

Pou Chen Corporation and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2022 and 2021 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Pou Chen Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Pou Chen Corporation (the "Company") and its subsidiaries (collectively, the "Group") as of March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". 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.

Conclusion

Based on our reviews and the reports of other auditors (refer to the other matter paragraph), nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

The Group's investments in Ruen Chen Investment Holding Co., Ltd. and Nan Shan Life Insurance Co., Ltd. were accounted for by using the equity method based on its financial statements which were reviewed by other auditors. Our conclusion, insofar as it relates to the Group's investments in Ruen Chen Investment Holding Co., Ltd. and Nan Shan Life Insurance Co., Ltd., is based solely on the review reports of other auditors. As of March 31, 2022 and 2021, the carrying amounts of the investments in Ruen Chen Investment Holding Co., Ltd. were \$42,853,611 thousand and \$60,269,510 thousand, respectively, representing 12.27% and 16.79%, respectively, of the Group's consolidated total assets. For the three months ended March 31, 2022 and 2021, the amounts of profit of the associates were \$2,600,457 thousand and \$4,640,157 thousand, respectively, representing 38.46% and 50.39%, respectively, of the income which the Group recognized before income tax. As of March 31, 2022 and 2021, the carrying amounts of the investments in Nan Shan Life Insurance Co., Ltd. were \$478,965 thousand and \$659,420 thousand, respectively, representing 0.14% and 0.18%, respectively, of the Group's consolidated total assets. For the three months ended March 31, 2022 and 2021, the amounts of profit of the associates were \$27,097 thousand and \$48,268 thousand, respectively, representing 0.40% and 0.52%, respectively, of the income which the Group recognized before income tax.

The engagement partners on the reviews resulting in this independent auditors' review report are Kenny Hong and Wen-Yea Shyu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 13, 2022

