

CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of June 30, 2022 and 2021 are reviewed, not audited)

Assets	Notes	June 30, 2022	December 31, 2021	June 30, 2021	
Current assets					
1100	Cash and cash equivalents	6(1)	\$ 7,282,093	\$ 1,725,636	\$ 2,385,164
1110	Financial assets at fair value through profit or loss - current	6(2)	1,945,582	2,155,172	2,776,830
1120	Financial assets at fair value through other comprehensive income - current	6(3)	2,550,325	2,881,458	2,756,219
1150	Notes receivable, net	6(5) and 8	97,396	163,196	208,751
1170	Accounts receivable, net	6(5)	28,224,414	28,514,140	24,396,514
1180	Accounts receivable - related parties	7	218,141	352,102	317,579
1200	Other receivables		347,075	241,537	213,450
130X	Inventories, net	6(6)	22,635,837	21,796,221	19,102,299
1410	Prepayments		1,507,244	1,886,040	1,646,886
1470	Other current assets		17,418	15,244	2,699
11XX	Total current assets		<u>64,825,525</u>	<u>59,730,746</u>	<u>53,806,391</u>
Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	2,445,606	1,999,300	1,841,171
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	381,414	381,581	423,749
1535	Financial assets at amortised cost - non-current	6(4)	477,990	445,025	447,920
1550	Investments accounted for using equity method	6(7)	234,325	218,383	199,929
1600	Property, plant and equipment, net	6(8) and 8	15,301,715	14,961,727	14,636,168
1755	Right-of-use assets	6(9)	754,813	782,664	773,795
1760	Investment property, net	6(10) and 8	3,771,782	3,771,591	3,758,077
1780	Intangible assets	6(11)	107,731	116,017	107,087
1840	Deferred income tax assets	6(28)	240,111	223,929	235,130
1900	Other non-current assets	6(12) and 8	962,789	1,095,424	2,053,136
15XX	Total non-current assets		<u>24,678,276</u>	<u>23,995,641</u>	<u>24,476,162</u>
1XXX	Total assets		<u>\$ 89,503,801</u>	<u>\$ 83,726,387</u>	<u>\$ 78,282,553</u>

(Continued)

CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2022 and 2021 are reviewed, not audited)

Liabilities and Equity	Notes	June 30, 2022 AMOUNT	December 31, 2021 AMOUNT	June 30, 2021 AMOUNT	
Current liabilities					
2100	Short-term borrowings	6(13) and 8	\$ 5,120,304	\$ 1,624,355	\$ 3,968,618
2120	Financial liabilities at fair value through profit or loss - current	6(2)	64,033	59,354	96,157
2130	Contract liabilities - current	6(21)	335,661	271,893	241,208
2150	Notes payable		16,991	22,686	20,328
2170	Accounts payable		25,016,544	27,078,593	25,503,000
2180	Accounts payable - related parties	7	445,188	475,434	523,630
2200	Other payables	6(14)	17,674,364	14,106,451	12,887,230
2230	Income tax liabilities		2,540,198	2,884,344	2,021,643
2280	Lease liabilities - current		142,369	138,721	116,099
2300	Other current liabilities		254,474	93,263	85,602
21XX	Total current liabilities		<u>51,610,126</u>	<u>46,755,094</u>	<u>45,463,515</u>
Non-current liabilities					
2570	Deferred income tax liabilities	6(28)	470,071	397,258	483,802
2580	Lease liabilities - non-current		237,849	273,312	286,472
2600	Other non-current liabilities		239,978	266,927	278,079
25XX	Total non-current liabilities		<u>947,898</u>	<u>937,497</u>	<u>1,048,353</u>
2XXX	Total liabilities		<u>52,558,024</u>	<u>47,692,591</u>	<u>46,511,868</u>
Equity attributable to owners of parent					
Share capital					
3110	Common stock	6(17)	7,518,464	7,452,927	7,452,927
Capital surplus					
3200	Capital surplus	6(18)	8,009,664	7,182,465	7,182,222
Retained earnings					
3310	Legal reserve	6(19)	6,694,115	6,102,860	6,102,860
3320	Special reserve		4,265,650	4,252,574	4,252,574
3350	Unappropriated retained earnings		8,267,309	9,974,608	6,735,754
Other equity interest					
3400	Other equity interest	6(20)	(3,052,319)	(4,200,468)	(4,433,686)
3500	Treasury stocks	6(17) and 8	(311,277)	(311,277)	(311,277)
31XX	Equity attributable to owners of the parent		<u>31,391,606</u>	<u>30,453,689</u>	<u>26,981,374</u>
36XX	Non-controlling interest	4(3)	<u>5,554,171</u>	<u>5,580,107</u>	<u>4,789,311</u>
3XXX	Total equity		<u>36,945,777</u>	<u>36,033,796</u>	<u>31,770,685</u>
Significant contingent liabilities and unrecognised contract commitments					
3X2X	Total liabilities and equity	9	<u>\$ 89,503,801</u>	<u>\$ 83,726,387</u>	<u>\$ 78,282,553</u>

CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)
(UNAUDITED)

Items	Notes	Three months ended June 30		Six months ended June 30	
		2022	2021	2022	2021
4000 Sales revenue	6(21) and 7	\$ 28,651,801	\$ 25,292,775	\$ 57,497,453	\$ 50,429,822
5000 Operating costs	6(6)(26)(27) and 7	(23,632,646)	(20,891,794)	(47,638,915)	(41,632,945)
5900 Net operating margin		<u>5,019,155</u>	<u>4,400,981</u>	<u>9,858,538</u>	<u>8,796,877</u>
Operating expenses	6(26)(27)				
6100 Selling expenses		(764,288)	(974,482)	(1,551,053)	(1,939,522)
6200 General & administrative expenses		(884,821)	(729,856)	(1,653,543)	(1,462,749)
6300 Research and development expenses		(849,138)	(849,515)	(1,673,971)	(1,701,026)
6450 Impairment (loss) or gain on reversal determined in accordance with IFRS 9	12(2)	(8,007)	259	(4,645)	2,741
6000 Total operating expenses		(2,506,254)	(2,553,594)	(4,883,212)	(5,100,556)
6900 Operating profit		<u>2,512,901</u>	<u>1,847,387</u>	<u>4,975,326</u>	<u>3,696,321</u>
Non-operating income and expenses					
7100 Interest income	6(22)	23,772	25,224	40,687	53,515
7010 Other income	6(23)	317,821	276,203	548,831	352,564
7020 Other gains and losses	6(24)	(50,169)	(116,130)	(196,376)	(290,599)
7050 Finance costs	6(25)	(27,782)	(13,695)	(42,737)	(23,965)
7060 Share of loss of associates and joint ventures accounted for using equity method	6(7)	<u>14,541</u>	<u>5,800</u>	<u>10,326</u>	<u>8,288</u>
7000 Total non-operating revenue and expenses		<u>278,183</u>	<u>177,402</u>	<u>360,731</u>	<u>681,001</u>
7900 Profit before income tax		<u>2,791,084</u>	<u>2,024,789</u>	<u>5,336,057</u>	<u>4,377,322</u>
7950 Income tax expense	6(28)	(622,965)	(388,185)	(1,094,792)	(852,646)
8200 Profit for the year		<u>\$ 2,168,119</u>	<u>\$ 1,636,604</u>	<u>\$ 4,241,265</u>	<u>\$ 3,524,676</u>

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CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)
(UNAUDITED)

Items	Notes	Three months ended June 30		Six months ended June 30	
		2022	2021	2022	2021
Other comprehensive income					
Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8316	Unrealized gain or loss on Equity instruments at fair value through other comprehensive income 6(3)	(\$ 241,023)	(\$ 151,286)	(\$ 396,182)	\$ 187,345
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss	(241,023)	(151,286)	(396,182)	187,345
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	145,203	(556,512)	1,611,971	(400,352)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss 6(7)	(2,697)	(1,583)	5,615	(727)
8360	Other comprehensive income (loss) that will be reclassified to profit or loss	142,506	(558,095)	1,617,586	(401,079)
8300	Total other comprehensive income (loss) for the year	(\$ 98,517)	(\$ 709,381)	\$ 1,221,404	(\$ 213,734)
8500	Total comprehensive income for the year	\$ 2,069,602	\$ 927,223	\$ 5,462,669	\$ 3,310,942
Profit attributable to:					
8610	Owners of the parent	\$ 1,784,072	\$ 1,322,899	\$ 3,492,974	\$ 2,891,834
8620	Non-controlling interest	\$ 384,047	\$ 313,705	\$ 748,291	\$ 632,842
Comprehensive income attributable to:					
8710	Owners of the parent	\$ 1,730,655	\$ 653,930	\$ 4,631,444	\$ 2,709,450
8720	Non-controlling interest	\$ 338,947	\$ 273,293	\$ 831,225	\$ 601,492
Earnings per share (in NTD dollars)					
9750	Basic earnings per share 6(29)	\$ 2.50	\$ 1.87	\$ 4.91	\$ 4.10
9850	Diluted earnings per share 6(29)	\$ 2.48	\$ 1.85	\$ 4.84	\$ 4.05

CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Equity attributable to owners of the parent													
Notes	Retained Earnings					Other Equity Interest					Total	Non-controlling interest	Total equity
	Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Asset revaluation increment	Treasury stocks				
2021													
Balance at January 1, 2021	\$ 7,394,603	\$ 6,412,535	\$ 5,560,152	\$ 3,290,829	\$ 9,665,615	(\$ 2,802,749)	(\$ 2,815,388)	\$ 1,376,923	(\$ 311,277)	\$ 27,771,243	\$ 4,900,439	\$ 32,671,682	
Profit for 2021	-	-	-	-	2,891,834	-	-	-	-	2,891,834	632,842	3,524,676	
Other comprehensive income (loss) for 2021	6(20)	-	-	-	-	(369,495)	187,111	-	-	(182,384)	(31,350)	(213,734)	
Total comprehensive income (loss)	-	-	-	-	2,891,834	(369,495)	187,111	-	-	2,709,450	601,492	3,310,942	
Appropriations of 2020 earnings	6(19)	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	542,708	-	(542,708)	-	-	-	-	-	-	-	
Special reserve	-	-	-	961,745	(961,745)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(4,099,110)	-	-	-	(4,099,110)	-	-	(4,099,110)	
Employees' stock dividends	6(16)	58,324	491,676	-	-	-	-	-	-	550,000	-	550,000	
Cash dividends paid to the subsidiaries	-	-	205,497	-	-	-	-	-	-	205,497	-	205,497	
Adjustments to share of changes in equity of associates and joint ventures	6(30)	-	116,390	-	-	-	-	-	-	116,390	221,442	337,832	
Difference between proceeds from addition and disposal of subsidiary and book value	6(30)	-	(43,876)	-	(228,220)	-	-	-	(272,096)	-	272,096	-	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(797,890)	(797,890)	
Disposal of investments in equity instruments at fair value through other comprehensive income	6(3)	-	-	-	9,687	-	(9,687)	-	-	-	-	-	
Disposals of investment property	-	-	-	-	401	-	-	(401)	-	-	-	-	
Non-controlling interest adjustment	6(30)	-	-	-	-	-	-	-	-	-	(408,268)	(408,268)	
Balance at June 30, 2021	\$ 7,452,927	\$ 7,182,222	\$ 6,102,860	\$ 4,252,574	\$ 6,735,754	(\$ 3,172,244)	(\$ 2,637,964)	\$ 1,376,522	(\$ 311,277)	\$ 26,981,374	\$ 4,789,311	\$ 31,770,685	
2022													
Balance at January 1, 2022	\$ 7,452,927	\$ 7,182,465	\$ 6,102,860	\$ 4,252,574	\$ 9,974,608	(\$ 3,159,165)	(\$ 2,417,825)	\$ 1,376,522	(\$ 311,277)	\$ 30,453,689	\$ 5,580,107	\$ 36,033,796	
Profit for 2022	-	-	-	-	3,492,974	-	-	-	-	3,492,974	748,291	4,241,265	
Other comprehensive income (loss) for 2022	6(20)	-	-	-	-	1,525,902	(387,432)	-	-	1,138,470	82,934	1,221,404	
Total comprehensive income (loss)	-	-	-	-	3,492,974	1,525,902	(387,432)	-	-	4,631,444	831,225	5,462,669	
Appropriations of 2021 earnings	6(19)	-	-	-	-	-	-	-	-	-	-	-	
Legal reserve	-	-	591,255	-	(591,255)	-	-	-	-	-	-	-	
Special reserve	-	-	-	13,076	(13,076)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(4,586,263)	-	-	-	(4,586,263)	-	-	(4,586,263)	
Employees' stock dividends	6(17)	65,537	514,463	-	-	-	-	-	-	580,000	-	580,000	
Cash dividends paid to the subsidiaries	-	-	227,916	-	-	-	-	-	-	227,916	-	227,916	
Adjustments to share of changes in equity of associates and joint ventures	6(30)	-	84,574	-	-	-	-	-	-	84,574	178,113	262,687	
Difference between proceeds from addition and disposal of subsidiary and book value	6(30)	-	246	-	-	-	-	-	-	246	(246)	-	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,031,466)	(1,031,466)	
Disposal of investments in equity instruments at fair value through other comprehensive income	6(3)	-	-	-	(9,679)	-	9,679	-	-	-	-	-	
Non-controlling interest adjustment	6(30)	-	-	-	-	-	-	-	-	-	(3,562)	(3,562)	
Balance at June 30, 2022	\$ 7,518,464	\$ 8,009,664	\$ 6,694,115	\$ 4,265,650	\$ 8,267,309	(\$ 1,633,263)	(\$ 2,795,578)	\$ 1,376,522	(\$ 311,277)	\$ 31,391,606	\$ 5,554,171	\$ 36,945,777	

CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Six months ended June 30	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 5,336,057	\$ 4,377,322
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(26)	1,540,685	1,400,163
Intangible assets amortization	6(11)(26)	47,412	38,286
Other non-current assets recognized as expenses	6(26)	12,954	18,563
Impairment loss (gain on reversal) determined in accordance with IFRS 9	12(2)	4,645	(2,741)
Share-based payments	6(16)	798	35,257
Interest income	6(22)	(40,687)	(53,515)
Dividend income		(230,995)	(94,299)
Interest expense	6(25)	42,736	23,965
Net gain on financial assets and liabilities at fair value – derivative	6(2)(24)	(961,736)	(467,883)
Net loss (gain) on financial assets and liabilities at fair value – other	6(24)	399,975	(235,922)
Share of profit of associates accounted for using equity method	6(7)	(10,326)	(8,288)
Gain arising from lease modifications	6(9)	-	(27)
Gain on disposal of property, plant and equipment	6(24)	(46,380)	(16,861)
Gain on disposals of investment property	6(24)	-	(51,933)
Loss on disposal of intangible assets	6(11)	73	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss - current		892,886	510,540
Notes receivable		65,800	(53,146)
Accounts receivable		285,081	(1,088,838)
Accounts receivable - related parties		133,961	(64,352)
Other receivables		48,865	135,264
Inventories		(839,616)	(3,410,447)
Prepayments		378,796	262,099
Other current assets		(2,174)	(960)
Changes in operating liabilities			
Contract liabilities - current		63,768	55,478
Notes payable		(5,695)	(1,064)
Accounts payable		(2,062,049)	363,721
Accounts payable - related parties		(30,246)	37,666
Other payables		79,395	866,763
Other current liabilities		161,211	(523)
Other non-current liabilities		(26,949)	(15,463)
Cash inflow generated from operations		5,238,245	2,558,825
Interest received		24,960	31,583
Dividend received		92,319	51,462
Interest paid		(41,337)	(20,430)
Income tax paid		(1,449,182)	(908,768)
Net cash flows from operating activities		<u>3,865,005</u>	<u>1,712,672</u>

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CHICONY ELECTERONICS CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Six months ended June 30	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets and liabilities at fair value through profit or loss - Other		(\$ 868,162)	(\$ 856,870)
Disposal of financial assets and liabilities at fair value through profit or loss - Other		379,522	1,260,356
Disposal of financial assets at fair value through other comprehensive income	6(3)	3,126	30,916
Acquisition of property, plant and equipment	6(31)	(859,246)	(1,495,202)
Proceeds from disposal of property, plant and equipment		161,221	46,690
Acquisition of investment property	6(10)	(191)	-
Proceeds from disposal of investment property		-	145,869
Acquisition of intangible assets	6(11)	(26,760)	(43,402)
Increase in other non-current assets		(927,904)	(493,345)
Decrease (increase) in refundable deposits		38,311	(195,302)
Net cash flows used in investing activities		(2,100,083)	(1,600,290)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		3,495,817	3,880,450
Decrease in long-term borrowings		-	(100,000)
Repayment of lease liabilities	6(32)	(75,094)	(71,826)
Payments to acquire treasury shares		-	(3,893,612)
Change in non-controlling interests	6(30)	(3,562)	(408,268)
Cash dividend distributed by subsidiaries		(974,890)	(760,771)
Treasury stock transferred to employees		-	36,996
Net cash flows from (used in) financing activities		2,442,271	(1,317,031)
Effect of exchange rate changes		1,349,264	(161,538)
Net increase (decrease) in cash and cash equivalents		5,556,457	(1,366,187)
Cash and cash equivalents at beginning of period	6(1)	1,725,636	3,751,351
Cash and cash equivalents at end of period	6(1)	\$ 7,282,093	\$ 2,385,164