275
	<u>\$ 1,117,977</u>

(3) Property, plant and equipment

	Office equipment	Leasehold improvements	Construction in progress and equipment to be inspected	Total
At January 6, 2021 (date of establishment)				
Cost	\$ -	\$ -	\$ -	\$ -
Accumulated depreciation and impairment	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>2021</u>				
Opening net book amount at January 6 (date of establishment)	\$ -	\$ -	\$ -	\$ -
Additions	414	4,678	5,136	10,228
Depreciation charge	(32)	(39)	-	(71)
Closing net book amount at December 31	<u>\$ 382</u>	<u>\$ 4,639</u>	<u>\$ 5,136</u>	<u>\$ 10,157</u>
At December 31, 2021				
Cost	\$ 414	\$ 4,678	\$ 5,136	\$ 10,228
Accumulated depreciation and impairment	(32)	(39)	-	(71)
	<u>\$ 382</u>	<u>\$ 4,639</u>	<u>\$ 5,136</u>	<u>\$ 10,157</u>

(4) Share capital

A. As of December 31, 2021, the Company's authorized capital was \$15,000,000, consisting of 1,500,000 thousand shares of ordinary stock (including 50,000 thousand shares reserved for employee stock options), and the paid-in capital was \$6,852,514 with a par value of \$10 (in dollars) per share. In accordance with Article 31 of Business Mergers and Acquisitions Act, the Company issued new shares in exchange for the stocks of Epistar and Lextrar. The procedure of share exchange was completed on January 6, 2021.

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

	2021
At January 6 (date of establishment)	-
Issuance of ordinary shares under business combination	678,926
Proceeds from treasury shares transferred to employees	3,900
Expiration of restricted employee stock	(701)
At December 31	<u>682,125</u>

B. Treasury shares

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

(Unit: share in thousands/ dollars in thousands)

	At January 6 (date of establishment)					
Reason for reacquisition	Issuance of ordinary shares under business combination	Increase	Decrease (Note)	At December 31	Book value	
Held by subsidiaries	10,365	701	(9,784)	1,282	\$ 135,163	
Redemption shares held by objecting shareholders	3,687	-	(1,843)	1,844	159,647	

Note : Effect of conversion under joint share conversion agreement.

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.
- (d) Pursuant to the rules governing share repurchase by the Company, treasury shares should be reissued to the employees within three years from the reacquisition date and shares not reissued within the three-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

C. Information of the Company's shares held by subsidiaries as follows:

	December 31, 2021
Lighting Investment Corporation	<u>1,282 thousand shares</u>
Book value	\$ 135,163
Fair value	\$ 98,358
Epistar Corporation	<u>1,844 thousand shares</u>
Book value	\$ 159,647
Fair value	\$ 141,396

(5) Capital surplus

Pursuant to the Company Act, capital surplus, including additional paid-in capital in excess of par and donation, shall be exclusively used to cover accumulated deficit or to issue new stock or cash to shareholders in proportion to their ownership when the Company has no accumulated deficit. However, pursuant to the R.O.C. Securities and Exchange Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stock and donations can be capitalized once a year, provided that the Company has no accumulated deficit and the amount to be capitalized does not exceed 10% of the paid-in capital.

	Share premium	Treasury share transactions	Changes in ownership interests in subsidiaries accounted for using equity method	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Change in net equity of associates and joint ventures accounted for under equity method
At January 6, 2021 (date of establishment)					
Issuance of ordinary shares under business combination	\$ 42,957,635	\$ -	\$ -	\$ -	\$ -
Change in net equity of associates and joint ventures accounted for under equity method	(62,279)	-	-	-	49,663
Difference between consideration and carrying amount of subsidiaries acquired or disposed	(7,754)	-	-	-	-
Changes in ownership interests in subsidiaries accounted for using equity method	-	115,823	574,746	-	-
Expiration of restricted employee stock	7,013	-	-	-	-
Distribution compensation to employee	-	-	-	195,791	-
At December 31, 2021	<u>\$ 42,894,615</u>	<u>\$ 115,823</u>	<u>\$ 574,746</u>	<u>\$ 195,791</u>	<u>\$ 49,663</u>

(6) Retained earnings

	2021
At January 6 (date of establishment)	\$ -
Profit for the period	2,178,349
Financial assets at fair value through other comprehensive income transferred to investments accounted for using equity method	(8,974)
Remeasurement of defined benefit obligations	71
At December 31	<u>\$ 2,169,446</u>

- A. In accordance with the Company's Articles of Incorporation, 10% of current year's earnings, after paying all taxes and dues and covering prior years' losses, shall be appropriated as legal reserve until the total equals the issued share capital. Special reserve shall be appropriated or reversed when needed. The remaining earnings along with the prior years' accumulated unappropriated earnings are considered as distributable earnings, and shall be retained and appropriated in proportion to the number of shares held by each shareholder accordingly.
- B. The Company appropriates earnings based on the factors such as current and future investment environment, capital needs, domestic and overseas competition and capital budget, along with the consideration of shareholders' interest and capital adequacy. The appropriation of cash dividends shall not be lower than 10% of the total dividend appropriated to shareholders.

- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the special reserve is reversed accordingly and could be included in the distributable earnings.
- E. The appropriations of 2021 earnings had been resolved at the Board of Directors on February 24, 2022, and distributed a cash dividend of \$2 (in dollars) per share.

(7) Other equity items

	2021		
	Unrealized gain or loss	Currency translation	Total
At January 6 (date of establishment)	\$ -	\$ -	\$ -
Revaluation - gross	285,303	-	285,303
Revaluation - tax	(123,285)	-	(123,285)
Difference on carrying amounts of subsidiaries disposed	-	(1,553)	(1,553)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	8,974	-	8,974
Currency translation			
–Group	-	(210,366)	(210,366)
–Tax on Group	-	(194,616)	(194,616)
At December 31	<u>\$ 170,992</u>	<u>(\$ 406,535)</u>	<u>(\$ 235,543)</u>

(8) Expenses by nature

	Period from January 6 to December 31, 2021
Employee benefit expenses	<u>\$ 205,290</u>
Depreciation charges on property, plant and equipment	<u>\$ 71</u>

(9) Employee benefit expenses

	Period from January 6 to December 31, 2021
Wages and salaries	\$ 192,645
Labor and health insurance expenses	6,275
Pension costs	3,444
Other personnel expenses	2,926
	<u>\$ 205,290</u>

- A. According to the Articles of Incorporation of the Company, the Company shall distribute employees' compensation and directors' remuneration based on 10%~20% and 2% of the distributable profit of the current period, respectively. If the Company has accumulated deficit, earnings should be reserved to cover losses.
- B. For the period from January 6 to ended December 31, 2021, employees' compensation and directors' remuneration were accrued at \$244,739 and \$24,474, respectively.

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

(10) Income tax

A. Income tax expense

(a) Components of income tax expense :

	Period from January 6 to December 31, 2021
Total current tax	\$ -
Total deferred tax	-
Income tax expense	<u>\$ -</u>

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

	Period from January 6 to December 31, 2021
Change in fair value of financial assets at fair value through other comprehensive income	\$ 123,285
Currency translation differences	191,996
Share of other comprehensive income of associates	2,620
Remeasurement of defined benefit obligations	(293)
Total	<u>\$ 317,608</u>

B. Reconciliation between income tax expense and accounting profit

	Period from January 6 to December 31, 2021
Tax calculated based on profit before tax and statutory tax rate	\$ 435,670
Expenses disallowed & tax exempt income by tax regulation	(1,340)
Temporary differences not recognised as deferred tax assets	(438,239)
Effect of loss deductible income tax	3,909
Income tax expense	<u>\$ -</u>

C. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2021				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2021	Amount filed	\$ 19,547	\$ 19,547	2031

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

	December 31, 2021
Deductible temporary differences	\$ 2,191,195

E. As the Company was established on January 6, 2021, no income tax returns were filed.

(11) Earnings per share

	Period from January 6 to December 31, 2021		
	Amount after tax	Weighted average number of outstanding ordinary shares (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,178,349	678,590	\$ 3.21
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,178,349	678,590	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	3,191	
Employee restricted shares	-	91	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,178,349	681,872	\$ 3.20

(12) Supplemental cash flow information

Investing activities with partial cash payments

	Period from January 6 to December 31, 2021
Purchase of property, plant and equipment	\$ 10,228
Less: Ending balance of payable on equipment	(10,001)
Cash paid during the period	\$ 227

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Epistar Corporation	Subsidiary of the Company
Lextar Electronics Corporation	Subsidiary of the Company
Harvestar Investment Corp.	Subsidiary of the Company
Amengine Corporation	Subsidiary of the Company
Calystar Investment Corp.	Subsidiary of the Company
Tyntek Corporation	Associates
GCS Holdings, Inc.	Associates

(2) Significant related party transactions and balances

A. Operating revenue:

Period from January 6
to December 31, 2021

Epistar Corporation	\$	151,479
Lextar Electronics Corporation		68,128
Total	\$	219,607

B. Receivables from related parties:

December 31, 2021

Other receivables:		
Epistar Corporation	\$	39,534
Lextar Electronics Corporation		20,030
	\$	59,564

C. Payables from related parties:

December 31, 2021

Other payables:		
Epistar Corporation	\$	6,183
Lextar Electronics Corporation		542
	\$	6,725

D. Prepaid expense:

December 31, 2021

Epistar Corporation	\$	1,788
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E. Loans to /from related parties:

December 31, 2021

Loans from related parties		
Outstanding balance:		
Lextar Electronics Corporation	\$	40,000

Period from January 6
to December 31, 2021

Interest expense:		
Epistar Corporation		875
Lextar Electronics Corporation		283
	\$	1,158

The loan condition to the related parties were to repay the money in one time after the due date, and the interest expense for the period from January 6 to December 31 would be charged at an annual interest rate of 1.25%~1.7%.