Notice to Readers

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

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)		March 31, 2021 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 27,903,594	8	\$ 28,450,346	8	\$ 32,412,346	9
Financial assets at fair value through profit or loss - current (Note 7)	6,034,458	2	3,341,742	1	3,914,302	1
Financial assets at fair value through other comprehensive income - current (Note 9)	24,112,396	7	20,035,436	5	17,865,608	5
Financial assets at amortized cost - current (Note 10)	6,004,208	2	8,630,004	2	8,369,578	2
Financial assets for hedging - current (Note 8)	-	-	-	-	1,544	-
Notes receivable (Note 11)	337	-	54	-	142	-
Accounts receivable (Notes 11 and 35)	30,559,147	9	26,539,565	7	32,575,628	9
Other receivables (Note 11)	5,582,344	1	3,771,410	1	5,447,006	2
Inventories - manufacturing and retailing (Note 12)	58,894,332	17	57,084,097	16	47,386,300	13
Inventories - construction (Note 12)	3,690,112	1	3,718,519	1	3,717,122	1
Non-current assets held for sale (Note 13)	-	-	-	-	572,213	-
Other current assets (Note 14)	14,011,323	4	11,323,500	3	10,444,933	3
Total current assets	176,792,251	51	162,894,673	44	162,706,722	45
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	704,919	-	747,994	-	1,108,028	-
Financial assets at fair value through other comprehensive income - non-current (Note 9)	868,783	-	958,593	-	1,099,077	-
Financial assets at amortized cost - non-current (Notes 10 and 36)	3,543,734	1	3,158,906	1	3,137,526	1
Investments accounted for using the equity method (Note 16)	63,344,914	18	96,210,213	26	82,562,239	23
Property, plant and equipment (Note 17)	63,664,448	18	62,786,453	17	68,445,063	19
Right-of-use assets (Note 18)	17,134,815	5	20,066,402	6	20,671,811	6
Investment properties (Note 19)	5,523,652	2	2,918,076	1	2,824,708	1
Goodwill (Note 20)	8,053,681	2	7,774,185	2	7,952,945	2
Other intangible assets (Note 21)	1,635,898	1	1,607,270	1	1,763,909	1
Deferred tax assets (Notes 4 and 29)	3,724,985	1	3,560,596	1	2,687,261	1
Other non-current assets (Note 14)	4,339,819	1	4,207,465	1	4,069,873	1
Total non-current assets	172,539,648	49	203,996,153	56	196,322,440	55
TOTAL	\$ 349,331,899	100	\$ 366,890,826	100	\$ 359,029,162	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 22)	\$ 33,394,340	10	\$ 25,552,433	7	\$ 29,770,041	8
Short-term bills payable (Note 22)	1,487,212	-	2,563,093	1	3,346,825	1
Financial liabilities at fair value through profit or loss - current (Note 7)	19,403	-	78,720	-	59,358	-
Notes payable (Notes 23 and 35)	6,172	-	5,785	-	8,514	-
Accounts payable (Notes 23 and 35)	17,713,976	5	17,406,222	5	17,332,702	5
Other payables (Note 24)	19,434,920	6	20,547,217	5	17,785,845	5
Current tax liabilities (Notes 4 and 29)	2,313,400	1	1,776,193	-	3,289,915	1
Lease liabilities - current (Note 18)	4,040,206	1	4,323,157	1	4,371,410	1
Current portion of long-term borrowings (Note 22)	12,046,213	3	9,791,986	3	6,762,974	2
Other current liabilities	7,032,599	2	6,764,167	2	6,618,793	2
Total current liabilities	97,488,441	28	88,808,973	24	89,346,377	25
NON-CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss - non-current (Note 7)	74,760	-	232,011	-	603,534	-
Long-term borrowings (Note 22)	52,432,519	15	56,387,335	16	62,727,900	18
Deferred tax liabilities (Notes 4 and 29)	945,560	-	906,387	-	1,438,566	-
Lease liabilities - non-current (Note 18)	8,132,095	3	8,357,819	2	9,892,122	3
Long-term payables (Note 24)	148,496	-	170,621	-	148,208	-
Net defined benefit liabilities (Note 4)	4,513,101	1	4,482,434	1	4,016,841	1
Other non-current liabilities	74,256	-	48,494	-	60,317	-
Total non-current liabilities	66,320,787	19	70,585,101	19	78,887,488	22
Total liabilities	163,809,228	47	159,394,074	43	168,233,865	47
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 26)						
Share capital						
Ordinary shares	29,467,872	9	29,467,872	8	29,467,872	8
Capital surplus	4,420,394	1	4,419,400	1	4,390,371	1
Retained earnings						
Legal reserve	16,547,491	5	16,547,491	4	16,064,775	4
Unappropriated earnings	73,817,915	21	69,179,387	19	63,013,654	18
Total retained earnings	90,365,406	26	85,726,878	23	79,078,429	22
Other equity	(10,010,614)	(3)	19,818,804	6	8,980,610	3
Total equity attributable to owners of the Company	114,243,058	33	139,432,954	38	121,917,282	34
NON-CONTROLLING INTERESTS	71,279,613	20	68,063,798	19	68,878,015	19
Total equity	185,522,671	53	207,496,752	57	190,795,297	53
TOTAL	\$ 349,331,899	100	\$ 366,890,826	100	\$ 359,029,162	100

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

(With Deloitte & Touche review report dated May 13, 2022)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 27 and 35)	\$ 67,263,361	100	\$ 70,894,521	100
OPERATING COSTS (Notes 25, 28 and 35)	<u>51,078,747</u>	<u>76</u>	<u>52,681,715</u>	<u>74</u>
GROSS PROFIT	<u>16,184,614</u>	<u>24</u>	<u>18,212,806</u>	<u>26</u>
OPERATING EXPENSES (Notes 25 and 28)				
Selling and marketing expenses	8,139,038	12	9,084,861	13
General and administrative expenses	4,139,255	6	4,409,705	6
Research and development expenses	<u>1,333,177</u>	<u>2</u>	<u>1,340,906</u>	<u>2</u>
Total operating expenses	<u>13,611,470</u>	<u>20</u>	<u>14,835,472</u>	<u>21</u>
INCOME (LOSS) FROM OPERATIONS	<u>2,573,144</u>	<u>4</u>	<u>3,377,334</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 28)	153,842	-	155,550	-
Other income (Note 28)	599,510	1	572,274	1
Other gains and (losses) (Note 28)	846,449	1	391,107	1
Net loss on derecognition of financial assets at amortized cost	(3,549)	-	(14,059)	-
Finance costs (Note 28)	(436,403)	(1)	(489,545)	(1)
Share of profit of associates and joint ventures (Note 16)	<u>3,028,598</u>	<u>5</u>	<u>5,216,366</u>	<u>7</u>
Total non-operating income and expenses	<u>4,188,447</u>	<u>6</u>	<u>5,831,693</u>	<u>8</u>
INCOME BEFORE INCOME TAX	6,761,591	10	9,209,027	13
INCOME TAX EXPENSE (Notes 4 and 29)	<u>688,804</u>	<u>1</u>	<u>1,083,772</u>	<u>2</u>
NET INCOME	<u>6,072,787</u>	<u>9</u>	<u>8,125,255</u>	<u>11</u>

