

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AND**  
**INDEPENDENT AUDITORS' REVIEW REPORT**

**SEPTEMBER 30, 2022 AND 2021**

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

## INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

### ***Introduction***

We have reviewed the accompanying consolidated balance sheets of WPG Holdings Limited and subsidiaries (the "Group") as at September 30, 2022 and 2021, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the related consolidated statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### ***Scope of review***

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Basis for qualified conclusion***

As explained in Notes 4(3)B and 6(9), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method were not reviewed by independent auditors. Those statements reflect total assets (including investments accounted for using the equity method) of NT\$44,058,131 thousand and NT\$20,344,428 thousand, constituting 12% and 7% of the consolidated total assets, and total liabilities of NT\$23,479,792 thousand and NT\$10,682,428 thousand, constituting 9% and 5% of the consolidated total liabilities as at September 30, 2022 and 2021, respectively, and total comprehensive income (including share of profit (loss) of associates and joint ventures accounted for using the equity method and share of other comprehensive income of associates

and joint ventures accounted for using the equity method) of NT\$219,729 thousand, NT\$62,530 thousand, NT\$647,227 thousand and NT\$414,741 thousand, constituting 3%, 3%, 3% and 5% of the consolidated total comprehensive income for the three months and nine months then ended, respectively.

### ***Qualified conclusion***

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries been reviewed by independent auditors as described in the Basis for qualified conclusion section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2022 and 2021, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Lin, Chun-yao

Chou, Chien-hung

For and on behalf of PricewaterhouseCoopers, Taiwan

November 8, 2022

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

As the consolidated financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2022, DECEMBER 31, 2021 AND SEPTEMBER 30, 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**  
**(THE BALANCE SHEETS AS OF SEPTEMBER 30, 2022 AND 2021 ARE REVIEWED, NOT AUDITED)**

Assets	Notes	September 30, 2022		December 31, 2021		September 30, 2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets							
Cash and cash equivalents	6(1)	\$ 14,570,054	4	\$ 14,407,940	5	\$ 10,647,106	4
Financial assets at fair value through profit or loss - current	6(2)	47,545	-	8,396	-	13,599	-
Financial assets at amortized cost - current	6(4) and 8	281,232	-	220,199	-	220,549	-
Notes receivable, net	6(5)	2,965,096	1	2,741,202	1	2,629,716	1
Accounts receivable, net	6(5)	136,033,093	38	131,368,328	46	138,839,828	46
Accounts receivable - related parties	7(3)	176,529	-	282,617	-	182,471	-
Other receivables	6(7)	16,583,792	5	7,174,281	2	9,744,142	3
Other receivables - related parties	7(3)	50,562	-	3,691	-	7,191	-
Current income tax assets		33,348	-	14,366	-	1,426	-
Inventory	6(8)	137,534,870	39	86,214,706	30	91,386,431	31
Prepayments		2,749,353	1	2,477,747	1	3,654,608	1
Other current assets		3,791,901	1	1,535,588	-	1,929,402	1
Total current assets		314,817,375	89	246,449,061	85	259,256,469	87
Non-current assets							
Financial assets at fair value through profit or loss - non-current	6(2) and 8	1,781,621	-	1,920,100	1	1,549,187	-
Financial assets at fair value through other comprehensive income - non-current	6(3)	3,025,023	1	3,321,562	1	3,340,338	1
Financial assets at amortized cost - non-current	6(4)	1,649,707	-	1,438,233	-	1,447,066	-
Investments accounted for under equity method	6(9)	12,989,852	4	13,453,324	5	12,609,113	4
Property, plant and equipment	6(10) and 8	12,030,334	3	11,911,715	4	11,222,464	4
Right-of-use assets	6(11)	2,829,350	1	1,544,289	1	1,642,607	1
Investment property - net	6(12) and 8	1,584,541	-	1,579,944	1	1,581,705	1
Intangible assets	6(13)	5,216,945	2	5,220,647	2	5,314,220	2
Deferred income tax assets		625,573	-	631,086	-	548,866	-
Prepayments for investments	6(14)	150,000	-	-	-	31,050	-
Other non-current assets	6(15)	359,470	-	268,663	-	766,643	-
Total non-current assets		42,242,416	11	41,289,563	15	40,053,259	13
TOTAL ASSETS		\$ 357,059,791	100	\$ 287,738,624	100	\$ 299,309,728	100

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**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2022, DECEMBER 31, 2021 AND SEPTEMBER 30, 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**  
**(THE BALANCE SHEETS AS OF SEPTEMBER 30, 2022 AND 2021 ARE REVIEWED, NOT AUDITED)**

Liabilities and Equity	Notes	September 30, 2022		December 31, 2021		September 30, 2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>							
Short-term borrowings	6(16)	\$ 99,201,219	28	\$ 82,334,562	29	\$ 84,828,646	28
Short-term notes and bills payable	6(17)	6,085,724	2	7,444,815	3	7,295,109	3
Financial liabilities at fair value	6(2)						
through profit or loss - current		1,007	-	7,068	-	3,506	-
Notes payable		36,761	-	21,484	-	40,981	-
Accounts payable		95,809,652	27	75,552,919	26	86,211,870	29
Accounts payable - related parties	7(3)	220,071	-	362,228	-	335,927	-
Other payables		12,106,866	3	10,598,704	4	9,710,972	3
Current income tax liabilities		1,892,788	-	1,227,511	-	1,361,089	-
Lease liabilities - current		376,336	-	282,588	-	330,325	-
Other current liabilities	6(18)(19)	17,333,947	5	4,392,160	2	12,226,201	4
<b>Total current liabilities</b>		<u>233,064,371</u>	<u>65</u>	<u>182,224,039</u>	<u>64</u>	<u>202,344,626</u>	<u>67</u>
<b>Non-current liabilities</b>							
Long-term borrowings	6(18)	35,628,250	10	31,478,246	11	25,352,392	9
Deferred income tax liabilities		673,774	-	628,638	-	520,736	-
Lease liabilities - non-current		2,433,801	1	1,216,340	-	1,246,687	-
Other non-current liabilities		799,242	-	966,015	-	1,054,135	-
<b>Total non-current liabilities</b>		<u>39,535,067</u>	<u>11</u>	<u>34,289,239</u>	<u>11</u>	<u>28,173,950</u>	<u>9</u>
<b>Total liabilities</b>		<u>272,599,438</u>	<u>76</u>	<u>216,513,278</u>	<u>75</u>	<u>230,518,576</u>	<u>76</u>
<b>Equity attributable to owners of parent</b>							
Share capital	1 and 6(22)						
Common stock		16,790,568	5	16,790,568	6	16,790,568	6
Preference stock		2,000,000	1	2,000,000	1	2,000,000	1
Capital surplus	6(23)						
Capital surplus		28,877,031	8	28,724,498	10	28,753,684	9
Retained earnings	6(24)						
Legal reserve		8,658,903	2	7,483,640	3	7,483,640	3
Special reserve		9,926,105	3	8,832,794	3	8,832,794	3
Unappropriated earnings		17,125,480	5	16,494,533	6	13,909,851	5
Other equity interest							
Other equity interest	6(25)	217,606	-	( 9,926,104)	( 4)	( 9,777,281)	( 3)
<b>Equity attributable to owners of the parent</b>		<u>83,595,693</u>	<u>24</u>	<u>70,399,929</u>	<u>25</u>	<u>67,993,256</u>	<u>24</u>
Non-controlling interest	4	864,660	-	825,417	-	797,896	-
<b>Total equity</b>		<u>84,460,353</u>	<u>24</u>	<u>71,225,346</u>	<u>25</u>	<u>68,791,152</u>	<u>24</u>
Significant contingent liabilities and unrecognized contract commitments	7(3) and 9						
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$ 357,059,791</u>	<u>100</u>	<u>\$ 287,738,624</u>	<u>100</u>	<u>\$ 299,309,728</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)  
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended September 30,				Nine months ended September 30,			
		2022		2021		2022		2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Operating revenue	6(26) and 7(3)	\$ 189,822,815	100	\$ 201,889,626	100	\$ 598,743,979	100	\$ 579,230,551	100
Operating costs	6(8) and 7(3)	( 182,667,778)	( 96)	( 193,960,645)	( 96)	( 575,762,876)	( 96)	( 556,700,738)	( 96)
Gross profit		<u>7,155,037</u>	<u>4</u>	<u>7,928,981</u>	<u>4</u>	<u>22,981,103</u>	<u>4</u>	<u>22,529,813</u>	<u>4</u>
Operating expenses	6(31)(32) and 7(3)								
Selling and marketing expenses		( 2,364,493)	( 1)	( 2,969,317)	( 1)	( 7,600,008)	( 1)	( 8,197,515)	( 1)
General and administrative expenses		( 1,105,124)	( 1)	( 1,343,745)	( 1)	( 3,646,112)	( 1)	( 3,766,927)	( 1)
Expected credit impairment (loss) gain		( 127,440)	-	283,818	-	( 181,339)	-	( 37,376)	-
Total operating expenses		<u>( 3,597,057)</u>	<u>( 2)</u>	<u>( 4,029,244)</u>	<u>( 2)</u>	<u>( 11,427,459)</u>	<u>( 2)</u>	<u>( 12,001,818)</u>	<u>( 2)</u>
Operating profit		<u>3,557,980</u>	<u>2</u>	<u>3,899,737</u>	<u>2</u>	<u>11,553,644</u>	<u>2</u>	<u>10,527,995</u>	<u>2</u>
Non-operating income and expenses									
Interest income	6(27)	24,579	-	7,093	-	43,160	-	21,614	-
Other income	6(28)	410,129	-	85,478	-	582,248	-	222,009	-
Other gains and losses	6(29)	228,843	-	( 104,209)	-	366,210	-	218,975	-
Finance costs	6(30)	( 1,387,036)	( 1)	( 544,326)	-	( 2,937,700)	-	( 1,492,641)	-
Share of profit of associates and joint ventures accounted for using the equity method		<u>430,648</u>	<u>-</u>	<u>527,954</u>	<u>-</u>	<u>1,426,122</u>	<u>-</u>	<u>1,338,273</u>	<u>-</u>
Total non-operating income and expenses		<u>( 292,837)</u>	<u>( 1)</u>	<u>( 28,010)</u>	<u>-</u>	<u>( 519,960)</u>	<u>-</u>	<u>308,230</u>	<u>-</u>
Income before income tax		3,265,143	1	3,871,727	2	11,033,684	2	10,836,225	2
Income tax expense	6(33)	( 492,066)	-	( 647,742)	-	( 1,873,575)	-	( 1,916,443)	( 1)
Consolidated net income		<u>\$ 2,773,077</u>	<u>1</u>	<u>\$ 3,223,985</u>	<u>2</u>	<u>\$ 9,160,109</u>	<u>2</u>	<u>\$ 8,919,782</u>	<u>1</u>

(Continued)

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)  
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended September 30,				Nine months ended September 30,			
		2022		2021		2022		2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Other comprehensive income / (loss), net									
Components of other comprehensive income (loss) that will not be reclassified to profit or loss									
Gain on remeasurements of defined benefit plans		\$ -	-	\$ -	-	\$ -	-	\$ 9	-
Unrealized (loss) gains from investments in equity instruments measured at fair value through other comprehensive income	6(3)(25)	( 433,526)	-	( 1,537,331)	( 1)	( 1,165,043)	-	1,353,264	-
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss		( 856,959)	-	592,147	-	( 2,555,288)	-	77,414	-
Other comprehensive income (loss) that will not be reclassified to profit or loss		( 1,290,485)	-	( 945,184)	( 1)	( 3,720,331)	-	1,430,687	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss									
Exchange differences on translation of foreign financial statements		6,393,310	3	( 56,771)	-	12,558,687	2	( 1,978,867)	-
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method		726,913	-	( 38,442)	-	1,368,934	-	( 210,550)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(25)(33)	( 9,317)	-	983	-	( 17,987)	-	4,068	-
Other comprehensive income (loss) that will be reclassified to profit or loss		7,110,906	3	( 94,230)	-	13,909,634	2	( 2,185,349)	-
Other comprehensive income, net		\$ 5,820,421	3	( \$ 1,039,414)	( 1)	\$ 10,189,303	2	( \$ 754,662)	-
Total comprehensive income		\$ 8,593,498	4	\$ 2,184,571	1	\$ 19,349,412	4	\$ 8,165,120	1
Consolidated net income attributable to:									
Owners of the parent		\$ 2,761,865	1	\$ 3,185,295	2	\$ 9,102,810	2	\$ 8,792,164	1
Non-controlling interest		11,212	-	38,690	-	57,299	-	127,618	-
		\$ 2,773,077	1	\$ 3,223,985	2	\$ 9,160,109	2	\$ 8,919,782	1
Comprehensive income attributable to:									
Owners of the parent		\$ 8,560,701	5	\$ 2,138,172	1	\$ 19,246,770	3	\$ 8,036,843	1
Non-controlling interest		32,797	-	46,399	-	102,642	-	128,277	-
		\$ 8,593,498	5	\$ 2,184,571	1	\$ 19,349,412	3	\$ 8,165,120	1
Earnings per share (in dollars)	6(34)								
Basic earnings per share		\$ 1.64		\$ 1.90		\$ 5.18		\$ 5.00	
Diluted earnings per share		\$ 1.64		\$ 1.90		\$ 5.18		\$ 4.99	

The accompanying notes are an integral part of these consolidated financial statements.

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)  
(REVIEWED, NOT AUDITED)

		Equity attributable to owners of the parent										
		Share Capital			Retained Earnings			Other Equity Interest				
									Unrealized gains (loss) on financial assets at fair value through other comprehensive income		Non-controlling interest	Total equity
	Notes	Common stock	Preference stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements		Total		
<u>Nine months ended September 30, 2021</u>												
		\$ 16,790,568	\$ 2,000,000	\$ 28,848,733	\$ 6,667,417	\$ 5,420,694	\$ 14,575,304	( \$ 10,687,165 )	\$ 1,854,371	\$ 65,469,922	\$ 533,096	\$ 66,003,018
		-	-	-	-	-	8,792,164	-	-	8,792,164	127,618	8,919,782
Net other comprehensive income (loss)	6(25)	-	-	-	-	-	50	( 2,186,000 )	1,430,629	( 755,321 )	659	( 754,662 )
Total comprehensive income (loss)		-	-	-	-	-	8,792,214	( 2,186,000 )	1,430,629	8,036,843	128,277	8,165,120
Appropriations of 2020 retained earnings	6(24)											
Legal reserve		-	-	-	816,223	-	( 816,223 )	-	-	-	-	-
Special reserve		-	-	-	-	3,412,100	( 3,412,100 )	-	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	( 5,205,076 )	-	-	( 5,205,076 )	-	( 5,205,076 )
Cash dividends for preferred stock		-	-	-	-	-	( 400,000 )	-	-	( 400,000 )	-	( 400,000 )
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(3)	-	-	-	-	-	189,116	-	( 189,116 )	-	-	-
Changes in equity of associates and joint ventures accounted for using the equity method	6(23)	-	-	( 108,474 )	-	-	194,271	-	-	85,797	-	85,797
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	-	-	( 7,655 )	-	-	( 7,655 )	( 24,650 )	( 32,305 )
Changes in ownership interests in subsidiaries	6(23)	-	-	13,425	-	-	-	-	-	13,425	205,161	218,586
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	( 43,988 )	( 43,988 )
Balance at September 30, 2021		\$ 16,790,568	\$ 2,000,000	\$ 28,753,684	\$ 7,483,640	\$ 8,832,794	\$ 13,909,851	( \$ 12,873,165 )	\$ 3,095,884	\$ 67,993,256	\$ 797,896	\$ 68,791,152
<u>Nine months ended September 30, 2022</u>												
		\$ 16,790,568	\$ 2,000,000	\$ 28,724,498	\$ 7,483,640	\$ 8,832,794	\$ 16,494,533	( \$ 13,385,541 )	\$ 3,459,437	\$ 70,399,929	\$ 825,417	\$ 71,225,346
Total consolidated profit		-	-	-	-	-	9,102,810	-	-	9,102,810	57,299	9,160,109
Net other comprehensive income (loss)	6(25)	-	-	-	-	-	250	13,864,293	( 3,720,583 )	10,143,960	45,343	10,189,303
Total comprehensive income (loss)		-	-	-	-	-	9,103,060	13,864,293	( 3,720,583 )	19,246,770	102,642	19,349,412
Appropriations of 2021 retained earnings	6(24)											
Legal reserve		-	-	-	1,175,263	-	( 1,175,263 )	-	-	-	-	-
Special reserve		-	-	-	-	1,093,311	( 1,093,311 )	-	-	-	-	-
Cash dividends for common stock		-	-	-	-	-	( 5,876,699 )	-	-	( 5,876,699 )	-	( 5,876,699 )
Cash dividends for preferred stock		-	-	-	-	-	( 400,000 )	-	-	( 400,000 )	-	( 400,000 )
Changes in equity of associates and joint ventures accounted for using the equity method	6(23)	-	-	151,770	-	-	73,160	-	-	224,930	-	224,930
Changes in ownership interests in subsidiaries	6(23)	-	-	763	-	-	-	-	-	763	-	763
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	( 63,399 )	( 63,399 )
Balance at September 30, 2022		\$ 16,790,568	\$ 2,000,000	\$ 28,877,031	\$ 8,658,903	\$ 9,926,105	\$ 17,125,480	\$ 478,752	( \$ 261,146 )	\$ 83,595,693	\$ 864,660	\$ 84,460,353

The accompanying notes are an integral part of these consolidated financial statements.



**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**  
**(REVIEWED, NOT AUDITED)**

		Nine months ended September 30,	
	Notes	2022	2021
<b>Cash flows from operating activities</b>			
Profit before income tax		\$ 11,033,684	\$ 10,836,225
Adjustments			
Income and expenses			
Depreciation	6(31)	689,552	664,951
Amortization	6(13)(31)	67,234	55,520
Expected credit impairment loss		181,339	37,376
Interest expense	6(30)	2,937,700	1,492,641
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(29)	5,627 (	149,317 )
Interest income	6(27)	( 43,160 ) (	21,614 )
Dividend income	6(28)	( 363,549 ) (	57,668 )
Share-based payments	6(21)	-	17,955
Share of profit of associates and joint ventures accounted for using the equity method		( 1,426,122 ) (	1,338,273 )
Loss on disposal of property, plant and equipment	6(29)	127	1,405
Gain on disposal of non-current assets held for sale	6(29)	- (	457,864 )
Gain on lease modification	6(29)	( 9,659 ) (	31,710 )
Gain on disposal of investment	6(29)	( 1,054 ) (	471 )
Impairment loss	6(29)	-	325,235
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets (liabilities) at fair value through profit or loss - current		128,570	132,740
Notes receivable	(	223,890 )	581,260
Accounts receivable	(	4,887,879 ) (	30,656,501 )
Accounts receivable - related parties, net		106,088 (	4,578 )
Other receivables	(	9,392,916 )	3,188,487
Other receivables - related parties	(	5,045 ) (	5,576 )
Inventories	(	51,323,493 ) (	34,286,406 )
Prepayments	(	271,606 ) (	1,038,022 )
Other current assets	(	373,692 ) (	1,125,442 )
Changes in liabilities relating to operating activities			
Notes payable		15,277 (	9,670 )
Accounts payable		20,256,733	23,376,301
Accounts payable - related parties	(	142,157 )	258,904
Other payables		905,395	1,425,005
Other current liabilities		1,379,268	40,044
Other non-current liabilities	(	90,888 ) (	82,071 )
Cash outflow generated from operations	(	30,848,516 ) (	26,831,134 )
Interest paid	(	2,308,528 ) (	1,165,329 )
Income tax paid	(	1,191,006 ) (	1,233,570 )
Interest received		29,815	19,382
Dividends received		1,260,980	666,600
Net cash used in operating activities	(	33,057,255 ) (	28,544,051 )

(Continued)

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**  
**(REVIEWED, NOT AUDITED)**

		Nine months ended September 30,	
	Notes	2022	2021
<b>Cash flows from investing activities</b>			
Acquisition of financial assets at fair value through other comprehensive income		( \$ 868,504 )	( \$ 387,997 )
Proceeds from disposal of financial assets at fair value through other comprehensive income		-	232,317
Increase in financial assets at amortized cost		( 90,757 )	( 1,239,800 )
Decrease in financial assets at amortized cost		14,465	41,309
Acquisition of financial assets at fair value through profit or loss		( 44,285 )	( 161,461 )
Proceeds from disposal of financial assets at fair value through profit or loss		5,824	630
Proceeds from capital reduction of financial assets at fair value through profit or loss		30,799	47,016
Acquisition of investments accounted for using the equity method		( 11,609 )	( 10,531 )
Prepayments for investments		( 150,000 )	-
Acquisition of property, plant and equipment and intangible assets	6(36)	( 453,999 )	( 1,635,761 )
Proceeds from disposal of property, plant and equipment and intangible assets		790	6,457
Proceeds from disposal of non-current assets held for sale		-	795,964
Increase in guarantee deposits paid		( 77,735 )	( 35,411 )
Decrease in guarantee deposits paid		27,813	27,340
Acquisition of right-of-use assets		-	( 122,663 )
Increase in other financial assets - current		( 1,882,601 )	-
Decrease in other financial assets - current		-	1,578,012
Decrease in other non-current assets		28,167	9,051
Net cash used in investing activities		( 3,471,632 )	( 855,528 )
<b>Cash flows from financing activities</b>			
Principal repayment of lease liability	6(37)	( 334,807 )	( 334,551 )
Increase in short-term borrowings	6(37)	566,890,816	484,763,893
Decrease in short-term borrowings	6(37)	( 550,024,159 )	( 458,975,794 )
Increase in long-term borrowings (including current portion of long-term liabilities)	6(37)	39,824,794	11,150,549
Decrease in long-term borrowings (including current portion of long-term liabilities)	6(37)	( 24,112,272 )	( 2,733,873 )
Increase in short-term notes and bills payable	6(37)	42,977,931	24,825,407
Decrease in short-term notes and bills payable	6(37)	( 44,337,022 )	( 22,471,803 )
Increase in guarantee deposits received		29,979	586,843
Decrease in guarantee deposits received		( 127,877 )	( 304,829 )
Distribution of cash dividends	6(24)	( 6,276,699 )	( 5,605,076 )
Acquisition of ownership interests in subsidiaries	6(35)	-	( 32,305 )
Changes in non-controlling interests		( 63,399 )	163,736
Net cash provided by financing activities		24,447,285	31,032,197
Effect of exchange rate changes on cash and cash equivalents		12,243,716	( 2,005,532 )
Net increase (decrease) in cash and cash equivalents		162,114	( 372,914 )
Cash and cash equivalents at beginning of period		14,407,940	11,020,020
Cash and cash equivalents at end of period		<u>\$ 14,570,054</u>	<u>\$ 10,647,106</u>

The accompanying notes are an integral part of these consolidated financial statements.

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,  
EXCEPT AS OTHERWISE INDICATED)  
(REVIEWED, NOT AUDITED)

1. HISTORY AND ORGANIZATION

- (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Co., Ltd. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organization restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using the equity method. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company and subsidiaries owned a total of 60.51% equity of Trigold after the stock swap. The Company and the subsidiaries included in these consolidated financial statements are collectively referred as the "Group".
- (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. The Company's subsidiaries are mainly engaged in the distribution and sales of electronic / electrical components, sales of computer software and electrical products and sales of electronic / electrical components.

(3) As of September 30, 2022, the Company's authorized capital was \$25,000,000 (certain shares can be issued as preference shares, and \$500,000 is reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds), and the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share.

## 2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on November 8, 2022.

## 3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts - cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018 - 2020	January 1, 2022

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

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

### (3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the

IFRSs endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.	

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2021, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2021.

##### (2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
  - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - (b) Financial assets at fair value through other comprehensive income measured at fair value.
  - (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

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

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

Basis for preparation for the current period financial statements and the 2021 consolidated financial statements is the same.

