TaiHan Precision Technology Co., Limited and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2021 and 2020 and Independent Auditors' Report

(Stock code: 1336)

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Important Disclaime：
This English-version handbook is a summary translation of the Chinese version and is not an official document of the shareholders meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

TaiHan Precision Technology Co., Limited and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2021 and 2020 and Independent Auditors' Report

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TaiHan Precision Technology Co., Limited

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of TaiHan Precision Technology Co., Limited as of and for the year ended December 31, 2021, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, TaiHan Precision Technology Co., Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

Company Name：TaiHan Precision Technology Co., Limited

Chairman：TSAI,CHEN-LUNG

March 14, 2022

INDEPENDENT AUDITORS'REPORT

(2022) No. Financial Auditing-21004082

To: The Board of Directors and Shareholders
TaiHan Precision Technology Co., Limited

Opinion

We have audited the accompanying consolidated balance sheets of TaiHan Precision Technology Co. and subsidiaries (the "TaiHan Group") as of December 31, 2021, and the related consolidated statements of income, changes in equity, and cash flows for the period from January 1, 2021 to December 31, 2021, and the related consolidated notes to the financial statements, which include a summary of significant accounting policies.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tai Han Group as of December 31, 2021 and its consolidated financial results and consolidated cash flows for the period from January 1 to December 31, 2021 in conformity with International Financial Reporting Standards (IFRIC) for Securities Issuers and International Accounting Standards(IAS), and Interpretations and Interpretations issued by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Individual Financial Statements section of our report. We are independent of TaiHan Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2021 are stated as follows:

Existence of sales revenue

Key Audit Matters

Please refer to Note 4(28) to the consolidated financial statements for the accounting policy of revenue recognition and Note 6(19) to the consolidated financial statements for the accounting account of operating revenues.

The TaiHan Group is specialized in the design, manufacture and trading of various precision molds, tooling and plastic molding products, and its significant sales customers account for a significant portion of its annual operating revenues.

In accordance with the Audit Procedure

The procedures performed by us in respect of the above critical review are summarized as below：

1. To understand the process and basis of revenue recognition for significant sales customers

in order to assess the effectiveness of management's internal control over sales recognition and to perform internal control effectiveness testing.

2. To obtain basic evaluation data of significant sales customers and search for relevant information for verification.
3. Test that the credit terms of significant sales customers have been properly approved.
4. Obtain and sample check the sales details of significant sales customers and verify the relevant certificates and future collection position.
5. Obtain the post-sale return details of significant sales customers and review the sales return position.

Other Matter–The consolidated financial statements for the comparative period were audited by other accountants.

We have audited the individual financial statements of TaiHan Group by other accountants for the years ended December 31, 2021 on which we have issued an unmodified opinion on March 16, 2021.

Other Matter–The individual financial statements

We have audited the financial statements of TaiHan Group for the years ended December 31, 2021 and 2020, and have issued an unqualified opinion and an unqualified audit report thereon, respectively.

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

The responsibility of management is to prepare consolidated financial statements that are fairly stated in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Pronouncements endorsed by the Financial Supervisory Commission, and to maintain such internal control relevant to the preparation of consolidated financial statements as is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management's responsibility also includes assessing the ability of the TaiHan Group to continue as a going concern, the disclosure of related matters, and the adoption of a going concern basis of accounting, unless management intends to liquidate the TaiHan Group or cease operations, or there is no practical alternative to liquidation or discontinuation of operations.

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the TaiHan Group financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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 consolidated financial statements for the year ended December 31,2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PWC Taiwan

Eric Wu / WU,YU-LUNG

CPA:

Ryan Huang / HUANG,SHIH-CHUN

Former Securities Futures Commission, Ministry of Finance
Certified Registration No.: (86)
Taiwan-Finance-Securities-VI-83252Former Securities Futures Commission, Ministry of Finance

Financial Supervisory Commission
Certified Registration No.:
Financial-Supervisory-Securities-Auditing-1050029449Financial Supervisory Commission

March 14, 2022

TaiHan Precision Technology Co., Limited

CONSOLIDATED STATEMENTS OF BALANCE SHEET

December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

	ASSETS	Note	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	CURRENT ASSETS					
1100	Cash and cash equivalents	6(1)	$ 537,308	24	$ 623,074	26
1110	Financial asset at fair value through P/L－Current	6(2)	-	-	30,099	1
1136	Financial assets at fair value through P/L - current amortized cos	6(4)	1,824	-	1,855	-
1150	Notes receivable, net	6(5)	109	-	-	-
1170	Accounts receivable, net	7(2)	397,554	17	354,665	15
1200	Other receivables		1,366	-	359	-
1220	Current tax assets		-	-	6	-
130X	Inventory	6(6)	188,201	8	155,787	6
1410	Prepayments		38,276	2	50,207	2
1470	Other current assets		986	-	630	-
11XX	**Total current assets**		1,165,624	51	1,216,682	50
1517	Financial asset at fair value through P/L－Noncurrent	6(3)	4,072	-	4,992	-
1600	Property, plant and equipment	6(7)&8	922,407	41	1,014,265	41
1755	Right-of-use assets	6(8)&8	42,163	2	67,037	3
1760	Investment property, net	6(9)&8	30,490	1	33,959	1
1780	Investment property, net		14,411	1	18,507	1
1840	Deferred income tax assets	6(26)	71,415	3	56,045	2
1915	Prepayment for equipment		4,867	-	27,817	1
1920	Refundable deposits		11,161	1	14,091	1
15XX	**Total noncurrent assets**		1,100,986	49	1,236,713	50
1XXX	**TOTAL Assets**		$ 2,266,610	100	$ 2,453,395	100

(Continued)

TaiHan Precision Technology Co., Limited

CONSOLIDATED STATEMENTS OF BALANCE SHEET

December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

	LIABILITIES AND EQUITY	Note	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	CURRENT LIABILITIES					
2100	Short-term borrowings	6(10)	$ 127,606	6	$ 149,918	6
2130	Contractual liability－Current	6(19)	3,092	-	20,106	1
2150	Notes payable		10,990	1	34,784	1
2170	Accounts payable		217,461	10	196,023	8
2200	Other payables	6(11)&7(2)	92,751	4	116,636	5
2230	Current tax liabilities		9,057	-	16,971	1
2280	Lease liabilities－Current	7(2)	23,723	1	24,945	1
2320	Long-term liabilities due within one year or one operating cycle	6(12)	26,541	1	13,659	1
2399	Other current liabilities		1,359	-	2,382	-
21XX	**Total current liabilities**		512,580	23	575,424	24
	NONCURRENT LIABILITIES					
2540	Long-term borrowings	6(12)	126,071	6	157,075	6
2570	Deferred income tax liabilities	6(26)	65,476	3	43,390	2
2580	Lease liabilities－Noncurrent	7(2)	8,363	-	30,047	1
2610	Long-term notes and accounts payable		-	-	11,942	1
2640	Net defined benefit liability－Noncurrent	6(13)	2,704	-	3,610	-
2645	Guarantee deposit received		1,234	-	997	-
2670	Other noncurrent liabilities		1,118	-	-	-
25XX	**Total noncurrent liabilities**		204,966	9	247,061	10
2XXX	**Total liabilities**		717,546	32	822,485	34
	Equity attributable to owners of the parent company	5				
	Capital stock	6(15)				
3110	Common stock		770,984	34	770,984	31
	Capital surplus	6(16)				
3200	Capital surplus		668,899	29	668,899	27
	Retained earnings	6(17)				
3310	Appropriated as legal capital reserve		37,522	2	18,593	1
3320	Appropriated as special capital reserve		92,332	4	74,925	3
3350	Unappropriated earnings		114,857	5	189,840	8
	Other Entities	6(18)				
3400	Other Entities		(135,530)	(6)	(92,331)	(4)
3XXX	**Total equity**		1,549,064	68	1,630,910	66
	Significant Contingent Liabilities and Unrecognized Contractual Commitments	9				
	Serious subsequent events	11				
3X2X	**TOTAL LIABILITIES AND EQUITY**		$ 2,266,610	100	$ 2,453,395	100

The accompanying notes to the consolidated financial statements are an integral part of these individual financial statements and should be read in conjunction with them.

Chairman：Tsai, Chen-Lung Manager： Tsai, Chen-Lung Accounting Manager：Chen, Chin-Chung

TaiHan Precision Technology Co., Limited

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars
(Except earnings per share in New Taiwan dollars)

	Item	Note	2021 Amount	2021 %	2020 Amount	2020 %
4000	Operating revenues	6(19)	$ 2,085,430	100	$ 1,906,581	100
5000	Operating costs	6(6)(24)	(1,740,378)	(83)	(1,613,821)	(84)
5950	Operating margin, net		345,052	17	292,760	16
	Operating expenses	6(24)(25)&7(2)				
6100	Sales and marketing		(34,274)	(2)	(35,093)	(2)
6200	General and administrative expenses		(169,986)	(8)	(188,034)	(10)
6450	Expected credit impairment loss	12(2)	(115)	-	(33)	-
6000	Total operating expenses		(204,375)	(10)	(223,160)	(12)
6900	Operating profit		140,677	7	69,600	4
	NON-OPERATING INCOME AND EXPENSES					
7100	Interest income	6(20)	1,504	-	974	-
7010	Other income	6(21)	10,780	1	17,016	1
7020	Other gains and losses	22	(12,054)	(1)	218,358	11
7050	Finance costs	6(23)&7(2)	(6,939)	-	(8,163)	-
7000	Total non-operating income and expense		(6,709)	-	228,185	12
7900	**INCOME BEFORE INCOME TAX**		133,968	7	297,785	16
7950	INCOME TAX EXPENSE	6(26)	(56,910)	(3)	(105,058)	(6)
8200	**Net income**		$ 77,058	4	$ 192,727	10
	OTHER COMPREHENSIVE INCOME (LOSS)					
	Items that will not be reclassified subsequently to profit or loss:					
8311	Remeasurement of defined benefit obligation	6(13)	($ 71)	-	($ 4,113)	-
8316	Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	6(3)	(199)	-	982	-
8349	Income tax benefit related to items that will not be reclassified subsequently	6(26)	14	-	673	-
8310	Total amount of items that are not reclassified to profit or loss		(256)	-	(2,458)	-
	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences arising on translation of foreign Operations	6(18)	(53,750)	(3)	(25,930)	(1)
8399	Income tax benefit related to items that will be reclassified subsequently	6(18)	10,750	1	5,186	-
8360	Total amount of items that are reclassified to profit or loss		(43,000)	(2)	(20,744)	(1)
8300	**Other comprehensive income, net**		($ 43,256)	(2)	($ 23,202)	(1)
8500	**Total comprehensive income**		$ 33,802	2	$ 169,525	9
	Net profit is allocated to：					
8610	Parent Company Owner		$ 77,058	4	$ 192,727	10
	Total comprehensive income(loss)is allocated to：					
8710	Parent Company Owner		$ 33,802	2	$ 169,525	9
	Basic earnings per share					
9750	Net income	6(27)	$ 1.00		$ 2.48	
	Diluted earnings per share					
9850	Net income	6(27)	$ 1.00		$ 2.46	

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements and should be read in conjunction with them.

Chairman：Tsai, Chen-Lung Manager：Tsai, Chen-Lung Accounting Manager：Chen, Chin-Chung

TaiHan Precision Technology Co., Limited

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

December 31, 2021 and 2020

		Equity attributable to owners of the parent company						
				Retained Earnings			Other Bene	
	Note	Capital Stock - Common Stock	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated Earnings	Foreign Currency Translation Reserve	Unrealized Gai Financial Ass Value Throu Comprehensiv
2020								
BALANCE, JANUARY 1, 2020		$ 851,484	$ 747,838	$ 11,369	$ 65,155	$ 73,058	($ 72,679)	$
Net income in 2020		-	-	-	-	192,727	-	
Other comprehensive income (loss) in 2020, net of income tax		-	-	-	-	(3,440)	(20,744)	
Total comprehensive income (loss) in 2020		-	-	-	-	189,287	(20,744)	
Appropriations of prior year's earnings in 2019	6(17)							
Legal Capital Reserve		-	-	7,224	-	(7,224)	-	
Special Capital Reserve		-	-	-	9,770	(9,770)	-	
Cash dividends to shareholders		-	-	-	-	(55,511)	-	
Recognize compensation costs for new shares that restrict employee rights	6(18)	-	-	-	-	-	-	
Cash allocation from capital surplus		-	(37,007)	-	-	-	-	
Purchase of treasury stock		-	-	-	-	-	-	
Treasury Stock Retired		(80,500)	(41,932)	-	-	-	-	
BALANCE, DECEMBER 31, 2020		$ 770,984	$ 668,899	$ 18,593	$ 74,925	$ 189,840	($ 93,423)	$
2021								
BALANCE, JANUARY 1, 2021		$ 770,984	$ 668,899	$ 18,593	$ 74,925	$ 189,840	($ 93,423)	$
Net income in 2021		-	-	-	-	77,058	-	
Other comprehensive income (loss) in 2021		-	-	-	-	(57)	(43,000)	(
Total comprehensive income (loss) in 2021		-	-	-	-	77,001	(43,000)	(
Appropriations of prior year's earnings in 2020	6(17)							
Legal Capital Reserve		-	-	18,929	-	(18,929)	-	
Special Capital Reserve		-	-	-	17,407	(17,407)	-	
Cash dividends to shareholders		-	-	-	-	(115,648)	-	
BALANCE, DECEMBER 31, 2021		$ 770,984	$ 668,899	$ 37,522	$ 92,332	$ 114,857	($ 136,423)	$

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements and should l

Chairman：Tsai, Chen-Lung

Manager：Tsai, Chen-Lung

TaiHan Precision Technology Co., Limited
CONSOLIDATED STATEMENTS OF CASH FLOWS
December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

	Note	January 1 ~ December 31, 2021	January 1 ~ December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		$ 133,968	$ 297,785
Adjustments for:			
Provided by (used in) operating activities:			
Depreciation expense	6(24)	124,839	133,407
Intangible assets amortization expense	6(24)	4,791	1,864
Expected credit impairment loss (benefit)	12(2)	115	33
Loss (gain) on financial instruments at fair value through profit or loss, net	6(22)	(846)	(99)
Finance costs	6(23)	6,939	8,163
Interest income	6(20)	(1,504)	(974)
Recognize compensation costs for new shares that restrict employee rights	6(14)	-	2,355
Loss (gain) on disposal or retirement of property, plant and equipment	6(22)	(6,027)	(908)
Loss (gain) on disposal or retirement of Investment properties	6(22)	-	(219,846)
Dividend revenue	6(21)	(597)	(24)
Lease modification loss (gain)	6(22)	85	-
Changes in operating assets and liabilities			
Changes in operating assets, net			
Notes receivable, Net		(109)	-
Accounts receivable		(43,004)	62,097
Other receivables		(1,007)	(142)
Inventory		(32,414)	21,208
Prepayments		11,931	775
Other current assets		(356)	465
Changes in Liabilities Related to Operating Activities, net			
Contractual Liabilities - Current		(17,014)	15,863
Notes payable		(11,853)	(16,009)
Accounts payable		21,438	(22,808)
Other accounts payable		(23,944)	11,901
Other current liabilities		(1,023)	(5,455)
Other noncurrent liabilities		1,118	-
Net defined benefit liability		(977)	(1,139)
Cash generated from operations		164,549	288,512
Interest Collection		2,449	974
Interest payment		(6,880)	(8,891)
Income tax payment		(70,864)	(61,848)
Net cash generated by operating activities		89,254	218,747