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POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	\$ 3,954,794	6	\$ 1,221,883	2
Share of other comprehensive income of associates and joint ventures	199,338	-	127,698	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements foreign operations	5,081,720	8	(306,020)	-
Gain on hedging instruments	-	-	1,323	-
Share of other comprehensive loss of associates and joint ventures	<u>(36,663,392)</u>	<u>(55)</u>	<u>(19,680,512)</u>	<u>(28)</u>
Other comprehensive loss for the period, net of income tax	<u>(27,427,540)</u>	<u>(41)</u>	<u>(18,635,628)</u>	<u>(26)</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>\$ (21,354,753)</u>	<u>(32)</u>	<u>\$ (10,510,373)</u>	<u>(15)</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 4,638,528	7	\$ 6,275,845	9
Non-controlling interests	<u>1,434,259</u>	<u>2</u>	<u>1,849,410</u>	<u>2</u>
	<u>\$ 6,072,787</u>	<u>9</u>	<u>\$ 8,125,255</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ (25,190,890)	(38)	\$ (12,202,132)	(17)
Non-controlling interests	<u>3,836,137</u>	<u>6</u>	<u>1,691,759</u>	<u>2</u>
	<u>\$ (21,354,753)</u>	<u>(32)</u>	<u>\$ (10,510,373)</u>	<u>(15)</u>
EARNINGS PER SHARE (Note 30)				
Basic	<u>\$ 1.57</u>		<u>\$ 2.13</u>	
Diluted	<u>\$ 1.57</u>		<u>\$ 2.13</u>	

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

(With Deloitte & Touche review report dated May 13, 2022)

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POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company					Other Equity					Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Retained Earnings		Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Hedging Instruments	Others	Total		
			Legal Reserve	Special Reserve								
BALANCE AT JANUARY 1, 2021	\$ 29,467,872	\$ 4,389,862	\$ 16,064,775	\$ -	\$ 56,743,003	\$ (5,491,369)	\$ 24,305,081	\$ 1,195	\$ 8,629,040	\$ 134,109,459	\$ 67,133,743	\$ 201,243,202
Net profit for the three months ended March 31, 2021	-	-	-	-	6,275,845	-	-	-	-	6,275,845	1,849,410	8,125,255
Other comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	-	(93,306)	(17,225,083)	1,323	(1,160,911)	(18,477,977)	(157,651)	(18,635,628)
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	6,275,845	(93,306)	(17,225,083)	1,323	(1,160,911)	(12,202,132)	1,691,759	(10,510,373)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method (Note 26)	-	1,406	-	-	2,579	-	-	-	-	3,985	-	3,985
Unclaimed dividends by shareholders	-	1,216	-	-	-	-	-	-	-	1,216	-	1,216
Disposal of investments accounted for using the equity method	-	(2,113)	-	-	196	15,590	(196)	-	-	13,477	40	13,517
Share of changes in equities of subsidiaries (Note 26)	-	-	-	-	(8,723)	-	-	-	-	(8,723)	-	(8,723)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates (Note 26)	-	-	-	-	754	-	(754)	-	-	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	52,473	52,473
Changes in equity for the three months ended March 31, 2021	-	509	-	-	6,270,651	(77,716)	(17,226,033)	1,323	(1,160,911)	(12,192,177)	1,744,272	(10,447,905)
BALANCE AT MARCH 31, 2021	<u>\$ 29,467,872</u>	<u>\$ 4,390,371</u>	<u>\$ 16,064,775</u>	<u>\$ -</u>	<u>\$ 63,013,654</u>	<u>\$ (5,569,085)</u>	<u>\$ 7,079,048</u>	<u>\$ 2,518</u>	<u>\$ 7,468,129</u>	<u>\$ 121,917,282</u>	<u>\$ 68,878,015</u>	<u>\$ 190,795,297</u>
BALANCE AT JANUARY 1, 2022	\$ 29,467,872	\$ 4,419,400	\$ 16,547,491	\$ -	\$ 69,179,387	\$ (7,414,850)	\$ 14,613,616	\$ -	\$ 12,620,038	\$ 139,432,954	\$ 68,063,798	\$ 207,496,752
Net profit for the three months ended March 31, 2022	-	-	-	-	4,638,528	-	-	-	-	4,638,528	1,434,259	6,072,787
Other comprehensive income (loss) for the three months ended March 31, 2022	-	-	-	-	-	2,632,855	(21,485,579)	-	(10,976,694)	(29,829,418)	2,401,878	(27,427,540)
Total comprehensive income (loss) for the three months ended March 31, 2022	-	-	-	-	4,638,528	2,632,855	(21,485,579)	-	(10,976,694)	(25,190,890)	3,836,137	(21,354,753)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method (Note 26)	-	(238)	-	-	-	-	-	-	-	(238)	-	(238)
Unclaimed dividends by shareholders	-	1,232	-	-	-	-	-	-	-	1,232	-	1,232
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(620,322)	(620,322)
Changes in equity for the three months ended March 31, 2022	-	994	-	-	4,638,528	2,632,855	(21,485,579)	-	(10,976,694)	(25,189,896)	3,215,815	(21,974,081)
BALANCE AT MARCH 31, 2022	<u>\$ 29,467,872</u>	<u>\$ 4,420,394</u>	<u>\$ 16,547,491</u>	<u>\$ -</u>	<u>\$ 73,817,915</u>	<u>\$ (4,781,995)</u>	<u>\$ (6,871,963)</u>	<u>\$ -</u>	<u>\$ 1,643,344</u>	<u>\$ 114,243,058</u>	<u>\$ 71,279,613</u>	<u>\$ 185,522,671</u>