- B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software, hardware and electronic products	100.00	100.00	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPG Holdings Limited	WPG Electronics Limited	”	100.00	100.00	100.00	Notes 16 and 17
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	100.00	Notes 16 and 17
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	100.00	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	”	100.00	100.00	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 16 and 17
WPG Holdings Limited	Trigold Holdings Limited	Holding company	58.86	58.86	58.86	
WPG Holdings Limited	WPG EMEA B.V.	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 8, 16 and 17
WPG Investment Co., Ltd.	Trigold Holdings Limited	Holding company	1.74	1.74	1.25	
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	”	100.00	100.00	100.00	Notes 16 and 17

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
LaaS Holdings (Samoa) Limited	LaaS Holdings (HK) Limited	Holding company	100.00	100.00	100.00	Notes 16 and 17
LaaS Holdings (HK) Limited	LaaS (Dongguan) Supply Chain Management Limited	Intelligent warehousing enhanced services	100.00	100.00	100.00	Notes 16 and 17
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte. Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 11, 16 and 17
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	"	100.00	100.00	100.00	Notes 14 and 15
World Peace Industrial Co., Ltd.	Longview Technology Inc.	"	100.00	100.00	100.00	Notes 16 and 17
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	"	100.00	100.00	100.00	Notes 16 and 17
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 16 and 17
Teco Enterprise Holding (BVI) Co., Ltd.	AECO Electronic Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	100.00	Notes 16 and 17
WPI International (South Asia) Pte. Ltd.	World Peace International Pte. Ltd.	Holding company	0.00	100.00	100.00	Notes 11, 12 and 16
WPI International (South Asia) Pte. Ltd.	Genuine C&C (Indo China) Pte., Ltd.	Agent and sales of electronic / electrical components	80.00	0.00	0.00	Notes 11, 12 and 17
WPI International (South Asia) Pte. Ltd.	WPG Americans Inc.	"	4.31	0.00	0.00	Notes 2, 11 and 12
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte. Ltd.	"	100.00	0.00	0.00	Notes 11 and 12
World Peace International Pte. Ltd.	Genuine C&C (IndoChina) Pte., Ltd.	"	0.00	80.00	80.00	Notes 12 and 16
World Peace International Pte. Ltd.	WPG Americas Inc.	"	0.00	4.31	4.31	Notes 2 and 12
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	0.00	100.00	100.00	Note 12
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	"	100.00	100.00	100.00	Notes 16 and 17

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	100.00	100.00	Notes 3, 16 and 17
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPI Technology Pte. Ltd.	WPI International (Hong Kong) Limited	"	100.00	100.00	100.00	Notes 14 and 15
WPI International (Hong Kong) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	100.00	Notes 16 and 17
WPI International (Hong Kong) Limited	AIO Components Company Limited	Agent and sales of electronic / electrical components	0.00	0.00	0.00	Note 10
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	100.00	Notes 16 and 17
Longview Technology Inc.	Long-Think International Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	"	100.00	100.00	100.00	Notes 16 and 17
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	100.00	Notes 16 and 17
Silicon Application Corporation	Win-Win Systems Ltd.	"	100.00	100.00	100.00	Notes 16 and 17
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software, hardware and electronic products	100.00	100.00	100.00	Notes 16 and 17
Silicon Application Corporation	Pernas Electronic Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	100.00	100.00	100.00	
Silicon Application (BVI) Corp.	Silicon Application Company Limited	Sales of computer software, hardware and electronic products	100.00	100.00	100.00	Notes 16 and 17
Silicon Application Company Limited	Dstar Electronic Company Limited	"	0.00	0.00	0.00	Note 9



Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
WPG Korea Co., Ltd.	Apache Communication Inc. (B.V.I.)	Investment company	100.00	100.00	100.00	Notes 16 and 17
Apache Communication Inc. (B.V.I.)	Apache Korea Corp.	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	100.00	Notes 16 and 17
WPG International (CI) Limited	WPG Americas Inc.	Agent and sales of electronic / electrical components	95.69	95.69	95.69	Note 2
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	100.00	Notes 16 and 17
WPG International (CI) Limited	WPG Gain Tune Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	100.00	100.00	100.00	Notes 16 and 17
WPG International (Hong Kong) Limited	WPG China Inc.	"	100.00	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software, hardware and electronic products	100.00	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	"	100.00	100.00	100.00	Note 5, 16 and 17
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	"	99.99	99.99	99.99	Note 6, 16 and 17
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	"	100.00	100.00	100.00	Note 4, 16 and 17
WPG South Asia Pte. Ltd.	WPG SCM Limited	"	100.00	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Vietnam Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	"	0.01	0.01	0.01	Note 6, 16 and 17

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
Asian Information Technology Inc.	Apache Communication Inc.	Sales of electronic / electrical products	100.00	100.00	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	"	100.00	100.00	100.00	Notes 16 and 17
Asian Information Technology Inc.	Frontek Technology Corporation	"	100.00	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 16 and 17
Frontek Technology Corporation	Frontek International Limited	"	100.00	100.00	100.00	Notes 16 and 17
Fame Hall International Co., Ltd.	AIT Japan Inc.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 16 and 17
Frontek International Limited	Gather Technology Incorporation Limited	Sales of electronic electrical components	100.00	100.00	100.00	Notes 16 and 17
Yosun Industrial Corp.	Sertek Incorporated	"	100.00	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	100.00	
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Sales of electronic / electrical products	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	"	100.00	100.00	100.00	Notes 16 and 17
Sertek Incorporated	Sertek Limited	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 16 and 17
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	"	100.00	100.00	100.00	
Suntop Investments Limited	Yosun Singapore Pte Ltd.	"	100.00	100.00	100.00	Notes 16 and 17
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	"	100.00	100.00	100.00	Notes 16 and 17
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	100.00	Notes 16 and 17
Trigold Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
Trigold Holding Limited	Trigold (Hong Kong) Company Limited	Holding company	100.00	100.00	100.00	
Trigold Holding Limited	Peng Yu Trigold Limited	Sales of electronic / electrical products	100.00	0.00	0.00	Note 13
Trigold (Hong Kong) Company Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	"	100.00	100.00	100.00	Note 17
Trigold (Hong Kong) Company Limited	WPG C&C Shanghai Co., Ltd.	"	100.00	100.00	100.00	
Trigold (Hong Kong) Company Limited	Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	70.00	70.00	70.00	Notes 16 and 17
Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Sales of electronic/ electrical products	0.00	100.00	100.00	Notes 7, 13 and 16
Trigolduo (Shanghai) Industrial Development Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	100.00	100.00	100.00	Notes 16 and 17
Genuine C&C, Inc.	Hoban Inc.	An E-commerce company which operates B2C and O2O businesses	100.00	100.00	100.00	Notes 16 and 17
Genuine C&C, Inc.	Genuine C&C Holding Inc. (Seychelles)	Holding company	100.00	100.00	100.00	Notes 16 and 17
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	Sales of electronic/electrical products	100.00	100.00	100.00	Note 17

Note 1: The combined ownership percentage of common shares held by the Company and its subsidiaries is more than 50% or has control power.

Note 2: World Peace Industrial Co., Ltd. totally held 4.31% of shares of WPG Americas Inc. through World Peace International (South Asia) Pte Ltd. and WPI International (Hong Kong) Limited. Along with shares of WPG Americas Inc. held by WPG International (CI) Limited, the total shareholding ratio is 100%.

Note 3: Due to restriction of local regulations, the Company holds 51% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.

Note 4: Due to restriction of local regulations, the Company holds 62% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.

- Note 5: Due to restriction of local regulations, the Company holds 61% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.
- Note 6: WPG South Asia Pte. Ltd. and WPG Malaysia Sdn. Bhd. separately hold 99.99% and 0.01% of shares of the subsidiary, respectively, and both companies together hold 100% of shares of the subsidiary.
- Note 7: The subsidiary was established in January 2021.
- Note 8: The subsidiary was established in March 2021.
- Note 9: The subsidiary was liquidated in June 2021.
- Note 10: The subsidiary had been dissolved and liquidated in March 2021, and the process of liquidation was completed in July 2021.
- Note 11: The subsidiary, World Peace International (BVI) Limited, was renamed to WPI International (South Asia) Pte. Ltd. in November 2021.
- Note 12: WPI International (South Asia) Pte. Ltd. merged with World Peace International Pte. Ltd., and the effective date for the merger was set on January 1, 2022. Under the merger, WPI International (South Asia) Pte. Ltd. was the surviving company while World Peace International Pte. Ltd. was the dissolved company. The equity interests held by World Peace International Pte. Ltd. was transferred to WPI International (South Asia) Pte. Ltd.
- Note 13: The Board of Directors of Trigold Holdings Limited resolved to acquire a 100% equity interest in Peng Yu Trigold Limited from Trigold (Hong Kong) Company Limited, and the effective date for the transaction was set on January 1, 2022.
- Note 14: The subsidiary, WPI Investment Holding (BVI) Company Ltd., was renamed to WPI Investment Holding Company Pte. Ltd. in March 2022.
- Note 15: The subsidiary, WPI Investment Holding Company Pte. Ltd., was renamed to WPI Technology Pte. Ltd. in August 2022.
- Note 16: The financial statements of the entity as of and for the nine months ended September 30, 2021 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.
- Note 17: The financial statements of the entity as of and for the nine months ended September 30, 2022 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.
- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of September 30, 2022, December 31, 2021 and September 30, 2021, the non-controlling interest amounted to \$864,660, \$825,417 and \$797,896, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest					
		September 30, 2022		December 31, 2021		September 30, 2021	
		Amount	Ownership	Amount	Ownership	Amount	Ownership
Trigold Holdings Limited and its subsidiaries (Note)	Taiwan	\$ 821,296	39.40%	\$ 780,787	39.40%	\$ 763,959	39.89%

Note: Details of equity interest in Trigold Holdings Limited held by the Company are provided in Note 1(1).

Summarized financial information of the subsidiaries:

(a) Balance sheets

	Trigold Holdings Limited and its subsidiaries		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 7,990,862	\$ 6,158,770	\$ 5,453,089
Non-current assets	416,314	352,674	336,563
Current liabilities	( 6,123,243)	( 4,407,464)	( 3,736,599)
Non-current liabilities	( 202,014)	( 115,901)	( 142,745)
Total net assets	2,081,919	1,988,079	1,910,308
Less: Non-controlling interest	( 2,593)	5,797	( 4,671)
Equity attributable to owners of the parent company	<u>\$ 2,084,512</u>	<u>\$ 1,982,282</u>	<u>\$ 1,914,979</u>

(b) Statements of comprehensive income

	Trigold Holdings Limited and its subsidiaries	
	Three months ended September 30,	
	2022	2021
Revenue	\$ 5,065,366	\$ 4,667,922
Profit before tax	43,218	130,705
Income tax expense	( 11,256)	( 32,330)
Profit for the period	31,962	98,375
Other comprehensive income (loss), net of tax	47,391	( 509)
Total comprehensive income	<u>\$ 79,353</u>	<u>\$ 97,866</u>
Total comprehensive loss attributable to non-controlling interest	( 3,158)	( \$ 980)
Dividends paid to non-controlling interests	<u>\$ -</u>	<u>\$ -</u>

<u>Trigold Holdings Limited and its subsidiaries</u>		
<u>Nine months ended September 30,</u>		
	<u>2022</u>	<u>2021</u>
Revenue	\$ 14,787,208	\$ 13,679,727
Profit before tax	219,714	422,297
Income tax expense	( 64,546)	( 96,321)
Profit for the period	155,168	325,976
Other comprehensive income (loss), net of tax	100,412	( 16,396)
Total comprehensive income	<u>\$ 255,580</u>	<u>\$ 309,580</u>
Total comprehensive loss attributable to non-controlling interest	<u>( \$ 8,390)</u>	<u>( \$ 3,540)</u>
Dividends paid to non-controlling interests	<u>\$ 63,399</u>	<u>\$ 43,988</u>

(c) Statements of cash flows

<u>Trigold Holdings Limited and its subsidiaries</u>		
<u>Nine months ended September 30,</u>		
	<u>2022</u>	<u>2021</u>
Net cash (used in) provided by operating activities	(\$ 2,622,250)	\$ 329,398
Net cash used in investing activities	( 192,472)	( 13,592)
Net cash provided by (used in) financing activities	1,655,646	( 338,075)
Effect of exchange rates on cash and cash equivalents	155,123	( 23,852)
Decrease in cash and cash equivalents	<u>( 1,003,953)</u>	<u>( 46,121)</u>
Cash and cash equivalents, beginning of period	<u>1,600,601</u>	<u>1,019,529</u>
Cash and cash equivalents, end of period	<u>\$ 596,648</u>	<u>\$ 973,408</u>

(4) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an

amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is 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 independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

- ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Employees' compensation and directors' remuneration

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

(5) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
- F The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

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

### (1) Critical judgements in applying the Group's accounting policies

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party



to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services.
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(13) for the information on goodwill impairment.

B. Valuation of provision for allowance for accounts receivable

In the process of assessing uncollectible accounts, the Group must use judgements and assumptions to determine the collectability of accounts receivable. The collectability is affected by various factors: customers' financial conditions, the Company's internal credit ratings, historical experience, current economic conditions, etc. When sales are not expected to be collected, the Group recognizes a specific allowance for doubtful receivables after the assessment. The assumptions and estimates of allowance for uncollectible accounts are based on concerning future events as that on the balance sheet date. Assumptions and estimates may differ from the actual results which may result in a material adjustment. Refer to Note 12(2) for the information on assessing uncollectible accounts for doubtful receivables.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Petty cash and cash on hand	\$ 9,929	\$ 7,147	\$ 6,583
Checking accounts deposits	2,492,763	2,969,222	2,125,840
Demand deposits	11,448,869	10,449,997	7,363,476
Time deposits	618,493	981,574	1,151,207
	<u>\$ 14,570,054</u>	<u>\$ 14,407,940</u>	<u>\$ 10,647,106</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. There were no cash and cash equivalents pledged to others.

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

<u>Items</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ -	\$ 5,282	\$ 10,200
Derivatives	46,466	1,523	4,004
	46,466	6,805	14,204
Valuation adjustment	1,079	1,591	(605)
	<u>\$ 47,545</u>	<u>\$ 8,396</u>	<u>\$ 13,599</u>
Financial liabilities held for trading			
Derivatives	<u>\$ 1,007</u>	<u>\$ 7,068</u>	<u>\$ 3,506</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 178,800	\$ 182,766	\$ 182,196
Emerging stocks	-	-	49,605
Unlisted stocks	1,568,152	1,549,453	1,515,481
Preference stocks of non-public companies	34,200	34,200	-
	1,781,152	1,766,419	1,747,282
Valuation adjustment	469	153,681	(198,095)
	<u>\$ 1,781,621</u>	<u>\$ 1,920,100</u>	<u>\$ 1,549,187</u>

- A. Amounts recognized in profit (loss) in relation to financial assets/liabilities at fair value through profit or loss are listed below:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Financial assets / liabilities mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 103,643)	\$ 32,363
Derivatives	151,656	(2,498)
	<u>\$ 48,013</u>	<u>\$ 29,865</u>

	Nine months ended September 30,	
	2022	2021
Financial assets / liabilities mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 185,200)	\$ 141,648
Derivatives	179,573	7,669
	(\$ 5,627)	\$ 149,317

- B. The Group entered into contracts relating to derivative financial assets/liabilities which were not accounted for under hedge accounting. The information is listed below:

	September 30, 2022		
	Contract amount (notional principal)		Contract period
Derivative financial instruments	(Note)		
Current items:			
Forward foreign exchange contracts			
- Sell	RMB	70,000	2022.07.11~2022.12.20
- Buy	USD	36,348	2022.08.23~2023.01.12
	EUR	1,500	2022.09.15~2022.10.12
- Buy-SWAP	USD	113,000	2022.09.21~2022.10.20
Futures	\$	2,664	2022.09.30~2022.10.19

	December 31, 2021		
	Contract amount (notional principal)		
Derivative financial instruments	(Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	RMB	30,000	2021.10.29~2022.03.21
- Sell-SWAP	USD	10,000	2021.12.14~2022.01.26
- Buy	USD	29,490	2021.11.18~2022.03.30
	EUR	1,500	2021.12.14~2022.01.14
Futures	\$	7,303	2021.12.29~2022.01.19

Derivative financial instruments	September 30, 2021		
	Contract amount (notional principal) (Note)	Contract period	
Current items:			
Forward foreign exchange contracts			
- Sell	USD	500	2021.09.17~2021.12.29
	RMB	30,000	2021.08.23~2021.12.01
	EUR	750	2021.09.02~2021.11.03
- Sell-SWAP	USD	10,000	2021.09.14~2021.12.17
- Buy	USD	17,273	2021.06.28~2021.11.29
	EUR	3,000	2021.09.13~2021.10.14
Futures	\$	3,390	2021.09.30~2021.10.20

Note: Amounts are expressed in thousands.

(a) Forward foreign exchange contracts

The Group entered into forward exchange contracts to manage exposures to foreign exchange rate fluctuations of import or export sales. However, the forward exchange contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

(b) Futures

The futures which are owned by the Group are stock index futures aiming to earn the spread. As of September 30, 2022, December 31, 2021 and September 30, 2021, the balance of margin in the account were \$3,200, \$3,841 and \$3,651, and the amount of excess margin were \$3,016, \$3,473 and \$3,467, respectively.

C. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

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

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

Items	September 30, 2022	December 31, 2021	September 30, 2021
Non-current items:			
Equity instruments			
Listed stocks	\$ 2,903,555	\$ 2,041,050	\$ 2,041,050
Unlisted stocks	78,006	72,007	40,956
	2,981,561	2,113,057	2,082,006
Valuation adjustment	43,462	1,208,505	1,258,332
	<u>\$ 3,025,023</u>	<u>\$ 3,321,562</u>	<u>\$ 3,340,338</u>

- A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$3,025,023, \$3,321,562 and \$3,340,338 as at September 30, 2022, December 31, 2021 and September 30, 2021, respectively.
- B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive loss	(\$ <u>433,526</u> )	(\$ <u>1,537,331</u> )
Cumulative gains reclassified to retained earnings due to derecognition	\$ <u>-</u>	\$ <u>189,116</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive (loss) income	(\$ <u>1,165,043</u> )	\$ <u>1,353,264</u>
Cumulative gains reclassified to retained earnings due to derecognition	\$ <u>-</u>	\$ <u>189,116</u>

- C. As at September 30, 2022, December 31, 2021 and September 30, 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group amounted to \$2,981,561, \$2,113,057 and \$2,082,006, respectively.
- D. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- E. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Financial assets at amortized cost

<u>Items</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Current items:			
Time deposits	\$ <u>281,232</u>	\$ <u>220,199</u>	\$ <u>220,549</u>
Non-current items:			
Earmarked repatriated funds	\$ <u>1,649,707</u>	\$ <u>1,438,233</u>	\$ <u>1,447,066</u>

- A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Interest income		<u>\$ 11,327</u>	<u>\$ 1,840</u>
		<u>Nine months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Interest income		<u>\$ 18,689</u>	<u>\$ 2,857</u>

- B. As of September 30, 2022, December 31, 2021 and September 30, 2021, the Group's certain offshore funds in the amount of \$1,649,707, \$1,438,233 and \$1,447,066 are restricted under the Management, Utilization, and Taxation of Repatriated Offshore Funds Act, respectively, and were reclassified as "financial assets at amortized cost - non-current".
- C. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
- D. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

(5) Notes and accounts receivable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Notes receivable	\$ 2,965,096	\$ 2,741,206	\$ 2,629,717
Less: Allowance for uncollectible accounts	<u>-</u>	<u>(4)</u>	<u>(1)</u>
	<u>\$ 2,965,096</u>	<u>\$ 2,741,202</u>	<u>\$ 2,629,716</u>
Accounts receivable	\$ 136,972,794	\$ 132,040,252	\$ 139,524,256
Less: Allowance for uncollectible accounts	<u>(939,701)</u>	<u>(671,924)</u>	<u>(684,428)</u>
	<u>\$ 136,033,093</u>	<u>\$ 131,368,328</u>	<u>\$ 138,839,828</u>

- A. The ageing analysis of accounts receivable and notes receivable is as follows:

		<u>September 30, 2022</u>		<u>December 31, 2021</u>	
		<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>
Not past due		\$126,807,057	\$ 2,965,096	\$121,860,512	\$ 2,741,173
One month		8,594,845	-	9,352,793	33
Two months		541,070	-	300,947	-
Three months		140,082	-	57,003	-
Four months		227,352	-	5,208	-
Over four months		662,388	-	463,789	-
		<u>\$136,972,794</u>	<u>\$ 2,965,096</u>	<u>\$132,040,252</u>	<u>\$ 2,741,206</u>

	September 30, 2021	
	Accounts receivable	Notes receivable
Not past due	\$132,179,559	\$ 2,629,673
One month	6,480,346	44
Two months	279,676	-
Three months	46,000	-
Four months	13,253	-
Over four months	525,422	-
	<u>\$139,524,256</u>	<u>\$ 2,629,717</u>

The above ageing analysis was based on the number of months past due.

- B. As of September 30, 2022, December 31, 2021 and September 30, 2021, the Group's receivables (including notes receivable) arising from contracts with customers amounted to \$139,937,890, \$134,781,458 and \$142,153,973, respectively.
- C. The Group has no notes and accounts receivable pledged to others as collateral.
- D. As at September 30, 2022, December 31, 2021 and September 30, 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$2,965,096, \$2,741,202 and \$2,629,716, and accounts receivable was \$136,033,093, \$131,368,328 and \$138,839,828, respectively.
- E. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(6) Transfer of financial assets

Transferred financial assets that are derecognized in their entirety

The Group entered into factoring of accounts receivable with banks. In accordance with the contract requirements, the Group shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The Group does not have any continuing involvement in the transferred accounts receivable. The derecognized amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred only on commercial disputes or for the banks' practice of accounts receivable factoring. The pledged commercial papers and time deposits do not cover losses other than those arising from commercial disputes. As of September 30, 2022, December 31, 2021 and September 30, 2021, outstanding accounts receivable were as follows:

September 30, 2022

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	\$ 523,994	\$ 523,994	USD 50,000	\$ 523,994	1.22%~3.85%	Note 1
Mega International Commercial Bank	2,120,917	2,120,917	USD 130,500	1,277,119	2.51%~4.76%	Note 2
CTBC Bank	6,017,895	6,017,895	\$ 690,000	3,854,096	1.2%~4.1%	Note 3
E. SUN Commercial Bank	3,384,927	3,384,927	USD 273,500	2,244,407	1.37%~4.13%	Note 4
Taipei Fubon Commercial Bank	1,534,971	1,534,971	\$ 20,000	1,411,462	1.55%~4.18%	Note 5
Yuanta Commercial Bank	336,747	336,747	USD 29,000	53,090	3.82%~4.92%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	8,477,064	8,477,064	USD 362,900	7,724,359	2.91%~3.86%	Note 7
Standard Chartered Bank	66,571	66,571	USD 3,000	-	-	None
Taishin International Bank	3,783,717	3,783,717	USD 21,000	2,534,972	2.05%~4.06%	Note 8
Bank SinoPac	2,193,526	2,193,526	\$ 11,510,000	960,846	2.55%~4.82%	Note 9
Far Eastern International Bank	371,482	371,482	USD 19,000	79,846	2.29%~4.9%	Note 10
Chang Hwa Bank	666,956	666,956	USD 85,000	311,640	2.62%~4.12%	Note 11
DBS Bank	9,042,073	9,042,073	USD 534,000	6,423,197	1%~4.77%	Note 12
Taiwan Cooperative Bank	35,265	35,265	USD 2,500	2,870	3.39%	Note 13
Hang Seng Bank	12,761,902	12,761,902	\$ 10,000	12,459,794	1.84%~4.11%	None
KGI Bank	599,103	599,103	USD 76,000	217,357	1.88%~4.25%	Note 14
Bank of Taiwan	7,675	7,675	USD 20,000	7,675	3.12%~3.54%	Note 15
Mizuho Bank	2,576,447	2,576,447	USD 145,000	2,576,447	3.28%~4.07%	Note 16

Note 1: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 130,500 thousand and \$690,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 40,010 thousand and \$16,200 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 273,500 thousand and \$20,000 that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to USD 500 thousand that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 29,000 thousand that were pledged to others as collateral.



- Note 7: The Group has signed commercial papers amounting to USD 349,610 thousand that were pledged to others as collateral.
- Note 8: The Group has signed commercial papers amounting to USD 2,100 thousand and \$11,330,000 that were pledged to others as collateral.
- Note 9: The Group has signed commercial papers amounting to USD 110,000 thousand that were pledged to others as collateral.
- Note 10: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.
- Note 11: The Group has signed commercial papers amounting to USD 85,000 thousand that were pledged to others as collateral.
- Note 12: The Group has signed commercial papers amounting to USD 432,600 thousand that were pledged to others as collateral.
- Note 13: The Group has signed commercial papers amounting to USD 2,500 thousand and \$10,000 that were pledged to others as collateral.
- Note 14: The Group has signed commercial papers amounting to USD 7,600 thousand and \$750,000 that were pledged to others as collateral.
- Note 15: The Group has signed commercial papers amounting to USD 20,000 thousand that were pledged to others as collateral.
- Note 16: The Group has signed commercial papers amounting to USD 115,000 thousand that were pledged to others as collateral.

December 31, 2021						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	\$ 417,195	\$ 417,195	USD 50,000	\$ 417,195	0.61%~0.77%	Note 1
Mega International Commercial Bank	2,806,605	2,806,605	USD 145,000	2,497,796	0.85%~1.45%	Note 2
CTBC Bank	5,497,258	5,497,258	\$ 510,000	5,271,536	0.58%~0.96%	Note 3
E. SUN Commercial Bank	4,193,854	4,193,854	USD 264,700	3,945,260	0.7%~1.16%	Note 4
Taipei Fubon Commercial Bank	1,037,733	1,037,733	\$ 20,000	1,035,454	0.7%~0.95%	Note 5
Yuanta Commercial Bank	659,736	659,736	USD 1,104,300	399,850	0.93%~1.16%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	8,840,353	8,840,353	USD 32,500	8,823,509	0.63%~0.92%	Note 7
Standard Chartered Bank	32,010	32,010	USD 366,900	-	-	None
Taishin International Bank	6,316,230	6,316,230	USD 3,000	5,026,763	0.67%~1.1%	Note 8
Bank SinoPac	2,184,179	2,184,179	\$ 11,300,000	2,005,080	0.65%~0.95%	Note 9

December 31, 2021

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Far Eastern International Bank	\$ 180,757	\$ 180,757	USD 19,000	\$ 120,073	0.95%~1.19%	Note 10
Chang Hwa Bank	171,300	171,300	USD 20,000	171,300	0.78%~0.8%	Note 11
DBS Bank	5,967,175	5,967,175	USD 284,000	5,967,175	0.61%~0.99%	Note 12
Taiwan Cooperative Bank	73,376	73,376	USD 3,000	50,184	0.9%~0.93%	Note 13
Hang Seng Bank	10,765,283	10,765,283	USD 442,000	10,639,525	1.03%~1.3%	None
KGI Bank	754,862	754,862	USD 64,000	595,236	0.8%~0.95%	Note 14
Bank of Taiwan	270,473	270,473	USD 17,000	270,473	0.71%~0.93%	Note 15
Mizuho Bank	1,173,356	1,173,356	USD 100,000	1,173,356	0.88%	Note 16
BNP Paribas	746,181	746,181	USD 30,000	746,181	1.26%~1.33%	None

Note 1: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 145,000 thousand and \$510,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 34,640 thousand and \$16,200 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 264,700 thousand and \$20,000 that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to \$37,000 that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 32,500 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 349,610 thousand that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 1,500 thousand and \$11,120,000 that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 100,000 thousand that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 20,000 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 220,000 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 3,000 thousand and

\$15,000 that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 10,000 thousand and \$770,000 that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 17,000 thousand that were pledged to others as collateral.