(Continued)

TaiHan Precision Technology Co., Limited

CONSOLIDATED STATEMENTS OF CASH FLOWS

December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

	Note	January 1 ~ December 31, 2021	January 1 ~ December 31, 2020
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss – current		$ -	($ 30,000)
Disposal of financial assets at fair value through profit or loss – current		30,000	-
Financial assets measured at fair value through other comprehensive income or loss			
Capital reduction and refund of shares		721	1,100
Acquisition of property, plant and equipment	6(28)	(45,165)	(21,145)
Disposal of property, plant and equipment		17,860	3,987
Acquisition of property, plant and equipment-Payment of bills payable		(23,883)	
Disposal of investment properties		-	308,791
Increase in prepayments for equipment		(7,753)	(41,709)
Acquisition of intangible assets		(1,751)	(6,167)
Decrease in deposit guarantee		2,930	-
Increase in deposit guarantee		-	(4,809)
Receipt of dividends		597	24
Net cash (outflow) inflow from investing activities		(26,444)	210,072
Cash flows from financing activities			
Increase in short-term loans	6(29)	398,007	574,317
Decrease in short-term loans	6(29)	(389,344)	(631,278)
Long-term borrowings	6(29)	-	174,325
Repayment of long-term loans	6(29)	(12,755)	(19,695)
Decrease in deposit guarantee	6(29)	-	(1,050)
Increase in deposit guarantee	6(29)	323	-
Principal repayment of lease liabilities	6(29)	(28,413)	(22,461)
Cash dividends and capital reserve allocations	6(29)	(115,648)	(92,518)
Purchase of treasury stock		-	(121,932)
Net cash outflow from financing activities		(147,830)	(140,292)
Exchange differences		(746)	(3,868)
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS		(85,766)	284,659
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		623,074	338,415
CASH AND CASH EQUIVALENTS, END OF YEAR		$ 537,308	$ 623,074

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements and should be read in conjunction with them.

Chairman：Tsai, Chen-Lung Manager：Tsai, Chen-Lung Accounting Manager：Chen, Chin-Chung

TaiHan Precision Technology Co., Limited and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Unit：Amounts in Thousands of New Taiwan Dollars
(Unless Specified Otherwise)

1.Milestone

(1) TaiHan Precision Technology Co., Limited (hereinafter referred to as the "Company") was established on August 28, 1987. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are mainly engaged in the design, manufacture and trading of various precision molds, tooling and plastic molding products.

(2) The Company's shares have been listed and transacted on TPEx since November 2007.

(3) The Speed Tech Corporation Group owns the Company's equity and is the single largest shareholder of the Company and has substantial control over the Company's personnel, finances and operations and will became the parent company of the Company in August 2021. In addition, Luxshare Precision Industry Co., Ltd. is the ultimate parent company of the Company.

2.Date and procedure for approval of financial statements

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors on March 14, 2022.

3.Date and procedure of financial statement approval

(1) Effect of application of new and revised IFRSs endorsed by the Financial Supervisory Commission ("FSC")

The following table summarizes the newly issued, amended and revised IFRSs and interpretations of IFRSs endorsed by the FSC for 2021：

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 4 "Temporary Exemption from the Application of IFRS 9 Extensions"	January 1, 2021
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Phase II Amendments "Changes to Interest Rate Indicators”	January 1, 2021

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 16, "COVID-19 Related Rent Reductions after June 30, 2021"	April 1, 2021(Note)

Note: The FSC allowed in advance for application on January 1, 2021.

The Group has evaluated that the above standards and interpretations do not have a significant effect on the Group's consolidated financial position and consolidated financial performance.

(2) Effects of new and amended IFRSs that have not been endorsed by the FSC

The following table summarizes the new, amended and revised IFRSs and interpretations of IFRSs approved by the FSC for application in 2022：

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022
Amendments to IAS 37 “Onerous Contracts–Cost of Fulfilling a Contract”	January 1, 2022
Annual Improvements to IFRS Standards 2018 - 2020 Cycle	January 1, 2022

The Group has evaluated that the above standards and interpretations do not have a significant effect on the Group's consolidated financial position and consolidated financial performance.

(3) The IFRSs issued by IASB but not yet endorsed and issued into effect by the FSC

The following table summarizes the new, amended and revised standards and interpretations of IFRSs issued by the IASB that have not yet been incorporated into IFRSs endorsed by the FSC：

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
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 IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17, "Insurance Contracts	January 1, 2023
Amendments to IFRS 17 "First-time 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

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
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 Group continues to evaluate the impact of the above amendments to standards and interpretations on the consolidated financial position and consolidated financial performance, and the related impact will be disclosed when the evaluation is completed.

4.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these consolidated financial statements are described below. Unless otherwise stated, these policies have been applied consistently throughout the reporting period.

(1) Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed by the FSC with the effective dates (collectively, “Taiwan-IFRSs”).

(2) Basis of Preparation

1.The consolidated financial statements have been prepared on the historical cost basis, except for the following significant items：

(1) Financial assets and liabilities at fair value through profit or loss are measured at fair value.

(2) Financial assets at fair value through other comprehensive income or loss that are measured at fair value.

(3) The defined benefit obligation is recognized as the net asset less the current value of the defined benefit obligation of the pension fund.

2. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. The process of applying the Group's accounting policies also requires management to exercise its judgment. Items involving a higher degree of judgment or complexity, or items involving significant assumptions and estimates in the consolidated financial statements are described in Note 5.

(3) Basis of Consolidation

1. Principles Governing the Preparation of Consolidated Financial Statements

(1) The Group includes all subsidiaries in the entities for which consolidated financial statements are prepared. A subsidiary is an entity (including a structured entity) that is controlled by the Group and over which the Group has control when the Group is exposed to variable remuneration from participation in the entity or has rights to such variable remuneration and has the ability, through its power over the entity, to affect such remuneration. Subsidiaries are included in the consolidated financial statements from the date the Group obtains control and are deconsolidated from the date control is lost.

(2) Inter-company transactions, balances and unrealized gains and losses within the Group have been eliminated. The accounting policies of subsidiaries have been adjusted as necessary to conform to the policies adopted by the Group.

(3) The components of profit or loss and other comprehensive income or loss are attributed to owners of the parent and non-controlling interests; total comprehensive income or

loss is also attributed to owners of the parent and non-controlling interests, even if this results in a loss balance for non-controlling interests.

(4) Changes in ownership of subsidiaries that do not result in a loss of control (transactions with non-controlling interests) are treated as equity transactions, i.e., as transactions with owners. The difference between the amount of the adjustment of the non-controlling interest and the fair value of the consideration paid or received is recognized directly in equity.

(5) When the Group loses control of a subsidiary, the remaining investment in the former subsidiary is remeasured at fair value and recognized as the fair value of the originally recognized financial asset or the cost of the originally recognized investment in a related party or joint venture, and the difference between the fair value and the carrying amount is recognized in profit or loss for the period. For all amounts previously recognized in other comprehensive income or loss related to that subsidiary, the accounting treatment is the same as if the Group had directly disposed of the related assets or liabilities, i.e., if a gain or loss previously recognized in other comprehensive income or loss would be reclassified to profit or loss upon disposal of the related assets or liabilities, the gain or loss is reclassified from equity to profit or loss when control over the subsidiary is lost.

2. The subsidiaries in the consolidated financial statements

			Percentage of Ownership		
Name of Investment Company	Name of Subsidiaries	Business Scope	December 31, 2021	December 31, 2020	Note
Company	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	Professional Investment Business	100%	100%	Note1
TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN HOLDING (SAMOA) CO., LTD.	Professional Investment Business	100%	100%	Note1
〃	YONGHAN HOLDING (SAMOA) CO., LTD.	Professional Investment Business	100%	100%	Note1
〃	TAIHAN HOLDING PHILIPPINES CO., LTD.	Professional Investment Business	100%	100%	Note1
TAIHAN HOLDING (SAMOA) CO., LTD.	TaiHan Mold Products (Dongguan) Co.., Ltd.	Production and sales of various precision molds and plastic products, etc.	100%	100%	Note1、Note2
YONGHAN HOLDING (SAMOA) CO., LTD.	YONGHAN PRECISION TECHNOLOGY CO., LTD.	Production and sales of various precision molds and plastic products, etc.	100%	100%	Note1、Note3
TAIHAN HOLDING PHILIPPINES CO., LTD.	TAIHANLAND (PHILIPPINES) INC.	Holding the land and plant of the production base	39.99%	39.99%	Note1、Note4
〃	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., LTD.	Production and sales of various precision molds and plastic products, etc.	99.99%	99.99%	Note1、Note5

Note 1: Its financial statements as of December 31, 2020 were audited by other

accountants.

Note 2: TaiHan Mold Products (Dongguan) Company Limited (hereinafter referred to as Dongguan TaiHan Company) was registered and established on January 4, 2001 with the approval of Dongguan City Administration for Industry and Commerce of the People's Republic of China and completed the business license without business term on September 17, 2020, with the main scope of business being the production and sale of various precision molds and plastic products, etc.

Note 3: YONGHAN PRECISION TECHNOLOGY CO., LTD. (hereinafter referred to as YONGHAN Vietnam) was approved by the Industrial Zone Administration of Hai Duong Province, Republic of Vietnam, and was registered on August 28, 2006 for a period of 46 years (from the date of obtaining the investment certificate to August 28, 2052). and plastic products.

Note 4: TAIHANLAND (PHILIPPINES) INC. (hereinafter referred to as Philippine Land Company) was registered on January 9, 2013 and its main business scope is to hold land for production bases. The Philippines restricts the shareholding ratio of foreign investors and the number of natural person shareholders for companies holding production base land. Therefore, TAIHAN HOLDING PHILIPPINES CO., LTD. holds only 39.99% of the shares of the Philippine land company in name, and the other 60.01% shares are entrusted to YANG, CHIEN-PING, CHEN, CHIN-CHUNG and local residents ALDRIN ELI T. CHUA, JUNEL A. TSAI and ANNIE MARIE B. The other 60.01% is entrusted to YANG, CHIEN-PING, CHEN, CHIN-CHUNG and local residents ALDRIN ELI T. CHUA, JUNEL A. TSAI and ANNIE MARIE B. BERNALES, who have signed a shareholding agreement to protect the Group's equity.

Note 5: TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC. (hereinafter referred to as Philippine Manufacturing Company) was incorporated on January 9, 2013, and its main business scope is the production and sale of various precision molds and plastic products. Since the Philippines restricts the number of natural person shareholders in the establishment of a company, TAIHAN HOLDING PHILIPPINES CO., LTD. only holds 99.99% of the shares of Philippine Manufacturing Company in name. The other 0.01% is entrusted to YANG, CHIEN-PING, CHEN, CHIN-CHUNG and local residents, MARA, JOYCE CLARISSE ONG, ALDRIN ELI T. CHUA and CINDY B. BUCATCAT, and a shareholding agreement has been signed with the entrusted parties to protect the Group's equity.

3. Subsidiaries not included in the consolidated financial statements.
   None.
4. Adjustment and treatment of different accounting periods of subsidiaries
   None.
5. Significant restrictions
   None.
6. Subsidiaries with non-controlling interests that are significant to the Group.
   None.

(4) Foreign currency exchange

Items included in the financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates (i.e., the functional currency). The consolidated financial statements are presented in the New Taiwan dollar, which is the Group's functional currency, as the presentation currency.

1. Foreign currency transactions and balances
   (1) Foreign currency transactions are translated into the functional currency using the spot rate at the date of the transaction or measurement date, and translation differences arising from such transactions are recognized in profit or loss for the current period.
   (2) The balances of monetary assets and liabilities denominated in foreign currencies are adjusted at the exchange rates prevailing on the balance sheet date, and the resulting translation differences are recognized in profit or loss for the current period.
   (3) Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss are adjusted at the exchange rates prevailing on the balance sheet date, and the resulting exchange differences are recognized in profit or loss for the current period; those measured at fair value through other comprehensive income are adjusted at the exchange rates prevailing on the balance sheet date, and the resulting exchange differences are recognized in other comprehensive income; those not measured at fair For those who are not measured at fair value, they are measured at the historical exchange rates at the date of initial transactions.
   (4) All exchange gains and losses are reported in "Other gains and losses" in the consolidated statement of income.
2. Translation of foreign operations

   The results of operations and financial position of all corporate entities with a functional currency different from the presentation currency are translated into the presentation currency as follows：

   (1) Assets and liabilities expressed in each balance sheet are translated at the closing rate on that balance sheet date.

   (2) The income and expenses expressed in each consolidated statement of income are translated at the average exchange rate for the period; and

   (3) All translation differences are recognized in other comprehensive income.

(5) Classification of Current and Noncurrent Assets and Liabilities

1. Assets are classified as current assets if they meet one of the following categories:
   (1) The asset is expected to be realized in the normal operating cycle, or is intended to be sold or consumed.
   (2) Those that are held primarily for trading purposes.
   (3) Expected to be realized within 12 months after the balance sheet date.
   (4) Cash or cash equivalents, except for those that are restricted from being exchanged or used to settle liabilities for at least twelve months after the balance sheet date.

   The Group classifies all assets that do not meet the above categories as non-current.

2. Liabilities are classified as current liabilities if one of the following conditions is met.
   (1) The liability is expected to be settled in the normal operating cycle.
   (2) Held primarily for trading purposes.
   (3) They are expected to be settled within 12 months after the balance sheet date.
   (4) The maturity date cannot be unconditionally extended to at least twelve months after the balance sheet date. The terms of the liabilities, which may be settled by issuing equity instruments at the option of the counterparties, do not affect the classification.

The Group classifies all liabilities that do not meet the above conditions as non-current.

(6) Cash Equivalents

Cash equivalents, for the purpose of meeting short-term cash commitments, consist of highly liquid time deposits and investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

1. Financial assets that are not measured at amortized cost or at fair value through other comprehensive income or loss are classified as financial assets at fair value through profit or loss.
2. The Group applies trade date accounting to financial assets at fair value through profit or loss that qualify as customary transactions.
3. The Group recognizes the related transaction costs at fair value through profit or loss on initial recognition and subsequently recognizes the benefit or loss at fair value through profit or loss.
4. Dividend income is recognized in profit or loss when the right to receive dividends is established, it is probable that the economic benefits associated with the dividends will flow and the amount of dividends can be measured reliably.