(3) Key management compensation

	Period from January 6 to December 31, 2021
Salaries and other short-term employee benefits	\$ 38,553
Termination benefits	285
Total	<u>\$ 38,838</u>

8. PLEDGED ASSETS

None.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

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

	December 31, 2021
Property, plant and equipment	<u>\$ 1,359</u>

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Company's capital management policy is established taking into account the industry characteristics, the Company's future development and changes in external environments. The Company plans the working capital, capital expenditures, investments and dividends required for the future based on the capital management policy, makes financial analysis, and examines its capital structure periodically and makes appropriate adjustments to ensure that every company within the Company may grow and operate indefinitely.

(2) Financial instruments

A. Financial instruments by category

	December 31, 2021
<u>Financial assets</u>	
Financial assets at amortised cost	
Cash and cash equivalents	43,752
Other receivables (including related parties)	59,574
Guarantee deposits paid	408
	<u>\$ 103,734</u>
<u>Financial liabilities</u>	
Financial liabilities at amortised cost	
Short-term borrowings	\$ 150,000
Other payables (including related parties)	350,751
Guarantee deposits received	10
	<u>\$ 500,761</u>

B. Financial risk management policies

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. The company are required to hedge their entire foreign exchange risk exposure with the Company treasury.
- iii. The Company's businesses involve some non-functional currency operations (the functional currency of the Company and certain subsidiaries is NTD while that of other subsidiaries are USD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2021		
	Foreign currency amount <u>(in Thousands)</u>	<u>Exchange rate</u>	Book value <u>(in Thousands of NTD)</u>
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 100	27.68	\$ 2,758
<u>Non-monetary items</u>			
USD:NTD	11,000	27.68	304,480

- iv. Please refer to the following table for the details of unrealized exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Company.

	Period from January 6 to December 31, 2021		
	Unrealized exchange gain (loss)		
	Foreign currency amount		Book value
	<u>(in Thousands)</u>	<u>Exchange rate</u>	<u>(in Thousands of NTD)</u>
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ -	27.68	(\$ 12)

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

	Period from January 6 to December 31, 2021			
	Sensitivity analysis			
	Effect on profit		Effect on other	
Degree of variation	or loss		comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	28	\$ -
<u>Non-monetary items</u>				
USD:NTD	1%		-	3,045

Interest rate risk

- i. The Company's interest rate risk arises from bank deposits and borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk.
- ii. Based on the simulations performed on sensitivity analysis for interest rate risk, the maximum impact on post-tax profit of a 0.1% shift would be increased/decreased of \$150 for the period from January 6 to December 31, 2021. The simulation is done on a quarterly basis to ensure that the potential maximum loss is within the limit set by the management.

(b) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and external regulatory or legal requirements.
- ii. Surplus cash are invested in interest bearing current accounts, time deposits, money market deposits and marketable securities, with appropriate maturities or sufficient liquidity to provide sufficient headroom and meet the above-mentioned forecasts. As of December 31, 2021, the Company held money market position of \$43,752 and those are expected to readily generate cash inflows for managing liquidity risk.
- iii. The Company has the following undrawn borrowing facilities:
December 31, 2021:None.
- iv. The table below shows analysis of the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2021	Less than 1 year	Between 1 and 5 years	Between 5 and 7 years	Over 7 years
Short-term borrowings	\$ 150,000	\$ -	\$ -	\$ -
Other payable (including related parties)	350,751	-	-	-
Other financial liabilities	-	10	-	-

The Company does not expect the timing of the estimated cash outflows through the maturity date analysis will be significantly earlier, or expect the actual cash flow amount

will be significantly different.

(3) Fair value information

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in convertible bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

(4) For the period from January 6 to December 31, 2021, the impact of COVID-19 on the Company's business operations.

In addition to actively cooperating with the local governments' epidemic precaution policies, the Company held higher standards in protecting its employees and encouraged the Company employees to vaccinate to avoid significant impact on the Company production and sales. For the period from January 6 to December 31, 2021, overall sales increased significantly compared to the same period due to the strong demand for LED backlight and high-end red LED, as well as the mass production of Mini LED for the period from January 6 to December 31, 2021. As a whole, the impact of COVID-19 on the operation of the Company was immaterial. The Company will continue to monitor the trend of the COVID-19 pandemic and adjust its strategies in a timely manner.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

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

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

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

D. Acquisition or sale of the same security with the accumulated cost exceeding NT \$300 million or 20% paid-in capital or more: Please refer to table 4.

E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.

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

G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.

H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 7.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 11.

(4) Major shareholders information

Major shareholders information: None.

14. SEGMENT INFORMATION

None.

ENNOSTAR INC.
Loans to others
Year ended December 31, 2021

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the period from	Balance at 31-Dec-21	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					6-Jan to 31-Dec-21								Item	Value			
1	Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	Other receivables-related parties	Y	\$ 438,400	\$ -	\$ -	0.00%	Short-term financing	\$ -	Working capital	\$ -	None	\$ -	3,913,659	\$ 11,740,978	Note 1
1	Epistar Corporation	Unikorn Semiconductor Corporation	Other receivables-related parties	Y	300,000	300,000	150,000	1.56%	Short-term financing	-	Working capital	-	Promissory Note	300,000	3,913,659	11,740,978	Note 1
1	Epistar Corporation	ENNOSTAR Inc.	Other receivables-related parties	Y	1,000,000	1,000,000	-	1.70%	Short-term financing	-	Working capital	-	Promissory Note	1,000,000	3,913,659	11,740,978	Note 1
2	Epicrystal (Changzhou) Ltd.	LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	Other receivables-related parties	Y	218,250	217,200	-	4.35%	Short-term financing	-	Working capital	-	None	-	945,264	1,417,896	Note 2
2	Epicrystal (Changzhou) Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Other receivables-related parties	Y	349,200	347,520	86,880	4.35%	Short-term financing	-	Working capital	-	Promissory Note	347,520	945,264	1,417,896	Note 2
3	Yenrich Technology Corporation	iReach Corporation	Other receivables-related parties	Y	20,000	-	-	1.56%	Short-term financing	-	Working capital	-	None	-	190,438	190,438	Note 3
4	Lextar Electronics Corporation	ENNOSTAR Inc.	Other receivables-related parties	Y	800,000	800,000	40,000	1.70%	Short-term financing	-	Working capital	-	None	-	1,007,840	4,031,359	Note 4
4	Lextar Electronics Corporation	Yenrich Technology Corporation	Other receivables-related parties	Y	250,000	250,000	200,000	1.05%	Short-term financing	-	Working capital	-	Promissory Note	250,000	1,007,840	4,031,359	Note 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the period from	Balance at 31-Dec-21	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					6-Jan to 31-Dec-21								Item	Value			
5	Lextar Electronics (Suzhou) Corp.	Lextar Electronics (Chuzhou) Corp.	Other receivables-related parties	Y	526,080	521,280	173,760	1%~4.45%	Short-term financing	-	Working capital	-	None	-	1,007,840	2,783,809	Note 5
6	Lextar (Singapore) Pte. Ltd.	Lextar Electronics (Chuzhou) Corp.	Other receivables-related parties	Y	251,640	124,560	-	1.5%~2.25%	Short-term financing	-	Working capital	-	None	-	1,007,840	1,993,599	Note 6

Note 1: In accordance with Epistar Corporation's Procedures for Provision of Loans: the limit on loans granted to a single party is 10% of its net equity, and the ceiling on total loans granted is 30% of its net equity.

Note 2: In accordance with Epicrystal (Changzhou) Ltd. Procedures for Provision of Loans: the limit on loans granted to a single party is 20% of its net equity, and the ceiling on total loans granted is 30% of its net equity.

Note 3: In accordance with Yenrich Technology Corporation Procedures for Provision of Loans: the limit on loans granted to a single party is 40% of its net equity, and the ceiling on total loans granted is 40% of its net equity.

Note 4: In accordance with Lextar Electronics Corporation Procedures for Provision of Loans: the limit on loans granted to a single party is 10% of its net equity, and the ceiling on total loans granted is 40% of its net equity. The total amount for fund-lending between the subsidiaries whose voting shares are 100% owned, directly and indirectly, by the Company will not be subject to the limit of 40% of the net worth of the lending subsidiary. However, these subsidiaries shall still prescribe limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower, and shall specify limits on the durations of such loans.

Note 5: In accordance with Lextar Electronics (Suzhou) Corp.'s Procedures for Provision of Loans: the ceiling on total loans granted is 80% of its net equity and 40% of the net equity of Lextar Electronics Corporation, and the limit on loans granted to a single party is 80% of its net equity and 10% of the net equity of Lextar Electronics Corporation

Note 6: In accordance with Lextar (Singapore) Pte. Ltd.'s Procedures for Provision of Loans: the ceiling on total loans granted is 80% of its net equity and 40% of the net equity of Lextar Electronics Corporation, and the limit on loans granted to a single party is 80% of its net equity and 10% of the net equity of Lextar Electronics Corporation

ENNOSTAR INC.
Provision of endorsements and guarantees to others
Year ended December 31, 2021

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2021	Outstanding endorsement/ guarantee amount at December 31, 2021	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
1	Epistar Corporation	Episky Corporation (Xiamen) Ltd.	2	\$ 3,913,659	\$ 1,540,890	\$ 664,320	\$ 260,640	\$ -	1.70	\$ 7,827,319	N	N	Y	
1	Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	2	3,913,659	513,630	221,440	-	-	0.57	7,827,319	N	N	Y	
1	Epistar Corporation	Unikom Semiconductor Corporation	2	3,913,659	1,620,955	1,150,000	731,074	-	2.94	7,827,319	N	N	N	
1	Epistar Corporation	Yenrich Technology Corporation	2	3,913,659	142,675	-	-	-	-	7,827,319	N	N	N	
2	Episky Corporation (Xiamen) Ltd.	SHENZHEN EPIKYLIN OPTOELECTRO NICS CO.,LTD	2	580,970	436,000	434,400	-	-	18.69	929,552	N	N	Y	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

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

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

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

(3) The endorser/guarantor parent company and its subsidiaries jointly own directly or indirectly more than 50% voting shares of the endorsed/guaranteed company.