Note 16: The Group has signed commercial papers amounting to USD 100,000 thousand that were pledged to others as collateral.

September 30, 2021						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)	Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	\$ 486,635	\$ 486,635	USD 50,000	\$ 486,635	0.61%~0.64%	Note 1
Mega International Commercial Bank	2,821,295	2,821,295	USD 145,000	2,566,606	0.85%~1.45%	Note 2
CTBC Bank	5,511,068	5,511,068	USD 196,400	4,766,579	0.65%~0.94%	Note 3
			\$ 5,162,000			
E. SUN Commercial Bank	3,613,586	3,613,586	USD 227,700	2,585,583	0.7%~1.06%	Note 4
			\$ 20,000			
Taipei Fubon Commercial Bank	444,186	444,186	USD 23,000	442,203	0.73%~0.95%	Note 5
			\$ 1,474,300			
Yuanta Commercial Bank	668,678	668,678	USD 32,500	416,935	0.92%~1.01%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	7,089,104	7,089,104	USD 298,500	7,040,575	0.83%~1.95%	Note 7
Standard Chartered Bank	34,444	34,444	USD 3,000	-	-	None
Taishin International Bank	5,570,631	5,570,631	USD 15,000	3,493,143	0.67%~1.04%	Note 8
			\$ 10,300,000			
Bank SinoPac	1,851,491	1,851,491	USD 95,000	1,346,772	0.68%~1.11%	Note 9
Far Eastern International Bank	157,112	157,112	USD 19,000	87,382	0.97%~1%	Note 10
			\$ 400,000			
Chang Hwa Bank	573,513	573,513	USD 25,000	206,472	0.78%	Note 11
DBS Bank	5,227,299	5,227,299	USD 274,000	4,946,690	0.61%~0.81%	Note 12
Taiwan Cooperative Bank	61,313	61,313	USD 3,000	32,794	0.79%~0.84%	Note 13
			\$ 15,000			
Hang Seng Bank	9,954,281	9,954,281	USD 442,000	9,763,409	1.02%~1.3%	None
KGI Bank	628,016	628,016	USD 22,000	87,766	0.95%	Note 14
			\$ 950,000			
Bank of Taiwan	300,621	300,621	USD 17,000	300,621	0.67%~0.76%	Note 15
Mizuho Bank	613,500	613,500	USD 50,000	613,500	0.88%~1.18%	Note 16

Note 1: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 145,000 thousand and

- \$410,000 that were pledged to others as collateral.
- Note 3: The Group has signed commercial papers amounting to USD 19,640 thousand and \$516,200 that were pledged to others as collateral.
- Note 4: The Group has signed commercial papers amounting to USD 227,700 thousand and \$20,000 that were pledged to others as collateral.
- Note 5: The Group has signed commercial papers amounting to \$37,000 that were pledged to others as collateral.
- Note 6: The Group has signed commercial papers amounting to USD 32,500 thousand that were pledged to others as collateral.
- Note 7: The Group has signed commercial papers amounting to USD 288,050 thousand that were pledged to others as collateral.
- Note 8: The Group has provided demand deposits amounting to USD 1,500 thousand and \$10,120,000 that were pledged to others as collateral.
- Note 9: The Group has signed commercial papers amounting to USD 80,000 thousand that were pledged to others as collateral.
- Note 10: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.
- Note 11: The Group has signed commercial papers amounting to USD 25,000 thousand that were pledged to others as collateral.
- Note 12: The Group has signed commercial papers amounting to USD 210,000 thousand that were pledged to others as collateral.
- Note 13: The Group has provided demand deposits amounting to USD 3,000 thousand and \$15,000 that were pledged to others as collateral.
- Note 14: The Group has provided demand deposits amounting to USD 22,000 thousand and \$790,000 that were pledged to others as collateral.
- Note 15: The Group has signed commercial papers amounting to USD 17,000 thousand that were pledged to others as collateral.
- Note 16: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

(7) Other receivables

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Retention amount of factoring			
accounts receivable	\$ 11,838,061	\$ 2,931,970	\$ 6,423,108
VAT refund	441,027	550,471	591,936
Others	<u>4,304,704</u>	<u>3,691,840</u>	<u>2,729,098</u>
	<u>\$ 16,583,792</u>	<u>\$ 7,174,281</u>	<u>\$ 9,744,142</u>

(8) Inventories

September 30, 2022			
	Cost	Allowance for valuation	Book value
Inventories	\$ 130,930,535	(\$ 1,737,617)	\$ 129,192,918
Inventories in transit	8,341,952	-	8,341,952
	<u>\$ 139,272,487</u>	<u>(\$ 1,737,617)</u>	<u>\$ 137,534,870</u>
December 31, 2021			
	Cost	Allowance for valuation	Book value
Inventories	\$ 80,444,435	(\$ 1,408,333)	\$ 79,036,102
Inventories in transit	7,178,604	-	7,178,604
	<u>\$ 87,623,039</u>	<u>(\$ 1,408,333)</u>	<u>\$ 86,214,706</u>
September 30, 2021			
	Cost	Allowance for valuation	Book value
Inventories	\$ 84,907,744	(\$ 1,229,883)	\$ 83,677,861
Inventories in transit	7,708,570	-	7,708,570
	<u>\$ 92,616,314</u>	<u>(\$ 1,229,883)</u>	<u>\$ 91,386,431</u>

The cost of inventories recognized as expense for the period:

Three months ended September 30,			
	2022	2021	
Cost of goods sold	\$ 182,206,398	\$ 193,851,175	
Loss on price decline in inventory	461,351	109,472	
Loss (gain) on physical inventory	29	(2)	
Cost of goods sold	<u>\$ 182,667,778</u>	<u>\$ 193,960,645</u>	
Nine months ended September 30,			
	2022	2021	
Cost of goods sold	\$ 575,390,146	\$ 556,737,569	
Loss on price decline (gain on reversal of decline) in inventory	371,092	(36,892)	
Loss on physical inventory	1,638	61	
Cost of goods sold	<u>\$ 575,762,876</u>	<u>\$ 556,700,738</u>	

For the nine months ended September 30, 2021, the Group reversed a previous inventory write-down which was accounted for as reduction of cost of goods sold due to sale or return of inventories which were previously provided with allowance.

(9) Investments accounted for using equity method

A. Details of investments accounted for using the equity method:

<u>Investee company</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
WT Microelectronics Co., Ltd. (WT)	\$ 12,315,010	\$ 12,856,281	\$ 12,030,580
ChainPower Technology Corp. (ChainPower)	208,463	177,208	165,048
Sunrise Technology Co., Ltd.	45,367	45,766	47,761
Eesource Corp. (Eesource)	69,617	74,921	73,505
Suzhou Xinning Bonded Warehouse Co., Ltd.	72,267	67,392	67,147
Adivic Technology Co., Ltd.	19,922	27,131	27,110
Suzhou Xinning Logistics Co., Ltd.	48,471	46,012	45,511
Gain Tune Logistics (Shanghai) Co., Ltd.	31,404	27,828	25,835
VITEC WPG Limited	85,660	46,690	42,181
AutoSys Co., Ltd.	65,980	69,019	69,869
Beauteek Global Wellness Corporation Limited	17,541	5,288	5,199
Supply Consultants Limited	10,150	9,788	9,367
	<u>\$ 12,989,852</u>	<u>\$ 13,453,324</u>	<u>\$ 12,609,113</u>

B. The basic information on the associate that is material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>			<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>		
WT	Taiwan	20.04%	22.06%	22.20%	Holding at least 20% of the voting rights	Equity method

The summarized financial information of the associate that is material to the Group is as follows:

Balance sheet

	<u>WT</u>		
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Current assets	\$ 211,318,573	\$ 149,136,255	\$ 148,021,135
Non-current assets	14,599,570	23,847,346	21,723,663
Current liabilities	( 149,414,049)	( 110,582,313)	( 114,107,193)
Non-current liabilities	( 20,014,124)	( 8,906,666)	( 6,150,211)
Total net assets	<u>\$ 56,489,970</u>	<u>\$ 53,494,622</u>	<u>\$ 49,487,394</u>
Adjustments on fair value of other intangible and tangible assets	116,874	91,009	82,293
Total net assets after adjustments	<u>\$ 56,606,844</u>	<u>\$ 53,585,631</u>	<u>\$ 49,569,687</u>

	WT		
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Share in associate's net assets	\$ 11,227,839	\$ 11,769,110	\$ 10,943,409
Goodwill (Note)	<u>1,087,171</u>	<u>1,087,171</u>	<u>1,087,171</u>
Carrying amount of the associate	<u>\$ 12,315,010</u>	<u>\$ 12,856,281</u>	<u>\$ 12,030,580</u>

Note: In February 2020, the Group held 29.9% equity interest in WT. However, WT increased its capital by issuing new shares in order to exchange shares with ASMedia Technology Inc., and the effective date for this share exchange was set on April 21, 2020, and the convertible bonds WT issued were converted to common stock. As the Group did not subscribe to the capital increase proportionately to its equity interest and WT issued employees' stock option certificate and purchased treasury shares, the Group's shareholding ratio of WT decreased to 20.04%, and its capital reserve increased by \$151,770. The Group obtained purchase price allocation report issued by independent appraisals firm for goodwill which arose from acquiring the company's equity interests.

#### Statement of comprehensive income

	WT	
	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue	\$ 155,668,796	\$ 119,104,670
Profit for the period from continuing operations	2,010,095	2,232,183
Other comprehensive loss, net of tax	( 690,913)	( 965,277)
Total comprehensive income for the period	<u>\$ 1,319,182</u>	<u>\$ 1,266,906</u>
Dividends received from associates	<u>\$ -</u>	<u>\$ 567,230</u>

	WT	
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Revenue	\$ 413,732,579	\$ 318,847,437
Profit for the period from continuing operations	6,302,993	5,630,562
Other comprehensive (loss) income, net of tax	( 5,327,507)	353,270
Total comprehensive income for the period	<u>\$ 975,486</u>	<u>\$ 5,983,832</u>
Dividends received from associates	<u>\$ 888,183</u>	<u>\$ 567,230</u>

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

As of September 30, 2022, December 31, 2021 and September 30, 2021, the carrying amount of the Group's individually immaterial associates amounted to \$674,842, \$597,043 and \$578,533, respectively.

		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Profit for the period from continuing operations	\$	26,115	\$ 19,688
Other comprehensive income (loss) - net of tax		<u>28,813</u>	( <u>124</u> )
Total comprehensive income	\$	<u><u>54,928</u></u>	<u><u>\$ 19,564</u></u>

  

		<u>Nine months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Profit for the period from continuing operations	\$	64,443	\$ 60,482
Other comprehensive income (loss) - net of tax		<u>54,264</u>	( <u>8,905</u> )
Total comprehensive income	\$	<u><u>118,707</u></u>	<u><u>\$ 51,577</u></u>

- D. The fair value of the Group's material associates with quoted market prices is as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
WT Microelectronics Co., Ltd.	<u>\$ 10,414,068</u>	<u>\$ 13,017,585</u>	<u>\$ 10,715,155</u>

- E. There was no impairment on investments accounted for using equity method as of September 30, 2022, December 31, 2021 and September 30, 2021.
- F. The Group is the single largest shareholder of WT with a 20.04% equity interest. Given the participation extent of other shareholders in the shareholders' meeting and record of voting rights for major proposals, which indicate that the Group has no current ability to direct the relevant activities of WT, the Group has no control, but only has significant influence, over the investee.
- G. The Group is the single largest shareholder of ChainPower with a 39% equity interest. Given that a 40.49% equity interest in ChainPower is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of ChainPower, the Group has no control, but only has significant influence, over the investee.
- H. The Group is the single largest shareholder of Eesource with a 40% equity interest. Given that a 43% equity interest in Eesource is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of Eesource, the Group has no control, but only has significant influence, over the investee.



- I. Except for WT which was accounted for based on its financial statements which were reviewed by independent auditors, the other investments accounted for using the equity method as of September 30, 2022 and 2021 and the investment income (loss) for the nine months ended September 30, 2022 and 2021 were recognized based on their financial statements which were not reviewed by independent auditors.

(10) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Others</u>	<u>Construction in progress and equipment to be tested</u>	<u>Total</u>
<u>Cost</u>								
At January 1, 2022	\$ 6,886,813	\$4,015,647	\$ 14,997	\$ 576,415	\$ 748,915	\$ 731,604	\$ 770,274	\$13,744,665
Additions	33,562	35,626	2,667	27,538	45,511	60,712	158,808	364,424
Disposals	-	-	-	( 17,214)	( 2,357)	( 621)	-	( 20,192)
Transfers (Note)	-	-	-	4,225	6,952	858,643	( 866,492)	3,328
Effect due to changes in exchange rates	( 6,987)	14,133	903	17,412	47,863	56,987	14,247	144,558
At September 30, 2022	<u>\$ 6,913,388</u>	<u>\$4,065,406</u>	<u>\$ 18,567</u>	<u>\$ 608,376</u>	<u>\$ 846,884</u>	<u>\$ 1,707,325</u>	<u>\$ 76,837</u>	<u>\$14,236,783</u>
<u>Accumulated depreciation and impairment</u>								
At January 1, 2022	\$ 1,582	\$ 614,642	\$ 12,516	\$ 372,188	\$ 548,644	\$ 283,378	\$ -	\$ 1,832,950
Depreciation charge	-	116,951	735	49,094	36,768	104,460	-	308,008
Disposals	-	-	-	( 17,097)	( 2,140)	( 38)	-	( 19,275)
Effect due to changes in exchange rates	-	7,815	896	14,173	42,944	18,938	-	84,766
At September 30, 2022	<u>\$ 1,582</u>	<u>\$ 739,408</u>	<u>\$ 14,147</u>	<u>\$ 418,358</u>	<u>\$ 626,216</u>	<u>\$ 406,738</u>	<u>\$ -</u>	<u>\$ 2,206,449</u>
Closing net book amount as at September 30, 2022	<u>\$ 6,911,806</u>	<u>\$3,325,998</u>	<u>\$ 4,420</u>	<u>\$ 190,018</u>	<u>\$ 220,668</u>	<u>\$ 1,300,587</u>	<u>\$ 76,837</u>	<u>\$12,030,334</u>

Note: Inventories amounting to \$3,328 were transferred to property, plant and equipment.

	Land	Buildings and structures	Transportation equipment	Office equipment	Leasehold improvements	Others	Construction in progress and equipment to be tested	Total
<u>Cost</u>								
At January 1, 2021	\$ 6,312,332	\$4,186,844	\$ 15,181	\$ 564,936	\$ 603,531	\$ 476,069	\$ 3,813	\$12,162,706
Additions	796,191	59,943	-	47,682	93,033	241,291	130,833	1,368,973
Disposals	-	( 1,109)	-	( 31,306)	( 1,742)	( 3,806)	-	( 37,963)
Transfers (Note)	( 210,082)	( 253,836)	-	( 10,889)	-	7,723	-	( 467,084)
Effect due to changes in exchange rates	( 9,254)	( 31,465)	( 180)	( 5,955)	( 10,883)	( 9,154)	( 993)	( 67,884)
At September 30, 2021	<u>\$ 6,889,187</u>	<u>\$3,960,377</u>	<u>\$ 15,001</u>	<u>\$ 564,468</u>	<u>\$ 683,939</u>	<u>\$ 712,123</u>	<u>\$ 133,653</u>	<u>\$12,958,748</u>
<u>Accumulated depreciation and impairment</u>								
At January 1, 2021	\$ 1,582	\$ 554,862	\$ 11,853	\$ 358,147	\$ 449,449	\$ 226,280	\$ -	\$ 1,602,173
Depreciation charge	-	110,304	657	45,001	85,432	41,006	-	282,400
Disposals	-	( 1,041)	-	( 29,950)	( 1,742)	( 3,721)	-	( 36,454)
Transfers (Note)	-	( 83,746)	-	( 8,273)	-	5,528	-	( 86,491)
Effect due to changes in exchange rates	-	( 9,318)	( 175)	( 4,816)	( 8,127)	( 2,908)	-	( 25,344)
At September 30, 2021	<u>\$ 1,582</u>	<u>\$ 571,061</u>	<u>\$ 12,335</u>	<u>\$ 360,109</u>	<u>\$ 525,012</u>	<u>\$ 266,185</u>	<u>\$ -</u>	<u>\$ 1,736,284</u>
Closing net book amount as at September 30, 2021	<u>\$ 6,887,605</u>	<u>\$3,389,316</u>	<u>\$ 2,666</u>	<u>\$ 204,359</u>	<u>\$ 158,927</u>	<u>\$ 445,938</u>	<u>\$ 133,653</u>	<u>\$11,222,464</u>

Note: Property, plant and equipment amounting to \$315,516 and \$65,077 were transferred to non-current assets classified as held for sale and investment property, respectively.

- A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Amount capitalized	\$	159	\$ -
Range of the interest rates for capitalization		1.01%~1.05%	-
		<u>Nine months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Amount capitalized	\$	439	\$ -
Range of the interest rates for capitalization		0.94%~1.05%	-

- B. Information on property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(11) Leasing arrangements-lessee

- A. The Group leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are made for periods of 1 to 25 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amounts of right-of-use assets are as follows:

	<u>Buildings and structures</u>	<u>Transportation equipment (Business vehicles)</u>	<u>Office equipment (Photocopiers)</u>	<u>Other equipment</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2022	\$ 2,087,839	\$ 111,396	\$ 86,928	\$ 160,810	\$2,446,973
Additions	1,499,016	51,107	5,946	6,517	1,562,586
Disposals	( 601,620)	( 37,469)	( 24,377)	( 16,432)	( 679,898)
Effect due to changes in exchange rates	<u>202,448</u>	<u>15,196</u>	<u>764</u>	<u>4,262</u>	<u>222,670</u>
At September 30, 2022	<u>\$ 3,187,683</u>	<u>\$ 140,230</u>	<u>\$ 69,261</u>	<u>\$ 155,157</u>	<u>\$3,552,331</u>
<u>Accumulated depreciation</u>					
At January 1, 2022	\$ 800,888	\$ 54,474	\$ 26,322	\$ 21,000	\$ 902,684
Depreciation charge	296,093	35,266	6,755	19,299	357,413
Disposals	( 528,488)	( 36,793)	( 24,081)	( 3,580)	( 592,942)
Effect due to changes in exchange rates	<u>48,891</u>	<u>5,721</u>	<u>653</u>	<u>561</u>	<u>55,826</u>
At September 30, 2022	<u>\$ 617,384</u>	<u>\$ 58,668</u>	<u>\$ 9,649</u>	<u>\$ 37,280</u>	<u>\$ 722,981</u>
Closing net book amount as at September 30, 2022	<u>\$ 2,570,299</u>	<u>\$ 81,562</u>	<u>\$ 59,612</u>	<u>\$ 117,877</u>	<u>\$2,829,350</u>

	Buildings and structures	Transportation equipment (Business vehicles)	Office equipment (Photocopiers)	Other equipment	Total
<u>Cost</u>					
At January 1, 2021	\$ 2,284,734	\$ 85,258	\$ 26,925	\$ 26,967	\$2,423,884
Additions	984,295	59,059	52,306	136,118	1,231,778
Disposals	( 911,736)	( 27,912)	( 2,070)	( 5,188)	( 946,906)
Effect due to changes in exchange rates	( 39,975)	( 1,758)	( 231)	( 1,055)	( 43,019)
At September 30, 2021	<u>\$ 2,317,318</u>	<u>\$ 114,647</u>	<u>\$ 76,930</u>	<u>\$ 156,842</u>	<u>\$2,665,737</u>
<u>Accumulated depreciation</u>					
At January 1, 2021	\$ 721,155	\$ 46,310	\$ 16,767	\$ 8,958	\$ 793,190
Depreciation charge	302,602	35,366	7,809	13,429	359,206
Disposals	( 79,535)	( 27,241)	( 1,888)	( 5,188)	( 113,852)
Effect due to changes in exchange rates	( 14,535)	( 619)	( 147)	( 113)	( 15,414)
At September 30, 2021	<u>\$ 929,687</u>	<u>\$ 53,816</u>	<u>\$ 22,541</u>	<u>\$ 17,086</u>	<u>\$1,023,130</u>
Closing net book amount as at September 30, 2021	<u>\$ 1,387,631</u>	<u>\$ 60,831</u>	<u>\$ 54,389</u>	<u>\$ 139,756</u>	<u>\$1,642,607</u>

C. For the nine months ended September 30, 2022 and 2021, the additions to right-of-use assets were \$1,562,586 and \$1,231,778, respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 16,388	\$ 15,464
Expense on short-term lease contracts	3,953	5,326
Expense on leases of low-value assets	3,432	3,285
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 45,532	\$ 47,329
Expense on short-term lease contracts	11,870	13,540
Expense on leases of low-value assets	9,045	5,532

E. For the nine months ended September 30, 2022 and 2021, the Group's total cash outflow for leases were \$401,254 and \$400,952, respectively.

(12) Investment property

	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>Cost</u>			
At January 1, 2022	\$ 609,427	\$ 1,425,918	\$ 2,035,345
Additions	-	8,622	8,622
Effect due to changes in exchange rates	-	26,696	26,696
At September 30, 2022	<u>\$ 609,427</u>	<u>\$ 1,461,236</u>	<u>\$ 2,070,663</u>
<u>Accumulated depreciation</u>			
At January 1, 2022	\$ -	\$ 455,401	\$ 455,401
Depreciation charge	-	24,131	24,131
Effect due to changes in exchange rates	-	6,590	6,590
At September 30, 2022	<u>\$ -</u>	<u>\$ 486,122</u>	<u>\$ 486,122</u>
Closing net book amount as at September 30, 2022	<u>\$ 609,427</u>	<u>\$ 975,114</u>	<u>\$ 1,584,541</u>
	<u>Land</u>	<u>Buildings and structures</u>	<u>Total</u>
<u>Cost</u>			
At January 1, 2021	\$ 626,460	\$ 1,362,257	\$ 1,988,717
Transfers (Note)	( 17,033)	70,047	53,014
Effect due to changes in exchange rates	-	( 14,453)	( 14,453)
At September 30, 2021	<u>\$ 609,427</u>	<u>\$ 1,417,851</u>	<u>\$ 2,027,278</u>
<u>Accumulated depreciation</u>			
At January 1, 2021	\$ -	\$ 414,978	\$ 414,978
Depreciation charge	-	23,345	23,345
Transfers (Note)	-	10,521	10,521
Effect due to changes in exchange rates	-	( 3,271)	( 3,271)
At September 30, 2021	<u>\$ -</u>	<u>\$ 445,573</u>	<u>\$ 445,573</u>
Closing net book amount as at September 30, 2021	<u>\$ 609,427</u>	<u>\$ 972,278</u>	<u>\$ 1,581,705</u>

Note: Investment properties amounting to \$22,584 were transferred to non-current assets classified as held for sale, while certain property, plant and equipment amounting to \$65,077 were transferred to investment property.

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

	Three months ended September 30,	
	2022	2021
Rental revenue from investment property	\$ 21,156	\$ 14,519
Direct operating expenses arising from the investment property that generated rental income during the period	\$ 7,173	\$ 5,290
Direct operating expenses arising from the investment property that did not generate rental income during the period	\$ 1,112	\$ 2,588
	Nine months ended September 30,	
	2022	2021
Rental revenue from investment property	\$ 53,565	\$ 37,423
Direct operating expenses arising from the investment property that generated rental income during the period	\$ 18,629	\$ 14,970
Direct operating expenses arising from the investment property that did not generate rental income during the period	\$ 7,138	\$ 9,733

- B. The fair value of the investment property held by the Group as of September 30, 2022, December 31, 2021 and September 30, 2021 was \$3,134,245, \$3,104,450 and \$2,431,842, respectively. The fair value as of September 30, 2022, December 31, 2021 and September 30, 2021 was based on independent appraisers' valuation, which was made using comparative method, weighted income approach and cost method. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Comparison method is categorized within Level 3 in the fair value hierarchy. Cost method is to calculate the fair value based on the price standard of Bulletin No. 4 issued by the National Federation of Real Estate Appraisers of the Republic of China. Valuations were made using the income approach with key assumptions as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Discount rate	2%~7.5%	2%~7.5%	2%~7.5%
Growth rate	0%~5%	1%~5%	0%~5%
Gross margin	1.87%~2.65%	1.19%~3.17%	1.87%~2.65%
Capitalization rate	1.22%	1.22%	Not applicable

- C. There is no impairment loss on investment property.
- D. For investment property pledged for guarantee, refer to Note 8.