(8) Financial assets measured at fair value through other comprehensive income or loss

1. The fair value changes of investments in equity instruments not held for trading are reported in other comprehensive income at the time of initial recognition as an irrevocable choice.
2. The Group applies trade date accounting to financial assets measured at fair value through other comprehensive income or loss that qualify for trading practice.
3. The Group measures these instruments at their fair value plus transaction costs on initial recognition and subsequently at fair value. Changes in the fair value of equity instruments are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is not subsequently reclassified to profit or loss and is reclassified to retained earnings. Dividend income is recognized in profit or loss when the right to receive dividends is established, it is probable that the economic benefits associated with the dividends will flow and the amount of the dividends can be measured reliably.

(9) Financial assets measured at amortized cost

1. A financial asset is one that also meets the following conditions:
   (1) The financial asset is held under an operating model whose objective is to collect the contractual cash flows.
   (2) The contractual terms of the financial asset generate cash flows at a specific date, solely for the purpose of paying interest on the principal and outstanding principal amount.
2. The Group applies trade date accounting to financial assets measured at amortized cost that qualify for trading practice.
3. The Group measures interest income at its fair value plus transaction costs on initial recognition, and subsequently recognizes interest income and impairment loss over the liquidity period using the effective interest method under the amortization procedure, and recognizes its gain or loss in profit or loss when derecognized.

(10) Accounts and notes receivable

1. Accounts and instruments with unconditional right to receive the consideration for the transfer of goods or services in accordance with the contract.
2. Short-term accounts and notes receivable that are not interest-bearing are measured at the original invoice amount because the effect of discounting is not significant.

(11) Impairment of financial assets

For financial assets measured at amortized cost at each balance sheet date, after taking into account all reasonable and probable information (including forward-looking information), the Group measures the allowance for losses at the 12-month expected credit loss amount for financial assets that do not have a significant increase in credit risk since initial recognition; for financial assets with a significant increase in credit risk since initial recognition, the allowance for losses is measured at the expected credit loss amount over the period of time. For accounts receivable or contract assets that do not contain significant financial components, the allowance for loss is measured at the expected credit loss over the period.

(12) Derecognition of financial assets

Financial assets are derecognized when the Group's contractual rights to receive cash flows from the financial assets lapse

(13) Lessor's Lease Transactions - Operating Leases

Lease proceeds from operating leases, net of any incentives given to the lessee, are recognized in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are measured at the lower of cost or net realizable value, with cost determined by the weighted-average method. The cost of finished goods and work in process includes raw materials, direct labor, other direct costs and production-related manufacturing costs, but excludes borrowing costs. The lower of cost or net realizable value is determined on a line-by-line basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs to be incurred to completion and related variable selling expenses.

(15) Property, Plant and Equipment

1. Property, plant and equipment are recorded at acquisition cost.
2. Subsequent costs are included in the carrying amount of an asset or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced portion should be excluded. All other maintenance costs are recognized in profit or loss as incurred.
3. Property, plant and equipment are subsequently measured at cost and depreciated on a straight-line basis over their estimated useful lives. If the components of property, plant and equipment are significant, they are depreciated separately.
4. The Group reviews the residual value, useful life and depreciation method of each asset at the end of each financial year. If the expected value of the residual value and useful life differs from previous estimates, or if there is a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, the change is accounted for in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of the change. The useful lives of each asset are as follows:

Buildings	
Factory main building	25~51 years
Mechanical and Electrical Power Equipment	5~20 years
Architectural modifications	1.5~50 years
Machinery and Equipment	1~10 years
Transportation Equipment	5~6 years
Office Equipment	3~10 years
Other Equipment	3~15 years

(16) Lessee's lease transactions - right-of-use assets/lease liabilities

1. Leased assets are recognized as right-of-use assets and lease liabilities on the date they become available for use by the Group. When a lease contract is a short-term lease or a lease of a low-value underlying asset, the lease payments are recognized as an expense on a straight-line basis over the lease term.
2. Lease liabilities are recognized at the present value of the lease payments outstanding at the inception date of the lease, discounted at the Group's incremental borrowing rate, which is a fixed benefit, less any lease incentives receivable.
   Interest expense is subsequently accrued over the lease period using the interest method, which is measured at amortized cost. The lease liability is reassessed and the right-of-use asset is remeasured when there is a change in the lease term or lease payments that is not a contractual modification.
3. Right-of-use assets are recognized at cost at the inception date of the lease and the cost is the original measurement of the lease liability.
   Depreciation expense is provided when the right-of-use asset is subsequently measured

at cost, at the earlier of the end of its useful life or the end of the lease term. When a lease liability is reassessed, the right-of-use asset is adjusted for any remeasurement of the lease liability.

(17) Investment property

Investment property is recognized at acquisition cost and subsequently measured using the cost model. Except for land, depreciation is provided on a straight-line basis over the estimated useful lives of 50 years.

(18) Intangible assets

The cost of computer software is recognized at acquisition cost and amortized on a straight-line basis over the estimated useful lives of 1 ~ 5 years.

(19) Impairment of non-financial assets.

An impairment loss is recognized when the recoverable amount of an asset is less than its carrying amount. The recoverable amount is the higher of an asset's fair value less costs to dispose or its value in use. An impairment loss is reversed when no impairment loss exists or decreases in prior years, provided that the carrying amount of the asset reversed does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset, net of depreciation or amortization.

(20) Loans

This refers to long- and short-term borrowings from banks. The Group measures the amount at its fair value less transaction costs on initial recognition and subsequently recognizes interest expense in profit or loss over the liquidity period using the effective interest method for any difference between the redemption price and the redemption value, net of transaction costs.

(21) Accounts and notes payable

1. Debt incurred for the purchase of raw materials, goods or services on credit and bills payable for operating and non-operating purposes.
2. Short-term accounts payable and notes payable with unpaid interest are measured at the original invoice amount because the effect of discounting is not significant.

(22) Derecognition of financial liabilities

The Group derecognizes financial liabilities when the obligations specified in the contracts are fulfilled, cancelled or expired.

(23) Employee Benefits

1. Short-term employee benefits

   Short-term employee benefits are measured at the non-discounted amount expected to be paid and are recognized as an expense when the related services are rendered.

2. Retirement

   (1) Definition of the contribution plan

   For defined contribution plans, the amount to be contributed to the pension fund is recognized as pension cost on an accrual basis in the current period. Prepaid contributions are recognized as assets to the extent that they are refundable in cash or reduce future benefits.

   (2) Defined benefit plans

   A. The net obligation under the defined benefit plans is calculated by discounting the amount of future benefits earned by employees for current or past service by the present value of the defined benefit obligation at the balance sheet date, less the fair value of plan assets. The net defined benefit obligation is calculated annually by the actuary using the projected unit benefit method, using market yields at the balance sheet date on government bonds (at the balance sheet date) that correspond to the currency and period of the defined benefit plan.

   B. Remeasurements arising from defined benefit plans are recognized in other comprehensive income in the period in which they occur and are expressed in retained earnings.

   C. The related expenses for prior service costs are recognized immediately in profit or loss.

3. Employee Compensation and Directors' Remuneration

   Employee compensation and remuneration to directors and supervisors are recognized as expenses and liabilities when there is a legal or constructive obligation and the amount can be reasonably estimated. If the actual allotment amount subsequently resolved differs from the estimated amount, the difference is treated as a change in accounting estimate. In addition, the number of shares used for employee compensation is calculated based on the closing price on the day before the date of the board of directors' resolution.

(24) Employee Share-based Payment

1. Equity-settled share-based payment agreements are measured at the fair value of the equity instruments given on the date of grant for employee services received and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of equity instruments should reflect the effect of market vesting conditions and non-vesting conditions. The recognized compensation cost is adjusted as the number of awards that are expected to meet the service conditions and non-market vesting conditions is adjusted until the final amount recognized is based on the number of awards vested at the vesting date.

2. Restrictions on Employee Rights IPO

   (1) Compensation cost is recognized at the grant date on the basis of the fair value of the equity instruments granted over the vesting period.

   (2) The right to participate in dividend distribution is not restricted and the employee is not required to return the dividends received if he/she leaves the company during the vesting period.

   (3) Employees are required to pay a price to acquire new shares with restricted rights. If an employee leaves the Company during the vesting period, the employee

should return the shares and the Company should also refund the price.

(25) Taxation

1. Income tax expense consists of current and deferred income taxes. Income taxes are recognized in profit or loss, except when they relate to items included in other comprehensive income or directly in equity, which are included in other comprehensive income or directly in equity, respectively.
2. The Group calculates current income taxes based on tax rates that are legislated or substantively legislated at the balance sheet date of the countries in which the Group operates and generates taxable income. Management periodically evaluates the status of income tax returns with respect to applicable income tax regulations and, when applicable, estimates the income tax liabilities based on the expected tax payments to be made to the tax authorities. Income tax is imposed on undistributed earnings in accordance with the Income Tax Act. In the year following the year in which the earnings are generated, income tax expense is recognized on the actual distribution of earnings after the shareholders' meeting approves the earnings distribution.
3. Deferred income tax is recognized, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheets. Temporary differences arising from investments in subsidiaries are not recognized if the Group can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized, and the unrecognized and recognized deferred income tax assets are reassessed at each balance sheet date.
5. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and there is an intention to settle or realize the assets and liabilities simultaneously on a net basis; deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and the deferred income tax assets and liabilities are incurred by the same taxable entity or by different taxable entities that intend to settle or realize the assets and liabilities simultaneously on a net basis.

(26) Share Capital

1. Common stock is classified as equity. Incremental costs directly attributable to the issuance of new shares or stock options are recorded as a deduction from equity, net of income taxes.
2. When the Company repurchases outstanding shares, the consideration paid includes any directly attributable incremental costs recognized as a deduction from stockholders' equity, net of income taxes.

(27) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the Company's shareholders resolve to distribute the dividends, and cash dividends are recognized as a liability.

(28) Revenue Recognition

1. Revenue from sales of various precision molded and plastic molding products is recognized when control of the products is transferred to the customer, that is, when the products are delivered to the customer, the customer has discretion over the access and price of the products sold, and the Group has no outstanding performance obligations that may affect the customer's acceptance of the products. Delivery of merchandise occurs when the product is delivered to the designated location, the risk of obsolescence and loss has been transferred to the customer, and the customer accepts the product in accordance with the sales contract or when there is objective evidence that all acceptance criteria have been met.
2. Revenue from sales of merchandise is recognized on a net basis, based on contract prices less sales returns and discounts. The Group does not adjust the transaction price to reflect the time value of money because the time lag between the transfer of the promised goods or services to the customer and the customer's payment does not exceed one year.
3. Accounts receivable are recognized when the merchandise is delivered to the customer because the Group has unconditional rights to the contract price from that point onward and only requires the passage of time to receive the consideration from the customer.

(29) Government Subsidies

Government subsidies are recognized at fair value when there is reasonable assurance that the enterprise will comply with the conditions attached to the government subsidy and that the subsidy will be received. If the nature of the government grants is to compensate the Group for expenses incurred, the government grants are recognized in profit or loss on a systematic basis in the period in which the related expenses are incurred. Government grants related to property, plant and equipment are recognized as non-current liabilities and are recognized as current income on a straight-line basis over the estimated useful lives of the related assets.

(30) Operating Department

The Group's operating department information is reported in a manner consistent with the internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating departments and evaluating their performance.

5.Critical accounting judgments, assumptions and key sources of estimation uncertainty

In preparing these consolidated financial statements, the Group's management has used its judgment in determining the accounting policies to be used and has made accounting estimates and assumptions that are based on reasonable expectations of future events under the circumstances prevailing at the balance sheet date. Significant accounting estimates and assumptions that may differ from actual results are continually evaluated and adjusted, considering historical experience and other factors. These estimates and assumptions are subject to the risk that the carrying amounts of assets and liabilities will be adjusted in the next financial year. The following is a description of the uncertainties in significant accounting judgments, estimates and assumptions:

(1) Critical judgments in the adoption of accounting policies

The accounting policies adopted by the Group have been assessed to be free from significant uncertainty.

(2) Critical Accounting Estimates and Assumptions

1. Evaluation of Inventory

Because inventories are stated at the lower of cost or net realizable value, the Group must use judgment and estimates to determine the net realizable value of inventories at the balance sheet date. Due to the rapid changes in technology, the Group evaluates the amount of inventories at the balance sheet date that are normally worn out, obsolete or have no marketable value and reduces the cost of inventories to net realizable value. This inventory valuation is based on the estimation of product demand in specific future periods and is subject to significant changes.

As of December 31, 2021, the carrying amount of the Group's inventories was $188,201.

2. Estimated allowance for loss on accounts receivable

The Group manages the collection and demand collection operations from customers and assumes the related credit risk. The management regularly evaluates the credit quality and collection status of customers and adjusts the credit policy for customers in a timely manner. The expected loss rate is established by incorporating forward-looking information on the customer's ability to pay.

As of December 31, 2021, the carrying amount of the Group's accounts receivable was $397,554.

6.Description of significant accounting items

(1) Cash and Cash Equivalents

	December 31, 2021	December 31, 2020
Cash on hand	$ 1,080	$ 1,225
Checking Deposit and Savings Deposit	536,228	393,349
Cash equivalents - bank time deposits	-	178,500
Cash equivalents - bonds with repurchase	-	50,000
	$ 537,308	$ 623,074

1. The Group has good credit quality with financial institutions, and the Group has dealings with various financial institutions to diversify the credit risk, and the possibility of default is expected to be low.
2. The Group has not pledged cash and cash equivalents as collateral.

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

	December 31, 2021	December 31, 2020
Current Items：		
Mandatory financial assets at fair value through profit or loss		
Hybrid Instrument - Structured Time Deposit	$ -	$ 30,000
Valuation Adjustment	-	99
	$ -	$ 30,099

1. The net (loss) gain or loss on the Group's mandatory financial assets at fair value through profit or loss was $846 and $99 in fiscal 2021 and 2020, respectively.
2. The Group has not pledged financial assets at fair value through profit or loss as security.
3. Please refer to Note 12(3) for the related fair value information.

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

	December 31, 2021	December 31, 2020
Non-current items：		
Equity Tools		
Unlisted counter stocks (Note)	$ 3,179	$ 3,900
Valuation Adjustment	893	1,092
	$ 4,072	$ 4,992

Note: The investee company will reduce its capital by $721 and $1,100 in December 2021 and 2020, respectively, due to operational strategy adjustment.

1. The Group has elected to classify its equity investments, which are strategic investments, as financial assets measured at fair value through other comprehensive income or loss.
2. The breakdown of financial assets at fair value through other comprehensive income or loss recognized in (loss) income and comprehensive (loss) income is as follows：

	2021	2020
Equity instruments measured at fair value through other comprehensive income or loss		
Changes in fair value recognized in other comprehensive (loss) income	($ 199)	$ 982

3. The Group has not pledged financial assets measured at fair value through other comprehensive income or loss as security.
4. Please refer to Note 12(3) for the related fair value information.

(4) Financial assets measured at amortized cost

	December 31, 2021	December 31, 2020
Current Items：		
Time deposits with maturity of more than three months to less than one year	$ 1,824	$ 1,855

The Group has not pledged financial assets measured at amortized cost as security.