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

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

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

(7) Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note3: (1) In accordance with the Epistar's Procedures for Provision of endorsements and guarantees to others: the ceiling on total endorsements/guarantees is 20% of the Company's net assets, and the limit on endorsements/guarantees to a single party is 10% of its net assets.

(2) In accordance with the Episky (Xiamen) 's Procedures for Provision of endorsements and guarantees to others: the ceiling on total endorsements/guarantees is 40% of the Company's net assets, and the limit on endorsements/guarantees to a single party is 25% of its net assets.

ENNOSTAR INC.
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
December 31, 2021

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Harvestar Investment Corp.	Amengine Corporation	None	Non-current investments in equity instruments at fair value through other comprehensive income	300,000	\$ 1,500	-	\$ 1,500	
Epistar Corporation	E&E Japan Co.Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	140	2,143	17.07	2,143	
Epistar Corporation	NATEC CORPORATION (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	120,000	1,748	7.50	1,748	
Epistar Corporation	Esleds Co.,Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,000	148	10.00	148	
Epistar Corporation	Lynk Labs,Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	92,523	32,701	7.39	32,701	
Epistar Corporation	Advanced Photoelectronic Technology Limited (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,339,235	303,888	13.68	303,888	
Epistar Corporation	Chi Lin Optoelectronics Co., Ltd. (Stock)	None	Non-current financial assets at fair value through profit or loss	2,868,402	66,174	12.57	66,174	
Epistar Corporation	Dominant Opto Technologies Sdn. Bhd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	11,000,000	507,585	10.00	507,585	
Epistar Corporation	Crystalwise Technology Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,664,355	60,427	3.02	60,427	
Epistar Corporation	XENIO CORPORATION (stock)	None	Non-current financial assets at fair value through profit or loss	7,878	-	0.06	-	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Epistar Corporation	Edison Opto Corp. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	5,746,000	\$ 135,606	4.48	\$ 135,606	
Epistar Corporation	PlayNitride Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	9,137,338	192,220	9.06	192,220	
Epistar Corporation	OSTENDO TECHNOLOGIES, INC. (Stock)	None	Non-current financial assets at fair value through profit or loss	67,500	-	4.50	-	
Epistar Corporation	Nan Ya Photonics Incorporation (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	9,173,000	241,708	19.90	241,708	
Epistar Corporation	Tekcore co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	6,798,522	105,189	13.37	105,189	
Epistar JV Holding (BVI) Co.,Ltd.	Everlight Electronics (Fujian) Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	-	-	-	-	
Epistar JV Holding (BVI) Co.,Ltd.	KAISTAR Lighting (Xiamen) Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	cash USD51,060,000	2,256,697	18.77	2,256,697	
Episky Corporation(Xiamen) Ltd.	China Firstar Optoelectronic Materials Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	cash RMB7,500,000	21,907	15.00	21,907	
Episky Corporation(Xiamen) Ltd.	APT Electronics Co., Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	4,678,240	50,928	1.14	50,928	
Episky Corporation(Xiamen) Ltd.	China Crystal Technologies Co.,Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	8,064,516	7,777	4.08	7,777	
Lighting Investment Corporation	Oree Advanced Illumination Solutions, Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	79,407	-	5.00	-	

Table 3-2

				As of December 31, 2021				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Lighting Investment Corporation	Lustrous Technology Ltd. (Stock)	None	Non-current financial assets at fair value through profit or loss	266,892	-	8.99	-	
Lighting Investment Corporation	TERA XTAL TECHNOLOGY CORPORATION (Stock)	None	Non-current financial assets at fair value through profit or loss	795,000	-	0.42	-	
Lighting Investment Corporation	XENIO CORPORATION (Stock)	None	Non-current financial assets at fair value through profit or loss	16,462	-	0.13	-	
Lighting Investment Corporation	FormoLight Technologies, Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,038,230	14,983	10.00	14,983	
Lighting Investment Corporation	Advanced Photoelectronic Technology Limited (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	562,018	127,528	5.74	127,528	
Lighting Investment Corporation	Edison Opto Corp. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	10,705,000	252,683	8.35	252,638	
Lighting Investment Corporation	Rigidtech Microelectronics Cops. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,550,253	9,951	2.17	9,951	
Lighting Investment Corporation	Ledimond Opto Corporation (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	1,100,000	10,222	16.92	10,222	
Lighting Investment Corporation	LEDLITEK Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	50,000	-	6.20	-	
Lighting Investment Corporation	De-an Venture Capoitai Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,000,000	20,710	10.77	20,710	
Lighting Investment Corporation	iReach Corporation (Stock)	Investee company accounted for under the equity method of Epistar Corporation	Non-current investments in equity instruments at fair value through other comprehensive income	370,000	\$ 1,891	1.70	\$ 1,891	

Table 3-3

				As of December 31, 2021				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Lighting Investment Corporation	Edison Opto Corp. (Stock)	None	Current financial assets at fair value through profit or loss	5,851,182	138,088	4.56	138,088	
Lighting Investment Corporation	ENNOSTAR Inc. (Stock)	Parent company	Current financial assets at fair value through profit or loss	1,282,377	98,358	0.19	98,358	Note1
Lighting Investment Corporation	Taishin 1699 Money Market Fund (Beneficiary certificates)	None	Current financial assets at fair value through profit or loss	4,559,731	62,371	N/A	62,371	
Lighting Investment Ltd.	LEDLITEK Co., Ltd. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	41,500	-	5.15	-	
Lighting Investment Ltd.	Verticle Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	582,983	-	3.00	-	
Lighting Investment Ltd.	Achrolux Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	987,500	-	6.91	-	
Lighting Investment Ltd.	PlayNitride Inc. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	2,757,082	58,000	2.73	58,000	
Lighting Investment Ltd.	Advanced Photoelectronic Technology Limited (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	200,000	45,382	2.04	45,382	
HUGA Holding (SAMOA) Ltd.	China Crystal Technologies Co.,Ltd.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	17,741,935	17,110	8.97	17,110	
HUGA Holding (SAMOA) Ltd.	OEPIC SEMICONDUCTORS,INC.(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	377,358	5,258	8.93	5,258	
Epistar Corporation	PHECDA TECHNOLOGY CO., LTD. (Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	600,000	-	2.11	-	

Table 3-4

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Epistar Corporation	ELIT FINE CERAMICS CO., LTD. (Stock)	None	Non-current financial assets at fair value through profit or loss	2,200,000	\$ -	4.68	\$ -	
Epistar Corporation	Nanocrystal Technology Inc. (Stock)	None	Non-current financial assets at fair value through profit or loss	6,000,000	-	11.11	-	
Epistar Corporation	ENNOSTAR Inc. (Stock)	Parent company	Non-current investments in equity instruments at fair value through other comprehensive income	1,843,500	141,396	0.27	141,396	Note1
GaNrich Semiconductor Corporation	Franklin Templeton Sinoam Money Market Fund (beneficiary certificates)	None	Current financial assets at fair value through profit or loss	670,697	7,011	N/A	7,011	
Lextar Electronics Corporation	Jhong Wei Corporation(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	106,000	-	-	-	Note 2
Wellybond Corporation	Wellysun Inc.(Stock)	Wellybond is a director of Wellysun Inc.	Non-current investments in equity instruments at fair value through other comprehensive income	2,400,000	44,376	5.61	44,376	
Lextar Electronics (Suzhou) Corp.	Suzhou Hanhua Semiconductor Co., Ltd(Stock)	None	Non-current investments in equity instruments at fair value through other comprehensive income	-	156,384	3.58	156,384	
Lextar Electronics Corporation	best Epitaxy Manufacturing Company Ltd.	None	Non-current investments in equity instruments at fair value through profit or loss	5,319,000	39,123	10.68	39,123	
Liang Li Venture Corp.	best Epitaxy Manufacturing Company Ltd.	None	Non-current investments in equity instruments at fair value through profit or loss	950,000	6,987	1.91	6,987	

Note 1: Transferred from the Epistar's stocks held as treasury stocks.

Note 2: The company registrations had been canceled.

Table 3-5

ENNOSTAR INC.

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

Year ended December 31, 2021

Table 4 Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Balance as at January 1, 2021		Addition (Note 3)		Disposal (Note 3)				Balance as at December 31, 2021	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Harvestar Investment Corp.	GCS Holding Inc.	Investments accounted for under equity method	-	-	-	\$ -	9,013,000	\$ 433,099	-	\$ -	\$ -	\$ -	9,013,000	\$ 453,052
ENNOSTAR Inc.	GCS Holding Inc.	Investments accounted for under equity method	Yenrich Technology Corporation.	Related	-	-	9,028,000	431,990	-	-	-	-	9,028,000	451,070
ENNOSTAR Inc.	Tyntek Corporation	Investments accounted for under equity method	-	-	-	-	23,799,000	584,583	-	-	-	-	23,799,000	634,214
Epistar Corporation	Yenrich Technology Corporation. (Stock)	Investments accounted for under equity method	Lextar Electronics Corporation	Related	60,000,000	600,000	-	-	60,000,000	566,341	534,991	-	-	-
Epistar Corporation	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss	-	-	-	-	25,842,529	353,000	25,842,529	353,133	353,000	133	-	-
Epistar Corporation	Tyntek Corporation (Stock)	Investments accounted for under equity method	-	-	-	-	10,218,000	187,467	10,218,000	243,699	264,541	(20,815)	-	-
Lighting Investment Corporation	ProLight Opto Technology Corporation (Stock)	Investments accounted for under equity method	Lextar Electronics Corporation	Related	27,539,234	400,612	-	-	17,539,234	308,693	306,087	2,606	10,000,000	150,428

Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Balance as at January 1, 2021		Addition (Note 3)		Disposal (Note 3)				Balance as at December 31, 2021	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Lextar Electronics Corporation	Tyntek Corporation (Stock)	Investments accounted for under equity method	-	-	-	\$ -	9,423,000	\$ 196,364	9,423,000	\$ 224,739	\$ 241,689	(\$ 16,950)	-	\$ -
Lextar Electronics Corporation	Yenrich Technology Corporation (Stock)	Investments accounted for under equity method	Epistar Corporation	Related	-	-	60,000,000	566,341	-	-	-	-	60,000,000	476,095

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Table 4-2

ENNOSTAR INC.