(13) Intangible assets

	<u>Operating right</u>	<u>Software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2022	\$ 266,560	\$ 433,754	\$ 5,552,585	\$ 59,810	\$6,312,709
Acquired separately	-	42,481	-	-	42,481
Disposals	( 15,714)	( 28,401)	-	( 35,539)	( 79,654)
Effect due to changes in exchange rates	<u>37,111</u>	<u>4,855</u>	<u>31,731</u>	<u>2,001</u>	<u>75,698</u>
At September 30, 2022	<u>\$ 287,957</u>	<u>\$ 452,689</u>	<u>\$ 5,584,316</u>	<u>\$ 26,272</u>	<u>\$6,351,234</u>
<u>Accumulated amortization and impairment</u>					
At January 1, 2022	\$ 266,560	\$ 334,594	\$ 452,859	\$ 38,049	\$1,092,062
Amortization charge	-	67,234	-	-	67,234
Disposals	( 15,714)	( 28,401)	-	( 35,539)	( 79,654)
Effect due to changes in exchange rates	<u>37,111</u>	<u>3,802</u>	<u>11,733</u>	<u>2,001</u>	<u>54,647</u>
At September 30, 2022	<u>\$ 287,957</u>	<u>\$ 377,229</u>	<u>\$ 464,592</u>	<u>\$ 4,511</u>	<u>\$1,134,289</u>
Closing net book amount as at September 30, 2022	<u>\$ -</u>	<u>\$ 75,460</u>	<u>\$ 5,119,724</u>	<u>\$ 21,761</u>	<u>\$5,216,945</u>
	<u>Operating right</u>	<u>Software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
<u>Cost</u>					
At January 1, 2021	\$ 273,855	\$ 397,472	\$ 5,590,438	\$ 39,018	\$6,300,783
Acquired separately	-	44,173	-	-	44,173
Disposals	-	( 6,365)	( 31,146)	-	( 37,511)
Effect due to changes in exchange rates	( <u>5,744</u> )	( <u>2,063</u> )	( <u>5,381</u> )	( <u>763</u> )	( <u>13,951</u> )
At September 30, 2021	<u>\$ 268,111</u>	<u>\$ 433,217</u>	<u>\$ 5,553,911</u>	<u>\$ 38,255</u>	<u>\$6,293,494</u>
<u>Accumulated amortization and impairment</u>					
At January 1, 2021	\$ 273,855	\$ 262,180	\$ 63,897	\$ 39,018	\$ 638,950
Amortization charge	-	55,520	-	-	55,520
Impairment loss	-	-	325,235	-	325,235
Disposals	-	( 12)	( 31,146)	-	( 31,158)
Effect due to changes in exchange rates	( <u>5,744</u> )	( <u>1,583</u> )	( <u>1,183</u> )	( <u>763</u> )	( <u>9,273</u> )
At September 30, 2021	<u>\$ 268,111</u>	<u>\$ 316,105</u>	<u>\$ 356,803</u>	<u>\$ 38,255</u>	<u>\$ 979,274</u>
Closing net book amount as at September 30, 2021	<u>\$ -</u>	<u>\$ 117,112</u>	<u>\$ 5,197,108</u>	<u>\$ -</u>	<u>\$5,314,220</u>

The details of amortization charge are as follows:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Selling and marketing expenses	\$ 1,411	\$ 1,526
General and administrative expenses	<u>18,994</u>	<u>18,682</u>
	<u>\$ 20,405</u>	<u>\$ 20,208</u>



	Nine months ended September 30,	
	2022	2021
Selling and marketing expenses	\$ 4,054	\$ 4,604
General and administrative expenses	63,180	50,916
	<u>\$ 67,234</u>	<u>\$ 55,520</u>

- A. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Yosun subgroup	\$ 3,690,476	\$ 3,663,567	\$ 3,633,124
World Peace subgroup	1,649,557	1,644,735	1,644,937
Others	<u>244,283</u>	<u>244,283</u>	<u>244,282</u>
	5,584,316	5,552,585	5,522,343
Accumulated impairment	( <u>464,592</u> )	( <u>452,859</u> )	( <u>325,235</u> )
	<u>\$ 5,119,724</u>	<u>\$ 5,099,726</u>	<u>\$ 5,197,108</u>

- B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management.

Management determined budgeted gross margin based on past performance and its expectations of market development. The assumptions used for weighted average growth rates are based on past historical experience and expectations of the industry; the assumption used for discount rate is the weighted average capital cost of the Group. The assumption used for discount rate is the weighted average capital cost of each cash-generating unit. As of September 30, 2022, December 31, 2021 and September 30, 2021, the adopted pre-tax discount rates were 3.14%~7.48%, 3.14%~8.84% and 2.88%~6.74%, respectively.

- C For the nine months ended September 30, 2022 and 2021, the Group recognized impairment loss of goodwill as shown below:

	<u>Nine months ended September 30, 2022</u>		<u>Nine months ended September 30, 2021</u>	
	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>	<u>Recognized in profit or loss</u>	<u>Recognized in other comprehensive income</u>
Impairment loss - World Peace subgroup, BU3	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 325,235</u>	<u>\$ -</u>

- D. Goodwill allocated to the operating segment of World Peace subgroup was impaired because the recoverable amount which was the value in use calculated by external appraisal experts was lower than the carrying amount of net assets based on the Group's assessment. The main assumptions used in calculating recoverable amount by external appraisal experts are set out below.

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Growth rate	2.00%	2.00%	2.00%
Discount rate	7.30%~7.48%	6.84%~8.84%	6.55%~6.74%
Gross margin	2.91%~4.08%	2.21%~4.36%	2.12%~4.36%

(14) Prepayments for investments

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Prepayments for investments	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 31,050</u>

(15) Overdue receivables (shown as 'other non-current assets')

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Overdue receivables	\$ 800,089	\$ 756,011	\$ 853,088
Less: Allowance for doubtful accounts	( <u>792,693</u> )	( <u>751,720</u> )	( <u>847,414</u> )
	<u>\$ 7,396</u>	<u>\$ 4,291</u>	<u>\$ 5,674</u>

Movement analysis of financial assets that were impaired is as follows:

	<u>2022</u>	<u>2021</u>
	<u>Individual provision</u>	<u>Individual provision</u>
At January 1	\$ 751,720	\$ 971,636
Reversal of impairment	( 34,093 )	( 2,900 )
Write-off of bad debts	( 32,550 )	( 154,403 )
Transferred from accounts receivable	17,744	51,726
Effect due to changes in exchange rates	89,872	( 18,645 )
At September 30	<u>\$ 792,693</u>	<u>\$ 847,414</u>

(16) Short-term borrowings

<u>Type of borrowings</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Loans for overseas purchases	\$ 25,296,857	\$ 23,040,454	\$ 27,912,567
Short-term loans	<u>73,904,362</u>	<u>59,294,108</u>	<u>56,916,079</u>
	<u>\$ 99,201,219</u>	<u>\$ 82,334,562</u>	<u>\$ 84,828,646</u>
Annual interest rates	<u>0.93%~8.55%</u>	<u>0.58%~6%</u>	<u>0.53%~6%</u>

For information on pledged assets, refer to Note 8.

(17) Short-term notes and bills payable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Commercial papers payable	\$ 6,090,000	\$ 7,450,000	\$ 7,300,000
Less: Unamortized discount	( <u>4,276</u> )	( <u>5,185</u> )	( <u>4,891</u> )
	<u>\$ 6,085,724</u>	<u>\$ 7,444,815</u>	<u>\$ 7,295,109</u>
Annual interest rates	<u>0.7%~1.84%</u>	<u>0.24%~1.2%</u>	<u>0.23%~1.2%</u>

The abovementioned short-term notes and bills payable are guaranteed by financial institutions.

(17) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period / repayment term</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Secured bank borrowings (Notes 1, 5, 6 and 15)	2020.03.31~ 2041.08.26	\$ 6,276,257	\$ 6,232,000	\$ 6,232,000
Unsecured bank borrowings (Notes 2~4, 8, 11~14 and 16)	2019.07.10~ 2026.12.30	22,822,870	13,962,988	15,827,279
Commercial paper payable (Notes 7~11 and 13)	2018.11.09~ 2025.02.18	<u>18,250,000</u>	<u>11,450,000</u>	<u>11,450,000</u>
		47,349,127	31,644,988	33,509,279
Less: Discount on long-term borrowings	(	39,267)	(	47,650)
Current portion of long-term borrowings (shown as 'other current liabilities')	(	<u>11,681,610</u>	(	<u>119,092</u>
		<u>\$ 35,628,250</u>	<u>\$ 31,478,246</u>	<u>\$ 25,352,392</u>
Interest rate range		<u>0.92%~4.67%</u>	<u>0.47%~2.47%</u>	<u>0.55%~2.37%</u>

For information on pledged assets, refer to Note 8.

Note 1: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a grace period of three years. The principal shall be repaid in equal monthly installments starting from April 2023.

(b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, and from March 31, 2022 onwards, the interest rate shall be the index rate plus 0.45%.

Note 2: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023. The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022. The Company terminated the agreement before the maturity and renewed the agreement on March 7, 2022. Details are provided in Note 3.

Note 3: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2025. The fixed interest rate is 1.48% from the borrowing day to March 11, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 11, 2024.

Note 4: The Company had entered into a mid-term agreement for five years with a financial institution. The interest rate shall be the index interest rate plus 0.45% from the borrowing day. The principal should be paid in equal monthly installments starting

from October 2020.

- Note 5: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Taoyuan plants with a grace period of three years. The principal shall be repaid in equal monthly installments starting from September 2024.
- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to August 26, 2023, and from August 26, 2023 onwards, the interest rate shall be the index rate plus 0.45%.

Note 6: AIT Japan Inc., the Company's indirect subsidiary, had entered into a long-term loan agreement for a period of ten years with Daiwa Bank, Limited on March 28, 2012, and the facility is JPY 250,000,000. The pledged assets are land and office in Tokyo, which amount to \$69,545 and \$62,365, respectively. The principal should be repaid in equal monthly installments (totaling 114 months) of JPY 2,193,000 from October 31, 2012 and the last monthly installment will be JPY 2,191,000.

AIT Japan Inc., an indirect subsidiary, have settled all payments on January 18, 2021.

Note 7: Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., had entered into a syndicated credit agreement with Chang Hwa Bank, First Commercial Bank and Mega International Commercial Bank and other financial institutions on January 18, 2022. Under the agreement, they may re-utilize the loan and roll over commercial papers with the maximum maturity period of 6 months for each drawdown and issuance during the contract term. Therefore, the above borrowings were classified as long-term borrowings. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility must be less than USD150 million.
- i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 300 thousand or shall be all the remaining undrawn facility, but not applicable to the amount approved by the lead bank. Each drawdown period shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.
  - ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$3,000,000 at 30, 60, 90 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term. Each issuance is limited to a maximum of two different maturities.
- (c) Repayment:
- i. For each drawdown, the matured principal must be repaid in full or directly repaid by a new drawdown of such tranche of credit facility on the

repayment date, which is the maturity date stipulated on the application of each drawdown. If the amount of drawdown is the same, the borrower, lead bank and each credit bank would not make an additional procedure for the remittance and loan. However, the principal, interest and related expenses of each drawdown must be repaid in full by the borrower at the end of the contract term.

- ii. When the commercial papers mature, the issuer shall settle each commercial paper at face value. However, the commercial papers can be rolled over prior to the end of the contract term, and the proceeds can be used to repay the existing commercial papers which are due. If the amount of issuance is the same, the issuer and the underwriting institution would not make an additional procedure for the remittance and loan. However, the guarantees advanced by the credit bank and other payables must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should not be less than \$3,000,000. If the covenants are not met, one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:
- i. Terminate any, part of or all the borrower's applications to draw down all or part of credit facilities.
  - ii. Cancel all or part of the undrawn facility under this agreement.
  - iii. Declare that any, part of or all the borrower's outstanding principals, interest, expenses and other payables under this agreement are, in whole or in part, expired immediately.
  - iv. The lead bank has the right to request the issuer to immediately deposit an amount in NTD, based on the balance of commercial papers with undischarged guaranteed obligations, as ready-to-use funds into the account designated by the lead bank, in case the holder of commercial paper requests to fulfill the guarantee obligations. Any remaining balance after deducting all the debts and expenses that the issuer should bear will be refunded without interest; or the issuer shall, by any other ways, make the holder of issued commercial paper agree to change the guarantor of the commercial papers and discharge the guarantee responsibility of each credit bank. If the issuer fails to comply with the aforementioned requirements, it shall immediately repay all the guarantees paid by each credit bank and pay delayed interest, penalty and related expenses in accordance with the

agreement.

- v. Request for payment using the commercial papers.
- vi. Exercise its rights such as the right to the pledge or contract transfer.
- vii. Exercise other rights of the lead bank and each credit bank conferred by the law, this contract or its related contract documents.
- viii. Other handling approaches approved in writing by a majority of the credit bank syndicate.

Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc. met all the financial commitments stated in the contract.

Note 8: Silicon Application Corporation had entered into a syndicated borrowing agreement with Chang Hwa Commercial Bank and other financial institutions on June 9, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$2,600,000, could be multiple drawdowns or revolving, however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 260%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 9: Silicon Application Corporation had entered into a syndicated borrowing agreement with Taiwan Cooperative Bank and other financial institutions on January 14, 2022. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,600,000, could be multiple drawdowns or revolving; however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is

required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 280%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 10: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with E. SUN Commercial Bank, Mizuho Corporate Bank and Cathay United Bank and other financial institutions on October 16, 2018. WPI has to roll over commercial papers and re-utilize the loan during the contract period, up to 2021, with the maximum maturity period of 6 months for each issue as stipulated in the agreement. Therefore, borrowings of WPI were classified as long-term borrowings. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility must be less than \$10,000,000.
  - i. Each drawdown amount must not be less than \$100,000 or USD 3 million. Based on the credit term in the contract, the loan can be re-utilized. The repayment period could be one or six months: One month at the least and six months at the most. Each maturity date shall be within the contract term.
  - ii. During the term of agreement, WPI can roll over each credit facility within the total revolving credit facility of commercial papers amounting to \$8,000,000 at 60, 90, 120, 180 days maturity or the days agreed by the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term.
- (c) Repayment:
  - i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.
  - ii. When the commercial papers mature, the borrower shall deposit available funds at face value on the maturity date to an account designated by clearing and settlement institutions immediately in line with Regulations Governing Centralized Securities Depository Enterprises.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows:

liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the lead bank can decide to take the following actions:

- i. Rescind part or all of the undrawn facility;
- ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
- iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
- iv. Demand all rights of the promissory note obtained from signing of the contract.

World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract, and have settled all payments on November 9, 2021.

Note 11: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Taiwan Cooperative Bank on August 18, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility of \$10,000,000 and the facility of WPI International (Hong Kong) Limited of US\$200 million shall be maintained at 40%, and the loan can be re-utilized based on the credit term in the contract.
  - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
  - ii. The facility of commercial papers is \$7,500,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
  - i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after



maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.

- ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the following actions will be taken based on the resolution made by majority syndicated banks:
  - i. Rescind part or all of the undrawn facility;
  - ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
  - iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
  - iv. Demand all rights of the promissory note obtained from signing of the contract.

World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract.

Note 12: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with DBS Bank on July 24, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility must be less than USD 100 million.
- (c) Repayment: For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term.

Note 13: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Chang Hwa Bank and Taipei Fubon Bank on September 9, 2021. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility is \$14,000,000 and the facility of WPI International (Hong Kong) Limited is

US\$240 million. The loan can be re-utilized based on the credit term in the contract.

- i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
  - ii. The facility of commercial papers is \$8,400,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
- i. Repayment: For each drawdown, the maturity date is the time when the borrowing is due, the principal must be repaid in full on the maturity date. If one of any maturity dates is not a bank working day, the maturity date will be delayed to the next bank working day, however, if the next bank working day will fall in the following month, the maturity date will be shifted to the earlier bank working day. However, the last maturity date can not exceed the credit term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date or other shorter term agreed by the lead bank. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same, the syndicate of banks would not make an additional procedure of remittance and loan and uses the loan contract as proof of receipt. The re-utilization amount shall be repaid according to the contract.
  - ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value. However, the commercial papers can be re-utilized at the maturity date and used to directly repay the commercial papers which are due.
- (d) Loan covenant: World Peace Industrial Co., Ltd. is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately

terminated, and one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:

- i. Terminate part or all of the undrawn facility;
- ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract to the lead bank, related credit obligations of the syndicated banks based on the contract shall be immediately terminated;
- iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
- iv. Demand all rights of the promissory note obtained from signing of the contract.
- v. To the extent permitted by law, lead bank can exercise its rights based on law and contract according to the contract, security documents and related documents. The lead bank can exercise the right without any prompt, notice, summon exhortation, protest of bill or performing other legal requirements.

WPI met all the financial commitments stated in the contract.

Note 14: On July 10, 2019, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 3 billion until June 15, 2022. The principal is payable in 10 quarterly installments of KRW 300 million each starting from March 15, 2020. The interest is payable quarterly. WPG Korea Co., Ltd. have settled all payments on June 15, 2022.

Note 15: On June 29, 2022, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kokmin Bank for a loan of KRW 2 billion until June 29, 2024. The interest is payable quarterly. The principal shall be repaid in full at maturity, and the pledged asset is the office in Korea, which amount to \$30,469.

Note 16: Yosun Industrial Corp. and an indirect subsidiary, Yosun Hong Kong Corp. Ltd., had entered into a syndicated credit agreement with Mega International Commercial Bank and other financial institutions on December 9, 2021. Under the agreement, they may re-utilize the loan and roll over commercial papers during the contract term. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,600,000.
  - i. Each drawdown amount must not be less than \$15,000 or USD 500 thousand, and the amount more than \$15,000 or USD 500 thousand shall be an integral multiple of \$3,000 or USD 100 thousand. The repayment period for each drawdown shall be at least one month up to a maximum of six months. Each maturity date shall be within the contract term.

- ii. Guarantees for issuance of commercial papers: Guaranteed principal amount is \$2,160,000, could be revolving. The issuer may choose to issue the commercial papers with maturity of at least 30 days up to a maximum of 180 days, or the days agreed by both the issuer and the lead bank with a limit of 180 days and each maturity date shall be within the contract term.
- (c) Repayment:
  - i. For each drawdown, the matured principal must be repaid in full or repaid directly by a new drawdown of credit facility on the maturity date stipulated on the application of each drawdown. However, in any case, the outstanding principal, interest and other expenses payable must be repaid in full at the end of the contract term.
  - ii. The issuer shall settle the commercial papers at face value on the maturity date. However, the commercial papers can be re-utilized prior to the end of the contract term and the proceeds obtained can be used to directly repay the existing commercial papers which are due. However, in any case, the outstanding payment must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: Certain financial ratios must be maintained during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 2.5 and net value should not be less than \$6,000,000.

Yosun Industrial Corp. met all the financial commitments stated in the contract.

(19) Other current liabilities

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Long-term borrowings-current portion	\$ 11,681,610	\$ 119,092	\$ 8,127,779
Refund liabilities	3,988,066	3,329,230	3,371,041
Contract liabilities	880,066	375,776	166,925
Others	784,205	568,062	560,456
	<u>\$ 17,333,947</u>	<u>\$ 4,392,160</u>	<u>\$ 12,226,201</u>

- A. Refund liabilities were generated from sales discounts which is shown as ‘other current liabilities’.
- B. Contract liabilities were generated from advance sales receipts which is shown as ‘other current liabilities’.

(20) Pensions

A. Defined benefit plans

- (a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees’ service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service

years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March.

Effective January 1, 2010, the Company and certain subsidiaries have funded defined benefit pension plans in accordance with the "Regulations on pensions of managers", covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

- (b) For the aforementioned pension plan, the Group recognized pension costs of \$3,119, (\$3,581), \$9,361 and \$1,255 for the three months ended September 30, 2022 and 2021, and nine months ended September 30, 2022 and 2021, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2023 are \$18,249.

#### B. Defined contribution plans

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on not less than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Other overseas companies have defined contribution plans. Contributions for pensions and retirement allowance to independent fund administered by the government in accordance with the local pension regulations are based on a certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the companies have no further obligations.

- (c) The pension costs of the Group under the defined contribution pension plans for the three months ended September 30, 2022 and 2021, and nine months ended September 30, 2022 and 2021 were \$106,910, \$94,612, \$315,275 and \$275,869, respectively.

(21) Share-based payment

- A. For the nine months ended September 30, 2021, share-based payment arrangements of the Company's subsidiary, Trigold Holdings Limited (Trigold), were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Cash capital increase reserved for employee preemption	2021.7.16	3,150 thousand shares	NA	Vested immediately

- B. Details of the share-based payment arrangements for above employee stock options are as follows:

	2021	
	No. of options (in thousand shares)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	\$ -	\$ -
Options granted	3,150	21.00
Options forfeited	( 779)	21.00
Options exercised	( 2,371)	21.00
Options outstanding at September 30	\$ -	
Options exercisable at September 30	\$ -	

- C. The stock price for those options exercised during the nine months ended September 30, 2021 at the exercise date was \$26.31 (in dollars).
- D. The fair value of stock options granted by Trigold Holdings Limited on grant date is measured using the stock price at grant date, net of dividends and dividend rate of capital increase.
- E. Expenses incurred on share-based payment transactions are shown below:

	Nine months ended September 30,
	2021
Equity-settled	\$ 17,955

Nine months ended September 30, 2022: None

(22) Share capital

- A. The Company's authorized capital was \$25,000,000, of which certain shares can be issued as preference shares. The above authorized capital includes \$500,000 reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds. As of September 30, 2022, the paid-in capital was

\$18,790,568 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

- B. Movements in the number of the Company's ordinary shares outstanding (in thousands of shares) for the nine months ended September 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
At January 1 and September 30	<u>1,679,057</u>	<u>1,679,057</u>

- C. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of \$50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company's working capital. The registration of issuance has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

- (a) Expiration date: The Company's Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.
- (b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.
- (c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside as or reversed special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.

The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year's earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

- (d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalized assets for common stocks derived from earnings and capital surplus.
  - (e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company's residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.
  - (f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders' meeting of the Company but have right to vote in the stockholders' meeting for stockholders of Class A preferred stocks only and stockholders' meeting regarding unfavourable matters to rights and obligations of stockholders of Class A preferred stocks.
  - (g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.
  - (h) The preemptive rights for stockholders of Class A preferred stocks are the same as of common stocks when the Company increases its capital by issuing new shares.
- D. On September 18, 2020, the Board of Directors of the Company resolved to increase its capital by issuing series B preference shares, and the issuance price is tentatively set at NT\$50 per share, and the expected total issuance amounted to \$5,000,000. The capital increase was approved by the FSC on October 21, 2020. However, in consideration of preference shares' capital market and the Company's overall maximum benefits, the Board of Directors of WPG Holdings Limited resolved to revoke and cancel the proposed capital increase of series B preference shares on March 30, 2021. The cancellation was approved by the FSC on April 6, 2021.

(23) Capital surplus

- A. Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized as mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.



B. Details of capital reserve - stock options are as follows:

2022						
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$19,387,285	\$ 7,994,638	\$ 45,177	\$ 13,856	\$ 1,283,542	\$ 28,724,498
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	151,770	151,770
Changes in ownership interests in subsidiaries	-	-	-	763	-	763
September 30	<u>\$19,387,285</u>	<u>\$ 7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 14,619</u>	<u>\$ 1,435,312</u>	<u>\$ 28,877,031</u>
2021						
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	\$19,387,285	\$ 7,994,638	\$ 45,177	\$ 431	\$ 1,421,202	\$ 28,848,733
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	( 108,474)	( 108,474)
Changes in ownership interests in subsidiaries	-	-	-	13,425	-	13,425
September 30	<u>\$19,387,285</u>	<u>\$ 7,994,638</u>	<u>\$ 45,177</u>	<u>\$ 13,856</u>	<u>\$ 1,312,728</u>	<u>\$ 28,753,684</u>

(24) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.

Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.

B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The appropriations of 2021 earnings had been resolved at the shareholders' meeting on May 26, 2022. Also, the appropriations of 2020 earnings had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholders'

meeting and by the shareholders at their meeting on June 20, 2021 and August 3, 2021, respectively. Details are summarised below:

	Years ended December 31,			
	2021		2020	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	\$ 1,175,263	\$ -	\$ 816,223	\$ -
Provision for special reserve	1,093,311	-	3,412,100	-
Cash dividends	5,876,699	3.50	5,205,076	3.10
Cash dividends of preference stock	400,000	2.00	400,000	2.00
	<u>\$ 8,545,273</u>		<u>\$ 9,833,399</u>	

The appropriations of 2021 earnings was in line with the appropriations resolved by the Board of Directors.