(5) Accounts receivable

	December 31, 2021	December 31, 2020
Notes Receivable	$ 109	$ -
Accounts Receivable	$ 397,691	$ 354,707
Accounts receivable - related parties	-	-
	397,691	354,707
Less: Allowance for losses	(137)	(42)
	$ 397,554	$ 354,665

1. The aging analysis of the Group's notes and accounts receivable and related credit risk information are described in Note 12(2).
2. The balances of accounts receivable and notes receivable as of December 31, 2021 and 2020 were all generated from customer contracts, and the balance of receivables from customer contracts as of January 1, 2020 was $416,804.
3. Group does not hold any collateral for its accounts receivable.

(6) Inventory

	December 31, 2021		
	Cost	Allowance for decline in value	Carrying amount
Raw Materials	$ 59,353	($ 1,698)	$ 57,655
In Production	40,344	(776)	39,568
Finished products	95,759	(4,781)	90,978
	$ 195,456	($ 7,255)	$ 188,201

	December 31, 2020		
	Cost	Allowance for decline in value	Carrying amount
Raw Materials	$ 56,517	($ 4,549)	$ 51,968
In Production	40,936	(890)	40,046
Finished products	68,757	(4,984)	63,773
	$ 166,210	($ 10,423)	$ 155,787

1. None of the above inventories were pledged as security.
2. The cost of inventories recognized as expense in the current period was as follows：

	2021	2020
Cost of inventories sold	$ 1,743,113	$ 1,619,044
Loss on decline in value of inventories (gain on reversal)	(2,735)	(5,223)
	$ 1,740,378	$ 1,613,821

The Group had a reversal benefit due to the de-valuation of inventories that were previously recorded as a loss on decline in value.

(Blank below)

(7) Property, plant and equipment

2021

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Outstanding Construction and equipment to be inspected	Total
January 1								
Cost	$ 72,274	$ 754,655	$ 1,077,519	$ 24,676	$ 11,472	$ 27,764	$ 4,190	$ 1,972,550
Accumulated depreciation and impairment	-	(163,944)	(753,546)	(16,231)	(10,071)	(14,493)	-	(958,285)
	$ 72,274	$ 590,711	$ 323,973	$ 8,445	$ 1,401	$ 13,271	$ 4,190	$ 1,014,265
January 1	$ 72,274	$ 590,711	$ 323,973	$ 8,445	$ 1,401	$ 13,271	$ 4,190	$ 1,014,265
Additions	-	6,134	40,119	44	702	-	3,880	50,879
Disposal	-	-	(11,833)	-	-	-	-	(11,833)
Reclassification	-	599	2,166	-	177	155	27,606	30,703
Depreciation expense	-	(22,336)	(71,108)	(2,513)	(906)	(2,160)	-	(99,023)
Net exchange difference	(6,170)	(40,265)	(14,334)	(574)	(33)	(846)	(362)	(62,584)
December 31	$ 66,104	$ 534,843	$ 268,983	$ 5,402	$ 1,341	$ 10,420	$ 35,314	$ 922,407
December 31								
Cost	$ 66,104	$ 702,342	$ 1,024,625	$ 21,680	$ 11,736	$ 23,359	$ 35,314	$ 1,885,160
Accumulated depreciation	-	(167,499)	(755,642)	(16,278)	(10,395)	(12,939)	-	(962,753)
	$ 66,104	$ 534,843	$ 268,983	$ 5,402	$ 1,341	$ 10,420	$ 35,314	$ 922,407

2020

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Other Equipment	Outstanding Construction and equipment to be inspected	Total
January 1								
Cost	$ 72,322	$ 777,947	$ 1,153,243	$ 23,051	$ 12,056	$ 27,466	$ 4,204	$ 2,070,289
Accumulated depreciation	-	(154,391)	(753,671)	(14,315)	(9,855)	(12,041)	-	(944,273)
	$ 72,322	$ 623,556	$ 399,572	$ 8,736	$ 2,201	$ 15,425	$ 4,204	$ 1,126,016
January 1	$ 72,322	$ 623,556	$ 399,572	$ 8,736	$ 2,201	$ 15,425	$ 4,204	$ 1,126,016
January 1	-	701	1,267	-	-	-	-	1,968
January 1	-	(1,345)	(1,734)	-	-	-	-	(3,079)
Reclassification	-	1,600	9,506	2,437	55	422	(11)	14,009
Depreciation expense	-	(23,233)	(78,164)	(2,634)	(829)	(2,553)	-	(107,413)
Net exchange difference	(48)	(10,568)	(6,474)	(94)	(26)	(23)	(3)	(17,236)
December 31	$ 72,274	$ 590,711	$ 323,973	$ 8,445	$ 1,401	$ 13,271	$ 4,190	$ 1,014,265
December 31								
Cost	$ 72,274	$ 754,655	$ 1,077,519	$ 24,676	$ 11,472	$ 27,764	$ 4,190	$ 1,972,550
Accumulated depreciation	-	(163,944)	(753,546)	(16,231)	(10,071)	(14,493)	-	(958,285)
	$ 72,274	$ 590,711	$ 323,973	$ 8,445	$ 1,401	$ 13,271	$ 4,190	$ 1,014,265

1. For the years 2021 and 2020, the Company has not capitalized any interest, and all of them are for self-use.
2. Please refer to Note 8 for information on guarantees provided by property, plant and equipment.

(8) Lease transaction - Tenant

1. The subject assets of the Group's leases include land use rights, buildings and transportation equipment. The lease agreements for buildings and transportation equipment are for periods ranging from 2 to 5 years, and the lease of land in Vietnam is for a 45-year prepaid land use right. The lease contracts are individually negotiated and contain various terms and conditions. The leased assets cannot be subleased, loaned, assigned or otherwise used by others, or the lease rights transferred to others without the lessor's consent.
2. The carrying value of the right-of-use assets and the depreciation expense recognized were as follows：

	Land Use Rights	Building Construction	Transportation Equipment	Total
January 1, 2021	$ 12,520	$ 51,665	$ 2,852	$ 67,037
Additions	-	4,255	-	4,255
Sub-leasing	-	(846)		(846)
Reduction	-	(867)	(1,680)	(2,547)
Depreciation expense	(393)	(23,651)	(1,172)	(25,216)
Effect of exchange rate changes	(210)	(310)	-	(520)
December 31, 2021	$ 11,917	$ 30,246	$ -	$ 42,163

	Land Use Rights	Building Construction	Transportation Equipment	Total
January 1, 2020	$ 13,565	$ 6,219	$ 4,390	$ 24,174
Additions	-	68,795	-	68,795
Depreciation expense	(409)	(23,345)	(1,538)	(25,292)
Effect of exchange rate changes	(636)	(4)	-	(640)
December 31, 2020	$ 12,520	$ 51,665	$ 2,852	$ 67,037

3. Information on the profit and loss items related to lease contracts is as follows：

	2021	2020
Items affecting profit or loss for the period		
Interest expense on lease liabilities	$ 1,682	$ 1,680
Lease payments for assets of low value	588	336
Lease modification loss (benefit)	85	-

4. In addition to the cash outflow for lease related expenses mentioned in Note 6(h)(3) above, the Group's cash outflow for principal repayment of lease liabilities for 2021 and 2020 totaled $28,413 and $22,461, respectively.
5. Please refer to Note 8 for information on guarantees provided by right-of-use assets.

(9) Investment property

2021	Land	House and Building	Total
January 1			
Cost	$ 3,429	$ 31,157	$ 34,586
Accumulated depreciation	-	(627)	(627)
	$ 3,429	$ 30,530	$ 33,959
January 1	$ 3,429	$ 30,530	$ 33,959
Depreciation expense	-	(600)	(600)
Net exchange difference	(293)	(2,576)	(2,869)
December 31	$ 3,136	$ 27,354	$ 30,490
December 31			
Cost	$ 3,136	$ 28,568	$ 31,704
Accumulated depreciation	-	(1,214)	(1,214)
	$ 3,136	$ 27,354	$ 30,490

2020	Land	House and Building	Total
January 1			
Cost	$ 77,398	$ 61,192	$ 138,590
Accumulated depreciation	-	(14,963)	(14,963)
	$ 77,398	$ 46,229	$ 123,627
January 1	$ 77,398	$ 46,229	$ 123,627
Depreciation expense	-	(702)	(702)
Disposal	(73,966)	(14,979)	(88,945)
Net exchange difference	(3)	(18)	(21)
December 31	$ 3,429	$ 30,530	$ 33,959
December 31			
Cost	$ 3,429	$ 31,157	$ 34,586
Accumulated depreciation	-	(627)	(627)
	$ 3,429	$ 30,530	$ 33,959

1. Rental income from investment properties and direct operating expenses：

	2021	2020
Rental income from investment properties	$ 5,945	$ 7,906
Direct operating expenses incurred on investment properties that generate rental income in the current period	$ 600	$ 702

2. The fair values of investment properties held by the Group as of December 31, 2021 and 2020 were $39,782 and $44,233, respectively, and were valued in accordance with management's valuation techniques commonly used by market participants. The valuation was based on recent significant assumptions and fair value evaluated with reference to market evidence of similar real estate transaction prices, which is a Level 3 fair value.
3. For information on guarantees provided by investment properties, please refer to Note 8.
4. The Group's board of directors approved the disposal of the land and building located at No. 501, Wu Gong Section, Wugu District, New Taipei City on February 19, 2020, the sale of the aforementioned real estate was completed on April 30, 2020 for a total consideration of $310,000, net of sales tax of $1,209 and book value of $88,945, resulting in a gain on disposal of investment properties of $219,846.

(10) Short-term loans

Nature of loan	December 31, 2021	Interest Rate Range	Collateral
Bank Loans			
Credit Loan	$ 56,765	0.87%-1.17%	None
Guaranteed Loans	70,841	1.13%-1.20%	Please refer to Note 8 for details.
	$ 127,606		

Nature of loan	December 31, 2020	Interest Rate Range	Collateral
Bank Loans			
Credit Loan	$ 47,038	0.96%-1.26%	None
Guaranteed Loans	102,880	1.15%-1.26%	Please refer to Note 8 for details.
	$ 149,918		

The interest expense recognized by the Group in profit or loss is described in Note 6(23).

(11) Other payables

	December 31, 2021	December 31, 2020
Salaries and bonuses payable	$ 41,904	$ 38,882
Compensation payable to employees and directors and supervisors	7,692	17,589
Processing fees payable	5,314	10,661
Payables for equipment	11,498	5,784
Utilities payable	3,242	5,707
Other	23,101	38,013
	$ 92,751	$ 116,636

(12) Long-term loans

Nature of loan	Loan Period and Repayment Method	Interest Rate Range	Collateral	December 31, 2021

Long-term bank loans Mega Bank	Interest is payable quarterly from July 30, 2020 to July 30, 2027, with principal repayment in installments beginning in the 13th month	1.37%	Please refer to Note 8 for details.	$ 152,612
Less: Long-term loans due within one year or one business cycle				(26,541)
				$ 126,071

Nature of loan	Loan Period and Repayment Method	Interest Rate Range	Collateral	December 31, 2020
Long-term bank loans Mega Bank	Interest is payable quarterly from July 30, 2020 to July 30, 2027, with principal repayment in installments beginning in the 13th month	1.51%	Please refer to Note 8 for details.	$ 170,734
Less: Long-term loans due within one year or one business cycle				(13,659)
				$ 157,075

The interest expense recognized by the Group in profit or loss is described in Note 6(23).

(13) Retirement

1. Defined Benefit Retirement Plan

(1) The Company's pension plan under the Labor Standards Law is a defined benefit pension plan administered by the government. Employees' pension payments are based on the average salary for the six months prior to the date of approved retirement. The Company contributes 2% of the employees' monthly salaries to the pension fund, which is deposited in the name of the Labor Pension Fund Supervisory Committee in a special account at the Bank of Taiwan. If the balance of the special account is not sufficient to pay the employees who are expected to meet the retirement requirements in the following year before the end of the year, the difference will be withdrawn in one lump sum by the end of March of the following year. The management of the account is entrusted to the Bureau of Labor Fund Application, Ministry of Labor, and the Consolidated Company has no right to influence the investment management strategy.

(2) The amounts recognized in the balance sheet were as follows：

	December 31, 2021	December 31, 2020
Present value of defined benefit obligation	($ 14,529)	($ 14,120)
Fair value of planned assets	11,825	10,510
Net defined benefit obligation	($ 2,704)	($ 3,610)

(3) The changes in the net defined benefit obligation were as follows：

	Defined Benefits Present Value of Volunteer Services	Planned assets Fair value	Net defined benefit Assets (liabilities)
2021			
Balance as of January 1	($ 14,120)	$ 10,510	($ 3,610)
Current service cost	(149)	-	(149)
Interest (expense) income	(49)	39	(10)
	(14,318)	10,549	(3,769)
Remeasurements.			
Return on plan assets (excluding amounts included in interest income or expenses)	-	140	140
Effect of changes in demographic assumptions			
Effect of changes in financial assumptions	(749)	-	(749)
Experience Adjustments	551	-	551
Remeasurements.	(13)	-	(13)
	(211)	140	(71)
Contribution to retirement fund	-	1,136	1,136
Balance on December 31	($ 14,529)	$ 11,825	($ 2,704)

	Defined Benefits Present Value of Volunteer Services	Planned assets Fair value	Net defined benefit Assets (liabilities)
2020			
Balance as of January 1	($ 9,564)	$ 8,928	($ 636)
Current service cost	(103)	-	(103)
Interest (expense) income	(76)	76	-
	(9,743)	9,004	(739)
Remeasurements.			
Return on plan assets (excluding amounts included in interest income or expenses)	-	264	264
Effect of changes in demographic assumptions	(64)	-	(64)
Effect of changes in financial assumptions	(318)	-	(318)
Experience Adjustment	(3,995)	-	(3,995)
Contribution to retirement fund	(4,377)	264	(4,113)
Balance on December 31	-	1,242	1,242
Remeasurements.	($ 14,120)	$ 10,510	($ 3,610)

(4) The assets of the Company's defined benefit pension plan are entrusted to the Bank of Taiwan in accordance with Article 6 of the Regulations Governing the Custody and Use of Labor Pension Fund (i.e., deposit with domestic and foreign financial institutions, investment in domestic and foreign listed, over-the-counter or private

placement equity securities, and investment in domestic and foreign real estate securitization products) within the proportion and amount of the entrusted items set forth in the annual investment and utilization plan of the fund. The use of the fund is supervised by the Labor Pension Fund Supervisory Committee. The minimum annual earnings to be distributed from the fund shall not be less than the earnings calculated based on the interest rate of two-year time deposits in local banks, and if there is any deficiency, it shall be replenished by the national treasury after approval by the competent authority. Because the Company does not have the right to participate in the operation and management of the fund, it cannot disclose the fair value of plan assets in accordance with paragraph 142 of IAS 19. For the fair value of the total assets of the fund as of December 31, 2021 and 2020, please refer to the report on the use of the Labor Pension Fund published by the government for each year.