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

(With Deloitte & Touche review report dated May 13, 2022)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 6,761,591	\$ 9,209,027
Adjustments for:		
Depreciation expense	3,785,410	3,992,560
Amortization expense	29,178	129,643
Expected credit loss (reversed) recognized on accounts receivable	11,058	(10,240)
Net gain on fair value changes of financial instruments at fair value through profit or loss	(776,653)	(104,040)
Finance costs	436,403	489,545
Net loss on derecognition of financial assets at amortized cost	3,549	14,059
Interest income	(153,842)	(155,550)
Compensation cost of employee share options	32,641	19,828
Share of profit of associates and joint ventures	(3,028,598)	(5,216,366)
Net (gain) loss on disposal of property, plant and equipment	(1,985)	24,925
Net gain on disposal of associates	-	(340,895)
Impairment loss of assets	-	260,116
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(2,089,556)	(335,048)
Notes receivable	(283)	(103)
Accounts receivable	(4,029,212)	(651,784)
Other receivables	(1,872,191)	(90,143)
Inventories	(1,810,793)	(2,172,895)
Other current assets	(2,647,780)	(1,796,141)
Other operating assets	(12,153)	71,140
Notes payable	387	1,112
Accounts payable	307,754	703,779
Other payables	(1,322,936)	(2,708,300)
Other current liabilities	268,432	(150,352)
Net defined benefit liabilities	30,667	(38,235)
Other operating liabilities	2,357	176
Cash (used in) generated from operations	(6,076,555)	1,145,818
Interest paid	(444,227)	(448,590)
Income tax paid	(265,959)	(816,126)
Net cash used in operating activities	<u>(6,786,741)</u>	<u>(118,898)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from return of capital of financial assets at fair value through other comprehensive income	-	5,079
Purchases of financial assets at amortized cost	(2,695,102)	(4,126,916)
Proceeds from sale of financial assets at amortized cost	5,333,813	3,547,064