E. For the information relating to employees' compensation and directors' remuneration, refer to Note 6(32).

(25) Other equity items

	2022		
	Investments at fair value through other comprehensive income	Currency translation	Total
At January 1	\$ 3,459,437	(\$ 13,385,541)	(\$ 9,926,104)
Revaluation-gross	( 1,165,043)	-	( 1,165,043)
Revaluation-associates	( 2,493,748)	-	( 2,493,748)
Revaluation transferred to retained earnings - associates	( 61,792)	-	( 61,792)
Cumulative translation differences:			
- Group	-	12,513,249	12,513,249
- Tax on Group	-	( 17,987)	( 17,987)
- Associates	-	1,369,031	1,369,031
At September 30	<u>(\$ 261,146)</u>	<u>\$ 478,752</u>	<u>\$ 217,606</u>

	2021		
	Investments at fair value through comprehensive income	Currency translation	Total
At January 1	\$ 1,854,371	(\$ 10,687,165)	(\$ 8,832,794)
Revaluation-gross	1,353,264	-	1,353,264
Revaluation transferred to retained earnings	( 189,116)	-	( 189,116)
Revaluation-associates	102,765	-	102,765
Revaluation transferred to retained earnings-associates	( 25,400)	-	( 25,400)
Cumulative translation differences:			
- Group	-	( 1,979,518)	( 1,979,518)
- Tax on Group	-	4,068	4,068
- Associates	-	( 210,550)	( 210,550)
At September 30	<u>\$ 3,095,884</u>	<u>(\$ 12,873,165)</u>	<u>(\$ 9,777,281)</u>

(26) Operating revenue

	Three months ended September 30,	
	2022	2021
Revenue from contracts with customers	<u>\$ 189,822,815</u>	<u>\$ 201,889,626</u>

	Nine months ended September 30,	
	2022	2021
Revenue from contracts with customers	<u>\$ 598,743,979</u>	<u>\$ 579,230,551</u>

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time in the following major product lines:

	Three months ended September 30,	
	2022	2021
Core components	\$ 76,292,637	\$ 60,335,136
Analog IC and mixed signal components	18,515,095	19,054,400
Discrete IC, logic IC	20,390,317	26,605,400
Memory	47,529,598	61,881,142
Optical components	14,964,497	19,683,047
Passive connector and magnetic components	8,181,569	10,463,582
Others	3,949,102	3,866,919
	<u>\$ 189,822,815</u>	<u>\$ 201,889,626</u>

	Nine months ended September 30,	
	2022	2021
Core components	\$ 212,170,226	\$ 171,656,979
Analog IC and mixed signal components	56,082,030	55,522,367
Discrete IC, logic IC	71,828,701	78,827,378
Memory	170,007,933	171,787,110
Optical components	49,285,175	61,414,105
Passive connector and magnetic components	27,424,100	29,880,038
Others	11,945,814	10,142,574
	<u>\$ 598,743,979</u>	<u>\$ 579,230,551</u>

(27) Interest income

	Three months ended September 30,	
	2022	2021
Interest income from bank deposits	\$ 13,252	\$ 5,253
Interest income from financial assets measured at amortized cost	11,327	1,840
	<u>\$ 24,579</u>	<u>\$ 7,093</u>

	Nine months ended September 30,	
	2022	2021
Interest income from bank deposits	\$ 24,471	\$ 18,757
Interest income from financial assets measured at amortized cost	18,689	2,857
	<u>\$ 43,160</u>	<u>\$ 21,614</u>

(28) Other income

	Three months ended September 30,	
	2022	2021
Rental revenue	\$ 23,910	\$ 17,314
Dividend income	334,887	52,419
Other income	51,332	15,745
	<u>\$ 410,129</u>	<u>\$ 85,478</u>

	Nine months ended September 30,	
	2022	2021
Rental revenue	\$ 61,222	\$ 43,474
Dividend income	363,549	57,668
Other income	157,477	120,867
	<u>\$ 582,248</u>	<u>\$ 222,009</u>

(29) Other gains and losses

		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Loss on disposal of property, plant and equipment	(\$	78)	(\$ 749)
Gain on disposal of non-current assets held for sale		-	149,997
Loss on disposal of investments		-	( 6,049)
Currency exchange gain		207,774	17,673
Gain on financial assets and liabilities at fair value through profit or loss		48,013	29,865
Gain (loss) arising from lease modifications		182	( 88)
Depreciation on investment property	(	8,203)	( 7,878)
Impairment losses		-	( 247,957)
Other losses	(	18,845)	( 39,023)
	\$	<u>228,843</u>	(\$ <u>104,209</u> )

		<u>Nine months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Loss on disposal of property, plant and equipment	(\$	127)	(\$ 1,405)
Gain on disposal of non-current assets held for sale		-	457,864
Gain on disposal of investments		1,054	471
Currency exchange gain (loss)		412,921	( 22,266)
(Loss) gain on financial assets and liabilities at fair value through profit or loss	(	5,627)	149,317
Gain arising from lease modifications		9,659	31,710
Depreciation on investment property	(	24,131)	( 23,345)
Impairment losses		-	( 325,235)
Other losses	(	27,539)	( 48,136)
	\$	<u>366,210</u>	\$ <u>218,975</u>

(30) Finance costs

		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Interest expense:			
Bank borrowings	\$	1,224,281	\$ 428,252
Less: Capitalization of qualifying assets	(	159)	-
Lease liabilities		16,388	15,464
Others		146,526	100,610
	\$	<u>1,387,036</u>	\$ <u>544,326</u>

		<u>Nine months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Interest expense:			
Bank borrowings	\$	2,440,974	\$ 1,179,194
Less: Capitalization of qualifying assets	(	439)	-
Lease liabilities		45,532	47,329
Others		451,633	266,118
	\$	<u>2,937,700</u>	<u>\$ 1,492,641</u>
(31) <u>Additional information of expenses by nature</u>			
		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Employee benefit expense	\$	<u>2,098,139</u>	<u>\$ 2,961,749</u>
Depreciation charges			
Depreciation on property, plant and equipment	\$	108,555	\$ 98,014
Depreciation on investment property		8,203	7,878
Depreciation on right-of-use assets		117,450	121,439
	\$	<u>234,208</u>	<u>\$ 227,331</u>
Amortization charges on intangible assets	\$	<u>20,405</u>	<u>\$ 20,208</u>
		<u>Nine months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Employee benefit expense	\$	<u>7,176,489</u>	<u>\$ 8,060,079</u>
Depreciation charges			
Depreciation on property, plant and equipment	\$	308,008	\$ 282,400
Depreciation on investment property		24,131	23,345
Depreciation on right-of-use assets		357,413	359,206
	\$	<u>689,552</u>	<u>\$ 664,951</u>
Amortization charges on intangible assets	\$	<u>67,234</u>	<u>\$ 55,520</u>
(32) <u>Employee benefit expense</u>			
		<u>Three months ended September 30,</u>	
		<u>2022</u>	<u>2021</u>
Wages and salaries	\$	1,771,220	\$ 2,656,350
Directors' remuneration		13,750	19,000
Share-based payment		-	17,955
Labor and health insurance fees		115,694	104,888
Pension costs		110,029	91,031
Other personnel expenses		87,446	72,525
	\$	<u>2,098,139</u>	<u>\$ 2,961,749</u>

	Nine months ended September 30,	
	2022	2021
Wages and salaries	\$ 6,237,345	\$ 7,199,063
Directors' remuneration	39,506	44,573
Share-based payment	-	17,955
Labor and health insurance fees	325,987	295,032
Pension costs	324,636	277,124
Other personnel expenses	249,015	226,332
	<u>\$ 7,176,489</u>	<u>\$ 8,060,079</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. The Company has established the audit committee, therefore, there was no remuneration paid to supervisors for the three months and nine months ended September 30, 2022 and 2021.
- C. For the three months ended September 30, 2022 and 2021, and nine months ended September 30, 2022 and 2021, employees' compensation was accrued at \$19,487, \$10,863, \$58,462 and \$40,838, respectively; while directors' remuneration was accrued at \$13,250, \$19,131, \$39,750 and \$39,750, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on the profit of current year distributable for the three months ended September 30, 2022 and nine months ended September 30, 2022, and the percentage as prescribed by the Company's Articles of Incorporation.

For 2021, the employees' compensation and directors' remuneration resolved by the Board of Directors during its meeting on March 22, 2022 amounted to \$78,529 and \$49,256, respectively, and the employees' compensation and directors' remuneration recognized in the 2021 financial statements amounted to \$80,700 and \$53,000, respectively. The difference of \$2,171 and \$3,744 between the amounts resolved by the Board of Directors and the amounts recognized in the 2021 financial statements, mainly resulting from the decrease in employees' compensation and directors' remuneration, had been adjusted in profit or loss in the first quarter of 2022. The employees' compensation was distributed in the form of cash.

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

(33) Income tax

A. Income tax expense

(a) Components of income tax expense:

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Current tax		
Current tax on profits for the period	\$ 464,203	\$ 661,192
Prior year income tax over estimation	( 137)	( 3,046)
Total current tax	464,066	658,146
Deferred tax		
Origination and reversal of temporary differences	28,000	( 10,404)
Income tax expense	<u>\$ 492,066</u>	<u>\$ 647,742</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Current tax		
Current tax on profits for the period	\$ 1,713,050	\$ 1,927,095
Prior year income tax over estimation	( 59,977)	( 22,842)
Tax on undistributed surplus earnings	169,291	3,512
Total current tax	1,822,364	1,907,765
Deferred tax		
Origination and reversal of temporary differences	51,211	8,678
Income tax expense	<u>\$ 1,873,575</u>	<u>\$ 1,916,443</u>

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

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Currency translation differences	<u>\$ 9,317</u>	<u>( \$ 983)</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Currency translation differences	<u>\$ 17,987</u>	<u>( \$ 4,068)</u>

B. As of November 8, 2022, the Company's income tax returns through 2017 have been assessed and approved by the Tax Authority.



(34) Earnings per share

Three months ended September 30, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,761,865		
Less: Dividends of preference stock	-		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 2,761,865</u>	<u>1,679,057</u>	<u>\$ 1.64</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,761,865		
Less: Dividends of preference stock	-		
Profit used to calculate basic earnings per share/weighted-average number of shares	2,761,865	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,259	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 2,761,865</u>	<u>1,680,316</u>	<u>\$ 1.64</u>
Three months ended September 30, 2021			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 3,185,295		
Less: Dividends of preference stock	-		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 3,185,295</u>	<u>1,679,057</u>	<u>\$ 1.90</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 3,185,295		
Less: Dividends of preference stock	-		
Profit used to calculate basic earnings per share/weighted-average number of shares	3,185,295	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	842	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 3,185,295</u>	<u>1,679,899</u>	<u>\$ 1.90</u>

Nine months ended September 30, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 9,102,810		
Less: Dividends of preference stock	( 400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 8,702,810</u>	<u>1,679,057</u>	<u>\$ 5.18</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 9,102,810		
Less: Dividends of preference stock	( 400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	8,702,810	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,659	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 8,702,810</u>	<u>1,680,716</u>	<u>\$ 5.18</u>
Nine months ended September 30, 2021			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,792,164		
Less: Dividends of preference stock	( 400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	<u>\$ 8,392,164</u>	<u>1,679,057</u>	<u>\$ 5.00</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,792,164		
Less: Dividends of preference stock	( 400,000)		
Profit used to calculate basic earnings per share/weighted-average number of shares	8,392,164	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,208	
Profit used to calculate diluted earnings per share/weighted-average number of shares	<u>\$ 8,392,164</u>	<u>1,680,265</u>	<u>\$ 4.99</u>

(35) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

The Group acquired 1,241,000 shares of supplemental issuance shares of the subsidiary, Trigold Holdings Limited (Trigold), by cash amounting to \$32,305 on September 14, 2021. The carrying amount of non-controlling interest in Trigold Holdings Limited was \$623,998 at the acquisition date. This transaction decreased non-controlling interest and equity attributable to owners of the parent by \$24,650 and \$7,655, respectively. The effect of changes in interests in Trigold Holdings Limited on the equity attributable to owners of the parent for the nine months ended September 30, 2021 is shown below:

	<u>Nine months ended September 30,</u>	
	<u>2021</u>	
Carrying amount of non-controlling interest acquired	\$	24,650
Consideration paid to non-controlling interest		<u>32,305</u>
Difference between consideration and carrying amount of subsidiaries acquired or disposed (shown as deductions on retained earnings)	(\$	<u>7,655</u> )

B. The Group did not participate in the capital increase raised by a subsidiary proportionally to its interest to the subsidiary

The Group's subsidiary, Trigold Holdings Limited, increased its capital by issuing new shares on September 14, 2021. Accordingly, the Group's equity interest decreased by 1.64% because the Group did not participate in the capital increase proportionally to its interest, resulting in an increase on the equity attributable to owners of the parent by \$2,563 (shown as capital surplus).

C. During the nine months ended September 30, 2022, the Group had no transaction made with non-controlling interest.

(36) Supplemental cash flow information

Partial payment of cash from investing activities

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Acquisition of property, plant and equipment, investment property and intangible assets	\$ 415,527	\$ 1,413,146
Add: Accounts payable at the beginning of the period	46,632	102,232
Prepayments for business facilities at the end of the period	15,528	536,953
Less: Accounts payable at the end of period	( 22,061)	-
Prepayments for business facilities at the beginning of the period	( 1,627)	( 416,570)
Cash paid during the period	<u>\$ 453,999</u>	<u>\$ 1,635,761</u>

(37) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Long-term borrowings (Note)</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2022	\$82,334,562	\$7,444,815	\$31,597,338	\$1,498,928	\$122,875,643
Changes in cash flow from financing activities	16,866,657	( 1,359,091)	15,712,522	( 334,807)	30,885,281
Others	-	-	-	1,646,016	1,646,016
At September 30, 2022	<u>\$99,201,219</u>	<u>\$6,085,724</u>	<u>\$47,309,860</u>	<u>\$2,810,137</u>	<u>\$155,406,940</u>
	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Long-term borrowings (Note)</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2021	\$59,040,547	\$4,941,505	\$25,063,495	\$1,695,108	\$ 90,740,655
Changes in cash flow from financing activities	25,788,099	2,353,604	8,416,676	( 334,551)	36,223,828
Others	-	-	-	216,455	216,455
At September 30, 2021	<u>\$84,828,646</u>	<u>\$7,295,109</u>	<u>\$33,480,171</u>	<u>\$1,577,012</u>	<u>\$127,180,938</u>

Note: Including long-term borrowings-current portion less unamortized discounts.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Group's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Chain Power Technology Corp.	Investee accounted for using equity method
Supply Consultants Limited	"
VITEC WPG Limited	"
Gain Tune Logistics (Shanghai) Co., Ltd.	"
Suzhou Xinning Logistics Co., Ltd.	"
Suzhou Xinning Bonded Warehouse Co., Ltd.	"
Eesource Corp.	"
WT Microelectronics Co., Ltd.	"
Sunrise Technology Co., Ltd.	"
Haomao (Shanghai) Enterprise Development Co., Ltd.	Other related party

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Autosys (TW) Co., Ltd.	Subsidiary of investee accounted for using equity method
HongTech Electronics Co., Ltd.	"
Maxtek Technology Co., Ltd.	"
Morrihan International Corp.	"
WT Microelectronics (Hong Kong) Limited	"
WT Microelectronics Singapore Pte. Ltd.	"
NuVision Technology, Inc.	"
WPG P.T. Electrindo Jaya	Stockholder of a Group's subsidiary accounted for using equity method
WPG Holdings Education Foundation	One third of paid-in-capital was granted by the Group
Taiwan Industrial Holding Association	The chairman of the association and chairman of the Group are the same

(3) Significant transactions and balances with related parties

A. Operating revenues

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Sales of goods		
Others	\$ 203,770	\$ 263,091
Associates	305,502	217,306
	<u>\$ 509,272</u>	<u>\$ 480,397</u>

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Sales of goods		
Others	\$ 647,839	\$ 575,283
Associates	1,161,360	432,942
	<u>\$ 1,809,199</u>	<u>\$ 1,008,225</u>

The terms and sales prices with other related parties were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 90 days. Terms and sales prices with associates are in accordance with normal selling prices and terms of collection.

B. Purchases

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchases of goods		
Associates	\$ 588,067	\$ 619,883

	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchases of goods		
Associates	<u>\$ 1,581,466</u>	<u>\$ 807,641</u>

The purchase prices and terms of payment for associates including products, market competition and other conditions are the same as those for general suppliers.

C. Receivables from related parties

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts receivable			
Others	\$ 63,865	\$ 178,504	\$ 124,684
Associates	<u>112,664</u>	<u>104,113</u>	<u>57,787</u>
	<u>\$ 176,529</u>	<u>\$ 282,617</u>	<u>\$ 182,471</u>

The receivables from related parties arise mainly from sales of goods. The receivables are due 30 to 90 days after the date of sale. The receivables are unsecured in nature and bear no interest. There is no allowance for doubtful accounts held against receivables from related parties.

D. Other receivables

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Other receivables			
Associates	<u>\$ 50,562</u>	<u>\$ 3,691</u>	<u>\$ 7,191</u>

Other receivables from associates refer to payments on behalf of others and purchases paid on behalf of others, etc.

E. Payables to related parties

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts payable			
Associates	<u>\$ 220,071</u>	<u>\$ 362,228</u>	<u>\$ 335,927</u>

The payables to related parties arise mainly from purchases of goods. The payables are due 30 to 90 days after the date of purchase. The payables are unsecured in nature and bear no interest.

F. Endorsements and guarantees provided to related parties

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Associates			
VITEC WPG Limited	<u>\$ 71,437</u>	<u>\$ 124,560</u>	<u>\$ 62,662</u>

G. Others - donations

	<u>Three months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>
Other related parties		
WPG Holding Education Foundation	<u>\$ 1,600</u>	<u>\$ 1,500</u>

	Nine months ended September 30,	
	2022	2021
Other related parties		
WPG Holding Education Foundation	\$ 5,400	\$ 5,000
Taiwan Industrial Holding Association	2,500	-
	<u>\$ 7,900</u>	<u>\$ 5,000</u>

(4) Key management compensation

	Three months ended September 30,	
	2022	2021
Salaries and other short-term employee benefits	\$ 75,371	\$ 89,694
Post-employment benefits	1,117	904
	<u>\$ 76,488</u>	<u>\$ 90,598</u>

	Nine months ended September 30,	
	2022	2021
Salaries and other short-term employee benefits	\$ 223,403	\$ 241,531
Post-employment benefits	3,349	2,713
	<u>\$ 226,752</u>	<u>\$ 244,244</u>

8. PLEDGED ASSETS

<u>Pledged assets (Note 1)</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>	<u>Purpose of Collateral</u>
Financial assets at amortized cost				
-Time deposits	\$ 48,883	\$ 45,813	\$ 45,092	Security for purchases and time deposit for performance bond
Financial assets at fair value though profit or loss - non-current (Note 2)	4,414	4,414	7,503	Security for purchases
Property, plant and equipment (including investment property)				
-Land	5,115,948	5,115,948	5,178,781	Long-term and short-term borrowings guarantee and security for purchases
-Buildings and structures	<u>2,400,821</u>	<u>2,451,329</u>	<u>2,499,411</u>	"
	<u>\$ 7,570,066</u>	<u>\$ 7,617,504</u>	<u>\$ 7,730,787</u>	

Note 1: The Company held 100% of shares of WPG Investment Co., Ltd., in which 8,999 thousand shares have been pledged for purchases as of September 30, 2022, December 31, 2021 and September 30, 2021.

Note 2: As of September 30, 2022, December 31, 2021 and J September 30, 2021, the subsidiary - Silicon Application Corporation held 566 thousand shares of Kingmax Semiconductor Inc., which have been pledged for purchases.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to Note 6(6), other commitments were as follows:

(1) Contingencies

None.

(2) Commitments

A. The Group's letters of credit issued but not negotiated are as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
\$	1,295,318	\$ 1,285,000	\$ 1,437,948
USD	140,377,000	USD 148,651,000	USD 160,856,000

B. Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Property, plant and equipment	\$ -	\$ 38,277	\$ -

C. As of September 30, 2022, the remaining payments for the contract of non-fixed car park the Group entered into amounted to \$19,650.

D. As of September 30, 2022, the unpaid payables arising from the service contracts signed for computer facilities, internet and information security maintenance amounted to \$61,740.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2021.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Financial assets</u>			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 1,829,166	\$ 1,928,496	\$ 1,562,786
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ 3,025,023	\$ 3,321,562	\$ 3,340,338



	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Financial assets at amortized cost			
Cash and cash equivalents	\$ 14,570,054	\$ 14,407,940	\$ 10,647,106
Financial assets at amortized cost	1,930,939	1,658,432	1,667,615
Notes receivable	2,965,096	2,741,202	2,629,716
Accounts receivable (including related parties)	136,209,622	131,650,945	139,022,299
Other receivables (including related parties)	16,634,354	7,177,972	9,751,333
Guarantee deposits paid	288,549	217,547	189,073
Other financial assets	2,567,489	684,888	726,282
	<u>\$ 175,166,103</u>	<u>\$ 158,538,926</u>	<u>\$ 164,633,424</u>
<u>Financial liabilities</u>			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities held for trading	<u>\$ 1,007</u>	<u>\$ 7,068</u>	<u>\$ 3,506</u>
Financial liabilities at amortized cost			
Short-term borrowings	\$ 99,201,219	\$ 82,334,562	\$ 84,828,646
Short-term notes and bills payable	6,085,724	7,444,815	7,295,109
Notes payable	36,761	21,484	40,981
Accounts payable (including related parties)	96,029,723	75,915,147	86,547,797
Other payables	12,106,866	10,598,704	9,710,972
Long-term borrowings (including current portion)	47,309,860	31,597,338	33,480,171
Guarantee deposits received	176,022	253,742	448,917
	<u>\$ 260,946,175</u>	<u>\$ 208,165,792</u>	<u>\$ 222,352,593</u>
Lease liabilities	<u>\$ 2,810,137</u>	<u>\$ 1,498,928</u>	<u>\$ 1,577,012</u>

#### B. Risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk,

credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

- (c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchase.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain foreign subsidiaries' functional currency: local currency). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2022			
(Foreign currency: functional currency)	Foreign currency amount		Book value
	(in thousands)	Exchange rate	(NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 858,221	31.75	\$ 27,248,527
USD : RMB	21,205	7.10	673,257
USD : KRW	31,925	1,434.80	1,013,626
USD : JPY	5,573	144.25	176,946
HKD : USD	50,808	0.13	205,467
RMB : USD	426,824	0.14	1,909,184
RMB : TWD	70,362	4.47	314,727
<u>Non-monetary items</u>			
RMB : USD	34,013	0.14	152,142
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	821,952	31.75	26,096,964
USD : RMB	44,443	7.10	1,411,058
USD : KRW	35,615	1,434.80	1,130,785
USD : JPY	3,736	144.25	118,613
USD : INR	11,263	81.54	357,585
HKD : USD	36,875	0.13	149,121

December 31, 2021			
(Foreign currency: functional currency)	Foreign currency amount		Book value
	(in thousands)	Exchange rate	(NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 888,770	27.68	\$ 24,601,141
USD : RMB	22,730	6.37	629,160
USD : KRW	40,307	1,186.60	1,115,704
HKD : USD	61,818	0.13	219,394
RMB : USD	668,216	0.16	2,902,731
<u>Non-monetary items</u>			
RMB : USD	32,512	0.16	141,232
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	869,211	27.68	24,059,751
USD : RMB	101,758	6.37	2,816,649
USD : KRW	34,651	1,186.60	959,150
USD : INR	10,871	74.62	300,909
HKD : USD	52,829	0.13	187,489
RMB : USD	670,295	0.16	2,911,762
SGD : USD	7,941	0.74	162,482

September 30, 2021			
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : TWD	\$ 951,952	27.85	\$ 26,511,868
USD : RMB	15,573	6.47	433,716
USD : KRW	91,192	1,184.90	2,539,709
HKD : USD	67,344	0.13	240,823
RMB : USD	828,777	0.15	3,567,884
<u>Non-monetary items</u>			
RMB : USD	32,044	0.15	138,493
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : TWD	914,943	27.85	25,481,169
USD : RMB	95,830	6.47	2,668,865
USD : KRW	86,491	1,184.90	2,408,787
USD : INR	8,425	74.33	234,631
HKD : USD	39,233	0.13	140,295
RMB : USD	779,580	0.15	3,356,093
v. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended September 30, 2022 and 2021, and nine months ended September 30, 2022 and 2021 amounted to \$207,774, \$17,673, \$412,921 and (\$22,266), respectively.			