(5) The actuarial assumptions related to pensions are summarized as follows：

	2021	2020
Discount rate	0.75%	0.35%
Future salary increase rate	2.50%	2.50%

The assumptions for future mortality are based on the Sixth Life Table of Experience for the Taiwan life insurance industry.

An analysis of the present value of the defined benefit obligation due to changes in the major actuarial assumptions used is as follows：

	Discount rate		Future salary increase rate	
	Increase of 0.25%	Reduction of 0.25%	Increase of 0.25%	Reduction of 0.25%
December 31, 2021				
Effect on the present value of defined benefit obligations	($ 351)	$ 362	$ 347	($ 337)
December 31, 2020				
Effect on the present value of defined benefit obligations	($ 369)	$ 383	$ 365	($ 354)

The sensitivity analysis above analyzes the effect of changes in a single assumption with other assumptions held constant. In practice, changes in many assumptions may be linked. The sensitivity analysis is consistent with the methodology used to calculate the net pension liability on the balance sheet.

The methodology and assumptions used in the sensitivity analysis are the same as those used in the previous period.

(6) The Group's estimated contribution to the retirement plan for the year 2022 is $1,136.

(7) As of December 31, 2021, the weighted-average duration of the retirement plan is 10 years. An analysis of the maturity of pension payments is presented below：

	Amount
Within 1 year	$ 9,817
1 ~ 5 years	6,614
	$ 16,431

2. Determine the method of contribution to retirement

(1) Effective July 1, 2005, the Company has established a defined contribution retirement plan under the Labor Pension Act, which is applicable to employees of the Company's nationality. The Company makes monthly contributions of 6% of salary to the employees' personal accounts at the Labor Insurance Bureau for the

employees who choose to be covered by the Labor Pension Act. The employees' pensions are paid in the form of monthly pensions or lump-sum pensions, depending on the amount of the employees' individual pension accounts and accumulated earnings.

(2) The remaining overseas companies of the Group make monthly contributions to the pension fund at a certain percentage of the total salaries of the employees in accordance with the relevant regulations, and the Company has no further obligations other than making monthly contributions。

(3) For the years 2021 and 2020, the Group recognized pension costs of $8,086 and $3,633, respectively, based on the above pension plan.

(14) Share Based Payment

1. The Group's share-based payment agreements are as follows：

Restricted Employee Rights IPO

The Group has not issued any new shares with restricted employee rights in fiscal 2021 and 2020, and the information on the issued shares is as follows：

	2021 No. of shares (in thousands)	2020 No. of shares (in thousands)
In circulation at the beginning of January 1	-	983
Current vested	-	(983)
In circulation at the end of December 31	-	-

2. Expenses arising from share-based payment transactions

	2021	2020
Restrictions on Employee Rights IPO	$ -	$ 2,355

(15) Share Capital

As of December 31, 2021, the Company had a paid-in capital of $1,500,000 divided into 150,000 thousand shares and a paid-in capital of $770,984 with a par value of $10 per share. The Company has received payment for all issued shares.

A reconciliation of the number of outstanding shares of the Company's common stock at the beginning and end of the period (in thousands) is as follows：

	2021	2020
Share Capital		
January 1	77,098	85,148
Cancellation of treasury stock	-	(8,050)
December 31	77,098	77,098
Treasury Stock		
January 1	-	50
Purchase of treasury stock	-	8,000
Cancellation of treasury stock	-	(8,050)
December 31	-	-

(16) Capital surplus

1. In accordance with the Company Law, capital surplus from the issuance of shares in excess of par value and capital surplus from gifts may be used to offset losses, and new shares or cash may be issued in proportion to the shareholders' original shares when the Company has no accumulated losses. In accordance with the Securities and Exchange

Act, the total amount of the above capital surplus shall not exceed 10% of the paid-in capital each year. The Company may not use capital surplus to replenish capital unless there is a shortfall in capital surplus to cover capital deficit.

2021

	Issue Premium	Treasury Stock Transactions	RSA	Other	Total
January 1 (i.e., the end of December 31)	$ 615,083	$ 53,673	$ -	$ 143	$ 668,899

2020

	Issue Premium	_Treasury Stock Transactions	RSA	Other	Total
January 1	$ 713,256	$ 28,554	$ 5,885	$ 143	$ 747,838
Cash allotment from capital reserve	(37,007)	-	-	-	(37,007)
Cancellation of treasury stock	(67,051)	25,119	-	-	(41,932)
Restrictions on employee rights new shares vested	5,885	-	(5,885)	-	-
#REF!	$ 615,083	$ 53,673	$ -	$ 143	$ 668,899

2. The Company held an ordinary shareholders' meeting on June 16, 2020 and resolved to distribute cash from capital surplus in the amount of $37,007.

(17) Retained earnings/post-period events

1. In accordance with the Company's Articles of Incorporation, the Company shall first make up its deficit and then set aside 10% of the remaining balance as legal reserve, except when the legal reserve has reached the total capital. In addition, the Board of Directors shall prepare a proposal for the appropriation of the special reserve or the reversal of the special reserve by law or by the competent authority, and if there is any surplus, the Board of Directors shall propose a resolution to the shareholders' meeting to distribute the amount of the accumulated undistributed earnings of the previous year and the undistributed earnings of the current year.
2. The Company's dividend policy is based on a prudent and balanced approach, and at least 20% of the dividends distributed in a given year is set aside for cash dividends, considering factors such as profitability, financial structure and future development of the Company.
3. The legal reserve may not be used except to cover losses or to issue new shares or cash in proportion to the shareholders' original shares, provided that the amount of such reserve shall exceed 25% of the paid-in capital.
4. When distributing earnings, the Company is required by law to set aside a special reserve for the debit balance of other equity items as of the balance sheet date, and if the debit balance of other equity items is subsequently reversed, the reversed amount may be included in available-for-distribution earnings.
5. The Company's earnings distribution is as follows.：
   (1) At the ordinary shareholders' meetings held on July 16, 2021 and June 16, 2020, it was resolved that the appropriation of earnings for 2020 and 2019 be approved as follows：

	2020 Amount	2020 Dividend per share ($)	2019 Amount	2019 Dividend per share ($)
Provision for legal reserve	$ 18,929		$ 7,224	
Provision for special reserve	17,407		9,770	
Cash dividends	115,648	1.50	55,511	0.72

	$ 151,984	$ 72,505

(2) The Board of Directors resolved on March 14, 2022 to distribute earnings for fiscal 2021 as follows：

	2021 Amount	Dividend per share ($)
Provision for legal reserve	$ 7,700	
Provision for special reserve	43,199	
Cash dividends	30,839	0.40
	$ 81,738	

(18) Other equity items

2021	Unrealized (loss) gain	Foreign Currency Conversion	Employees no earning compensation	Total
January 1	$ 1,092	($ 93,423)	$ -	($ 92,331)
Rating Adjustment	(199)		-	(199)
Foreign currency translation differences.				
-Group	-	(53,750)	-	(53,750)
-Group tax	-	10,750	-	10,750
#REF!	$ 893	($ 136,423)	$ -	($ 135,530)

2020	Unrealized (loss) gain	Foreign Currency Conversion	Employees no earning compensation	Total
January 1	$ 110	($ 72,679)	($ 2,355)	($ 74,924)
Valuation Adjustment	982	-	-	982
Recognized share-based payment expense	-	-	2,355	2,355
Foreign currency translation differences.				
-Group	-	(25,930)	-	(25,930)
-Group tax	-	5,186	-	5,186
#REF!	$ 1,092	($ 93,423)	$ -	($ 92,331)

(19) Operating income

1. Breakdown of contract customer revenue

The Group's revenues are derived from commodities that are transferred at a point in time and are subdivided into the following major business groups：

	2021 Revenue from customer contracts	2020 Revenue from customer contracts
Molds	$ 123,832	$ 176,169
Plastic molding	1,961,598	1,730,412
	$ 2,085,430	$ 1,906,581

2. Contractual Liabilities

(1) The Company recognized contract liabilities related to revenue from customer contracts as follows:

December 31, 2021	December 31, 2020	January 1, 2020

Contractual liabilities – sales of goods	$ 3,092	$ 20,106	$ 4,243

(2) The amount of revenue recognized in the current period for the opening contract liabilities for fiscal 2021 and 2020 was $18,279 and $3,869, respectively.

(20) Interest income

	2021	2020
Bank Deposit Interest	$ 1,422	$ 851
Interest income on financial assets measured at amortized cost	82	123
	$ 1,504	$ 974

(21) Other income

	2021	2020
Rental Income	$ 5,945	$ 7,906
Government subsidy income	2,002	2,461
Dividend income	597	24
Other	2,236	6,625
	$ 10,780	$ 17,016

(22) Other Benefits and Losses

	2021	2020
(Gain) loss on disposal of property, plant and equipment	$ 6,027	$ 908
(Gain) loss on disposal of investment property	-	219,846
(Gain) loss on lease modification	(85)	-
Net foreign currency exchange gains (losses)	(17,066)	(240)
Financial assets at fair value through profit or loss	846	99
Net (loss) gain or loss on financial assets at fair value through profit or loss		
Other	(1,776)	(2,255)
	($ 12,054)	$ 218,358

(23) Financial Costs

	2021	2020
Interest charges on bank loans	$ 5,257	$ 6,483
Interest expense on lease liabilities	1,682	1,680
	$ 6,939	$ 8,163

(24) Additional information on the nature of fees

	2021	2020
Employee benefit expenses	$ 395,047	$ 406,947

	2021	2020
Depreciation expense on property, plant and equipment	$ 99,023	$ 107,413
Depreciation of right-of-use assets	$ 25,216	$ 25,292
Depreciation expense on investment property	$ 600	$ 702
Amortization of intangible assets	$ 4,791	$ 1,864

(25) Employee benefit expenses

	2021	2020
Salary Costs	$ 322,557	$ 345,399
Labor and Health Insurance Costs	33,853	28,774
Pension Fees	8,245	3,736
Directors' remuneration	3,379	8,954
Other employee benefit expenses	27,013	20,084
	$ 395,047	$ 406,947

1. In accordance with the Company's Articles of Incorporation, the Company shall appropriate not less than 1% and not more than 3% of the pre-tax income before employees' and directors' and supervisors' remuneration, respectively, of the Company for the current year, after retaining the amount to cover losses
2. The compensation to employees is estimated to be $4,913 and $9,344 for 2021 and 2020, respectively, and the compensation to directors and supervisors is estimated to be $2,779 and $8,245, respectively, and the aforementioned amount is recorded as salary expense. 2021 is estimated at 4.7% and 2.7%, respectively, based on the profitability of the year.

The remuneration to employees and remuneration to directors and supervisors for 2020 resolved by the Board of Directors amounted to $9,344 and $8,245, respectively, which were consistent with the amounts recognized in the financial statements for 2020 and were paid in cash of $9,344 and $8,245, respectively, for the year ended December 31, 2021.

3. Information on the remuneration of employees and directors and supervisors approved by the Board of Directors and reported in the shareholders' meeting is available on the Market Observation Post System.

(26) Income Tax

1. Income tax expense

(1) Income tax expense components：

	2021	2020
Current income tax：		
Income taxes arising from current income	$ 39,963	$ 35,346
Foreign income tax	121	200
Land appreciation tax	-	5,543
(High) Underestimation of prior years' income tax	(654)	5,992
Total current income tax	39,430	47,081
Deferred income tax.		
Origination and reversal of temporary differences	17,480	57,977
Income tax expense	$ 56,910	$ 105,058

(2) Amount of income tax expense (benefit) related to other comprehensive income:

2021	2020

Translation differences between foreign operating entities	($ 10,750)	($ 5,186)
Actuarial gains and losses on defined benefit plans	(14)	(673)
	($ 10,764)	($ 5,859)

(3) The Group has no income tax related to direct debit or credit interests for the years 2021 and 2020.

2. Relationship between income tax expense and accounting profit

	2021	2020
Income tax on net income before income tax at statutory rate (Note)	$ 50,915	$ 80,219
Expenses excluded under the tax law	2,801	4,980
Tax-exempt income	(2,980)	(41,506)
Deferred income tax assets were not recognized for tax losses and temporary differences.	6,707	49,630
Underestimation of prior years' income tax	(654)	5,992
Land appreciation tax	-	5,543
Foreign income tax	121	200
Income tax expense	$ 56,910	$ 105,058

Note: The applicable tax rate is based on the tax rate of the respective countries.

3. The amount of each deferred tax asset or liability arising from temporary differences and tax losses is as follows：

	2021 January 1	Recognized in (Loss) gain	Recognized in other comprehensive (loss) income	December 31
Deferred income tax assets:				
Temporary differences：				
- Allowance for loss on decline in value of inventories	$ 128	$ 11	$ -	$ 139
- Accrued pension liability	1,630	-	14	1,644
- Exchange differences of foreign operating institutions	23,356	-	10,750	34,106
- Others	374	1,534	-	1,908
Tax loss	30,557	3,061	-	33,618
Subtotal	56,045	4,606	10,764	71,415
Deferred income tax liabilities:				
Temporary differences：				
- Accumulated foreign investment benefits recognized under the equity method	(42,686)	(22,086)	-	(64,772)
- Others	(704)	-	-	(704)
Subtotal	(43,390)	(22,086)	-	(65,476)
Total	$ 12,655	($ 17,480)	$ 10,764	$ 5,939

	2020			
Deferred income tax assets:				
Temporary differences：				
-Accumulated losses from foreign investments recognized under the equity method	$ 29,813	($ 29,813)	$ -	$ -
- Allowance for loss on decline in value of inventories	21	107	-	128
- Accrued pension liability	1,203	(246)	673	1,630
- Impairment loss	302	(302)	-	-
- Allowance for doubtful accounts	971	(971)	-	-
- Exchange differences of foreign operating institutions	18,170	-	5,186	23,356
- Others	2,639	(2,265)	-	374
Tax loss	13,895	16,662	-	30,557
Subtotal	67,014	(16,828)	5,859	56,045
Deferred income tax liabilities:				
Temporary differences：				
- Converted interest on corporate bonds was realized	(1,422)	1,422	-	-
- Accumulated foreign investment benefits recognized under the equity method	-	(42,686)	-	(42,686)
- Others	(819)	115	-	(704)
Subtotal	(2,241)	(41,149)	-	(43,390)
Total	$ 64,773	($ 57,977)	$ 5,859	$ 12,655

4. The effective period of the Group's unused tax losses and the amount of unrecognized deferred income tax assets as of December 31, 2021 and 2020 are as follows：

December 31, 2021

	Year occurred	Tax loss	Amount not yet offset	Deferred income tax not recognized Proceeds from the amount of assets	Last Credit Year
The Company	2017 (Approved)	$ 344,150	$ 123,936	$ -	2027
	2018 (Approved)	28,848	28,848	-	2028
	2021 (Declared)	15,305	15,305	-	2031
TaiHan Dongguan	2017 (Approved)	14,992	14,992	14,992	2022
	2020 (Approved)	25,131	25,131	25,131	2025
	2021 (Declared)	26,828	26,828	26,828	2026
		$ 455,254	$ 235,040	$ 66,951	

December 31, 2020

	Year occurred	Tax loss	Amount not yet offset	Deferred income tax not recognized Proceeds from the amount of assets	Last Credit Year
The Company	2017 (Approved)	$ 344,150	$ 123,936	$ -	2027
	2018 (Approved)	28,848	28,848	-	2028
TaiHan Dongguan	2016 (Approved)	16,106	6,195	6,195	2021
	2017 (Approved)	14,992	14,992	14,992	2022
	2020 (Declared)	25,131	25,131	25,131	2025
		$ 429,227	$ 199,102	$ 46,318	

5. As of December 31, 2021 and 20920, the Group's income from deductible temporary differences not recognized as deferred income tax assets was $0.