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

Year ended December 31, 2021

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Real estate disposed by	Real estate	Transaction date or date of the event	Date of acquisition	Book value	Disposal amount	Status of collection of proceeds	Gain (loss) on disposal	Counterparty	Relationship with the seller	Reason for disposal	Basis or reference used in setting the price	Other commitments
Epistar Corporation	Land and plant of the Longtan	2021/5/27	2016/9/29	\$ 250,796	\$ 430,000	Installment based on agreement	\$ 179,204	ARDENTEC CORPORATIO N	None	Assets activation for reducing cost	Appraisal report	None

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

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

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

ENNOSTAR INC.

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

Year ended December 31, 2021

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

							Differences in transaction	Notes/accounts receivable			
Transaction							terms	(payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Episky Corporation (Xiamen) Ltd.	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Note 1	Sales	(\$ 1,833,529)	(40)	90 days after month-end closing	N/A	Normal	\$ 483,853	27	
Episky Corporation (Xiamen) Ltd.	Epistar Corporation	Note 1	Sales	(374,575)	(8)	60 days after next month-end closing	N/A	Normal	53,365	3	
Epistar Corporation	LEDAZ Co., Ltd	Note 1	Sales	(420,650)	(2)	90 days after month-end closing	N/A	Normal	294,549	3	
Epistar Corporation	CREELED HONG KONG LTD	Note 2	Sales	(139,276)	(1)	90 days after month-end closing	N/A	Normal	-	-	
Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Sales	(305,924)	(1)	180 days after month-end closing	N/A	Normal	184,478	2	
Epistar Corporation	LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	Note 1	Sales	(201,980)	(1)	60 days after month-end closing	N/A	Normal	65,479	1	
Epistar Corporation	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Note 1	Sales	(886,497)	(4)	180 days after month-end closing	N/A	Normal	421,144	4	
Epistar Corporation	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(1,072,358)	(5)	180 days after next month-end closing	N/A	Normal	600,012	6	
Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	Note 1	Sales	(482,638)	(2)	90 days after month-end closing	N/A	Normal	129,556	1	
Epistar Corporation	Yenrich Technology Corporation	Note 1	Sales	(301,066)	(1)	120 days after month-end closing	N/A	Normal	40,796	-	
Epicrystal (Changzhou) Co., Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Sales	(377,655)	(13)	90 days after month-end closing	N/A	Normal	78,227	3	
Epicrystal (Changzhou) Co., Ltd.	Epistar Corporation	Note 1	Sales	(1,694,363)	(56)	150 days after month-end closing	N/A	Normal	697,866	28	

						Differences in transaction		Notes/accounts receivable			
Transaction						terms		(payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Epicrystal (Changzhou) Co., Ltd.	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(\$ 1,202,096) (	40)	90 days after month-end closing	N/A	Normal	\$ 711,934	29	
Jiangsu Canyang Optoelectronics Ltd.	Epistar Corporation	Note 1	Sales	(955,781) (	48)	90 days after month-end closing	N/A	Normal	68,215	9	
Jiangsu Canyang Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	Note 1	Sales	(845,200) (	42)	90 days after month-end closing	N/A	Normal	284,407	38	
Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (Changzhou) Co., Ltd.	Note 1	Sales	(249,606) (	12)	90 days after next month-end closing	N/A	Normal	45,933	6	
Lextar Electronics Corporation	CREELED HONG KONG LTD	Note 2	Sales	(173,532) (	2)	OA 45 days	Normal	Normal	-	-	
Lextar Electronics Corporation	Darwin Precisions (Xiamen) Corporation	Other related parties	Sales	(114,934) (	2)	120 days after month-end closing	Normal	Normal	48,702	2	
Lextar Electronics Corporation	Fortech Electronics (Suzhou) Co., Ltd.	Other related parties	Sales	(309,185) (	4)	120 days after month-end closing	Normal	Normal	133,224	5	
Lextar Electronics Corporation	Epistar Corporation	Note 1	Sales	(320,570) (	4)	90 days after month-end closing	Normal	Normal	332,814	13	
Lextar Electronics (Chuzhou) Corp.	Lextar Electronics Corporation	Note 1	Sales	(4,375,626) (	58)	OA 90 days~OA 120 days	Normal	Normal	1,175,829	54	
Lextar Electronics (Chuzhou) Corp.	Lextar Electronics (Suzhou) Corp.	Note 1	Sales	(982,546) (	13)	OA 90 days~OA 120 days	Normal	Normal	430,873	20	
Lextar Electronics (Suzhou) Corp.	Lextar Electronics Corporation	Note 1	Sales	(143,603) (	14)	OA 90 days~OA 120 days	Normal	Normal	13,680	3	
LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	Leyard TV Technology Co., Ltd.	Other related parties	Sales	(895,641) (	66)	30%: 7 days after signing the contract, 70%: the 15th of the next month after	Normal	Normal	424,662	90	
LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	LEYARD EUROPE s.r.o.	Other related parties	Sales	(436,970) (	32)	30%: Prepayments before shipment, 70%: 60 days after shipment	Normal	Normal	15,966	3	
Yenrich Technology Corporation	LEADSTAR Micro-Crystal Display Corporation (JiangSu)	Note 1	Sales	(121,386) (	17)	60 days after month-end closing	Normal	Normal	7,636	4	

Table 6-2

Transaction						Differences in transaction terms		Notes/accounts receivable (payable)			Footnote
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Yenrich Technology Corporation	LEDAZ Co., Ltd	Note 1	Sales	(231,484)	(33)	90 days after month-end closing, paid on the 20th of the next month	Normal	Normal	81,178	46	
ProLight Opto Technology Corporation	Shanghai Welight Electronic Co., LTD	Note 1	Sales	(\$ 214,412)	23	120 days after month-end closing	Normal	Normal	\$ 125,315	49	
Episky Corporation (Xiamen) Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Purchases	845,200	22	90 days after month-end closing	N/A	Normal	(284,407)	(17)	
Episky Corporation (Xiamen) Ltd.	Epistar Corporation	Note 1	Purchases	1,072,358	28	180 days after next month-end closing	N/A	Normal	(600,012)	(35)	
Episky Corporation (Xiamen) Ltd.	Epicrystal (Changzhou) Co., Ltd.	Note 1	Purchases	1,202,096	31	90 days after month-end closing	N/A	Normal	(711,934)	(42)	
Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Purchases	955,781	9	90 days after month-end closing	N/A	Normal	(68,215)	(2)	
Epistar Corporation	Episky Corporation (Xiamen) Ltd.	Note 1	Purchases	374,575	3	60 days after next month-end closing	N/A	Normal	(53,365)	(2)	
Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	Note 1	Purchases	1,694,363	15	150 days after month-end closing	N/A	Normal	(697,866)	(21)	
Epistar Corporation	Lextar Electronics Corporation	Note 1	Purchases	320,570	3	90 days after month-end closing	N/A	Normal	(332,814)	(10)	
Epicrystal (Changzhou) Co., Ltd	Jiangsu Canyang Optoelectronics Ltd.	Note 1	Purchases	249,606	11	90 days after month-end closing	N/A	Normal	(45,933)	(11)	
Epicrystal (Changzhou) Co., Ltd	Epistar Corporation	Note 1	Purchases	482,638	21	90 days after month-end closing	N/A	Normal	(129,556)	(30)	
Jiangsu Canyang Optoelectronics Ltd.	Epistar Corporation	Note 1	Purchases	305,924	18	180 days after month-end closing	N/A	Normal	(184,478)	(57)	
SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Epistar Corporation	Note 1	Purchases	886,497	32	180 days after month-end closing	N/A	Normal	(421,144)	(42)	
SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Episky Corporation (Xiamen) Ltd.	Note 1	Purchases	1,833,529	65	90 days after month-end closing	N/A	Normal	(483,853)	(48)	
Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (Changzhou) Co., Ltd.	Note 1	Purchases	377,655	22	90 days after month-end closing	N/A	Normal	(78,227)	(24)	
Epistar Corporation	LEDAZ Co., Ltd	Note 1	Purchases	-	-	90 days after month-end closing	N/A	Normal	(172,753)	(5)	
Lextar Electronics Corporation	Lextar Electronics (Suzhou) Corp.	Note 1	Purchases	143,603	2	OA 90 days~OA 120 days	Normal	Normal	(13,680)	(1)	

Table 6-3

Transaction						Differences in transaction terms		Notes/accounts receivable (payable)			Footnote
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Lextar Electronics Corporation	Lextar Electronics (Chuzhou) Corp.	Note 1	Purchases	4,375,626	70	OA 90 days~OA 120 days	Normal	Normal	(1,175,829) (	70)	
Lextar Electronics (Suzhou) Corp.	Lextar Electronics (Chuzhou) Corp.	Note 1	Purchases	\$ 982,546	93	OA 90 days~OA 120 days	Normal	Normal	(430,873) (	98)	
Lextar Electronics (Chuzhou) Corp.	Chuzhou Bwin Technology Corp.	Other related parties	Purchases	233,711	4	OA 60 days~OA 120 days	Normal	Normal	(34,164) (	2)	
Yenrich Technology Corporation	Epistar Corporation	Note 1	Purchases	301,066	49	120 days after month-end closing	Normal	Normal	(40,796) (	27)	
LEADSTAR Micro-Crystal Display Corporation	Epistar Corporation	Note 1	Purchases	201,980	20	60 days after month-end closing	Normal	Normal	(65,479) (	42)	
LEADSTAR Micro-Crystal Display Corporation	Yenrich Technology Corporation	Note 1	Purchases	121,386	12	60 days after month-end closing	Normal	Normal	(7,636) (	5)	
LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	Leyard TV Technology Co., Ltd.	Other related parties	Purchases	124,151	12	30%: Prepayments before shipment, 70%: 60 days after shipment	Normal	Normal	(32,106) (	21)	
Shanghai Welight Electronic Co., LTD	ProLight Opto Technology Corporation	Note 1	Purchases	214,412	99	120 days after month-end closing	Normal	Normal	(125,315) (	100)	

Note 1: Investee company accounted for under the equity method directly and indirectly.