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

Nine months ended September 30, 2022				
Sensitivity Analysis				
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : TWD	1%	\$ 272,485	\$	-
USD : RMB	1%	6,733		-
USD : KRW	1%	10,136		-
USD : JPY	1%	1,769		-
HKD : USD	1%	2,055		-
RMB : USD	1%	19,092		-
RMB : TWD	1%	3,147		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : TWD	1%	260,970		-
USD : RMB	1%	14,111		-
USD : KRW	1%	11,308		-
USD : JPY	1%	1,186		-
USD : INR	1%	3,576		-
HKD : USD	1%	1,491		-

Nine months ended September 30, 2021				
Sensitivity Analysis				
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : TWD	1%	\$ 265,119	\$	-
USD : RMB	1%	4,337		-
USD : KRW	1%	25,397		-
HKD : USD	1%	2,408		-
RMB : USD	1%	35,679		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : TWD	1%	254,812		-
USD : RMB	1%	26,689		-
USD : KRW	1%	24,088		-
USD : INR	1%	2,346		-
HKD : USD	1%	1,403		-
RMB : USD	1%	33,561		-

#### Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. Shares and open-end funds which the Group invested are issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the nine months ended September 30, 2022 and 2021 would have increased/decreased by \$17,827 and \$15,588, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$30,250 and \$33,403, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

#### Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the nine months ended September 30, 2022 and 2021, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and US dollars.
- ii. If the borrowing interest rate had increased by 1% with all other variables held constant, profit, net of tax for the nine months ended September 30, 2022 and 2021 would have decreased by \$360,721 and \$175,332, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

#### (b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of notes receivable.
- ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with good rating are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
- iii. Under IFRS 9, if the contract payments are past due over one month based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The default occurs when the contract payments are past due more than five months.
- v. The Group classifies customer's accounts receivable in accordance with credit rating of customer and customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
- vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.
- vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On September 30, 2022, December 31, 2021 and September 30, 2021, the provision matrix and loss rate



methodology are as follows:

(i) Accounts receivable from general customers:

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
<u>September 30, 2022</u>							
Expected loss rate	0%~ 1.76%	0.02%~ 83.33%	1.09%~ 100%	14.75%~ 100%	34.98%~ 100%	100%	
Total book value	\$ 76,132,106	\$ 3,668,052	\$ 454,897	\$ 134,791	\$ 207,937	\$ 618,352	\$ 81,216,135
Loss allowance	\$ 77,579	\$ 61,277	\$ 67,270	\$ 36,054	\$ 82,012	\$ 615,509	\$ 939,701

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
<u>December 31, 2021</u>							
Expected loss rate	0%~ 3.69%	0.03%~ 58.33%	0.33%~ 91.67%	16.42%~ 100%	40.9%~ 100%	100%	
Total book value	\$ 70,022,920	\$ 2,774,995	\$ 188,649	\$ 49,356	\$ 4,549	\$ 406,358	\$ 73,446,827
Loss allowance	\$ 94,969	\$ 59,706	\$ 40,071	\$ 16,441	\$ 2,687	\$ 406,104	\$ 619,978

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
<u>September 30, 2021</u>							
Expected loss rate	0.001%~ 9.687%	0.029%~ 75%	0.343%~ 91.667%	17.49%~ 100%	40.90%~ 100%	100%	
Total book value	\$ 77,624,000	\$ 3,276,147	\$ 159,947	\$ 40,567	\$ 10,603	\$ 429,251	\$ 81,540,515
Loss allowance	\$ 101,917	\$ 76,590	\$ 26,354	\$ 12,578	\$ 4,180	\$ 429,251	\$ 650,870

(ii) Individually impaired and provisioned allowance for loss

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Total book value	\$ 6,549	\$ 58,495	\$ 46,009
Loss allowance	\$ -	\$ 51,946	\$ 33,558

(iii) For customers whose current ratio, debt ratio, earnings, etc. are within a certain range:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Expected loss rate	0%	0%	0%
Total book value	\$ 55,750,110	\$ 58,534,930	\$ 57,937,732
Loss allowance	\$ -	\$ -	\$ -

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

2022					
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	\$ 4	\$ 51,946	\$ 619,978	\$ 671,924	\$ 671,928
(Reversal of) provision for impairment	( 4)	( 36,120)	254,806	218,686	218,682
Write-offs during the period	-	-	( 29,026)	( 29,026)	( 29,026)
Effect of foreign exchange	-	1,918	93,943	95,861	95,861
Transfers into overdue receivables	-	( 17,744)	-	( 17,744)	( 17,744)
At September 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 939,701</u>	<u>\$ 939,701</u>	<u>\$ 939,701</u>
2021					
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	\$ 2	\$ 16,417	\$ 701,855	\$ 718,272	\$ 718,274
(Reversal of) provision for impairment	( 1)	20,447	16,548	36,995	36,994
Write-offs during the period	-	( 2,217)	( 641)	( 2,858)	( 2,858)
Effect of foreign exchange	-	( 1,089)	( 15,166)	( 16,255)	( 16,255)
Transfers into overdue receivables	-	-	( 51,726)	( 51,726)	( 51,726)
At September 30	<u>\$ 1</u>	<u>\$ 33,558</u>	<u>\$ 650,870</u>	<u>\$ 684,428</u>	<u>\$ 684,429</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group. Each treasury department monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

<u>September 30, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term				
borrowings	\$ 100,712,718	\$ -	\$ -	\$ -
Short-term notes and				
bills payable	6,090,000	-	-	-
Financial liabilities				
measured at fair				
value through profit				
or loss	1,007	-	-	-
Notes payable	36,761	-	-	-
Accounts payable	95,809,652	-	-	-
Accounts payable -				
related parties	220,071	-	-	-
Other payables	12,106,866	-	-	-
Lease liabilities	441,642	374,918	731,458	1,772,603
Long-term borrowings				
(including current				
portion)	12,688,165	1,021,376	30,726,691	5,627,557

Non-derivative financial liabilities:

<u>December 31, 2021</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term				
borrowings	\$ 82,534,921	\$ -	\$ -	\$ -
Short-term notes and				
bills payable	7,450,000	-	-	-
Financial liabilities				
measured at fair				
value through profit				
or loss	7,068	-	-	-
Notes payable	21,484	-	-	-
Accounts payable	75,552,919	-	-	-
Accounts payable -				
related parties	362,228	-	-	-
Other payables	10,598,704	-	-	-
Lease liabilities	347,998	243,446	266,330	1,116,577
Long-term borrowings				
(including current				
portion)	415,419	15,020,054	11,958,516	5,464,049

Non-derivative financial liabilities:

<u>September 30, 2021</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 85,057,593	\$ -	\$ -	\$ -
Short-term notes and bills payable	7,300,000	-	-	-
Financial liabilities measured at fair value through profit or loss	3,506	-	-	-
Notes payable	40,981	-	-	-
Accounts payable	86,211,870	-	-	-
Accounts payable - related parties	355,927	-	-	-
Other payables	9,710,972	-	-	-
Lease liabilities	384,221	213,833	342,129	1,121,378
Long-term borrowings (including current portion)	8,404,568	19,313,379	1,428,877	5,565,937

(3) Fair value information

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

Level 1: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The fair value of the Group's investment in emerging stocks, publicly traded equity investment, forward exchange, beneficiary certificates and swap contracts is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other financial assets, guarantee deposits paid, financial assets at amortized cost, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities

(including current and non-current), long-term borrowings-current portion, long-term borrowings and guarantee deposits received are approximate to their fair values.

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

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

September 30, 2022	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 46,466	\$ -	\$ 46,466
Equity securities	383,337	-	1,399,363	1,782,700
Financial assets at fair value through other comprehensive income				
Equity securities	<u>2,953,016</u>	<u>-</u>	<u>72,007</u>	<u>3,025,023</u>
	<u>\$3,336,353</u>	<u>\$ 46,466</u>	<u>\$1,471,370</u>	<u>\$4,854,189</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 1,007</u>	<u>\$ -</u>	<u>\$ 1,007</u>
December 31, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 1,523	\$ -	\$ 1,523
Equity securities	560,240	-	1,366,733	1,926,973
Financial assets at fair value through other comprehensive income				
Equity securities	<u>3,255,556</u>	<u>-</u>	<u>66,006</u>	<u>3,321,562</u>
	<u>\$3,815,796</u>	<u>\$ 1,523</u>	<u>\$1,432,739</u>	<u>\$5,250,058</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 7,068</u>	<u>\$ -</u>	<u>\$ 7,068</u>

September 30, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets</u>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Forward exchange contracts	\$ -	\$ 4,004	\$ -	\$ 4,004
Equity securities	295,607	78,982	1,184,193	1,558,782
Financial assets at fair value through other comprehensive income				
Equity securities	<u>3,305,382</u>	<u>-</u>	<u>34,956</u>	<u>3,340,338</u>
	<u>\$3,600,989</u>	<u>\$ 82,986</u>	<u>\$1,219,149</u>	<u>\$4,903,124</u>
<u>Liabilities</u>				
<u>Recurring fair value measurements</u>				
Financial liabilities held for trading				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 3,506</u>	<u>\$ -</u>	<u>\$ 3,506</u>

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

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

	<u>Listed shares</u>
Market quoted price	Closing price

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management.
- iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. Forward exchange contracts are usually valued based on the current forward exchange rate.
- v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- E. The following chart is the movement of Level 3 for the nine months ended September 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
At January 1	\$ 1,432,739	\$ 1,185,252
Additions	50,285	161,461
Capital reduction	( 30,799)	( 47,016)
Disposal	-	( 630)
Transfers out from level 3	-	( 63,992)
Losses on valuation	( 2,970)	( 7,371)
Effect of foreign exchange	<u>22,115</u>	<u>( 8,555)</u>
At September 30	<u>\$ 1,471,370</u>	<u>\$ 1,219,149</u>

- F. For the nine months ended September 30, 2022, there was no transfer into or out from Level 3. For the nine months ended September 30, 2021, as the investee company became a public company, the Group transferred the fair value from Level 3 into Level 1 at the end of the month when the event occurred.
- G. Finance and accounting department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed.
- Finance and accounting department sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management monthly. Management is responsible for managing and reviewing valuation processes.
- H. The following is the qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	<u>Fair value at September 30, 2022</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity:					
Equity investment without active market	\$ 1,437,170	Net asset value method	Net asset value		- The higher the net asset value, the higher the fair value
Preferred share without active market	34,200	Market approach	Not applicable		- Not applicable

	<u>Fair value at December 31, 2021</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity:					
Equity investment without active market	\$ 1,398,539	Net asset value method	Net asset value		- The higher the net asset value, the higher the fair value
Preferred share without active market	34,200	Market approach	Not applicable		- Not applicable

	<u>Fair value at September 30, 2021</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity:					
Equity investment without active market	\$ 1,219,149	Net asset value method	Net asset value		- The higher the net asset value, the higher the fair value

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:



			September 30, 2022			
			Recognized in profit or loss		Recognized in other comprehensive income	
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 13,994	(\$ 13,994)	\$ 720	(\$ 720)

			December 31, 2021			
			Recognized in profit or loss		Recognized in other comprehensive income	
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 13,667	(\$ 13,667)	\$ 660	(\$ 660)

			September 30, 2021			
			Recognized in profit or loss		Recognized in other comprehensive income	
	<u>Input</u>	<u>Change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>	<u>Favourable change</u>	<u>Unfavourable change</u>
Financial assets						
Equity instrument	Net asset value	± 1%	\$ 11,842	(\$ 11,842)	\$ 350	(\$ 350)

(4) Others

In response to the Covid-19 outbreak, the Group implemented several preventive measures imposed by the government. All offices and operating locations have adopted high-standard pandemic prevention measures and different methods in response to government regulations. Currently, the pandemic had no significant impact on the Group's operations and business conditions.

13. SUPPLEMENTARY DISCLOSURES

(The transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The following disclosures are for reference only.)

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.

- D. Aggregate purchases or sales of the same securities reaching \$300 million or 20% of paid-in capital or more: Refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Derivative financial instruments undertaken during the reporting period: Refer to Notes 6(2)B. and 12(3).
- J. Significant inter-company transactions during the reporting period: Refer to table 7.

(2) Information on investee companies

Names, locations and other information of investee companies (excluding investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area.

Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Information on significant transactions of the Company and subsidiary and investee company in Mainland China as of and for the nine months ended September 30, 2022 is provided in Note (1)J.

(4) Major shareholders information

Major shareholders information: None.

#### 14. OPERATING SEGMENT INFORMATION

##### (1) General information

The Group is mainly engaged in the import and export of electronic components. The products include CPU, analog IC, discrete IC, logic IC, DRAM, Flash, optical component, etc. The chief operating decision-maker evaluates performance based on the separate net income of sub-groups.

##### (2) Measurement of segment information

The Group's chief operating decision-maker uses the net income as basis for assessing the performance of the Group's operating segments.

##### (3) Reconciliation for segment income (loss)

A. The net income reported to the chief operating decision-maker is measured in a manner consistent with revenues, costs and expenses in the statement of comprehensive income. As the amounts in the statement provided to the chief operating decision-maker for managing segment are in agreement with the amounts in the statements of segment income, reconciliation is not needed.

B. The segment information of the reportable segments provided to the chief operating decision-maker for the three months and nine months ended September 30, 2022 and 2021 is as follows:

Three months ended September 30, 2022:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	\$ 99,277,850	\$ 20,119,581	\$ 20,385,048	\$ 28,923,975	\$ 4,365,628	\$ 16,750,733	\$ -	\$ 189,822,815
Revenue from internal customers	4,242,348	1,577,818	352,604	1,673,597	699,737	3,756,996	( 12,303,100)	-
Total revenue	<u>\$ 103,520,198</u>	<u>\$ 21,697,399</u>	<u>\$ 20,737,652</u>	<u>\$ 30,597,572</u>	<u>\$ 5,065,365</u>	<u>\$ 20,507,729</u>	<u>( \$ 12,303,100)</u>	<u>\$ 189,822,815</u>
Segment profit	<u>\$ 2,127,443</u>	<u>\$ 507,064</u>	<u>\$ 491,581</u>	<u>\$ 738,960</u>	<u>\$ 116,591</u>	<u>( \$ 106,832)</u>	<u>\$ 915,737</u>	<u>\$ 4,790,544</u>
Net income	<u>\$ 971,041</u>	<u>\$ 308,854</u>	<u>\$ 324,160</u>	<u>\$ 394,770</u>	<u>\$ 30,330</u>	<u>\$ 211,450</u>	<u>\$ 532,472</u>	<u>\$ 2,773,077</u>

Three months ended September 30, 2021:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited	Others	Eliminations	Total
Revenue from external customers	\$ 96,666,496	\$ 23,262,556	\$ 25,040,382	\$ 31,872,999	\$ 4,222,405	\$ 20,824,788	\$ -	\$ 201,889,626
Revenue from internal customers	4,417,113	1,877,277	348,617	2,286,825	445,517	3,073,133	( 12,448,482)	-
Total revenue	<u>\$ 101,083,609</u>	<u>\$ 25,139,833</u>	<u>\$ 25,388,999</u>	<u>\$ 34,159,824</u>	<u>\$ 4,667,922</u>	<u>\$ 23,897,921</u>	<u>(\$ 12,448,482)</u>	<u>\$ 201,889,626</u>
Segment profit	<u>\$ 1,854,256</u>	<u>\$ 614,748</u>	<u>\$ 707,204</u>	<u>\$ 680,592</u>	<u>\$ 208,808</u>	<u>\$ 260,936</u>	<u>\$ 633,120</u>	<u>\$ 4,959,664</u>
Net income	<u>\$ 982,177</u>	<u>\$ 490,125</u>	<u>\$ 397,606</u>	<u>\$ 438,146</u>	<u>\$ 94,282</u>	<u>\$ 614,985</u>	<u>\$ 206,664</u>	<u>\$ 3,223,985</u>

Nine months ended September 30, 2022:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	\$ 304,781,185	\$ 61,332,517	\$ 70,214,601	\$ 92,787,976	\$ 12,831,733	\$ 56,795,967	\$ -	\$ 598,743,979
Revenue from internal customers	12,661,512	4,765,935	1,255,875	5,785,818	1,955,474	12,164,680	( 38,589,294)	-
Total revenue	<u>\$ 317,442,697</u>	<u>\$ 66,098,452</u>	<u>\$ 71,470,476</u>	<u>\$ 98,573,794</u>	<u>\$ 14,787,207</u>	<u>\$ 68,960,647</u>	<u>(\$ 38,589,294)</u>	<u>\$ 598,743,979</u>
Segment profit	<u>\$ 6,536,763</u>	<u>\$ 1,554,547</u>	<u>\$ 1,858,133</u>	<u>\$ 2,235,293</u>	<u>\$ 447,009</u>	<u>\$ 357,056</u>	<u>\$ 2,392,294</u>	<u>\$ 15,381,095</u>
Net income	<u>\$ 3,578,961</u>	<u>\$ 976,743</u>	<u>\$ 1,156,171</u>	<u>\$ 1,331,913</u>	<u>\$ 154,453</u>	<u>\$ 644,949</u>	<u>\$ 1,316,919</u>	<u>\$ 9,160,109</u>

Nine months ended September 30, 2021:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Trigold Holdings Limited	Others	Eliminations	Total
Revenue from external customers	\$ 291,882,513	\$ 65,143,412	\$ 68,284,661	\$ 80,752,331	\$ 13,036,535	\$ 60,131,099	\$ -	\$ 579,230,551
Revenue from internal customers	<u>13,631,477</u>	<u>5,856,074</u>	<u>1,093,585</u>	<u>5,777,777</u>	<u>643,192</u>	<u>12,036,168</u>	<u>( 39,038,273)</u>	<u>-</u>
Total revenue	<u>\$ 305,513,990</u>	<u>\$ 70,999,486</u>	<u>\$ 69,378,246</u>	<u>\$ 86,530,108</u>	<u>\$ 13,679,727</u>	<u>\$ 72,167,267</u>	<u>(\$ 39,038,273)</u>	<u>\$ 579,230,551</u>
Segment profit	<u>\$ 5,911,517</u>	<u>\$ 1,715,234</u>	<u>\$ 1,961,388</u>	<u>\$ 1,738,521</u>	<u>\$ 621,825</u>	<u>\$ 883,870</u>	<u>\$ 1,499,943</u>	<u>\$ 14,332,298</u>
Net income	<u>\$ 3,067,821</u>	<u>\$ 1,248,292</u>	<u>\$ 1,086,844</u>	<u>\$ 1,038,905</u>	<u>\$ 324,045</u>	<u>\$ 1,127,865</u>	<u>\$ 1,026,010</u>	<u>\$ 8,919,782</u>

WPG Holdings Limited and Subsidiaries  
Loans to others  
Nine months ended September 30, 2022

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					September 30, 2022	September 30, 2022							Item	Value			
1	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables	Y	\$ 47,282	\$ 44,258	44,258	3.50	2	\$ -	Operations	\$ -	None	\$ -	\$ 70,116	\$ 70,116	Note 1
2	Genuine C&C (IndoChina) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	63,500	63,500	63,500	4.25	2	-	Operations	-	None	-	91,915	91,915	Note 3
3	GENUINE C&C HOLDING INC. (Seychelles)	Peng Yu Trigold Limited	Other receivables	Y	142,875	142,875	142,875	2.00	2	-	Operations	-	None	-	148,844	148,844	Note 5
4	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables	Y	238,125	238,125	238,125	4.25	2	-	Operations	-	None	-	492,639	492,639	Note 4
5	World Peace International (India) Pvt., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Other receivables	Y	19,470	19,470	-	-	2	-	Operations	-	None	-	83,198	83,198	Note 8
6	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	Other receivables	Y	1,113,000	-	-	-	2	-	Operations	-	None	-	7,897,468	7,897,468	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	589,500	-	-	-	2	-	Operations	-	None	-	7,897,468	7,897,468	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables	Y	1,369,575	952,500	-	-	2	-	Operations	-	None	-	7,897,468	7,897,468	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPI Technology Pte Ltd.	Other receivables	Y	95,250	95,250	-	-	2	-	Operations	-	None	-	7,897,468	7,897,468	Note 3
7	WPG C&C Limited	WPI International (Hong Kong) Limited	Other receivables	Y	254,000	254,000	254,000	1.30	2	-	Operations	-	None	-	295,309	295,309	Note 5
8	WPG India Electronics Pvt Ltd.	World Peace International (India) Pvt., Ltd.	Other receivables	Y	23,364	23,364	23,364	8.15	2	-	Operations	-	None	-	179,189	179,189	Note 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					September 30, 2022	September 30, 2022							Item	Value			
9	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables	Y	\$ 635,000	\$ 635,000	\$ 571,500	4.82	2	\$ -	Operations	\$ -	None	\$ -	\$ 1,574,279	\$ 1,574,279	Note 8
9	WPG South Asia Pte. Ltd.	WPG Americas Inc.	Other receivables	Y	317,500	317,500	-	-	2	-	Operations	-	None	-	1,574,279	1,574,279	Note 8
9	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	158,750	158,750	-	-	2	-	Operations	-	None	-	1,574,279	1,574,279	Note 8
10	WPI International (South Asia) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	254,000	254,000	111,125	4.25	2	-	Operations	-	None	-	2,456,977	2,456,977	Note 3
11	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	Other receivables	Y	2,140,350	-	-	-	2	-	Operations	-	None	-	10,953,540	10,953,540	Note 4
11	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	Other receivables	Y	952,500	952,500	952,500	4.80	2	-	Operations	-	None	-	10,953,540	10,953,540	Note 4
12	Yosun Singapore Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables	Y	317,500	317,500	-	-	2	-	Operations	-	None	-	1,370,745	1,370,745	Note 4
13	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables	Y	40,400	32,000	32,000	1.30	2	-	Operations	-	None	-	419,151	419,151	Note 2
14	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables	Y	762,000	762,000	762,000	1.60~3.08	2	-	Operations	-	None	-	862,013	862,013	Note 5
15	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	317,500	317,500	317,500	4.65	2	-	Operations	-	None	-	1,356,237	1,356,237	Note 8
15	WPG SCM Limited	WPG Korea Co., Ltd.	Other receivables	Y	361,725	111,125	111,125	4.54	2	-	Operations	-	None	-	1,356,237	1,356,237	Note 8
15	WPG SCM Limited	WPG Americas Inc.	Other receivables	Y	476,250	476,250	476,250	5.84	2	-	Operations	-	None	-	1,356,237	1,356,237	Note 8
16	WPG China (SZ) Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	134,190	134,190	134,190	3.90	2	-	Operations	-	None	-	1,248,897	1,248,897	Note 5
17	WPG China Inc.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	22,530	22,365	22,365	4.18	2	-	Operations	-	None	-	3,617,962	3,617,962	Note 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					September 30, 2022	September 30, 2022							Item	Value			
18	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	\$ 1,947,750	\$ 1,587,500	\$ -	-	2	\$ -	Operations	\$ -	None	\$ -	\$ 4,192,915	\$ 4,192,915	Note 2
18	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Other receivables	Y	300,000	300,000	-	-	2	-	Operations	-	None	-	4,192,915	4,192,915	Note 2
18	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	313,110	313,110	313,110	3.47	2	-	Operations	-	None	-	4,192,915	4,192,915	Note 2
19	Yosun South China Corp. Ltd.	WPG China Inc.	Other receivables	Y	202,770	134,190	134,190	2.80	2	-	Operations	-	None	-	223,107	223,107	Note 5
19	Yosun South China Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Other receivables	Y	67,095	67,095	67,095	2.80	2	-	Operations	-	None	-	223,107	223,107	Note 5
20	Yosun Shanghai Corp. Ltd.	WPG China Inc.	Other receivables	Y	238,818	237,069	237,069	2.80	2	-	Operations	-	None	-	393,725	393,725	Note 5
20	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	Other receivables	Y	148,478	-	-	-	2	-	Operations	-	None	-	393,725	393,725	Note 5
21	WPG C&C Shanghai Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables	Y	39,497	39,497	39,497	4.10	2	-	Operations	-	None	-	240,367	600,918	Note 5
21	WPG C&C Shanghai Co., Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Other receivables	Y	20,419	18,339	18,339	4.10	2	-	Operations	-	None	-	600,918	600,918	Note 5
21	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	306,408	304,164	304,164	4.10	2	-	Operations	-	None	-	600,918	600,918	Note 5
21	WPG C&C Shanghai Co., Ltd.	WPG China Inc.	Other receivables	Y	90,120	89,460	89,460	4.10	2	-	Operations	-	None	-	600,918	600,918	Note 5
22	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	5,080,000	5,080,000	5,080,000	1.35~4.42	2	-	Operations	-	None	-	28,245,613	28,245,613	Note 5
22	WPI International (Hong Kong) Limited	AECO Technology Co., Ltd.	Other receivables	Y	11,113	11,113	11,113	4.42	2	-	Operations	-	None	-	11,298,245	28,245,613	Note 5
22	WPI International (Hong Kong) Limited	WPG Americas Inc.	Other receivables	Y	1,270,000	1,270,000	730,250	2.50~3.99	2	-	Operations	-	None	-	28,245,613	28,245,613	Note 5

Table 1, Page 3



No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					September 30, 2022	September 30, 2022							Item	Value			
22	WPI International (Hong Kong) Limited	WPG China Inc.	Other receivables	Y	\$ 1,336,500	\$ 670,950	\$ 670,950	4.73	2	\$ -	Operations	\$ -	None	\$ -	\$ 28,245,613	\$ 28,245,613	Note 5
23	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Other receivables	Y	212,720	156,500	89,905	2.30~4.30	2	-	Operations	-	None	-	9,878,931	13,171,908	Note 6
23	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables	Y	3,756,375	-	-	-	2	-	Operations	-	None	-	9,878,931	13,171,908	Note 6
23	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	Other receivables	Y	952,500	952,500	952,500	2.30~4.30	2	-	Operations	-	None	-	9,878,931	13,171,908	Note 6
24	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	Other receivables	Y	1,047,750	1,047,750	1,047,750	1.75~3.96	2	-	Operations	-	None	-	1,859,068	1,859,068	Note 5
24	Silicon Application Company Limited	Silicon Application Corp.	Other receivables	Y	698,500	698,500	698,500	1.25~2.28	2	-	Operations	-	None	-	743,627	1,859,068	Note 5
25	Sertek Limited	Richpower Electronic Devices Co., Limited	Other receivables	Y	79,375	79,375	79,375	0.42	2	-	Operations	-	None	-	85,461	85,461	Note 5
26	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	Other receivables	Y	608,700	571,500	571,500	1.55~4.80	2	-	Operations	-	None	-	641,549	641,549	Note 2
26	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	Other receivables	Y	278,250	-	-	-	2	-	Operations	-	None	-	641,549	641,549	Note 2
27	Apache Communication Inc.	Henshen Electric Trading Co., Ltd.	Other receivables	Y	130,000	130,000	130,000	1.89	2	-	Operations	-	None	-	649,639	1,039,423	Note 7
27	Apache Communication Inc.	Frontek Technology Corporation	Other receivables	Y	476,250	476,250	476,250	3.76	2	-	Operations	-	None	-	649,639	1,039,423	Note 7
28	Genuine C&C Inc.	Hoban Inc.	Other receivables	Y	10,000	-	-	-	2	-	Operations	-	None	-	454,508	454,508	Note 9
29	Pernas Electronics Co., Ltd.	Silicon Application Corp.	Other receivables	Y	400,000	-	-	-	2	-	Operations	-	None	-	567,249	567,249	Note 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					September 30, 2022	September 30, 2022							Item	Value			
29	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Other receivables	Y	\$ 200,000	\$ 200,000	\$ 200,000	1.40~1.60	2	\$ -	Operations	\$ -	None	\$ -	\$ 567,249	\$ 567,249	Note 2
30	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables	Y	476,250	476,250	476,250	1.30~1.70	2	-	Operations	-	None	-	592,927	592,927	Note 5
31	Long-Think International Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables	Y	16,000	16,000	16,000	1.30	2	-	Operations	-	None	-	17,321	17,321	Note 2
32	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	Other receivables	Y	69,843	69,332	69,332	3.90~3.95	2	-	Operations	-	None	-	438,539	438,539	Note 5
32	Peng Yu (Shanghai) Digital Technology Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	Other receivables	Y	90,120	89,460	89,460	4.10	2	-	Operations	-	None	-	438,539	438,539	Note 5
33	Peng Yu International Limited	Peng Yu Trigold Limited	Other receivables	Y	190,500	190,500	190,500	2.21	2	-	Operations	-	None	-	275,819	275,819	Note 5
34	Trigold (Hong Kong) Company Limited	Peng Yu Trigold Limited	Other receivables	Y	76,200	76,200	76,200	2.00	2	-	Operations	-	None	-	1,123,499	1,123,499	Note 5
35	Trigold Holdings Limited	Peng Yu Trigold Limited	Other receivables	Y	297,200	-	-	-	2	-	Operations	-	None	-	842,140	842,140	Note 2

Note 1: Ceiling on total loans to others should not exceed the creditor's net assets. For short-term financing, ceiling on loans to a single party should not exceed the creditor's net assets.