6. Except for SAMOA, which is exempt from income tax, the Company has been approved by the tax authorities of the R.O.C. until 2019, and all other companies have completed their income tax returns in accordance with local government regulations.

(27) Earnings per share

	2021		
	Amount after tax	Weighted average Outstanding Number of shares (in thousands)	EPS (NT$)
Basic EPS			
Net income attributable to ordinary shareholders of the parent company	$ 77,058	77,098	1.00
Diluted EPS			
Net income attributable to ordinary shareholders of the parent company for the period	$ 77,058	77,098	
Effect of dilutive potential common shares			
-Employee compensation	-	304	
Net income attributable to ordinary shareholders of the parent company for the period	$ 77,058	77,402	1.00

	2020		
	Amount after tax	Weighted average Outstanding Number of shares (in thousands)	EPS (NT$)
Basic earnings per share			
Net income attributable to ordinary shareholders of the parent company	$ 192,727	77,642	2.48
Diluted earnings per share			
Net income attributable to ordinary shareholders of the parent company for the period	$ 192,727	77,642	
Effect of dilutive potential common shares			
-Employee compensation	-	513	
-New shares with restricted employee rights	-	160	
Net income attributable to ordinary shareholders of the parent company for the period	$ 192,727	78,315	2.46

(28) Supplemental Cash Flow Information

Investing activities that are only partially paid in cash：

	2021	2020
Acquisition of property, plant and equipment	$ 50,879	$ 1,968
Add: Amount due to equipment at the beginning of the period	5,784	24,961
Less: Payable for equipment at the end of the period	(11,498)	(5,784)
Cash paid during the period	$ 45,165	$ 21,145

(29) Changes in liabilities arising from financing activities

	Cash Dividends payable	Short-term loans	Long-term loans (including maturity within one year)	Deposit Guarantee	Lease liabilities (Current/non-current)
January 1, 2021	$ -	$ 149,918	$ 170,734	$ 997	$ 54,992
Declaration of cash dividends and capital This provident fund allots cash	115,648	-	-	-	-
Cash dividends payable and capital surplus cash allotment	(115,648)	-	-	-	-
Increase in short-term loans	-	398,007	-	-	-
Decrease in short-term loans	-	(389,344)	-	-	-
Repayment of long-term loans	-	-	(12,755)	-	-
Increase in deposit guarantee	-	-	-	323	-
Increase in leasing liabilities	-	-	-	-	4,255
Principal repayment of lease liabilities	-	-	-	-	(28,413)
Decrease in lease liabilities	-	-	-	-	(2,632)
Exchange rate impact number	-	(30,975)	(5,367)	(86)	3,714
December 31, 2021	$ -	$ 127,606	$ 152,612	$ 1,234	$ 32,086

	Cash dividends payable and capital surplus cash allotment	Short-term loans	Long-term loans (including maturity within one year)	Deposit Guarantee	Lease liabilities (Current/non-current)
January 1, 2020	$ -	$ 205,353	$ 13,795	$ 2,047	$ 4,249
Declaration of cash dividends and capital Cash allotment from capital reserve	92,518	-	-	-	-
Cash dividends and capitalization Cash allotment from capital reserve	(92,518)	-	-	-	-
Increase in short-term borrowings	-	574,317	-	-	-
Increase in short-term loans	-	(631,278)	-	-	-
Decrease in short-term loans	-	-	174,325	-	-
Borrowing of long-term loans	-	-	(19,695)	-	-
Repayment of long-term loans	-	-	-	-	73,185
Increase in lease liabilities	-	-	-	-	(22,461)
Principal repayment of lease liabilities	-	-	-	(1,050)	-
Decrease in deposits for security deposits	-	1,526	2,309	-	19
Effect of exchange rate	$ -	$ 149,918	$ 170,734	$ 997	$ 54,992

7. Related party transactions

(1) Name and relationship of related parties

Name of Related Party	Relationship with our Group
Luxshare Precision Industry Co., Ltd. and its subsidiaries (Luxshare Group)	Group with control over the Group
Speed Tech Corporation (SPEED TECH)	Companies over which the Group has control (Note)
All directors, general managers and key management personnel, etc.	Key management and governance units of the Group

Note: The Company was formerly a related company of Speed Tech Corporation but it acquired control of the Company in August 2021 and became the parent company of the Company.

(2) Significant transactions with related parties

1. Sales Transactions

(1) Operating income

The Group sold goods to related parties as follows：

	2021	2020
Luxshare Group	$ 242	$ -

(2) Accounts receivable

The breakdown of the Group's accounts receivable arising from the above related party transactions is as follows：

	December 31, 2021	December 31, 2020
Luxshare Group	$ 214	$ -

The prices of the Group's sales to related parties are determined in accordance with the Group's transfer pricing policy and the items sold are different from those of non-related parties; in addition, the collection period from related parties is 120 days per month, which differs from that of non-related parties depending on the items sold and the delivery method.

2. Office lease transactions

(1) Operating Expenses

The depreciation and utility costs incurred by the Group in renting office space to related parties are as follows：

	2021	2020
Speed Tech Corporation	$ 500	$ -

The rent for the above-mentioned office leasing transactions is set by agreement between the parties and is payable on a monthly basis.

(2) Other accounts payable

Other accounts payable of the Group arising from the above related party transactions are as follows：

	December 31, 2021	December 31, 2020
Speed Tech Corporation	$ 87	$ -

(3) Leasing Liabilities

The Group leases office space for a term of 5 years at a rent agreed between the parties and the rent is paid on a monthly basis. The breakdown of the Group's lease liabilities arising from the above related party transactions is as follows：

	December 31, 2021	December 31, 2020
Speed Tech Corporation	$ 3,483	$ -

(4) Financial Costs

Interest expense recognized on the Group's lease liabilities：

	2021	2020
Speed Tech Corporation	$ 16	$ -

Interest for fiscal 2021 is calculated at 0.86% per annum.

3．Other Transactions

(1) Operating Expenses

The breakdown of operating expenses paid by the Group to related parties for miscellaneous purchases is as follows：

	2021	2020
Speed Tech Corporation	$ 86	$ -

(2) Other accounts payable

As of December 31, 2021 and 2020, other accounts payable arising from the above related party transactions were $0.

(3) Key Management Compensation Information

	2021	2020
Short-term Employee Benefits	$ 11,578	$ 13,477

8、Pledged assets

A breakdown of the pledges given by the Group's assets is as follows：

Asset items	Carrying Value December 31, 2021	Carrying Value December 31, 2020	Guarantee purposes
Property, plant and equipment-Land	$ 66,104	$ 72,274	Bank loans and subsidiary endorsement guarantee collateral
Property, plant and equipment-Building	195,408	217,011	〃
Property, plant and equipment - machinery and equipment	32,615	45,677	〃
Investment property - land	3,136	3,429	〃
Right-of-use assets - land	11,917	12,520	〃
	$ 309,180	$ 350,911	

9、Significant Contingent Liabilities and Unrecognized Contractual Commitments

(1) Significant or liability

None.

(2) Significant unrecognized contractual commitments

Capital expenditures contracted for but not yet incurred

	December 31, 2021	December 31, 2020
Property, plant and equipment	$ 14,681	$ 29,461

2. As of December 31, 2021 and 2020, the Group's promissory notes for bank credit facilities amounted to $784,560 and $919,494, respectively.
3. As of December 31, 2021 and 2020, the Group's endorsement and guarantee for others amounted to $789,165 and $926,510, respectively.

10、Catastrophic Loss

None.

11、Significant Post-Term Events

Please refer to Note 6(17) for the appropriation of 2021 earnings approved by the board of directors on March 14, 2022.

12、Other Capital Management

(1) Capital Management

The Group's objectives in managing capital are to protect the Company's ability to continue as a going concern, to maintain stable liquidity of corporate companies, to reduce the cost of capital by adjusting the optimal capital structure, and to provide remuneration to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors its capital by using a gearing ratio, which is calculated as total liabilities divided by total assets.

The Group's strategy for 2021 remains the same as for 2020, with a gearing ratio of 32% and 34% for the Group as of December 31, 2021 and 2020, respectively.

(2) Financial Instruments

1. Types of Financial Instruments

	December 31, 2021	December 31, 2020
Financial Assets		
Financial assets at fair value through profit or loss		
Mandatory financial assets at fair value through profit or loss - current	$ -	$ 30,099
Financial assets at fair value through other comprehensive income - non-current		
Investments in equity instruments selected for designation	4,072	4,992
Financial assets measured at amortized cost		
Cash and cash equivalents	537,308	623,074
Notes receivable, net	1,824	1,855
Accounts receivable, net	109	-
Accounts receivable - related parties, net	397,554	354,665
Other receivables	1,366	359
Other receivables - related parties	11,161	14,091
Guarantee deposits on deposit	$ 953,394	$ 1,029,135

	December 31, 2021	December 31, 2020
Financial liabilities		
Financial liabilities measured at amortized cost		
Short-term borrowings	$ 127,606	$ 149,918
Notes payable	10,990	34,784
Accounts payable	217,461	196,023
Other payables	92,751	116,636
Long-term loans (including those due within one year)	152,612	170,734
Long-term notes and accounts payable	-	11,942
Deposits to security deposits	1,234	997
	$ 602,654	$ 681,034
Lease liabilities-current	$ 23,723	$ 24,945
Lease liabilities-non-current	$ 8,363	$ 30,047

2. Risk Management Policy

(1) The Group's daily operations are subject to a number of financial risks, including market risk (including exchange rate risk, price risk and interest rate risk), credit risk and liquidity risk。

(2) Risk management is performed by the Group's Finance Department in accordance with policies approved by the management. The Group's Finance Department is responsible for identifying, assessing and hedging financial risks by working closely with the various operating units within the Company. Management has written principles for overall risk management and also provides written policies for specific areas and issues, such as exchange rate risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of surplus liquidity.

3. Nature and extent of significant financial risks

(1) Market Risk

A. Exchange rate risk

(A) The Group's operations involve certain non-functional currencies (the functional currencies of the Group and subsidiaries are New Taiwan dollar, Renminbi, Philippine peso and Vietnamese currency) and are therefore subject to exchange rate fluctuations.：

	December 31, 2021		
	Foreign currency (in thousands)	Exchange rate	Carrying amount (NTD)
(Foreign currency: Functional currency)			
Financial Assets			
Monetary items			
USD: NTD	10,917	27.690	$ 302,292
USD: CNY	2,487	6.3730	68,865
USD: PHP	6,940	51.00	192,169
USD: VND	12,483	22,765	345,654

	December 31, 2021		
	Foreign currency (in thousands)	Exchange rate	Carrying amount (NTD)
(Foreign currency: Functional currency)			
Financial liabilities			
Monetary items			
USD: NTD	5,804	27.690	160,713
USD: CNY	1,283	6.3730	35,526
USD: PHP	13,605	51.00	376,722
USD: VND	5,468	22,765	151,409

	December 31, 2020		
	Foreign currency (in thousands)	Exchange rate	Carrying amount (NTD)
(Foreign currency: Functional currency)			
Financial Assets			
Monetary items			
USD: NTD	10,578	28.508	$ 301,558
USD: CNY	3,178	6.5250	90,598
USD: PHP	6,445	48.01	183,734
USD: VND	9,359	23,050	266,806
Financial liabilities			
Monetary items			
USD: NTD	5,833	28.508	166,287
USD: CNY	1,068	6.5250	30,447
USD: PHP	15,164	48.01	432,295
USD: VND	4,768	23,050	135,926

(B) The aggregate amount of all exchange (loss) gains (both realized and unrealized) recognized in fiscal 2021 and 2020 on the Group's monetary items that are materially affected by exchange rate fluctuations are ($17,066) and ($240), respectively.

(C) The Group's exposure to foreign currency market risk due to significant exchange rate fluctuations is analyzed as follows：

	2021		
	Sensitivity Analysis		
	Rate of change	Impact (loss) benefit	Effect of other Comprehensive (loss) income
(Foreign currency:			

Functional currency)			
Financial Assets			
Monetary items			
USD: NTD	1%	$ 3,023	$ -
USD: CNY	1%	689	-
USD: PHP	1%	1,922	-
USD: VND	1%	3,457	-
Financial liabilities			
Monetary items			
USD: NTD	1%	(1,607)	-
USD: CNY	1%	(355)	-
USD: PHP	1%	(3,767)	-
USD: VND	1%	(1,514)	-

	2020		
	Sensitivity Analysis		
	Rate of change	Impact (loss) benefit	Effect of other Comprehensive (loss) income
(Foreign currency: Functional currency)			
Financial Assets			
Monetary items			
USD: NTD	1%	$ 3,016	$ -
USD: CNY	1%	906	-
USD: PHP	1%	1,837	-
USD: VND	1%	2,668	-
Financial liabilities			
Monetary items			
USD: NTD	1%	($ 1,663)	$ -
USD: CNY	1%	(304)	-
USD: PHP	1%	(4,323)	-
USD: VND	1%	(1,359)	-

B. Price risk

(A) The equity instruments to which the Group is exposed to price risk are financial assets held at fair value through profit or loss and financial assets at fair value through other comprehensive income. In order to manage the price risk of equity instruments, the Group diversifies its investment portfolio in accordance with the limits set by the Group.

(B) The Group invests primarily in equity instruments issued by domestic companies, and the prices of these instruments are affected by the uncertainty of the future value of the underlying investments. If the price of these instruments had increased or decreased by 1%, with all other factors held constant, the gain or loss on other comprehensive income classified as equity instruments measured at fair value through other comprehensive income would increase or decrease by $41 and $50 for 2021 and 2020, respectively.

C. Cash flow and risk of fair value interest rate

(A) The Group's interest rate risk arises primarily from long and short-term loan issued at floating rates, which expose the Group to cash flow interest rate risk, partially offset by cash and cash equivalents held at floating rates. for 2021 and 2020, the Group's loan at floating rates is denominated in U.S. dollars.

(B) If loan interest rates were to increase or decrease by 1%, with all other factors held constant, pre-tax income would decrease or increase by $2,802 and $3,207 in fiscal 2021 and 2020, respectively, primarily due to changes in interest expense as a result of variable-rate loans.

(2) Credit Risk

A. The Group's credit risk is the risk of financial loss arising from the failure of customers or counterparties to financial instruments to meet their contractual obligations, mainly due to the failure of counterparties to settle notes and accounts receivable on collection terms.