Note 2: It is no longer the company's other related party beginning on April, 2021.

Table 6-4

ENNOSTAR INC.
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
December 31, 2021

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2021			Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful debts
			Accounts receivable	Other receivable	Total		Amount	Action taken		
Episky Corporation (Xiamen) Ltd.	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Note 2	\$ 483,853	\$ -	\$ 483,853	6.48	\$ -	-	\$ 125,613	\$ -
Epistar Corporation	LEDAZ Co., Ltd	Note 2	294,549	-	294,549	1.98	160,762	-	53,976	68,687
Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	Note 2	184,478	15,193	199,671	0.79	3,424	-	32,532	-
Epistar Corporation	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Note 2	421,144	1,188	422,332	4.20	-	-	64,641	-
Epistar Corporation	Episky Corporation (Xiamen) Ltd.	Note 2	600,012	9,286	609,298	2.14	1,662	-	82,443	-
Epistar Corporation	Unikorn Semiconductor Corporation	Note 2	6,046	524,606	530,652	0.11	73,187	-	13,642	-
Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	Note 2	129,556	21,230	150,786	2.89	7,997	-	58,885	-
Epistar Corporation	Yenrich Technology Corporation	Note 2	40,796	108,446	149,242	1.51	-	-	20,611	-
Epistar Corporation	Lextar Electronics Corporation	Note 2	15,292	92,386	107,678	0.82	174	-	94,549	-
Epicrystal (Changzhou) Co., Ltd.	Jiangsu Canyang Optoelectronics Ltd.	Note 2	78,227	89,432	167,659	2.37	-	-	14,748	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2021			Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful debts
			Accounts receivable	Other receivable	Total		Amount	Action taken		
Epicrystal (Changzhou) Co., Ltd.	Epistar Corporation	Note 2	\$ 697,866	\$ 3,406	\$ 701,272	2.99	\$ -	-	\$ 167,609	\$ -
Epicrystal (Changzhou) Co., Ltd.	Episky Corporation (Xiamen) Ltd.	Note 2	711,934	-	711,934	1.42	249,369	-	-	-
Jiangsu Canyang Optoelectronics Ltd.	Epistar Corporation	Note 2	68,215	-	68,215	10.29	-	-	55,453	-
Jiangsu Canyang Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	Note 2	284,407	476	284,883	2.99	-	-	-	-
Luxlite (Shenzhen) Corporation Limited	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	Note 2	97,524	-	97,524	0.75	-	-	-	-
Lextar Electronics Corporation	Lextar Electronics (Chuzhou) Corp.	Note 2	338,875	-	338,875	3.99	-	-	125,058	-
Lextar Electronics Corporation	Epistar Corporation	Note 2	332,814	-	332,814	1.93	1,540	-	1,760	-
Lextar Electronics Corporation	Fortech Electronics (Suzhou) Co., Ltd.	Other related parties	133,224	-	133,224	2.62	-	-	28,682	-
Lextar Electronics (Chuzhou) Corp.	Lextar Electronics Corporation	Note 2	1,175,829	-	1,175,829	3.66	111,206	-	225,845	-
Lextar Electronics (Chuzhou) Corp.	Lextar Electronics (Suzhou) Corp.	Note 2	430,873	-	430,873	2.16	115,261	-	76,943	-
LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	Leyard TV Technology Co., Ltd.	Other related parties	424,662	-	424,662	4.02	117,273	-	105,701	-
ProLight Opto Technology Corporation	Shanghai Welight Electronic Co., LTD	Note 2	125,315	-	125,315	1.91	54,255	-	26,457	-

Table 7-2

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2021			Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful debts
			Accounts receivable	Other receivable	Total		Amount	Action taken		
Lextar Electronics Corporation	Yenrich Technology Corporation	Note 2	\$ 56	\$ 200,000	\$ 200,056	0.00	\$ -	-	\$ -	\$ -
Lextar Electronics (Suzhou) Corp.	Lextar Electronics (Chuzhou) Corp.	Note 2	7,200	173,760	180,960	0.21	406	-	-	-

Note 1: The Company endeavored to collect the overdue amount. Epistar has received \$49,824, \$3,424, \$1,662, 12,865, \$7,997 and \$139 from LEDAZ, Jiangsu Canyang, Episky(Xiamen), Unicorn, Epicrystal (Changzhou) and Lextar, respectively; and Lextar has received \$1,540 from Epistar; Lextar(Chuzhou) has received \$111,206 and \$76,943 from Lextar and Lextar(Suzhou), respectively; ProLight has received \$26,457 from Shanghai Welight; LEADSTAR has received \$105,701 from Leyard.

Note 2: Investee company accounted for under the equity method directly and indirectly.

ENNOSTAR INC.
Significant inter-company transactions during the reporting periods
Year ended December 31, 2021

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
1	Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	3	Sales	\$ 305,924	Conducted in the ordinary course of business with terms similar to those with third parties	0.84
1	Epistar Corporation	LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	3	Sales	201,980	Conducted in the ordinary course of business with terms similar to those with third parties	0.55
1	Epistar Corporation	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	3	Sales	886,497	Conducted in the ordinary course of business with terms similar to those with third parties	2.43
1	Epistar Corporation	Episky Corporation (Xiamen) Ltd.	3	Sales	1,072,358	Conducted in the ordinary course of business with terms similar to those with third parties	2.94
1	Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	3	Sales	482,638	Conducted in the ordinary course of business with terms similar to those with third parties	1.33
1	Epistar Corporation	Yenrich Technology Corporation	3	Sales	301,066	Conducted in the ordinary course of business with terms similar to those with third parties	0.83
1	Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	3	Cost of goods sold	955,781	Conducted in the ordinary course of business with terms similar to those with third parties	2.62
1	Epistar Corporation	Episky Corporation (Xiamen) Ltd.	3	Cost of goods sold	374,575	Conducted in the ordinary course of business with terms similar to those with third parties	1.03

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
1	Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	3	Cost of goods sold	\$ 1,694,363	Conducted in the ordinary course of business with terms similar to those with third parties	4.65
1	Epistar Corporation	Jiangsu Canyang Optoelectronics Ltd.	3	Accounts receivable	184,478	Conducted in the ordinary course of business with terms similar to those with third parties	0.24
1	Epistar Corporation	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	3	Accounts receivable	421,144	Conducted in the ordinary course of business with terms similar to those with third parties	0.55
1	Epistar Corporation	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	600,012	Conducted in the ordinary course of business with terms similar to those with third parties	0.78
1	Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	3	Accounts receivable	129,556	Conducted in the ordinary course of business with terms similar to those with third parties	0.17
1	Epistar Corporation	Epicrystal (Changzhou) Co., Ltd.	3	Accounts payable	697,866	Conducted in the ordinary course of business with terms similar to those with third parties	0.91
1	Epistar Corporation	Unikorn Semiconductor Corporation	3	Other receivable	524,606	Based on contract terms	0.68
1	Epistar Corporation	Yenrich Technology Corporation	3	Other receivable	108,446	Conducted in the ordinary course of business with terms similar to those with third parties	0.14
2	Episky Corporation (Xiamen) Ltd.	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	3	Sales	1,833,529	Conducted in the ordinary course of business with terms similar to those with third parties	5.03
2	Episky Corporation (Xiamen) Ltd.	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	3	Accounts receivable	483,853	Conducted in the ordinary course of business with terms similar to those with third parties	0.63

Table 8-2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
3	Epicrystal (Changzhou) Co., Ltd.	Jiangsu Canyang Optoelectronics Ltd.	3	Sales	\$ 377,655	Conducted in the ordinary course of business with terms similar to those with third parties	1.04
3	Epicrystal (Changzhou) Co., Ltd.	Episky Corporation (Xiamen) Ltd.	3	Sales	1,202,096	Conducted in the ordinary course of business with terms similar to those with third parties	3.30
3	Epicrystal (Changzhou) Co., Ltd.	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	711,934	Conducted in the ordinary course of business with terms similar to those with third parties	0.93
4	Jiangsu Canyang Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	3	Sales	845,200	Conducted in the ordinary course of business with terms similar to those with third parties	2.32
4	Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (Changzhou) Co., Ltd.	3	Sales	249,606	Conducted in the ordinary course of business with terms similar to those with third parties	0.69
4	Jiangsu Canyang Optoelectronics Ltd.	Episky Corporation (Xiamen) Ltd.	3	Accounts receivable	284,407	Conducted in the ordinary course of business with terms similar to those with third parties	0.37
4	Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (Changzhou) Co., Ltd.	3	Other payable	152,626	Based on contract terms	0.20
4	Jiangsu Canyang Optoelectronics Ltd.	Epicrystal (Changzhou) Co., Ltd.	3	Processing fee	261,138	Conducted in the ordinary course of business with terms similar to those with third parties	0.72
5	Lextar Electronics Corporation	Lextar Electronics (Chuzhou) Corp.	3	Accounts receivable	338,875	Conducted in the ordinary course of business with terms similar to those with third parties	0.44

Table 8-3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
5	Lextar Electronics Corporation	Epistar Corporation	3	Sales	\$ 320,570	Conducted in the ordinary course of business with terms similar to those with third parties	0.42
5	Lextar Electronics Corporation	Epistar Corporation	3	Accounts receivable	332,814	Conducted in the ordinary course of business with terms similar to those with third parties	0.43
5	Lextar Electronics Corporation	Yenrich Technology Corporation	3	Other receivable	200,000	Loans granted	0.26
5	Lextar Electronics Corporation	Lextar Electronics (Suzhou) Corp.	3	Cost of goods sold	143,603	Conducted in the ordinary course of business with terms similar to those with third parties	0.39
5	Lextar Electronics Corporation	Lextar Electronics (Chuzhou) Corp.	3	Cost of goods sold	4,375,626	Conducted in the ordinary course of business with terms similar to those with third parties	12.01
5	Lextar Electronics Corporation	Lextar Electronics (Chuzhou) Corp.	3	Accounts payable	1,175,829	Conducted in the ordinary course of business with terms similar to those with third parties	1..53
6	Yenrich Technology Corporation	LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	3	Sales	121,386	Conducted in the ordinary course of business with terms similar to those with third parties	0.33
7	ProLight Opto Technology Corporation	Shanghai Welight Electronic Co., LTD	3	Sales	214,412	Conducted in the ordinary course of business with terms similar to those with third parties	0.59
7	ProLight Opto Technology Corporation	Shanghai Welight Electronic Co., LTD	3	Accounts receivable	125,315	Conducted in the ordinary course of business with terms similar to those with third parties	0.34
8	Lextar Electronics (Chuzhou) Corp.	Lextar Electronics (Suzhou) Corp.	3	Sales	982,546	Conducted in the ordinary course of business with terms similar to those with third parties	2.70

Table 8-4

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
8	Lextar Electronics (Chuzhou) Corp.	Lextar Electronics (Suzhou) Corp.	3	Accounts receivable	\$ 430,873	Conducted in the ordinary course of business with terms similar to those with third parties	0.56
9	Lextar Electronics (Suzhou) Corp.	Lextar Electronics (Chuzhou) Corp.	3	Other receivable	173,760	Loans granted	0.23

Note 1: Parent company is '0'. The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice.