Note 2: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

(2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.

(3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.

Note 4: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets.

For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 5: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to an overseas company or ultimate parent company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to a single company should not be in excess of 30% of creditor's assets.

Note 7: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to a single company should not be in excess of 25% of creditor's net assets.

Note 8: (1) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. Ceilings on accumulated short-term financing should not exceed 200% of the creditor's net assets.

(2) The individual limit amount should not exceed 40% of the creditor's net assets and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

Note 9: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, ceiling on the individual loans from others should not exceed 40% of the creditor's net assets, and the individual limit should not exceed the amount of business transactions within one year; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

(3) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies was excluded in the aforementioned limits.

Note 10: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries  
Provision of endorsements and guarantees to others  
Nine months ended September 30, 2022

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Relationship with the endorser/ guarantor (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of September 30, 2022	Outstanding endorsement/ guarantee amount as of September 30, 2022	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name													
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.		2	\$ 41,797,846	\$ 181,477	\$ 90,770	\$ 90,770	\$ 84,853	0.11	\$ 41,797,846	Y	N	N	Notes 2 and 3
1	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited		2	8,183,888	79,375	79,375	41,237	-	1.94	8,183,888	N	N	N	Note 5
2	World Peace International Pte Ltd.	WPG Americas Inc.		4	-	-	-	-	-	-	-	N	N	N	Note 5
3	WPI International (South Asia) Pte Ltd	WPG Americas Inc.		4	8,933,110	174,625	174,625	165,721	-	3.91	8,933,110	N	N	N	Note 5
4	WPG China Inc.	LaaS (Dongguan) Supply Chain Management Limited		4	5,426,944	54,156	27,285	27,285	27,285	0.75	7,235,925	N	N	Y	Note 10
5	Yosun Industrial Corp.	Yosun Singapore Pte Ltd.		2	10,482,288	1,222,375	1,222,375	452,447	-	11.66	20,964,576	N	N	N	Note 9
5	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.		2	10,482,288	444,500	444,500	195,296	-	4.24	20,964,576	N	N	N	Note 9
5	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd		2	10,482,288	857,250	857,250	541,071	-	8.18	20,964,576	N	N	N	Note 9
5	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.		2	10,482,288	793,750	793,750	54,356	-	7.57	20,964,576	N	N	Y	Note 9
5	Yosun Industrial Corp.	Sertek Incorporated		2	10,482,288	2,540,000	2,540,000	1,855,091	-	24.23	20,964,576	N	N	N	Note 9
5	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited		2	10,482,288	927,000	927,000	614,643	-	8.84	20,964,576	N	N	N	Note 9
6	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited		2	16,464,885	3,602,976	3,494,525	1,029,203	-	10.61	26,343,817	N	N	N	Note 4
6	World Peace Industrial Co., Ltd.	Vitec WPG Limited		6	16,464,885	71,437	71,437	31,750	-	0.22	26,343,817	N	N	N	Note 4

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of September 30, 2022	Outstanding endorsement/ guarantee amount as of September 30, 2022	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 1)											
6	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd	2	\$ 16,464,885	\$ 1,060,005	\$ 894,375	\$ 822,132	\$ -	2.72	\$ 26,343,817	N	N	N	Note 4
6	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	4	16,464,885	793,750	793,750	112,744	-	2.41	26,343,817	N	N	N	Note 4
6	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	4	16,464,885	60,000	60,000	31,694	-	0.18	26,343,817	N	N	N	Note 4
6	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	4	16,464,885	31,750	31,750	13,295	-	0.10	26,343,817	N	N	Y	Note 4
7	Apache Communication Inc.	Asian Information Technology Inc.	3	1,039,423	358,750	358,750	241,316	-	13.81	1,299,279	N	N	N	Note 8
8	Frontek Technology Corporation	Asian Information Technology Inc.	3	1,248,433	547,375	400,000	54,002	-	12.82	1,560,541	N	N	N	Note 8
9	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	709,061	200,000	200,000	100,000	-	14.10	709,061	N	N	N	Note 6
10	Asian Information Technology Inc.	Apache Communication Inc.	2	3,338,695	476,250	476,250	231,304	-	5.71	4,173,368	N	N	N	Note 7
10	Asian Information Technology Inc.	Frontek Technology Corporation	2	3,338,695	910,895	910,895	264,627	-	10.91	4,173,368	N	N	N	Note 7
10	Asian Information Technology Inc.	AIT Japan Inc.	2	3,338,695	41,275	41,275	8,595	-	0.49	4,173,368	N	N	N	Note 7
10	Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	2	3,338,695	400,000	400,000	266,445	-	4.79	4,173,368	N	N	N	Note 7
11	Trigold Holdings Limited	Peng Yu Trigold Limited	2	1,052,675	140,125	127,000	127,000	-	6.03	1,052,675	N	N	N	Note 11

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 2: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The limit on the Company and its subsidiaries' total loan to other companies is less than 60% of the Company's net assets; limited to a single company should not exceed 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.

- Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$84,853.
- Note 4: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The net asset value is based on the latest audited or reviewed financial statements. For the guarantees provided by World Peace Industrial Co., Ltd. to WPI International (Hong Kong) Limited, the outstanding endorsement/guarantee amount at the end of the period was calculated by adding the old and new guarantee amounts due to the early approval by the chairman.
- Note 5: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.
- Note 6: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets; the limit to a single company should not exceed 50% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company, the Company's ultimate parent company and subsidiaries to a single party is 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 7: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a single company should not be in excess of 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 8: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 9: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 10: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 150% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 11: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets. The guarantee amount to a subsidiary which is 100% directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.

WPG Holdings Limited and Subsidiaries  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
Nine months ended September 30, 2022

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

				As of September 30, 2022				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	Footnote
WPG Holdings Limited	Restar Holdings Corporation	None	Financial assets at fair value through profit or loss - non-current	230	\$ 97,753	0.76	\$ 97,753	Note 2
WPG Holdings Limited	Tyche Partners L.P. - Funds	None	Financial assets at fair value through profit or loss - non-current	-	410,535	-	410,535	
WPG Holdings Limited	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	86,914	-	86,914	
WPG Holdings Limited	T3EX Global Holdings Corp. ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	1,415,987	-	1,415,987	
WPG Holdings Limited	WT Microelectronics Co., Ltd.-Preference shares	The Group's investment accounted for using the equity method	Financial assets at fair value through other comprehensive income - non-current	24,284	1,168,054	17.99	1,168,054	Note 3
Silicon Application Corp.	Kingmax Technology Inc., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	11,538	-	11,538	Note 4
World Peace Industrial Co., Ltd.	Silicon Line GmbH, Munich...etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	24,068	-	24,068	
World Peace Industrial Co., Ltd.	Vesper Technologies Inc.	None	Financial assets at fair value through other comprehensive income - non-current	-	31,050	-	31,050	
AECO Technology Co., Ltd.	Hua-Jie (Taiwan) Corp. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	668	6,684	3.32	6,684	
Yosun Industrial Corp.	Fortend Taiwan Scientific Corp., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	11,184	-	11,184	
Yosun Industrial Corp.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	-	17,100	-	17,100	
Genuine C&C Inc.	Systemweb Technology - Equity securities	None	Financial assets at fair value through profit or loss - non-current	700	18,650	7.00	18,650	
Richpower Electronic Devices Co., Ltd.	Chipmast Technology Co., Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	72	546	1.48	546	
WPG Investment Co., Ltd.	Dimerco Express Corporation - Equity securities	None	Financial assets at fair value through profit or loss - current	18	1,079	0.01	1,079	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2022				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
WPG Investment Co., Ltd.	CDIB CME Fund Ltd., ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	\$ 18,690	-	\$ 18,690	
WPG Investment Co., Ltd.	Nichidenbo Corporation ... etc. - Equity securities	None	Financial assets at fair value through other comprehensive income - non-current	-	409,932	-	409,932	
Asian Information Technology Inc.	Golf club memberships of Ta Shee Resort Co., Ltd.	None	Financial assets at fair value through profit or loss – non-current	-	17,100	-	17,100	
Win-Win Systems Ltd.	Silicon Electronics Company(s) Pte. Ltd. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	180	-	-	-	
WPG South Asia Pte. Ltd.	ViMOS Technologies GmbH - Equity securities	None	Financial assets at fair value through profit or loss - non-current	20	686	9.00	686	
WPG China Inc.	CECI Technology Co. Ltd. ... etc. - Equity securities	None	Financial assets at fair value through profit or loss - non-current	-	970,712	-	970,712	
WPG China Inc.	Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership)	None	Financial assets at fair value through profit or loss - non-current	-	89,461	-	89,461	

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities was changed.

Note 3: On September 18, 2020, the Board of Directors of the Group resolved to subscribe WT's series A preference shares in the amount of 24,283,867 shares with a par value of NT\$50 per share, with total consideration of \$1,214,193, based on the shareholding ratio at the effective date of the capital increase in accordance with the application for shares. As of October 15, 2020 (effective date of the capital increase), the Group's shareholding ratio in WT is 17.99% of total outstanding preference shares after subscribing WT's series A preference shares.

Note 4: There are 566 thousand shares of Kingmax Technology Inc. which have been pledged for purchases as of September 30, 2022.



WPG Holdings Limited and Subsidiaries

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

Nine months ended September 30, 2022

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2022		Addition		Disposal				Balance as at September 30, 2022	
					No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	No. of shares (in thousands)	Amount
WPG Holdings Limited	EDOM Technology Co., Ltd.	Note	EDOM Technology Co., Ltd.	None	-	\$ -	25,000	\$ 862,504	-	\$ -	\$ -	\$ -	25,000	\$ 862,504

Note: It is recorded as financial assets at fair value through other comprehensive income - non-current.

WPG Holdings Limited and Subsidiaries  
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more  
Nine months ended September 30, 2022

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

							Differences in transaction terms compared to third party				
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Same ultimate parent company	Sales	(\$ 655,576) (	52.28)	Note 5	Note 5	Note 5	\$ 73,806	50.20	
"	Silicon Application corp.	"	"	( 174,984) (	13.95)	"	"	"	19,488	13.26	
"	Asian Information Technology Inc.	"	"	( 179,460) (	14.31)	"	"	"	23,490	15.98	
"	Yosun Industrial Corp.	"	"	( 223,320) (	17.81)	"	"	"	27,392	18.63	
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	"	( 10,384,422) (	8.51)	Note 3	Note 3	Note 3	1,345,071	4.95	
"	WPG Electronics (Hong Kong) Limited	"	"	( 1,110,525) (	0.91)	"	"	"	569,243	2.10	
"	WPG China (SZ) Inc.	"	"	( 338,130) (	0.28)	"	"	"	55,272	0.20	
"	WPG China Inc.	"	"	( 305,076) (	0.25)	"	"	"	70,039	0.26	
"	Genuine C&C Inc.	"	"	( 271,093) (	0.22)	"	"	"	64,946	0.24	
"	World Peace International (South Asia) Pte Ltd.	"	"	( 120,008) (	0.10)	"	"	"	14,094	0.05	
Genuine C&C (IndoChina) Pte Ltd.	WPG P.T. Electrindo Jaya	An investee which accounted associates using the equity method	"	( 249,527) (	97.97)	"	"	"	-	-	
World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	Same ultimate parent company	"	( 734,967) (	3.19)	"	"	"	86,741	1.30	
"	WPI International (Hong Kong) Limited	"	"	( 289,493) (	1.26)	"	"	"	59,582	0.89	
"	WPG SCM Limited	"	"	( 3,196,063) (	13.86)	"	"	"	1,019,406	15.28	
"	WPG P.T. Electrindo Jaya	An investee which accounted associates using the equity method	"	( 398,312) (	1.73)	"	"	"	71,604	1.07	
"	WPG Americas Inc.	Same ultimate parent company	"	( 104,683) (	0.45)	"	"	"	10,919	0.16	
"	WPG C&C Comuters and Peripheral (India) Private Limited	"	"	( 1,635,134) (	7.09)	"	"	"	533,747	8.00	
"	WPG C&C (Malaysia) Sdn. Bhd	"	"	( 204,493) (	0.89)	"	"	"	24,303	0.36	

Differences in transaction terms compared to third party											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Same ultimate parent company	Sales	(\$ 399,014) (	1.73)	Note 3	Note 3	Note 3	\$ 85,920	1.29	
"	WPI International (South Asia) Pte. Ltd.	"	"	( 1,085,208) (	4.71)	"	"	"	144,871	2.17	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	( 6,474,217) (	3.41)	"	"	"	830,806	1.88	
"	WPG Electronics (Hong Kong) Limited	"	"	( 1,845,586) (	0.97)	"	"	"	834,298	1.89	
"	WPG China (SZ) Inc.	"	"	( 2,238,925) (	1.18)	"	"	"	540,010	1.22	
"	WPG China Inc.	"	"	( 2,054,854) (	1.08)	"	"	"	413,021	0.94	
"	WPG SCM Limited	"	"	( 782,068) (	0.41)	"	"	"	104,075	0.24	
"	WPG Korea Co., Ltd.	"	"	( 228,421) (	0.12)	"	"	"	34,698	0.08	
"	Vitec WPG Limited	Investee accounted for using equity method	"	( 260,028) (	0.14)	"	"	"	32,128	0.07	
"	WT Microelectronic (Hong Kong) Limited	Subsidiary of investee accounted for using equity method	"	( 271,839) (	0.14)	"	"	"	27,185	0.06	
"	World Peace International (South Asia) Pte Ltd.	Same ultimate parent company	"	( 710,405) (	0.37)	"	"	"	89,267	0.20	
Silicon Application corp.	Pernas Electronics Co., Ltd.	"	"	( 404,619) (	0.67)	30 days after monthly billings	Note 4	Note 4	42,788	0.24	
"	WPG Electronics (Hong Kong) Limited	"	"	( 3,344,615) (	5.50)	90 days after monthly billings	"	"	1,723,140	9.70	
"	WPG China (SZ) Inc.	"	"	( 980,202) (	1.61)	"	"	"	278,518	1.57	
"	WPG China Inc.	"	"	( 269,338) (	0.44)	"	"	"	126,729	0.71	
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	"	( 1,122,568) (	25.17)	30 days after monthly billings	"	"	135,433	9.60	
"	Everwiner Enterprise Co., Ltd.	"	"	( 225,469) (	5.06)	Note 2	"	"	14,704	1.04	
Everwiner Enterprise Co., Ltd	Silicon Application Corp.	"	"	( 528,426) (	12.32)	30 days after monthly billings	"	"	72,485	5.03	
"	Pernas Electronics Co., Ltd.	"	"	( 1,245,199) (	29.03)	Note 2	"	"	288,644	20.03	
Asian Information Technology Inc.	Silicon Application Corp.	"	"	( 144,421) (	0.46)	"	Note 2	Note 2	8,630	0.09	
"	Frontek Technology Corporation	"	"	( 5,662,787) (	18.09)	"	"	"	2,445,909	25.60	

Table 5, Page 2

Differences in transaction terms compared to third party											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Asian Information Technology Inc.	Apache Communication Inc.	Same ultimate parent company	Sales	(\$ 1,133,972)	( 3.62)	Note 2	Note 2	Note 2	\$ 130,675	1.37	
"	WPG Electronics (Hong Kong) Limited	"	"	( 226,119)	( 0.72)	"	"	"	133,286	1.40	
"	WPG China (SZ) Inc.	"	"	( 108,240)	( 0.35)	"	"	"	30,470	0.32	
"	WPG China Inc.	"	"	( 127,830)	( 0.41)	"	"	"	28,185	0.30	
"	Maxtek Technology Co., Ltd.	"	"	( 139,620)	( 0.45)	"	"	"	2,689	0.03	
Frontek Technology Corporation	Asian Information Technology Inc.	"	"	( 3,487,035)	( 14.26)	"	"	"	516,598	7.31	
"	WPG Electronics (Hong Kong) Limited	"	"	( 325,975)	( 1.33)	"	"	"	176,089	2.49	
"	WPG China Inc.	"	"	( 120,529)	( 0.49)	"	"	"	42,890	0.61	
Apache Communication Inc.	Asian Information Technology Inc.	"	"	( 994,678)	( 3.92)	"	"	"	283,196	8.28	
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	( 724,233)	( 3.80)	Notes 3 and 5	Notes 3 and 5	Notes 3 and 5	378,849	8.85	
"	WPI International (Hong Kong) Limited	"	"	( 4,668,041)	( 24.49)	"	"	"	1,966,434	45.94	
"	WPG China (SZ) Inc.	"	"	( 128,532)	( 0.67)	Note 3	Note 3	Note 3	32,581	0.76	
"	Peng Yu Trigold Limited	"	"	( 4,318,961)	( 22.66)	Notes 3 and 5	Notes 3 and 5	Notes 3 and 5	786,349	18.37	
WPG China (SZ) Inc.	WPG China Inc.	"	"	( 261,193)	( 2.99)	Note 6	Note 6	Note 6	54,561	1.42	
WPG China Inc.	WPG China (SZ) Inc.	"	"	( 820,885)	( 5.50)	Note 3	Note 4	Note 4	212,419	4.60	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	( 780,430)	( 4.84)	"	Note 3	Note 3	79,723	2.68	
"	Yosun Industrial Corp.	"	"	( 432,361)	( 2.68)	"	"	"	-	-	
WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	"	( 417,470)	( 22.76)	Notes 3 and 5	Notes 3 and 5	Notes 3 and 5	-	-	
Yosun Industrial Corp.	WPG China (SZ) Inc.	"	"	( 617,617)	( 1.95)	Note 6	Note 6	Note 6	134,142	3.76	
"	WPG China Inc.	"	"	( 502,220)	( 1.59)	"	"	"	163,616	4.59	
"	Yosun Hong Kong Corp. Ltd.	"	"	( 3,503,901)	( 11.07)	Note 3	Note 3	Note 3	449,381	12.60	
"	Richpower Electronic Devices Co., Ltd.	"	"	( 101,327)	( 0.32)	"	"	"	36,619	1.03	
"	Richpower Electronic Devices Co., Limited	"	"	( 102,138)	( 0.32)	"	"	"	8,458	0.24	
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	"	( 384,346)	( 1.01)	Note 6	Note 6	Note 6	38,779	0.56	
"	WPG China Inc.	"	"	( 761,175)	( 2.00)	Note 6	Note 6	Note 6	185,116	2.65	

Differences in transaction terms compared to third party											
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	Same ultimate parent company	Sales	(\$ 7,056,997) (	18.53)	Note 3	Note 3	Note 3	\$ 197,076	2.82	
"	Richpower Electronic Devices Co., Limited	"	"	( 1,448,946) (	3.81)	"	"	"	421,933	6.05	
Yosun Singapore Pte Ltd.	WPG SCM Limited	"	"	( 426,145) (	6.33)	"	"	"	69,246	5.94	
"	Yosun Hong Kong Corp. Ltd.	"	"	( 120,249) (	1.79)	"	"	"	1,209	0.10	
Sertek Incorporated	Yosun Industrial Corp.	"	"	( 697,858) (	6.26)	"	"	"	133,650	14.94	
"	Yosun Hong Kong Corp. Ltd.	"	"	( 562,068) (	5.04)	"	"	"	179,288	20.05	
Richpower Electronic Devices Co., Ltd.	Silicon Application corp.	"	"	( 1,374,989) (	9.94)	"	"	"	35,092	1.14	
"	WPG Electronics (Hong Kong) Limited	"	"	( 767,560) (	5.55)	Note 6	Note 6	Note 6	263,894	8.59	
"	Yosun Industrial Corp.	"	"	( 466,602) (	3.37)	Note 3	Note 3	Note 3	145,007	4.72	
Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	"	"	( 316,846) (	2.16)	"	"	"	122,699	2.75	
"	WPG China (SZ) Inc.	"	"	( 157,297) (	1.07)	Note 6	Note 6	Note 6	37,533	0.84	
"	Yosun Industrial Corp.	"	"	( 288,282) (	1.96)	Note 3	Note 3	Note 3	61,301	1.37	
"	Yosun Hong Kong Corp. Ltd.	"	"	( 2,807,715) (	19.13)	"	"	"	997,867	22.37	
"	Richpower Electronic Devices Co., Ltd	"	"	( 505,366) (	3.44)	"	"	"	67,810	1.52	
Peng Yu Trigold Limited	World Peace Industrial Co., Ltd.	"	"	( 1,088,893) (	22.91)	Note 2	Note 2	Note 2	38,239	6.12	
"	WPI International (Hong Kong) Limited	"	"	( 470,689) (	9.91)	"	"	"	41,452	6.63	
"	WPG Electronics (Hong Kong) Limited	"	"	( 261,749) (	5.51)	"	"	"	236,934	37.92	
"	WPG C&C Shanghai Co., Ltd.	"	"	( 1,781,179) (	37.48)	"	"	"	256,491	41.05	

Note 1: As the related party transactions of consolidated subsidiaries exceeding \$100 million are voluminous, the related information disclosed here is from the sales aspect.

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 5: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

WPG Holdings Limited and Subsidiaries  
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more  
Nine months ended September 30, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	\$ 1,345,071	9.13	\$ -	-	\$ 1,345,071	\$ -
World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	"	569,243	3.46	10,231	-	146,899	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	1,019,406	5.08	-	-	254,000	-
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	"	533,747	6.21	-	-	134,352	-
World Peace International (South Asia) Pte Ltd.	WPI International (South Asia) Pte Ltd.	"	144,871	19.98	-	-	126,739	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	830,806	8.27	-	-	830,806	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	834,298	2.63	-	-	377,414	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	540,010	5.50	-	-	281,301	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	413,021	5.17	-	-	197,746	-
WPI International (Hong Kong) Limited	WPG SCM Limited	"	104,075	12.36	-	-	-	-
Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	"	1,723,140	2.65	64,552	-	494,354	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	278,518	4.14	4,595	-	87,931	-
Silicon Application Corp.	WPG China Inc.	"	126,729	3.29	-	-	72,700	-
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	135,433	6.96	-	-	135,433	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	288,644	5.27	-	-	131,689	-
Asian Information Technology Inc.	Frontek Technology Corporation	"	2,445,909	3.21	-	-	2,445,909	-
Asian Information Technology Inc.	Apache Communication Inc.	"	130,675	6.97	-	-	130,675	-
Asian Information Technology Inc.	WPG Electronics (Hong Kong) Limited	"	133,286	2.92	-	-	11,983	-
Frontek Technology Corporation	Asian Information Technology Inc.	"	516,598	14.58	-	-	516,598	-
Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	"	176,089	2.16	-	-	50,982	-
Apache Communication Inc.	Asian Information Technology Inc.	"	283,196	1.90	-	-	283,196	-
WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	378,849	4.03	-	-	58,573	-
WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	1,966,434	2.59	-	-	577,198	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
WPG Electronics (Hong Kong) Limited	Peng Yu Trigold Limited	Same ultimate parent company	\$ 786,349	7.11	\$ 54,968	-	\$ 476,250	\$ -
WPG China Inc.	WPG China (SZ) Inc.	"	212,419	4.26	-	-	-	-
Yosun Industrial Corp.	WPG China (SZ) Inc.	"	134,142	5.58	-	-	51,789	-
Yosun Industrial Corp.	WPG China Inc.	"	163,616	4.17	-	-	53,530	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	449,381	18.43	-	-	130,909	-
Yosun Hong Kong Corp. Ltd.	WPG China Inc.	"	185,116	3.77	-	-	57,142	-
Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	"	197,076	26.78	17,790	-	197,076	-
Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	"	421,933	8.80	-	-	421,933	-
Sertek Incorporated	Yosun Industrial Corp.	"	133,650	7.96	-	-	65,070	-
Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	"	179,288	6.92	-	-	179,288	-
Richpower Electronic Devices Co., Ltd	WPG Electronics (Hong Kong) Limited	"	263,894	2.89	53,038	-	91,468	-
Richpower Electronic Devices Co., Ltd	Yosun Industrial Corp.	"	145,007	5.94	-	-	86,135	-
Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	"	122,699	6.87	-	-	122,699	-
Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	"	997,867	7.05	-	-	997,867	-
Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	"	236,934	2.87	6,517	-	-	-
Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	"	256,491	8.58	-	-	207,289	-
WPG Holdings Limited	World Peace Industrial Co., Ltd.	"	299,279	0.00	-	-	-	-
World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	"	968,073	0.00	-	-	4,540	-
WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	111,536	0.00	-	-	411	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	254,914	0.00	-	-	65,018	-
WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	"	5,116,402	0.00	-	-	-	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	695,605	0.00	-	-	-	-
WPI International (Hong Kong) Limited	WPG Americas Inc.	"	737,115	0.00	-	-	-	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	464,905	0.00	-	-	47	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	257,119	0.00	-	-	257,119	-
Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	480,801	0.00	-	-	-	-

Table 6, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Same ultimate parent company	\$ 766,202	0.00	\$ -	-	\$ -	\$ -
Silicon Application Company Limited	Silicon Application corp.	"	711,232	0.00	-	-	3,884	-
Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	"	1,066,557	0.00	-	-	-	-
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	"	202,249	0.00	-	-	-	-
Apache Communication Inc.	Henshen Electric Trading Co., Ltd.	"	130,249	0.00	-	-	-	-
Apache Communication Inc.	Frontek Technology Corporation	"	476,399	0.00	-	-	-	-
WPG China (SZ) Inc.	LaaS (Dongguan) Supply Chain Management Limited	"	136,473	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	573,561	0.00	-	-	1,963	-
WPG SCM Limited	WPG Electronics (Hong Kong) Limited	"	318,443	0.00	-	-	943	-
WPG SCM Limited	WPG Korea Co., Ltd.	"	111,546	0.00	-	-	-	-
WPG SCM Limited	WPG Americas Inc.	"	478,569	0.00	-	-	1,623	-
Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	"	314,408	0.00	-	-	-	-
Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	"	1,009,085	0.00	-	-	994,719	-
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	241,828	0.00	-	-	-	-
Yosun South China Corp. Ltd.	WPG China Inc.	"	137,718	0.00	-	-	-	-
Sertek Incorporated	Richpower Electronic Devices Co., Ltd	"	574,513	0.00	-	-	-	-
Richpower Electronic Devices Pte Ltd.	Yosun Singapore Pte Ltd.	"	238,968	0.00	-	-	843	-
Genuine C&C Holding Inc. (Seychelles)	Peng Yu Trigold Limited	"	144,956	0.00	-	-	50,800	-
Peng Yu International Limited	Peng Yu Trigold Limited	"	195,117	0.00	-	-	-	-
WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited	"	315,268	0.00	-	-	-	-

Note 1: Balance as at September 30, 2022 includes other receivables that exceed \$100,000.

Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable. The nature of certain other receivables pertains to loans to others, refer to table 1 for details.

Note 3: The subsequent collections are those receivables collected as of October 26, 2022.



WPG Holdings Limited and Subsidiaries  
Significant inter-company transactions during the reporting period  
Nine months ended September 30, 2022

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	\$ 655,576	Note 11	0.11
0	WPG Holdings Limited	Silicon Application Corp.	1	"	174,984	Note 11	0.03
0	WPG Holdings Limited	Asian Information Technology Inc.	1	"	179,460	Note 11	0.03
0	WPG Holdings Limited	Yosun Industrial Corp.	1	"	223,320	Note 11	0.04
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	10,384,422	Note 5	1.73
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	1,110,525	Note 5	0.19
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	338,130	Note 5	0.06
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	305,076	Note 5	0.05
1	World Peace Industrial Co., Ltd.	Genuine C&C Inc.	3	"	271,093	Note 5	0.05
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	120,008	Note 5	0.02
2	World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	3	"	734,967	Note 5	0.12
2	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	3	"	289,493	Note 5	0.05
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	3,196,063	Note 5	0.53
2	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	3	"	104,683	Note 5	0.02
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	1,635,134	Note 5	0.27
2	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	3	"	204,493	Note 5	0.03
2	World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	3	"	399,014	Note 5	0.07
2	World Peace International (South Asia) Pte Ltd.	WPI International (South Asia) Pte. Ltd.	3	"	1,085,208	Note 5	0.18

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Sales	\$ 6,474,217	Note 5	1.08
3	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	1,845,586	Note 5	0.31
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	2,238,925	Note 5	0.37
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	2,054,854	Note 5	0.34
3	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	782,068	Note 5	0.13
3	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	"	228,421	Note 5	0.04
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	710,405	Note 5	0.12
4	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	404,619	Notes 9 and 11	0.07
4	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	3,344,615	Notes 9 and 12	0.56
4	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	980,202	Notes 9 and 12	0.16
4	Silicon Application Corp.	WPG China Inc.	3	"	269,338	Notes 9 and 12	0.04
5	Pernas Electronics Co., Ltd.	Silicon Application corp.	3	"	1,122,568	Notes 9 and 11	0.19
5	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	225,469	Note 4	0.04
6	Everwiner Enterprise Co., Ltd.	Silicon Application corp.	3	"	528,426	Notes 9 and 11	0.09
6	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	1,245,199	Note 4	0.21
7	Asian Information Technology Inc.	Silicon Application corp.	3	"	144,421	Note 4	0.02
7	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	5,662,787	Note 4	0.95
7	Asian Information Technology Inc.	Apache Communication Inc.	3	"	1,133,972	Note 4	0.19
7	Asian Information Technology Inc.	WPG Electronics (Hong Kong) Limited	3	"	226,119	Note 4	0.04
7	Asian Information Technology Inc.	WPG China (SZ) Inc.	3	"	108,240	Note 4	0.02
7	Asian Information Technology Inc.	WPG China Inc.	3	"	127,830	Note 4	0.02
8	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	3,487,035	Note 4	0.58
8	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	325,975	Note 4	0.05
8	Frontek Technology Corporation	WPG China Inc.	3	"	120,529	Note 4	0.02
9	Apache Communication Inc.	Asian Information Technology Inc.	3	"	994,678	Note 4	0.17
10	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	724,233	Note 5	0.12

Table 7, Page 2

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
10	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	Sales	\$ 4,668,041	Note 5	0.78
10	WPG Electronics (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	128,532	Note 5	0.02
10	WPG Electronics (Hong Kong) Limited	Peng Yu Trigold Limited	3	"	4,318,961	Note 5	0.72
11	WPG China (SZ) Inc.	WPG China Inc.	3	"	261,193	Note 8	0.04
12	WPG China Inc.	WPG China (SZ) Inc.	3	"	820,885	Note 5	0.14
13	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	780,430	Note 5	0.13
13	WPG Americas Inc.	Yosun Industrial Corp.	3	"	432,361	Note 5	0.07
14	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	417,470	Note 11	0.07
15	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	617,617	Note 8	0.10
15	Yosun Industrial Corp.	WPG China Inc.	3	"	502,220	Note 8	0.08
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	3,503,901	Note 5	0.59
15	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	3	"	101,327	Note 5	0.02
15	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	3	"	102,138	Note 5	0.02
16	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	384,346	Note 8	0.06
16	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	761,175	Note 8	0.13
16	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	7,056,997	Note 5	1.18
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	1,448,946	Note 5	0.24
17	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	426,145	Note 5	0.07
17	Yosun Singapore Pte Ltd.	Yousn Hong Kong Corp. Ltd.	3	"	120,249	Note 5	0.02
18	Sertek Incorporated	Yosun Industrial Corp.	3	"	697,858	Note 5	0.12
18	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	"	562,068	Note 5	0.09
19	Richpower Electronic Devices Co., Ltd.	Silicon Application Corp.	3	"	1,374,989	Note 5	0.23
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	767,560	Note 8	0.13
19	Richpower Electronic Devices Co., Ltd.	Yosun Industrial Corp.	3	"	466,602	Note 5	0.08
20	Richpower Electronic Devices Co., Limited	WPI International (Hong Kong) Limited	3	"	316,846	Note 5	0.05
20	Richpower Electronic Devices Co., Limited	WPG China (SZ) Inc.	3	"	157,297	Note 8	0.03

Table 7, Page 3

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
20	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	Sales	\$ 288,282	Note 5	0.05
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	2,807,715	Note 5	0.47
20	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	"	505,366	Note 5	0.08
21	Peng Yu Trigold Limited	World Peace Industrial Co., Ltd.	3	"	1,088,893	Note 4	0.18
21	Peng Yu Trigold Limited	WPI International (Hong Kong) Limited	3	"	470,689	Note 4	0.08
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	261,749	Note 4	0.04
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	1,781,179	Note 4	0.30
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	1,345,071	Note 5	0.38
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	569,243	Note 5	0.16
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	1,019,406	Note 5	0.29
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	533,747	Note 5	0.15
2	World Peace International (South Asia) Pte Ltd.	WPI International (South Asia) Pte. Ltd.	3	"	144,871	Note 5	0.04
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	830,806	Note 5	0.23
3	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	"	834,298	Note 5	0.23
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	540,010	Note 5	0.15
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	413,021	Note 5	0.12
3	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	104,075	Note 5	0.03
4	Silicon Application Corp.	WPG Electronics (Hong Kong) Limited	3	"	1,723,140	Notes 9 and 12	0.48
4	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	278,518	Notes 9 and 12	0.08
4	Silicon Application Corp.	WPG China Inc.	3	"	126,729	Notes 9 and 12	0.04
5	Pernas Electronics Co., Ltd.	Silicon Application corp.	3	"	135,433	Notes 9 and 11	0.04
6	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	288,644	Note 4	0.08
7	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	2,445,909	Note 4	0.69
7	Asian Information Technology Inc.	Apache Communication Inc.	3	"	130,675	Note 4	0.04
7	Asian Information Technology Inc.	WPG Electronics (Hong Kong) Limited	3	"	133,286	Note 4	0.04

Table 7, Page 4

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
8	Frontek Technology Corporation	Asian Information Technology Inc.	3	Accounts receivable	\$ 516,598	Note 4	0.14
8	Frontek Technology Corporation	WPG Electronics (Hong Kong) Limited	3	"	176,089	Note 4	0.05
9	Apache Communication Inc.	Asian Information Technology Inc.	3	"	283,196	Note 4	0.08
10	WPG Electronics (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	378,849	Note 10	0.11
10	WPG Electronics (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	1,966,434	Note 10	0.55
10	WPG Electronics (Hong Kong) Limited	Peng Yu Trigold Limited	3	"	786,349	Note 10	0.22
12	WPG China Inc.	WPG China (SZ) Inc.	3	"	212,419	Note 5	0.06
15	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	134,142	Note 8	0.04
15	Yosun Industrial Corp.	WPG China Inc.	3	"	163,616	Note 8	0.05
15	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	449,381	Note 5	0.13
16	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	185,116	Note 8	0.05
16	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	197,076	Note 5	0.06
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	421,933	Note 5	0.12
18	Sertek Incorporated	Yosun Industrial Corp.	3	"	133,650	Note 5	0.04
18	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	"	179,288	Note 5	0.05
19	Richpower Electronic Devices Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	263,894	Note 8	0.07
19	Richpower Electronic Devices Co., Ltd.	Yosun Industrial Corp.	3	"	145,007	Note 5	0.04
20	Richpower Electronic Devices Co., Limited	WPI Intermotional (Hong Kong) Limited	3	"	122,699	Note 5	0.03
20	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	997,867	Note 5	0.28
21	Peng Yu Trigold Limited	WPG Electronics (Hong Kong) Limited	3	"	236,934	Note 10	0.07
21	Peng Yu Trigold Limited	WPG C&C Shanghai Co., Ltd.	3	"	256,491	Note 10	0.07
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Other receivables	299,279	Note 13	0.08
1	World Peace Industrial Co., Ltd.	WPG Electronics (Hong Kong) Limited	3	"	968,073	Note 7	0.27
22	WPI International (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	111,536	Note 7	0.03
2	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	254,914	Note 6	0.07

Table 7, Page 5

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
3	WPI International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	3	Other receivables	\$ 5,116,402	Note 7	1.43
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	695,605	Note 7	0.19
3	WPI International (Hong Kong) Limited	WPG Americas Inc.	3	"	737,115	Note 7	0.21
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	464,905	Note 14	0.13
23	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	257,119	Note 7	0.07
24	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	480,801	Note 7	0.13
25	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	3	"	766,202	Note 7	0.21
26	Silicon Application Company Limited	Silicon Application corp.	3	"	711,232	Note 7	0.20
26	Silicon Application Company Limited	WPG Electronics (Hong Kong) Limited	3	"	1,066,557	Note 7	0.30
5	Pernas Electronic Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	202,249	Note 7	0.06
9	Apache Communication Inc.	Henshen Electric Trading Co., Ltd.	3	"	130,249	Note 7	0.04
9	Apache Communication Inc.	Frontek Technology Corporation	3	"	476,399	Note 7	0.13
11	WPG China (SZ) Inc.	LaaS (Dongguan) Supply Chain Management Limited	3	"	136,473	Note 7	0.04
14	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	573,561	Note 7	0.16
27	WPG SCM Limited	WPG Electronics (Hong Kong) Limited	3	"	318,443	Note 7	0.09
27	WPG SCM Limited	WPG Korea Co., Ltd.	3	"	111,546	Note 7	0.03
27	WPG SCM Limited	WPG Americas Inc.	3	"	478,569	Note 7	0.13
15	Yosun Industrial Corp.	Yosun Shanghai Corp. Ltd.	3	"	314,408	Note 7	0.09
16	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	1,009,085	Note 7	0.28
28	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	"	241,828	Note 7	0.07
29	Yosun South China Corp. Ltd.	WPG China Inc.	3	"	137,718	Note 7	0.04
18	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	3	"	574,513	Note 7	0.16
30	Richpower Electronic Devices Pte Ltd.	Yosun Singapore Pte Ltd.	3	"	238,968	Note 7	0.07
31	Genuine C&C Holding Inc. (Seychelles)	Peng Yu Trigold Limited	3	"	144,956	Note 7	0.04
32	Peng Yu International Limited	Peng Yu Trigold Limited	3	"	195,117	Note 7	0.05

Table 7, Page 6

Transaction							Percentage of consolidated total operating revenues or total assets (Note 3)
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	
33	WPG C&C Shanghai Co., Ltd.	LaaS (Dongguan) Supply Chain Management Limited.	3	Other receivables	\$ 315,268	Note 7	0.09

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The amount receivable pertains to receipts under custody.

Note 7: Mainly accrued financing charges.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 10: The collection period is 60 days from the end of the month of sales.

Note 11: The collection period is 30 days from the end of the month of sales.

Note 12: The collection period is 90 days from the end of the month of sales.

Note 13: The amount receivable arose from filing of consolidated tax return.

Note 14: The receivable was due from a payment to supplier on behalf of associates.

WPG Holdings Limited and Subsidiaries  
Information on investees (excluding information on investments in Mainland china)  
Nine months ended September 30, 2022

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022 (Note 1)	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Agent and sales of electronic/ electrical components	\$ 18,471,669	\$ 18,471,669	1,812,000,000	100.00	\$ 32,917,352	\$ 3,577,660	\$ 3,577,660	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic/ electrical components	4,863,464	4,863,464	612,089,200	100.00	8,346,737	1,156,171	1,156,171	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic products	5,717,962	5,717,962	650,300,000	100.00	10,014,119	976,743	976,743	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Agent and sales of electronic/ electrical components	14,735	14,735	3,920,000	100.00	44,640	(2,414)	(1,721)	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Agent and sales of electronic/ electrical components	394,436	308,771	2,959,494	100.00	767,016	33,769	33,769	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	4,583,583	4,583,583	150,282,520	100.00	8,429,154	531,016	531,016	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic/ electrical components	12,144,406	12,144,406	402,310,300	100.00	14,230,370	1,331,913	1,329,276	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	2,102,997	2,102,997	210,000,000	100.00	1,980,127	(20,575)	(44,422)	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	940,141	940,141	59,195,189	58.86	1,279,238	162,930	96,593	Note 4
WPG Holdings Limited	WPG EMEA B.V.	Netherlands	Sales of electronic/ electrical components	140,500	140,500	5,000,000	100.00	100,394	(30,607)	(30,607)	Note 4
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Taiwan	Trading company	8,111,638	8,111,638	177,110,000	20.04	12,315,010	6,317,940	1,361,678	Note 6
World Peace Industrial Co., Ltd.	WPI International (South Asia) Pte Ltd.	Singapore	Agent and sales of electronic/ electrical components	1,132,162	1,132,162	34,196,393	100.00	4,647,166	167,103	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	WPI Technology Pte. Ltd.	Singapore	Agent and sales of electronic/ electrical components	2,774,146	2,774,146	83,179,435	100.00	28,344,621	2,011,261	-	Notes 2 and 5



Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022 (Note 1)	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Agent and sales of electronic/ eletrical components	\$ 364,290	\$ 364,290	33,900,000	100.00	\$ 557,228	(\$ 2,563)	\$ -	Notes 2 and 5
World Peace Industrial Co., Ltd.	Chainpower Technology Corp.	Taiwan	Agent and sales of electronic/ eletrical components	66,261	66,261	9,781,452	39.00	208,463	86,644	-	Notes 2 and 3
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	1,468,555	1,468,555	94,600,000	100.00	1,551,882	3,154	-	Notes 2 and 5
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	335,328	335,328	11,300,000	100.00	592,853	3,367	-	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	37,302	37,302	4,000,000	100.00	44,076	(888)	-	Notes 2 and 5
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	British Virgin Islands	Investment company	436,280	436,280	12,610,000	100.00	862,143	6,318	-	Notes 2 and 5
Silicon Application Corp.	Silicon Application (BVI) Corporation	British Virgin Islands	Holding company	706,402	706,402	22,000,000	100.00	1,863,489	18,202	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	27,509	86	-	Notes 2 and 5
Silicon Application Corp.	SAC Components (South Asia) Pte. Ltd.	Singapore	Sales of computer software, hardware and electronic products	104,510	104,510	3,500,000	100.00	126,637	5,237	-	Notes 2 and 5
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	959,504	959,504	90,000,000	100.00	1,418,122	190,874	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Agent and sales of electronic/ eletrical components	343,959	343,959	37,000,000	100.00	965,488	143,478	-	Notes 2 and 5
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Sales of electronic/ electrical components	1,515,256	1,515,256	250,000,000	100.00	3,121,083	316,231	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Sales of electronic/ electrical components	980,313	980,313	219,300,000	100.00	2,598,557	421,614	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Sales of electronic/ electrical components	223,121	124,521	20,000,000	100.00	230,211	15,660	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electronic components	206,200	206,200	4,410,000	25.94	19,922	(28,281)	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022 (Note 1)	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	\$ 155,558	\$ 155,558	4,703,107	100.00	\$ 262,676	\$ 24,073	\$ -	Notes 2 and 5
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	101,862	101,862	2,970,000	100.00	138,376	101	-	Notes 2 and 5
Yosun Industrial Corp.	Suntop Investments Limited	Cayman Islands	Investment company	1,812,188	1,812,188	50,700,000	100.00	6,221,857	289,601	-	Notes 2 and 5
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic/electrical components	1,616,722	1,616,722	94,828,100	100.00	1,899,293	263,559	-	Notes 2 and 5
Yosun Industrial Corp.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	-	19,920	-	0.00	-	-	-	Notes 2 and 3
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,809	13,268	-	Notes 2 and 3
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	Taiwan	Sales of electronic/electrical components	2,092,631	2,092,631	120,900,000	100.00	2,905,498	322,118	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic/electrical components	83,494	83,494	19,500,000	100.00	85,461	135	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Co., Limited	Hong Kong	Sales of electronic components	284,898	284,898	63,000,000	100.00	2,936,483	139,416	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd	Richpower Electronic Devices Pte Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	246,320	3,598	-	Notes 2 and 5
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of electronic/electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,809	13,268	-	Notes 2 and 3
WPG Investment Co., Ltd.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	-	17,800	-	0.00	-	-	-	Notes 2 and 3
WPG Investment Co., Ltd.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	50,000	50,000	3,279,800	10.67	42,537	9,133	-	Notes 2 and 3
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	49,224	49,224	1,749,979	1.74	35,797	162,930	-	Notes 2 and 3
WPG Investment Co., Ltd.	AutoSys Co., Ltd.	Cayman Islands	Holding company	73,000	73,000	5,000,000	16.25	65,980	(13,927)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Beauteek Global Wellness Corporation Limited	Hong Kong	Community e-commerce trading plat form and related services	25,273	13,663	630,044	19.34	17,541	4,790	-	Notes 2 and 3
WPG Investment Co., Ltd.	LaaS Holdings (Samoa) Limited	Samoa	Holding company	1,142,712	1,142,712	40,060,000	100.00	824,752	(66,627)	-	Notes 2 and 5

Table 8, Page 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2022			Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022 (Note 1)	Footnote
				Balance as at September 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Trigold Holdings Limited	Genuine C&C Inc.	Taiwan	Sales of electronic products and its peripheral equipment	\$ 1,093,697	\$ 1,093,697	79,569,450	100.00	\$ 1,136,269	\$ 54,219	\$ -	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	600,796	600,796	155,200,000	100.00	1,123,499	36,286	-	Notes 2 and 5
Trigold Holdings Limited	Peng Yu Trigold Limited	Hong Kong	Sales of electronic products	71,212	-	2,000,000	100.00	176,724	91,756	-	Notes 2 and 5
Genuine C&C Inc.	Hoban Inc.	Taiwan	An E-commerce company which operates B2C and O2O businesses	129,999	79,999	13,000,000	100.00	21,226	(18,396)	-	Notes 2 and 5
Genuine C&C Inc.	Genuine C&C Holding Inc. (Seychelles)	Seychelles	Holding company	193,870	193,870	6,500,000	100.00	148,844	1,945	-	Notes 2 and 5
Genuine C&C Inc.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	12,636	12,636	1,682,151	5.47	2,830	9,133	-	Notes 2 and 3

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).

Note 2: Investment income (loss) recognized by each subsidiary.

Note 3: An investee company accounted for using the equity method by subsidiary.

Note 4: A subsidiary.

Note 5: An indirect subsidiary.

Note 6: An investee company accounted for using the equity method by the Company.

WPG Holdings Limited and Subsidiaries  
Information on investments in Mainland China  
Nine months ended September 30, 2022

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income of investee for the nine months ended September 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022 (Note 2)	Book value of investments in Mainland China as of September 30, 2022 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
WPG China (SZ) Inc.	Sales of semiconductor integrated circuit and electronic components	\$ 150,222	1	\$ 109,633	\$ -	\$ -	\$ 109,633	\$ 38,010	100.00	\$ 38,010	\$ 1,248,898	\$ -	Note 3
WPG China Inc.	Agent for selling electronic/electrical components	1,692,793	1	1,852,229	-	-	1,852,229	87,069	100.00	87,069	3,617,962	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Warehousing services / extra work	40,221	1	15,734	-	-	15,734	7,395	40.00	2,958	31,404	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	67,184	1	19,518	-	-	19,518	2,673	29.40	786	48,471	-	
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	31,750	1	29,791	-	-	29,791	51	49.00	25	72,267	-	
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	280,976	1	244,475	-	-	244,475	8,512	100.00	8,512	393,725	-	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	143,443	1	-	-	-	-	2,967	100.00	2,967	223,107	-	
Qegoo Technology Co., Ltd.	Business e-commerce platform	58,738	1	5,091	-	-	5,091	-	15.00	-	-	-	
Beauteek (Shanghai) Global Wellness Corporation Limited	Community e-commerce trading platform and related services	85,725	1	8,302	6,140	-	14,442	-	15.38	-	-	-	
LaaS (Dongguan) Supply Chain Management Limited	Supply chain management, design and related businesses.	1,270,000	1	1,270,000	-	-	1,270,000	( 66,225)	100.00	( 66,225)	823,451	-	Note 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income of investee for the nine months ended September 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022 (Note 2)	Book value of investments in Mainland China as of September 30, 2022 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic/electrical products	\$ 100,643	1	\$ 206,805	\$ -	\$ -	\$ 206,805	\$ 11,847	100.00	\$ 7,179	\$ 265,755	\$ -	
WPG C&C Shanghai Co., Ltd.	Sales of electronic/electrical products	237,681	1	272,007	-	-	272,007	45,198	100.00	27,390	364,156	-	Note 6
Trigolduo (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	89,460	1	62,622	-	-	62,622	( 28,256)	70.00	( 11,986)	( 3,667)	-	
Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's indoor amusement park	6,710	1	-	-	-	-	( 1,181)	70.00	( 501)	( 3,381)	-	Note 7

Note 1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

Note 2: Except for WPG China Inc., WPG China (SZ) Inc. and WPI International Trading (Shanghai) Ltd., the investment income/loss for the nine months ended September 30, 2022 that was recognised by the Company was based on the financial statements reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C. The remaining investment income/loss was measured based on unreviewed financial statements of investee during the same period.

Note 3: WPG International (Hong Kong) Limited invested in WPG (SZ) Inc. in the amount of HKD 10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 4: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the nine months ended September 30, 2022, accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022, book value of investments in Mainland China as of September 30, 2022, accumulated amount of investment income remitted back to Taiwan as of September 30, 2022, etc., the exchange rates used were USD 1: NTD 31.75 HKD 1:NTD 4.044 and RMB 1: NTD 4.473.

Note 5: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 6: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPG C&C Shanghai Co., Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 7: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Note 8: WPG Investment Co., Ltd. acquired a 100% equity interest in Mainland China investee, LaaS (Dongguan) Supply Chain Management Limited, through a reinvestment, LaaS Holdings (HK) Limited, of WPG Investment Co., Ltd.'s investment in the third area, Samoa, on August 2, 2020. WPG Investment Co., Ltd. had received a post-approval from the MOEA.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
WPG Holdings Limited	\$ 2,026,906	\$ 2,208,510	\$ 50,676,212
World Peace Industrial Co., Ltd. and its subsidiaries	390,187	474,841	19,785,437
Silicon Application Corp. and its subsidiaries	13,622	19,769	6,008,471
Yosun Industrial Corp. and its subsidiaries	266,224	564,010	6,289,373
WPG Investment Co., Ltd.	1,289,533	1,299,950	1,188,076
Trigold Holdings Limited	639,958	639,958	1,263,209

(1) Exchange rates as of September 30, 2022 were USD 1: NTD31.75, HKD 1 : NTD 4.044 and RMB 1 : NTD 4.473.

(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.