B. The Group has established credit risk management from a corporate perspective. According to the internal credit policy, each operating entity and each new customer of the Group are required to manage and analyze the credit risk before setting the terms and conditions of payment and delivery. Internal risk control is performed by considering the financial position, past experience and other factors to assess the credit quality of customers. Individual risk limits are established by management based on internal or external ratings, and the use of credit limits is monitored regularly.

C. The Group relies on historical collection experience to determine whether there is a significant increase in the credit risk of a financial instrument after initial recognition. A financial asset is considered to have a significant increase in credit risk after initial recognition when the contractual payment terms are more than 60 days past due.

D. Based on the Group's historical collection experience, a default is deemed to have occurred when contractual payments are overdue for more than 181 days respectively in accordance with the contractual payment terms.

E. The Group uses a simplified approach to estimate expected credit losses based on an allowance matrix. Since the Group's credit loss history shows that there is no significant difference in loss patterns among different customer groups, the allowance matrix does not further differentiate between customer groups and only sets the expected credit loss rate based on the number of days past due on accounts receivable.

F. After recourse procedures, the Group eliminates the amount of financial assets that cannot be reasonably expected to be recovered, but the Group will continue to pursue recourse legal procedures to preserve the rights of debts.

G. The Group adjusted the loss rate established based on historical and current information for a specific period to estimate the allowance for losses on notes and accounts receivable by incorporating forward-looking considerations, and provided the following matrix：

December 31, 2021	Not overdue	Overdue 1-60 days	Overdue 61-90 days	Overdue 91-180 days	Overdue 181 days or more	Total
Expected loss rate	0.03%	0.03%	0.03-0.04%	0.03-10.78%	100.00%	
Total carrying value	$ 386,686	$ 11,108	$ 6	$ -	$ -	$ 397,800

Allowance for losses	$ 134	$ 3	$ -	$ -	$ -	$ 137

December 31, 2020	Not overdue	Overdue 1-60 days	Overdue 61-90 days	Overdue 91-180 days	Overdue 181 days or more	Total
Expected loss rate	0%~0.03%	0%~7.14%	0%~50.00%	0%~66.67%	100%	
Total carrying value	$ 351,854	$ 2,853	$ -	$ -	$ -	$ 354,707
Allowance for losses	$ 35	$ 7	$ -	$ -	$ -	$ 42

The above is an aging analysis based on the number of days past due.

H. The Group's condensed statement of changes in the allowance for losses is as follows：

	2021	2020
January 1	$ 42	$ 10
Expected credit impairment (benefit) loss	115	33
Effect of exchange rate	(20)	(1)
December 31	$ 137	$ 42

(3) Liquidity risk

A. Cash flow forecasts are compiled by the Group's finance department. The Group's Finance Department monitors forecasts of the Company's liquidity requirements to ensure that it has sufficient funds to meet its operational needs and maintains sufficient unspent borrowing commitments at all times, considering the Company's debt financing plans, compliance with debt terms and compliance with internal balance sheet financial ratio targets.

B. Surplus cash held by each operating entity that exceeds the time required to manage working capital is transferred back to the Group Treasury. At December 31, 2021 and 2020, the Group held the above investments (other than cash and cash equivalents) at $5,896 and $36.946, respectively, The Group holds the above investments (excluding cash and cash equivalents) at $5,896 and $36,946 at December 31, 2021 and 2020, respectively, to generate immediate cash flows to manage liquidity risk.

C. The Group's unutilized borrowing facilities as of December 31, 2021 and 2020 are $554,810 and $664,601, respectively. 。

D. The Group's derivative financial liabilities and non-derivative financial liabilities are due within one year based on the remaining period from the balance sheet date to the contractual maturity date, except for those listed in the table below, and the contractual cash flow amounts disclosed are undiscounted amounts as follows：

December 31, 2021	Less than 3 months	Within 3 months to 1 year	More than 1 year
Non-derivative financial liabilities：			
Lease liabilities (current/non-current)	$ 6,074	$ 18,417	$ 8,571
Long-term loans (including those due within one year)	6,643	20,042	129,524

December 31, 2020	Less than 3 months	Within 3 months to 1 year	More than 1 year
Non-derivative financial liabilities：			
Lease liabilities	$ 6,223	$ 18,722	$ 30,047

(current/non-current)			
Long-term loans (including those due within one year)	-	13,659	162,384
Long-term notes and accounts payable	16,754	18,030	11,942

(3) Fair value information

1. The levels of valuation techniques used to measure the fair value of financial and non-financial instruments are defined as follows：

   Level 1：Quoted prices (unadjusted) in active markets for identical assets or liabilities that are available to the enterprise at the measurement date. An active market is one in which transactions in assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

   Level 2：Observable inputs of assets or liabilities, directly or indirectly, other than those included in the quoted prices in Level 1。

   Level 3：Unobservable input value of assets or liabilities。

2. Please refer to Note 6(9) for the fair value of investment properties carried at cost.

3. Financial instruments that are not measured at fair value

   The carrying amounts of the Group's financial instruments not carried at fair value, including cash and cash equivalents, financial assets carried at amortized cost - current, notes receivable, accounts receivable, other receivables, refundable deposits, short-term borrowings, notes payable, accounts payable, other payables, lease liabilities - current, long-term borrowings (including those due within one year), lease liabilities - non-current and deposits as collateral, are a reasonable approximation of fair value。

4. The Group classifies financial and non-financial instruments measured at fair value on the basis of the nature, characteristics and risks of the assets and liabilities and the fair value hierarchy, and the related information is as follows：

   (1) The Group classifies its assets and liabilities by nature and the related information is as follows：

December 31, 2021	Level 1	Level 2	Level 3	Total
Repeatable fair value				
Financial assets at fair value through profit or loss financial assets at fair value through profit or loss				
- Structured Time Deposit	$ -	$ -	$ -	$ -
Financial assets at fair value through other comprehensive income financial assets measured at fair value through other comprehensive income				
- Equity Securities	$ -	$ -	$ 4,072	$ 4,072

December 31, 2020	Level 1	Level 2	Level 3	Total
Repeatable fair value				
Financial assets at fair value through profit or loss financial assets at fair value through profit or loss				
- Structured Time Deposit	$ -	$ 30,099	$ -	$ 30,099

Financial assets at fair value through other comprehensive income financial assets measured at fair value through other comprehensive income - Equity Securities	$ -	$ -	$ 4,992	$ 4,992

(2) The methods and assumptions used by the Group to measure fair value are described below：

A. Level 2 Fair Value Measurement Valuation Techniques and Inputs

Types of Financial Instruments	Evaluation techniques and input values
Structured Deposit	The fair value is based on the discount rate curve derived from quoted prices in the open market, and the discounted value of future cash flows is used as the basis for measurement.

B. Level 3 Fair Value Measurement Valuation Techniques and Inputs

Types of Financial Instruments	Evaluation techniques and input values
Investment in domestic unlisted stocks	Asset-based method: Based on the balance sheet of the appraised company, the value of all tangible and intangible assets and liabilities of the appraised company is evaluated on an item-by-item basis. The value of all tangible and intangible assets of the appraised company and its liabilities, as well as off-balance sheet assets and off-balance sheet liabilities, are considered to determine the value of the appraised company.

5. There are no transfers between Level 1 and Level 2 in fiscal 2021 and 2020.
6. The following table shows the third-tier changes for fiscal 2021 and 2020：

	2021 Non-derivative equity instruments	2020 Non-derivative equity instruments
January 1	$ 4,992	$ 5,110
Recognized in other comprehensive (loss) income	(199)	982
Capital Reduction Refunds	(721)	(1,100)
December 31	$ 4,072	$ 4,992

7. The Group's valuation process for fair value classification in Level 3 involves the finance department conducting independent fair value verification of financial instruments, using independent sources of information to approximate market conditions, confirming that the sources of information are independent, reliable, consistent with other sources and representative of executable prices, regularly calibrating the valuation models, performing back testing, updating input values and information required for the valuation models and any other necessary fair value adjustments to ensure that the valuation results are reasonable.
8. The Group carefully evaluates the valuation models and valuation parameters selected by

the Group, but different valuation models or valuation parameters may lead to different valuation results. For financial assets classified as Level 3, a 0.1% increase or decrease in net assets would have no material impact on the Group's other comprehensive income (loss).

(4) Other issues

In response to the COVID-19 epidemic, the Group has taken prudent and stringent measures to prevent the epidemic from affecting its operations, production and business, etc. The Group's financial position and results of operations in fiscal 2021 were not significantly affected by the epidemic.

13. Note Disclosure

(1) Significant Transaction Information

1. Loaning funds to others: Please refer to Exhibit 1.
2. Endorsement and guarantee for others: Please refer to Exhibit 2 (attached).
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliated companies and joint ventures): Please refer to Exhibit 3 (attached).
4. Cumulative purchases or sales of marketable securities amounting to at least NT$300 million or 20% of the paid-in capital: None.
5. Acquisition of real estate at prices of at least NT$300 million or 20% of the paid-in capital: None.
6. Disposal of real estate amounting to at least NT$300 million or 20% of the paid-in capital: None.
7. Purchases from or sales to related parties amounting to at least $100 million or 20% of the paid-in capital: Exhibit 4 (attached).
8. Receivables from related parties amounting to at least $100 million or 20% of the paid-in capital: None.
9. Derivative transactions: Please refer to Note 6(2) for details.
10. Business relationships and significant transactions between the Parent Company and its subsidiaries: Please refer to Exhibit 5 (attached).

(2) Transfers of investment business information

Name of investee company, location and other related information (excluding Mainland China investee company): Please refer to Exhibit 6.

(3) Mainland Investment Information

1. Basic information: Please refer to Exhibit 7 (attached).
2. Significant transactions directly or indirectly between the third-party business and the investee company in Mainland China: Please refer to Exhibit 8 (attached).

(4) Information on major shareholders

Please refer to the Exhibit 9. 。

14. Operating Division Information

(1) General Information

The Group's management has identified reportable segments based on the reporting information used to make decisions, to allocate resources and to measure the performance of the segment, with emphasis on the type of product or service delivered or provided. The Group's reportable segments are as follows：

Molds

Plastic molding

(2) Measurement of Departmental Information

The accounting policies of the Group's operating segments are the same as those described in the summary of significant accounting policies in Note 4 to the consolidated financial statements. The Group's operating decision makers evaluate the performance of each operating segment based on net operating profit or loss.

(3) Department Information

Reportable department information provided to the chief operating decision maker is as follows：

2021	Mold	Plastic molding	Reconciliation and Write off	Total
External Revenue	$ 123,832	$ 1,961,598	$ -	$ 2,085,430
Internal departmental revenue	213,070	445,064	(658,134)	-
Departmental revenue	$ 336,902	$ 2,406,662	($ 658,134)	$ 2,085,430
Departmental (loss) income	($ 19,454)	$ 160,131	$ -	$ 140,677
Departmental income or loss includes: depreciation and amortization	$ 14,147	$ 115,483	$ -	$ 129,630

2020	Mold	Plastic molding	Reconciliation and Write off	Total
External Revenue	$ 176,169	$ 1,730,412	$ -	$ 1,906,581
Internal departmental revenue	265,838	301,672	(567,510)	-
Departmental revenue	$ 442,007	$ 2,032,084	($ 567,510)	$ 1,906,581
Departmental (loss) income	($ 11,125)	$ 80,725	$ -	$ 69,600
Departmental income or loss includes: depreciation and amortization	$ 12,470	$ 122,801	$ -	$ 135,271

(4) Reconciliation of departmental profit and loss

Interdepartmental sales are accounted for on a fair-trade basis. External revenue reported to the chief operating decision maker is measured in a manner consistent with revenue in the consolidated statements of income. A reconciliation of segment income to income before income taxes for the continuing operation department is as follows：

	2021	2020
Department ((loss)) income	$ 140,677	$ 69,600
Interest income	1,504	974
Other income	10,780	17,016
Other gains and (losses)	(12,054)	218,358
Finance costs	(6,939)	(8,163)
(Loss) income from continuing operations before tax	$ 133,968	$ 297,785

(5) Product Information

The breakdown of the balance of the Group's revenue from external customers is composed as follows：

	2021	2020
Mold Revenue	$ 123,832	$ 176,169

Plastic molding revenue	1,961,598	1,730,412
	$ 2,085,430	$ 1,906,581

(6) Region Information

Information on the Group's revenue from external customers by country and non-current assets by location of assets is as follows：

	2021		2020	
	Revenue	Non-current assets	Revenue	Non-current assets
China and Hong Kong	$ 622,040	$ 36,000	$ 520,509	$ 64,382
Taiwan	-	7,789	-	6,422
Southeast Asia	1,463,390	970,549	1,386,072	1,090,781
	$ 2,085,430	$ 1,014,338	$ 1,906,581	$ 1,161,585

Note: Non-current assets do not include financial instruments, deferred income tax assets and refundable deposits.

(7) Important Customer Information

Important customer information of the Group is as follows：

	2021	2020
	Revenue	Revenue
Customer A (Note 1)	$ 1,447,518	$ 1,117,939
Customer B (Note 1)	50,070	196,482

Note 1: It is from the income of mold and plastic molding.

TaiHan Precision Technology Co., Limited and subsidiaries
Loaning funds to others
January 1 - December 31, 2021

Exhibit 1

Unit: NT$1,000,000 (Unless otherwise specified)

No.	Loan funds company	Lender	Past items	Is a related party	Current Maximum Amount	End of year balance	Actual expenditure Amount	Interest Rate Range	Nature of Funding Loan	Business Transaction amount	There are reasons why short-term financing funds are necessary	Allowance Amount of loss	Collateral Name	Collateral Value	The limit for individual target funds lending	Funding Loan and Total Limit	Remark
0	Our Company	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	Other receivables related parties	Yes	$ 57,062	$ 55,380	$ -	-	Those who have the need for short-term financing funds	$ -	Operational Turnaround	$ -	$ -	$ -	$ 619,626	$ 774,532	Note 1、Note 2
1	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN MOLD PRODUCTS (DONGGUAN)	Other receivables related parties	Yes	57,062	55,380	13,845	-	Those who have the need for short-term financing funds	-	Operational Turnaround	-	-	-	619,626	774,532	Note 1、Note 3
1	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	Other receivables related parties	Yes	142,655	138,450	27,690	-	Those who have the need for short-term financing funds	-	Operational Turnaround	-	-	-	248,679	774,532	Note 1、Note 4
1	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHANLAND (PHILIPPINES) INC.	Other receivables related parties	Yes	171,186	166,140	55,380	-	Those who have the need for short-term financing funds	-	Operational Turnaround	-	-	-	248,679	774,532	Note 1、Note 4

Note 1: The total amount of the Company's capital loans shall not exceed 50% of the net value of the Company's most recent accountants' report.

Note 2: If the Company engages in the lending of funds for short-term financing purposes, the total amount of funds lent shall not exceed 40% of the Company's latest accountants' net worth. The amount of individual loans shall not exceed 10% of the net value of the Company's most recent accountants' report.