For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

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

ENNOSTAR INC.
Information on investees
Year ended December 31, 2021

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss)	Investment income (loss)	Footnote
									of the investee for the year ended December 31, 2021	recognised by the Company for the year ended December 31, 2021	
ENNOSTAR Inc.	Amengine Corporation	Taiwan	Developing and sales of medical optical sensor modules	\$ 10,210	\$ -	3,100,000	58.59	\$ 8,193	(\$ 10,889)	(\$ 2,017)	
ENNOSTAR Inc.	Epistar Corporation	Taiwan	Manufacturing and sales of LED wafers and chips	37,607,380	-	1,088,701,410	100.00	39,027,656	(1,825,620)	2,066,382	
ENNOSTAR Inc.	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	431,990	-	9,028,000	8.16	451,710	(378,497)	(18,076)	
ENNOSTAR Inc.	Harvestar Investment Corp.	Taiwan	Professional investment	650,000	-	65,000,000	100.00	676,611	(11,625)	(11,625)	
ENNOSTAR Inc.	Lextar Electronics Corporation	Taiwan	Manufacturing and sales of LED wafers, chips, packages and modules	11,724,646	-	514,916,380	100.00	11,619,154	317,826	303,982	
ENNOSTAR Inc.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	584,583	-	23,799,000	7.92	634,214	724,850	48,485	Note 1
ENNOSTAR Inc.	Calystar Investment Corp.	Taiwan	Professional investment	290,000	-	29,000,000	100.00	289,866	(134)	(134)	

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss)	Investment income (loss)	Footnote
									of the investee for the year ended December 31, 2021	recognised by the Company for the year ended December 31, 2021	
Harvestar Investment Corp.	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	\$ 433,099	\$ -	9,013,000	8.15	\$ 453,052	(\$ 378,497)	(\$ 18,058)	
Harvestar Investment Corp.	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	113,931	-	4,777,000	1.59	123,592	724,850	9,436	
Calystar Investment Corp.	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	265,135	-	6,500,000	5.87	265,135	(378,497)	-	
Epistar Corporation	iReach Corporation	Taiwan	Manufacturing, sales, packaging and module design of semiconductor light emitting devices	70,000	70,000	7,000,000	39.09	40,881	28,856	6,420	
Epistar Corporation	Epistar JV Holding (BVI) Co., Ltd.	British Virgin Islands	Professional investment	14,960,129	14,960,129	48,278	100.00	10,066,886	459,172	533,352	
Epistar Corporation	Full Star Enterprises Limited	Hong Kong	Professional investment	166,785	166,785	cash USD8,660,000	100.00	262,763	(9,080)	(9,080)	
Epistar Corporation	Yenrich Technology Corporation	Taiwan	Manufacturing and sales of LED packages	-	600,000	-	-	-	(229,906)	(167,470)	
Epistar Corporation	Lighting Investment Corporation	Taiwan	Professional investment	2,161,814	2,161,814	251,478,518	100.00	2,075,188	(179,594)	(209,349)	
Epistar Corporation	Tekcore Co., Ltd.	Taiwan	Manufacturing and sales of LED wafers and chips	-	1,169,412	-	-	-	23,185	4,802	

Table 9-2

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
Epistar Corporation	Unikorn Semiconductor Corporation	Taiwan	OEM manufacturing of iii-v semiconductors	\$ 1,106,350	\$ 1,006,350	100,000,000	53.29	\$ 31,652	(\$ 800,249)	(\$ 483,281)	
Epistar Corporation	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	-	101,500	-	0.00	-	36,968	810	
Epistar Corporation	SH Co., Ltd.	Taiwan	Manufacturing and sales of LED wafers and chips	31,792	31,792	3,179,176	49.00	3,132	(267)	(131)	
Epistar Corporation	TE Opto Corporation	Taiwan	Manufacturing and sales of LED wafers and chips	9,200	9,200	920,000	40.00	43,223	1,055	422	
Epistar Corporation	GaN Force Corporation	Taiwan	Design, manufacturing and sales of semiconductor materoals and modules	77,700	77,700	1,118,600	64.32	695	3,112	2,002	
Epistar Corporation	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	-	277,554	-	-	-	(378,497)	(14,680)	
Epistar Corporation	Can Yang Investments Limited	Hong Kong	Professional investment	66,745	-	2,679,063	3.53	55,562	66,780	2,257	
Epistar JV Holding (BVI) Co.,Ltd.	Country Lighting (BVI) Co.,Ltd.	British Virgin Islands	Professional investment	-	89,843	-	-	-	5,599	2,133	
Epistar JV Holding (BVI) Co.,Ltd.	Crystal Light Enterprise Group Ltd.	British Virgin Islands	Professional investment	-	6,754	-	-	-	(59)	(59)	
Epistar JV Holding (BVI) Co.,Ltd.	HUGA Holding (SAMOA) Limited	SAMOA	Professional investment	334,967	334,967	12,551,035	100.00	25,296	(33)	(33)	
Epistar JV Holding (BVI) Co.,Ltd.	Lite Star JV Holding (BVI) Co.,Ltd.	British Virgin Islands	Professional investment	3,408,835	3,408,835	10,882	82.41	3,637,845	39,188	32,295	
Epistar JV Holding (BVI) Co.,Ltd.	United LED Corporation (Hong Kong) Limited	Hong Kong	Professional investment	2,029,760	2,029,760	67,000,165	74.86	273,986	14,434	10,806	
Epistar JV Holding (BVI) Co., Ltd.	Episky (Hong Kong) Limited	Hong Kong	Professional investment	2,124,096	2,124,096	cash USD68,000,000	100.00	2,323,886	400,557	400,557	
Epistar JV Holding (BVI) Co., Ltd.	Can Yang Investments Limited	Hong Kong	Professional investment	4,291,894	4,291,894	cash USD64,793,559	85.26	1,343,859	66,780	49,977	
Epistar JV Holding (BVI) Co., Ltd.	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	-	149,149	-	-	-	(378,497)	(7,266)	

Table 9-3

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
GaN Force Corporation	GV Semiconductor Inc.	USA	R&D and sales of electronic components	\$ 93,582	\$ 93,582	8,470,000	100.00	\$ 1,506	(\$ 2,003)	(\$ 2,003)	
GaN Force Corporation	Joint Power Exponent, Ltd.	Taiwan	Power IC design and module sales	-	-	-	-	-	(23,323)	(117)	
Lighting Investment Ltd.	LEDAS Co., Ltd	Korea	Engineering service of LED	48,166	48,166	88,460	28.13	(9,026)	(186,979)	(52,597)	
Lighting Investment Ltd.	Interlight Optotech (HK) Co.,Limited	Hong Kong	Sales of LED packages	12,806	12,806	429,000	30.00	11,663	375	112	
Lighting Investment Ltd.	Epistar (Hong Kong) Limited	Hong Kong	Professional investment	2,556	2,556	82,850	100.00	(211)	(30)	(30)	
Lighting Investment Ltd.	Luxlite (HK) Corporation Limited	Hong Kong	Professional investment	133,145	133,145	3,800,000	100.00	265,619	(15,179)	(15,179)	
Lite Star JV Holding (BVI) Co.,Ltd.	Epicrystal (Hong Kong) Co. Ltd.	Hong Kong	Professional investment	4,403,034	4,403,034	146,600,000	100.00	4,413,440	39,301	39,301	
Lighting Investment Corporation	LEDAS Co., Ltd	Korea	Engineering service of LED	23,993	23,993	44,065	14.01	(266)	(186,979)	(25,679)	
Lighting Investment Corporation	Lighting Investment Ltd.	British Virgin Islands	Professional investment	152,701	152,701	45,642	100.00	559,837	(71,090)	(71,090)	
Lighting Investment Corporation	Yenrich Opto (Hong Kong) Limited	Hong Kong	Sales of LED light components	133,433	133,433	4,010,000	100.00	68,367	(86,782)	(86,782)	
Lighting Investment Corporation	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	56,322	318,929	10,000,000	14.69	150,428	36,968	12,471	
Lighting Investment Corporation	Can Yang Investments Limited	Hong Kong	Professional investment	72,436	72,436	5,218,605	6.87	108,284	66,780	4,588	
Lighting Investment Corporation	GaNrich Semiconductor Corporation	Taiwan	Design and technology service of LED lighting product	64,301	62,370	3,868,000	81.43	(10,157)	(26,827)	(26,442)	
Lighting Investment Corporation	LEDOLUX Sp.Zo.O.	Poland	Assembling and sales of LED bulbs	133,455	133,455	156,994	60.00	11,453	(500)	(300)	