The amount of individual loans shall not exceed 10% of the Company's latest audited financial statements and shall not exceed 40% of the Company's net worth if the loans are made to the Company's subsidiaries (including indirectly reinvested subsidiaries).

Note 3: If TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD. is a subsidiary with 100% direct or indirect voting rights, the amount of individual loans and all loans shall not exceed 40% of the latest certified financial statements of TAIHAN PRECISION TECHNOLOGY CO.

The amount of individual loans and all loans shall be limited to 40% of the net value of the most recent financial statements of TAIHAN PRECISION CORPORATION, the parent company of the Company, and the total amount of loans shall not exceed 50% of the net value of the most recent financial statements of TAIHAN PRECISION CORPORATION, the parent company of the Company, as certified by the accountants.

Note 4: If TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD. engages in the lending of funds due to short-term financing needs, the total amount of funds lent and the amount of individual funds lent shall not exceed 50% of the net value of the most recent financial statements of TAIHAN PRECISION TECHNOLOGY (SAMOA) CO.

The total amount of the loan and the individual loan are limited to not more than 40% and 20% of the net value of the most recent financial statements certified by the accountants.

Note 5: The above transactions are related party transactions that have been eliminated in the consolidated financial statements.

TaiHan Precision Technology Co., Limited and subsidiaries
Endorsement for others
January 1 - December 31, 2021

Unit: NT$1,000,000
(Unless otherwise specified)

Exhibit 2

No. (Note 1)	Endorser Company Name	Endorsed by the guarantee Company Name	Relationship (Note 2)	Endorsement guarantee limit for a single enterprise (Note 3)	Current Maximum Endorsement Guarantee Balance	The End-of-Term Endorsement Guaranteed Balance	Actual expenditure amount	Amount of endorsement guarantee by property guarantee	Ratio of accumulated endorsement guarantee to net worth of the most recent financial statements	Endorsement Guarantee Maximum Limit (Note 3)	Parent company endorsement of subsidiary	Subsidiary endorsement of parent company	Endorsement guarantee for mainland China	Remark
0	Our Company	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	(2)	$ 774,532	$ 228,248	$ 221,520	$ 70,522	$ -	15%	$ 1,549,064	Y	N	N	-
0	Our Company	YONGHAN PRECISION TECHNOLOGY CO., LTD.	(2)	774,532	114,124	69,225	-	-	7%	1,549,064	Y	N	N	-
0	Our Company	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	(2)	774,532	497,210	332,280	56,765	-	32%	1,549,064	Y	N	N	-
1	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	TAIHANLAND (PHILIPPINES) INC.	(4)	774,532	85,593	83,070	69,779	-	6%	1,549,064	N	N	N	-
2	TAIHANLAND (PHILIPPINES) INC.	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	(4)	774,532	85,593	83,070	83,070	-	6%	1,549,064	N	N	N	-

Note 1: The description of the number column is as follows.
(1) The issuer is entered as 0.
(2) The investee companies are numbered in order by company, starting from the Arabic numeral 1.

Note 2: There are 7 types of relationships between the guarantor and the target of the endorsement, and the types can be indicated as follows
(1) Companies with business dealings.
(2) Companies in which the company directly or indirectly holds more than 50% of the voting shares.
(3) Companies in which more than 50% of the voting shares are directly or indirectly held by the company.
(4) Companies in which the Company directly or indirectly holds more than 90% of the voting shares.
(5) A company that is mutually insured under a contract between peers or co-founders for the purpose of contracting for work.
(6) A company whose joint investment is guaranteed by all contributing shareholders in proportion to their shareholdings.
(7) Intercompany guarantees for the performance of contracts for the sale of pre-sale properties in accordance with the Consumer Protection Act.

Note 3: The aggregate amount of the Company's and the Company's subsidiaries' endorsement and guarantee shall not exceed 100% of the Company's latest certified public accountants' net financial statements, and the aggregate amount of endorsement and guarantee for a single enterprise shall not exceed 25% of the Company's latest certified public accountants' net financial statements.
The cumulative amount of the endorsement guarantee for a single enterprise shall not exceed 25% of the Company's most recent audited net financial statements. If the endorsement/guarantee is for a subsidiary of the Company (including indirect investment in a subsidiary), the endorsement/guarantee shall not exceed 50% of the net value of the Company's most recent financial statements as certified by the accountant.

Note 4: The exchange rate for the conversion of the Company's endorsement guarantee into New Taiwan dollars is based on the resolution of the board of directors.

TaiHan Precision Technology Co., Limited and subsidiaries
Marketable securities held at the end of the period
January 1 - December 31, 2021

Exhibit 3

Unit: NT$1,000
(Unless otherwise specified)

Company held	Types and names of securities	Relationship with the issuer of marketable securities	Billing Subjects	End of period				Remark
				Number of shares	Carrying amount	Shareholding ratio	Fair Value	
Our Company	Ordinary shares of non-listed counterparties - Asia Pacific Emerging Industry Venture Capital Co., Ltd.	None	Financial assets at fair value through other comprehensive income or loss - non-current	318	$ 4,072	0.56%	$ 4,072	-

TaiHan Precision Technology Co., Limited and subsidiaries
Purchase or sale of goods with related parties amounting to at least NT$100 million or 20 percent of the paid-in capital
January 1 - December 31, 2021

Exhibit 4

Unit: NT$1,000
(Unless otherwise specified)

Import (sales) of companies	Counterparty Name	Relationship	Transaction Details: Import (Sales)	Transaction Details: Amount	Transaction Details: Percentage of total imports (sales)	Transaction Details: Credit Period	The circumstances and reasons why the transaction conditions are different from those of normal transactions: Unit price	The circumstances and reasons why the transaction conditions are different from those of normal transactions: Credit Period	Notes receivable (paid) and accounts payable: Balance	Notes receivable (paid) and accounts payable: Percentage of total notes and accounts receivable (payable)	Remark (Note)
Our Company	TaiHan Mold Products (Dongguan) Co., Ltd.	Our Company's Sub-subsidiary	Import	$ 213,900	36%	120 days	According to Our Company's transfer pricing policy system	No significant differences	($ 53,647)	47%	
Our Company	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	Our Company's Sub-subsidiary	Import	359,798	61%	120 days	According to Our Company's transfer pricing policy system	No significant differences	(56,398)	49%	

Note: Written off from the consolidated statement of income.

TaiHan Precision Technology Co., Limited and subsidiaries

Business relationships and significant transactions between the Parent Company and its subsidiaries and their respective subsidiaries and amounts

January 1 - December 31, 2021

Exhibit 5

Unit: NT$1,000
(Unless otherwise specified)

No. (Note 1)	Name of the trader	Trading partners	Relationship with the counterparty (Note 2)	Transaction history: Subjects	Transaction history: Amount	Transaction history: Terms of Trade	Transaction history: As a percentage of consolidated total revenue or Total assets (Note 3)
0	Our Company	TaiHan Mold Products (Dongguan) Co., Ltd.	1	Import	$ 213,900	According to the Company's transfer pricing policy system	10.26%
0	Our Company	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	1	Import	359,798	According to the Company's transfer pricing policy system	17.25%
0	Our Company	TaiHan Mold Products (Dongguan) Co., Ltd.	1	Accounts payable	53,647	Credit on 120 days	2.37%
0	Our Company	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	1	Accounts payable	56,398	Credit on 120 days	2.49%
0	Our Company	YONGHAN PRECISION TECHNOLOGY CO., LTD.	1	Sales revenue	61,605	According to the Company's transfer pricing policy system	2.95%
0	Our Company	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	1	Sales revenue	24,904	According to the Company's transfer pricing policy system	1.19%
1	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	3	Other accounts receivable	27,690	—	1.22%
1	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHANLAND (PHILIPPINES) INC.	3	Other accounts receivable	55,380	—	2.44%
2	TAIHANLAND (PHILIPPINES) INC	TAIHAN PRECISION TECHNOLOGY (PHILIPPINES) CO., INC.	3	Rental income	30,905	—	1.48%

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated in the numbered column respectively, and the numbers should be completed as follows.
(1). Enter 0 for the parent company.
(2). The subsidiaries are numbered by company, starting with the Arabic numeral 1.

Note 2: There are three types of relationships with the counterparties as follows. For example, if the parent company has disclosed the transaction with the subsidiary, the subsidiary does not need to disclose the transaction repeatedly.
For subsidiary-to-subsidiary transactions, if one subsidiary has already disclosed the transaction, the other subsidiary does not need to disclose it repeatedly).
(1). Parent to subsidiary.
(2). Subsidiary to parent company.
(3). Subsidiaries to subsidiaries.

Note 3: The ratio of transaction amount to consolidated total revenue or total assets is calculated as the ending balance to consolidated total assets in the case of assets and liabilities, or as the cumulative amount to consolidated total revenue in the case of profit or loss.

Note 4: The ratio of inter-parent-subsidiary business relationships and significant transactions is only disclosed if the ratio reaches 1% or more of the consolidated total revenue or total assets.

TaiHan Precision Technology Co., Limited and subsidiaries
Name of investee company, location and other related information (excluding Mainland China investee company)
January 1 - December 31, 2021

Exhibit 6

Unit: NT$1,000
(Unless otherwise specified)

				Original investment amount		Held at end of period			(Loss) income of investees for the period	Investment income (loss) recognized in the period	
Name of Investment Company	Name of investee company	Location	Main Business Items	End of the period	End of last year	Number of shares	%	Carrying amount			Remark
本公司	TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	Samoa	Professional Investment Business	$ 1,092,737	$ 1,092,737	32,289,761	100%	$ 1,243,393	$ 113,106	$ 110,430	
TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN HOLDING (SAMOA) CO., LTD.	Samoa	Professional Investment Business	391,133	391,133	10,799,664	100%	84,473	(18,435)	-	Note 2
TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	YONGHAN HOLDING (SAMOA) CO., LTD.	Samoa	Professional Investment Business	321,162	321,162	10,023,632	100%	598,038	124,657	-	Note 2
TAIHAN PRECISION TECHNOLOGY (SAMOA) CO., LTD.	TAIHAN HOLDING PHILIPPINES CO., LTD.	Seychelles	Professional Investment Business	666,368	655,306	22,139,000	100%	526,560	12,265	-	Note 2
YONGHAN HOLDING (SAMOA) CO., LTD.	YONGHAN PRECISION TECHNOLOGY CO., LTD.	Vietnam	Production and sales of various precision molds and plastic plastic products, etc.	320,391	320,391	-	100%	598,024	124,407	-	Note 2
TAIHAN HOLDING PHILIPPINES CO., LTD.	TAIHANLAND (PHILIPPINES) INC.	Philippines	Holding the production base of Land and plant	308,755	308,755	-	39.99%	315,941	13,064	-	Note 1, Note 2
TAIHAN HOLDING PHILIPPINES CO., LTD.	TAIHAN PRECISON TECHNOLOGY (PHILIPPINES) CO., INC.	Philippines	Production and sales of various precision molds and plastic plastic products, etc.	319,567	319,567	-	99.99%	204,410	8,399	-	Note 1, Note 2

Note 1: Please refer to Note 4(3) for details of the Company's shareholdings in its subsidiaries.
Note 2: Gains or losses of the Company's direct investment in subsidiaries that are reinvested in the Company are recognized by the respective investment companies and are therefore not disclosed.

TaiHan Precision Technology Co., Limited and subsidiaries
Mainland China Investment Information - Basic Information
January 1 - December 31, 2021

Exhibit 7

Unit: NT$1,000
(Unless otherwise specified)

Name of Mainland China investee company	Main Business Items	Paid-in capital	Investment Method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investments remitted or recovered during the period		Accumulated investment amount remitted from Taiwan at the end of the period	(Loss) income of investees for the period	Shareholding of our Company's direct or indirect investments	Investment (loss) recognized during the period (Note 2)	Carrying amount of investments at the end of the period (Note 2)	As at the end of the period Investment income remitted	Remark
					Remittance	Retrieval							
TaiHan Mold Products (Dongguan) Co., Ltd.	Production and sales of various precision molds and plastic products, etc.	$ 421,315	2	$ 421,315	$ -	$ -	$ 421,315	($ 18,435)	100%	($ 18,435)	$ 84,473	$ -	Investment in Mainland China through TAIHAN HOLDING (SAMOA) CO., Ltd.

Note 1: Investment methods are divided into the following three categories, and the labeling of each category is sufficient.

(1). Direct investment in mainland China

(2). Reinvesting in Mainland China through a third-party company (please specify the third-party investment company)

(3). Other methods

Note 2: The investment income or loss recognized in the current period is based on the financial statements audited by the Company's accountants.

Note 3: The calculation of the investment limit in Mainland China is based on each investment entity. According to the regulations of the Investment Commission of the Ministry of Economic Affairs, the maximum percentage of investment in Mainland China is limited to 60% of the net value of the company.

Company Name	Accumulated remittances from Taiwan to China at the end of the period Taiwan to China Amount of regional investment	MOEAIC Approved Investment Amount	Investment quota in mainland China according to MOEAIC regulations (Note 3)
Our Company	$ 421,315	$ 421,315	$ 929,438

TaiHan Precision Technology Co., Limited and subsidiaries

Mainland China Investment Information - Significant transactions directly or indirectly between third-party businesses and investees in Mainland China

January 1 - December 31, 2021

Exhibit 8

Unit: NT$1,000

(Unless otherwise specified)

	Sales (Import)		Property Transactions		Accounts receivable (paid)		Note endorsement guarantee or provision of collateral		Accommodation of funds				
Name of Investee Company in China	Amount	%	Amount	%	Balance	%	End of period balance	Purpose	Maximum balance	End of period balance	Interest Rate Range	Current Interest	Other
TaiHan Mold Products (Dongguan) Co., Ltd.	($ 213,900)	36%	$ -	-	($ 53,647)	47%	$ -	Not applicable	$ -	$ -	-	$ -	-

TaiHan Precision Technology Co., Limited and subsidiaries
Major Shareholders Information
January 1 - December 31, 2021

Exhibit 9

Name of Major Shareholders	Shares: Number of shares held	Shares: Shareholding ratio
ABLBRIDGE CORPORATION	15,012,000	19.47%
SPEED TECH CORPORATION	7,587,000	9.84%

Note 1: The information on major shareholders in this table is based on the last business day of the quarter in which the shareholders held 5% or more of the Company's common shares and preferred shares that have been delivered without physical registration (including treasury shares). The number of shares recorded in the consolidated financial statements and the actual number of shares delivered without physical registration may differ depending on the basis of calculation.

Note 2: The above information is revealed by the trustee's opening of a trust account with individual subaccounts of the principal if the shareholder has delivered the shares to the trust. As for the shareholder's shareholding of more than 10% of the shares held by the Company in accordance with the Securities and Exchange Act, the shareholding includes the shareholder's own shares plus the shares delivered to the trust and the shareholder has the right to decide on the use of the trust property, etc. Please refer to the Market Observation Post System (MOPS) for the information on insider shareholding.