Table 9-4

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
Lighting Investment Corporation	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	\$ -	\$ 148,942	-	-	\$ -	(\$ 378,497)	(\$ 7,788)	
Lighting Investment Corporation	Joint Power Exponent, Ltd.	Taiwan	Power IC design and module sales	11,599	-	1,757,000	13.52	5,181	(23,323)	(2,453)	
Lighting Investment Corporation	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	258	-	10,000	-	278	724,850	21	Note 1
Lighting Investment Corporation	GaN Force Corporation	Taiwan	Design, manufacturing and sales of semiconductor materials and modules	641	-	620,400	35.68	642	3,112	1,376	
Lighting Investment Corporation	Domi-Star Optoelectronics Corporation	Taiwan	Design and sales of LED lighting product	490	-	49,000	49.00	385	(214)	(105)	
Episky Corporation (Xiamen) Ltd.	Epicrystal (Changzhou) Co., Ltd.	China	Manufacturing and sales of LED wafers and chips	147,472	147,472	cash USD5,200,000	3.31	156,441	42,087	1,393	
Epicrystal (Changzhou) Co., Ltd.	Changzhou Chemsemi Co., Ltd.	China	OEM manufacturing of compound semiconductor RFID wafers and optoelectronic wafers	469,590	469,590	cash RMB110,000,000	11.38	853,118	(436,114)	(80,756)	
Full Star Enterprises Limited	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	-	113,896	-	-	-	(378,497)	(5,582)	

Table 9-5

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
Yenrich Opto (Hong Kong) Limited	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	\$ -	\$ 62,371	-	-	\$ -	(\$ 378,497)	(\$ 3,479)	
Episky Corporation (Xiamen) Ltd.	LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	China	Developing, manufacturing and sales of LED packages, modules and related applications	122,036	122,036	cash RMB29,100,000	12.13	132,926	86,479	10,696	
GaNrich Semiconductor Corporation	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	-	54	-	-	-	(\$ 378,497)	(\$ 3)	
Episky Corporation (Xiamen) Ltd.	SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	China	Sales of LED chips	43,770	43,770	cash RMB10,000,000	100.00	168,096	124,549	124,549	
Unikorn Semiconductor Corporation	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	1,051	-	20,000	0.02	980	(\$ 378,497)	(\$ 9)	Note 1
Epistar Corporation	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	-	-	-	-	-	724,850	1,372	
Lextar Electronics Corporation	Lextar (Singapore) Pte. Ltd.	Singapore	Professional investment	2,709,310	2,709,310	90,270,000	100.00	2,491,998	101,867	101,867	
Lextar Electronics Corporation	Wellybond Optronics HK Limited	Hong Kong	Professional investment	17,888	17,888	63,000,000	100.00	10,569	(\$ 138)	(\$ 138)	
Lextar Electronics Corporation	Wellypower Optronics Corporation	British Virgin Islands	Professional investment	44,898	44,898	5,153,061	100.00	152,618	7,068	7,068	

Table 9-6

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Footnote
Lextar Electronics Corporation	Apower Optronics Corporation	British Virgin Islands	Professional investment	\$ 381,638	\$ 381,638	31,300,000	100.00	\$ 1,097,223	\$ 52,684	\$ 52,684	
Lextar Electronics Corporation	Liang Li Venture Corp.	Taiwan	Professional investment	175,374	25,374	3,000,000	100.00	152,559	(2,757)	(2,757)	
Lextar Electronics Corporation	Wellybond Corporation	Taiwan	Professional investment	746,484	396,484	40,000,000	100.00	629,562	13,543	13,543	
Lextar Electronics Corporation	Trendylite Corporation	Taiwan	Sales of products	18,100	18,100	2,850,750	90.50	41,880	8,266	7,481	
Lextar Electronics Corporation	HEXAWAVE INC.	Taiwan	Manufacturing and sales of compound semiconductor materials and modules	147,506	147,506	12,716,000	31.69	94,030	(65,459)	(22,218)	
Lextar Electronics Corporation	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	-	-	-	-	-	724,850	(953)	
Lextar Electronics Corporation	Yenrich Technology Corporation	Taiwan	Manufacturing and sales of LED packages	530,487	-	60,000,000	100.00	476,095	(229,906)	(62,460)	
Wellybond Corporation	VOGITO INNOVATION CO., LTD.	Taiwan	Design of lighting	1,000	1,000	100,000	50.00	1,403	140	70	
Wellybond Corporation	HEXAWAVE INC.	Taiwan	Manufacturing and sales of compound semiconductor materials and modules	147,494	147,494	12,715,000	31.68	94,023	(65,459)	(22,216)	
Wellybond Corporation	WellyHertz Electronics Corp.	Taiwan	Manufacturing and sales of switching power supply modules	10,000	10,000	1,000,000	90.91	4,971	(5,532)	(5,029)	
Wellybond Corporation	Joint Power Exponent, Ltd.	Taiwan	Power IC design and module sales	33,000	-	22,000,000	16.92	25,895	(23,323)	(7,105)	

Table 9-7

				Initial investment amount		Shares held as at December 31, 2021					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss)	Investment income (loss)	Footnote
									of the investee for the year ended December 31, 2021	recognised by the Company for the year ended December 31, 2021	
Wellybond Corporation	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	\$ 250	\$ -	16,810,000	24.70	\$ 252,913	\$ 36,968	\$ 1,903	
Wellybond Corporation	Tyntek Corporation	Taiwan	Research and development, manufacture, sales of gallium arsenide, infrared, light-emitting diode, laser diode, phototransistor, photodiode, single crystal, epitaxy and chip, and concurrent research and development, manufacture and sales of electro-optical system of export-import trade	258	-	10,000	0.00	264	724,850	6	Note 1
Lextar (Singapore) Pte. Ltd.	Lextar Electronics Korea Ltd.	Korea	Sale of LED and aftersales service	3,025	3,025	22,000	100.00	4,046	361	361	
Lextar (Singapore) Pte. Ltd.	Aurora International Lighting Corporation Limited	Hong Kong	Sales of lighting	204,136	204,136	2,000,000	20.00	180,789	(7,825)	631	
Liang Li Venture Corp.	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	89,270	-	6,185,000	9.09	93,056	36,968	1,299	
Yenrich Technology Corporation	ProLight Opto Technology Corporation	Taiwan	Manufacturing and sales of LED packages	19,994	29,372	1,822,000	2.68	27,366	36,968	903	
Yenrich Technology Corporation	GCS Holding Inc.	USA	OEM manufacturing of GaAs / InP / GaN / SiC wafers for RF and optoelectronics	-	228,748	-	-	-	(378,497)	(10,746)	
Yenrich Technology Corporation	Amengine Corporation	Taiwan	Developing and sales of medical optical sensor modules	-	12,050	-	-	-	(10,889)	(4,026)	
ProLight Opto Technology Corporation	ProLight Opto Holding Corporation	Seychelles	Professional investment	4,402	4,402	150,000	100.00	(972)	(1,087)	(1,807)	

Table 9-8

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2021					Footnote
				Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognised by the Company for the year ended December 31, 2021	
ProLight Opto Holding Corporation	ProLight Opto Technology Corporation	Seychelles	Professional investment	4,403	4,403	150,000	100.00	(945)	(1,087)	(1,807)	

Note1: The group holds two seats on the Board of Directors, which indicates that the Group has significant influence over the investee. Accordingly, the Group listed the investee as an associate.

ENNOSTAR INC.
Information on investments in Mainland China
Year ended December 31, 2021

Table 10

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Amount remitted from Taiwan to			Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Book value of investments in Mainland China as of December 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021								
				Remitted to Mainland China	Remitted back to Taiwan								
Episky Corporation (Xiamen) Ltd.	Manufacturing and sales of LED chips	\$ 1,882,240	2	\$ 1,882,240	\$ -	\$ -	\$ 1,882,240	\$ 400,557	100.00	\$ 400,557	\$ 2,323,879	\$ -	2(3)
United LED Shan Dong Corporation	Manufacturing and sales of LED wafers and chips	2,325,120	2	1,764,600	-	-	1,764,600	14,976	74.86	11,211	294,660	-	2(3)
Epicrystal Corporation (Changzhou) Ltd.	Manufacturing and sales of LED wafers and chips	4,345,760	2	3,310,528	-	-	3,310,528	42,087	76.95	32,388	3,637,115	-	2(1)
Luxlite (Shenzhen) Corporation Limited	Sales of LED chips	83,040	2	47,080	-	-	47,080	1,726	100.00	1,726	139,866	53,422	2(1)
KFESLighting Co., Ltd.	Manufacturing and sales of LED wafers, chips, packages and modules	7,528,927	2	1,413,341	-	-	1,413,341	-	18.77	-	2,256,697	-	2(3)
Everlight Electronics (Fujian) Co., Ltd	Manufacturing and sales of LED backlight and related parts	692,000	2	69,200	-	69,200	-	-	-	-	-	-	2(3)
APT Electronics Co., Ltd.	Developing, manufacturing and sale of LED extension and chip, module and light instrument	1,785,890	3	286,333	-	-	286,333	-	11.80	-	-	-	2(3)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Amount remitted from Taiwan to			Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Book value of investments in Mainland China as of December 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021								
					Remitted to Mainland China	Remitted back to Taiwan							
China Crystal Technologies Co.,Ltd.	Developing, manufacturing and sale of gallium arsenide unit crystal and chips	\$ 858,302	2	\$ 92,912	\$ -	\$ -	\$ 92,912	\$ -	8.97	(\$ 36,649)	\$ 17,110	\$ -	2(3)
Ufeco Technology Inc.	Developing, manufacturing and sale of LED application products	69,200	2	7,209	-	-	7,209	-	-	-	-	-	2(3)
Huarui (Huizhou) Co., Ltd.	Research and development, manufacturing and sale of LED packaging; research and development, manufacturing and sale of backlight module, lighting modules and accessories	434,000	2	202,621	-	-	202,621	-	-	-	-	-	2(3)
Ningbo Formosa Epitaxy Incorporation	Sales of LED chips	5,536	2	46,592	-	-	46,592	(59)	- (	59)	-	-	2(3)
Jiangsu Canyang Optoelectronics Ltd.	Manufacturing and sales of LED wafers and chips	5,314,560	2	2,203,957	144,498	-	2,348,455	67,039	95.66	63,782	1,507,705	-	2(3)

Table 10-2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Amount remitted from Taiwan to				Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021	Book value of investments in Mainland China as of December 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
				Accumulated amount of remittance from Taiwan to	Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021		Accumulated amount of remittance from Taiwan to						
				Mainland China as of January 1, 2021	Remitted to Mainland China	Remitted back to Taiwan	Mainland China as of December 31, 2021						
Lextar Electronics (Suzhou) Corp.	Manufacturing and sales of LED wafers, chips, packages and modules	\$ 3,722,205	2	\$ 3,585,860	\$ -	\$ -	\$ 3,585,860	\$ 164,574	100.00	\$ 164,574	\$ 3,376,932	-	2(2)
Lextar Electronics (Xiamen) Co.,Ltd.	Manufacturing and sales of LED wafers, chips, packages and modules	32,759	2	32,759	-	-	32,759	(3,935)	100.00	(3,935)	11,984	-	2(2)
Chuzhou Bwin Technology Corp.	Developing, manufacturing, sales of metal and plastic technical products	260,640	2	-	-	-	-	12,168	48.33	5,138	115,080	-	2(3)
Lextar Electronics (Chuzhou) Corp.	Manufacturing and sales of LED wafers, chips, packages and modules	3,094,825	2	-	-	-	-	293,112	100.00	293,112	3,202,943	-	2(2)
LEADSTAR Micro- Crystal Display Corporation (JiangSu) Ltd.	Developing, manufacturing and sales of LED packages, modules and related applications	1,042,560	2	382,737	-	-	382,737	86,479	37.88	26,356	415,051	-	2(3)
Shanghai Welight Electronic Co., LTD.	Wholesale and export and import of LED and related electronic products	4,178	2	4,178	-	-	4,178	(1,807)	51.16	(1,807)	(972)	-	2(2)

Table 10-3

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Epistar Corporation	\$ 11,352,640	\$ 12,374,631	\$ 24,134,751
Lextar Electronics Corporation	\$ 3,633,067	\$ 4,044,862	\$ 6,047,038

Note 1: The investments are classified in three types; they are numbered as follows:

1. Direct investment in Mainland China companies;
2. Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
3. Other ways.

Note 2: Investment income or loss in this period:

The bases for recognition of investment income or loss are classified into four types; they are numbered as follows:

1. The financial statements that are audited by the international accounting firm which has a cooperative relationship with the R.O.C. accounting firm;
2. The financial statements that are audited by the R.O.C. parent company's independent auditors;
3. The financial statements that are not audited by the independent auditors;
4. Others.

Note 3: The amount disclosed was based on Investment Commission, MOEA Regulation No. 09704604680 announced on August 29, 2008.

Note 4: The numbers in the table shall be expressed in NTD. Foreign currencies shall be translated into NTD at the exchange rate prevailing on the financial reporting date.

Note 5: The 'amounts' are expressed in thousands of New Taiwan dollars.

ENNOSTAR INC.

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

Year ended December 31, 2021

Table 11

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance at December 31, 2021	%	Balance at December 31, 2021	Purpose	Maximum balance during the year ended December 31, 2021	Balance at December 31, 2021	Interest rate	Interest during the year ended December 31, 2021	Others
Episky Corporation (Xiamen) Ltd.	\$ 1,072,506	4.25	2,559	-	\$ 600,159	1.04	\$ 664,320	-	\$ -	\$ -	-	\$ -	-
Jiangsu Canyang Optoelectronics Ltd.	305,924	1.00	-	-	184,478	0.32	221,440	-	438,400	-	-	3,890	-
SHENZHEN EPIKYLIN OPTOELECTRONICS CO.,LTD	886,497	3.51	-	-	421,144	0.73	434,400	-	-	-	-	-	-
Epicrystal (Changzhou) Co., Ltd.	482,638	1.91	4,225	-	180,177	0.31	-	-	-	-	-	-	-
Jiangsu Canyang Optoelectronics Ltd. (	955,781) (	3.79)	-	-	(68,215) (	0.12)	-	-	-	-	-	-	-
Episky Corporation (Xiamen) Ltd.	(374,575) (	1.48)	-	-	(53,365) (	0.09)	-	-	-	-	-	-	-
Epicrystal (Changzhou) Co., Ltd.	(1,694,363) (	6.71)	-	-	(697,866) (	1.21)	-	-	-	-	-	-	-
LEADSTAR Micro-Crystal Display Corporation (JiangSu) Ltd.	121,386	17.46	-	-	7,636	4.28	-	-	-	-	-	-	-
Lextar Electronics (Suzhou) Corp.	(143,603) (	2.28)	-	-	(13,680) (	0.82)	-	-	-	-	-	-	-
Lextar Electronics (Chuzhou) Corp.	(4,375,626) (	69.61)	-	-	(1,175,829) (	70.35)	-	-	-	-	-	-	-
Shanghai Welight Electronic Co., LTD	214,412	22.65	-	-	125,315	49.05	-	-	-	-	-	-	-

ENNOSTAR INC.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2021
 (Expressed in thousands of New Taiwan dollars)

Statement1

Item	Description	Amount
Cash		
Bank deposits		
Demand deposits — NTD		\$ 20,994
— USD	USD 100 thousand at exchange rate of 27.68	2,758
Bonds sold under repurchase agreement — NTD		20,000
		<u>\$ 43,752</u>

ENNOSTAR INC.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
PERIOD FROM JANUARY 6 TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

Statement2

Name	Beginning Balance		Additions (Reduction)		Gain (loss) on investments	Ending Balance		Percentage of Ownership	Market Value or Net Assets Value		Collateral
	Shares	Amount	Shares	Amount (Note1)		Shares	Amount		Unit Price (in NTD)	Total Amount	
Epistar Corporation	-	\$ -	1,088,701,410	\$ 36,961,274	2,066,382	1,088,701,410	\$ 39,027,656	100%	35.85	\$ 39,027,656	None
Lextar Electronics Corporation	-	-	514,916,380	11,315,172	303,982	514,916,380	11,619,154	100%	22.57	11,619,154	None
Harvestar Investment Corp.	-	-	65,000,000	688,236	(11,625)	65,000,000	676,611	100%	10.41	676,611	None
Amengine Corporation	-	-	3,100,000	10,210	(2,017)	3,100,000	8,193	58.59%	2.64	8,193	None
Calystar Investment Corp.	-	-	29,000,000	290,000	(134)	29,000,000	289,866	100%	10.00	289,866	None
GCS Holdings, Inc.	-	-	23,799,000	585,729	48,485	23,799,000	634,214	7.92%	28.35	674,702	None
Tyntek Corporation	-	-	9,028,000	469,786	(18,076)	9,028,000	451,710	9.85%	49.10	443,275	None

Note1: Including investments of additions, Cumulative translation differences of foreign operations, Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income, cash dividend paid and except Subsidiary holds shares of parent company.

ENNOSTAR INC.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
PERIOD FROM JANUARY 6 TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

Statement3

Item	Beginning Balance	Addition	Decrease	Ending Balance
Office equipment	\$ -	\$ 414	\$ -	\$ 414
Leasehold improvements	-	4,678	-	4,678
Construction in progress and equipment to be inspected	-	5,136	-	5,136
	<u>\$ -</u>	<u>\$ 10,228</u>	<u>\$ -</u>	<u>\$ 10,228</u>

ENNOSTAR INC.
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
PERIOD FROM JANUARY 6 TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

Statement4

Item	Beginning Balance	Addition	Decrease	Ending Balance
Accumulated depreciation:				
Office equipment	\$ -	\$ 32	\$ -	\$ 32
Leasehold improvements	-	39	-	39
	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ 71</u>

ENNOSTAR INC.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2021
 (Expressed in thousands of New Taiwan dollars)

Statement5

Nature	Description	Ending Balance	Contract Period	Range of Interest		Credit Line	Collateral	Note
				Rate				
Unsecured borrowings	Unsecured borrowings	<u>\$ 150,000</u>	2021/11/10~2022/11/9	1.12%		<u>\$ 150,000</u>	None	

ENNOSTAR INC.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY
FUNCTION
PERIOD FROM JANUARY 6 TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

Statement6

Function Nature	Year ended December 31, 2021		
	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee Benefit Expense			
Wages and salaries	158,833	-	158,833
Labour and health insurance fees	6,275	-	6,275
Pension costs	3,444	-	3,444
Directors' remuneration	33,812	-	33,812
Other personnel expenses	2,926	-	2,926
Depreciation Expense	71	-	71
Depletion Expense	-	-	-
Amortisation Expense	-	-	-

Note:

- As at December 31, 2021, the Company had 69 employees, including 8 non-employee directors.
- A company whose stock is listed for trading on the stock exchange or over-the-counter securities exchange shall additionally disclose the following information :
 - Average employee benefit expense in current year \$2,811. ((Total employee benefit expense of current year-Total directors' compensation of current year) / (Number of employees of current year-Number of non-employee directors of current year))
 - Average employees salaries in current year 2,604. (Total wages and salaries of current year/ (Number of employees of current year-Number employee of non- directors of current year))
 - Adjustments of average employees salaries 0%. ((Average wages and salaries of current year-Average wages and salaries of prior year) /Average wages and salaries of prior year)
 - Remuneration of the supervisors in current year 0.

ENNOSTAR INC.
SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSES BY
FUNCTION (Cont.)
PERIOD FROM JANUARY 6 TO DECEMBER 31, 2021
(Expressed in thousands of New Taiwan dollars)

Statement6

Description:

1. The number of employees described in Note to this form should be calculated by using average number of employees and the basis of calculation was the same as the employee benefits expenses and employees' salaries.
2. According to IAS19, employees may provide services in a full-time, part-time, permanent, irregular or temporary manner, including directors and other management personnel. Therefore, "employees" in this form include directors, managers, general employees and contract hires, etc., but not including supervisors, dispatched manpower, labor contracting or business outsourcing personnel.
3. "Directors' remuneration" refers to the remuneration received by all directors, retirement pension, director's remuneration and business execution expenses, etc., but does not include employee directors' salary, labor and health insurance.
4. "Supervisors' remuneration" refers to the remuneration received by all supervisors, supervisors' remuneration and business execution expenses, etc.