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POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
Proceeds from disposal of associates and joint ventures	\$ -	\$ 732,100
Proceeds from return of capital of investments using the equity method	34,959	-
Proceeds from disposal of non-current assets held for sale	-	111,857
Acquisition of property, plant and equipment	(1,898,428)	(1,830,961)
Proceeds from disposal of property, plant and equipment	89,571	73,987
Increase in refundable deposits	(11,268)	-
Decrease in refundable deposits	-	14,477
Decrease in other receivables	92,001	-
Payments for intangible assets	(46,395)	(69,179)
Payments for right-of-use assets	-	(34,641)
Increase in prepayment for equipment	(109,494)	(181,638)
Interest received	128,306	115,423
Dividends received	-	221,397
	<u>917,963</u>	<u>(1,421,951)</u>
Net cash generated from (used in) investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	7,841,907	6,037,666
Repayments of short-term bills payable	(1,076,000)	(14,000)
Repayments of long-term borrowings	(1,707,356)	(2,744,246)
Increase in guarantee deposits	1,280	-
Decrease in guarantee deposits	-	(146)
Repayment of principal portion of lease liabilities	(1,241,401)	(1,361,622)
Changes in non-controlling interests	(66,234)	52,473
Unclaimed dividends by shareholders	1,232	1,216
	<u>3,753,428</u>	<u>1,971,341</u>
Net cash generated from financing activities		
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>1,568,598</u>	<u>(126,871)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(546,752)	303,621
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>28,450,346</u>	<u>32,108,725</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 27,903,594</u>	<u>\$ 32,412,346</u>

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

(With Deloitte & Touche review report dated May 13, 2022)

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Pou Chen Corporation (the “Company”) has main business activities which include the manufacture and sale of various kinds of shoes and the import and export of related products and materials. The Company invests in Yue Yuen Industrial (Holdings) Limited (“Yue Yuen”) and other footwear-related companies through Wealthplus Holdings Limited (“Wealthplus”). Yue Yuen and Pou Sheng International (Holdings) Limited (“Pou Sheng”), a subsidiary of Yue Yuen, are listed on the Hong Kong Exchange and Clearing Limited (“HKEx”).

In January 1990, the Company started to trade its shares on the Taiwan Stock Exchange.

The consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) are presented in New Taiwan dollars, the functional currency of the Company.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the Company’s board of directors on May 13, 2022.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies:

- b. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 2)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 3)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 4)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated.

2) Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”

The amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights are in existence at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right. The amendments also clarify that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date.

The amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group’s own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that could, at the option of the counterparty, result in its settlement by a transfer of the Group’s own equity instruments, and if such option is recognized separately as equity in accordance with IAS 32 “Financial Instruments: Presentation”, the aforementioned terms would not affect the classification of the liability.

3) Amendments to IAS 1 “Disclosure of Accounting Policies”

The amendments specify that the Group should refer to the definition of material to determine its material accounting policy information to be disclosed. Accounting policy information is material if it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments also clarify that:

- Accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed;
- The Group may consider the accounting policy information as material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial; and
- Not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments also illustrate that accounting policy information is likely to be considered as material to the financial statements if that information relates to material transactions, other events or conditions and:

- a) the Group changed its accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements;
- b) the Group chose the accounting policy from options permitted by the standards;
- c) the accounting policy was developed in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” in the absence of an IFRS that specifically applies;
- d) the accounting policy relates to an area for which the Group is required to make significant judgements or assumptions in applying an accounting policy, and the Group discloses those judgements or assumptions; or
- e) the accounting is complex and users of the financial statements would otherwise not understand those material transactions, other events or conditions.

4) Amendments to IAS 8 “Definition of Accounting Estimates”

The amendments define that accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. In applying accounting policies, the Group may be required to measure items at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, the Group uses measurement techniques and inputs to develop accounting estimates to achieve the objective. The effects on an accounting estimate of a change in a measurement technique or a change in an input are changes in accounting estimates unless they result from the correction of prior period errors.

5) Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The amendments clarify that the initial recognition exemption under IAS 12 does not apply to transactions in which equal taxable and deductible temporary differences arise on initial recognition. The Group will recognize a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations on January 1, 2022, and recognize the cumulative effect of initial application in retained earnings at that date. The Group will apply the amendments prospectively to transactions other than leases and decommissioning obligations that occur on or after January 1, 2022.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The basis of consolidation has been followed in these consolidated financial statements as was applied in the preparation of the consolidated financial statements for the year ended December 31, 2021.

Refer to Note 15 to the consolidated financial statements, Table 8 “Information on Investees” and Table 9 “Information on investments in mainland China” of Note 39 to the consolidated financial statements for detailed information on subsidiaries, including the percentages of ownership and main businesses.

d. Other significant accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2021.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that rereasurement is recognized in profit or loss.

3) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

In addition, the same critical accounting judgments and key sources of estimates and uncertainty have been followed in these consolidated financial statements as were applied in the preparation of the Company's consolidated financial statements for the year ended December 31, 2021.

6. CASH AND CASH EQUIVALENTS

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	\$ 45,532	\$ 40,672	\$ 31,775
Checking accounts and demand deposits	15,545,418	18,665,005	23,700,458
Cash equivalents (investments with original maturities of three months or less)			
Time deposits	11,487,813	9,734,566	8,673,350
Repurchase agreements collateralized by bonds	<u>824,831</u>	<u>10,103</u>	<u>6,763</u>
	<u>\$ 27,903,594</u>	<u>\$ 28,450,346</u>	<u>\$ 32,412,346</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets mandatorily as at FVTPL</u>			
Hybrid financial assets			
Structured deposits (a)	\$ 4,876,826	\$ 2,831,408	\$ 4,156,201
Derivative financial assets (not under hedge accounting)			
Interest rate swap contracts (b)	105,917	4,724	-
Forward exchange contracts (c)	32,425	51,444	29,319
Exchange rate option contracts (d)	1,647	16,711	26,072
Exchange rate swap contracts (e)	598,925	47,533	9,336
Non-derivative financial assets			
Mutual funds	<u>1,123,637</u>	<u>1,137,916</u>	<u>801,402</u>
	<u>\$ 6,739,377</u>	<u>\$ 4,089,736</u>	<u>\$ 5,022,330</u>
Current	\$ 6,034,458	\$ 3,341,742	\$ 3,914,302
Non-current	<u>704,919</u>	<u>747,994</u>	<u>1,108,028</u>
	<u>\$ 6,739,377</u>	<u>\$ 4,089,736</u>	<u>\$ 5,022,330</u>
<u>Financial liabilities held for trading</u>			
Derivative financial liabilities (not under hedge accounting)			
Interest rate swap contracts (b)	\$ 92,597	\$ 286,668	\$ 603,534
Forward exchange contracts (c)	-	-	13,079
Exchange rate option contracts (d)	1,550	2	19,282
Exchange rate swap contracts (e)	<u>16</u>	<u>24,061</u>	<u>26,997</u>
	<u>\$ 94,163</u>	<u>\$ 310,731</u>	<u>\$ 662,892</u>
Current	\$ 19,403	\$ 78,720	\$ 59,358
Non-current	<u>74,760</u>	<u>232,011</u>	<u>603,534</u>
	<u>\$ 94,163</u>	<u>\$ 310,731</u>	<u>\$ 662,892</u>

a. Structured deposits

Yue Yuen entered into a 5-year, USD structured time deposit contract with a bank in October 2017. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract is assessed and classified mandatorily as at FVTPL since it contained a host that is an asset within the scope of IFRS 9. As of March 31, 2022, December 31, 2021 and March 31, 2021, the structured time deposit was classified as “financial assets at FVTPL - current” and “financial assets at FVTPL - non-current”, respectively.

Yue Yuen and Wealthplus entered into a 12-month, USD structured time deposit contract with a bank in January 2022, February 2022, December 2021, and November 2021. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract is assessed and classified mandatorily as at FVTPL since it contained a host that is an asset within the scope of IFRS 9. As of March 31, 2022, December 31, 2021 and March 31, 2021, the structured time deposit was classified as “financial assets at FVTPL - current”.

Pro Arch and Yue Yuen entered into a 12-month, dual currency structured time deposit contract with a bank in February 2021, May 2021 and December 2020. The structured time deposit contract includes a dual currency structured time deposit contract. As of March 31, 2022, December 31, 2021 and March 31, 2021, the structured time deposit was classified as “financial assets at FVTPL - current”.

- b. At the end of the reporting period, outstanding interest rate swap contracts not under hedge accounting were as follows:

March 31, 2022

Notional Amount (In Thousands)	Maturity Date	Pay Rate (Fixed Rate %)	Received Rate (Floating Rate %)
US\$ 100,000	2023.07	3.335	1.16871
US\$ 150,000	2023.07	3.340	0.99900
US\$ 100,000	2022.08	2.600	0.96600
US\$ 50,000	2022.08	1.930	0.95757
US\$ 50,000	2022.08	1.930	0.95757
US\$ 50,000	2023.03	0.720	0.95757
US\$ 50,000	2023.03	0.710	0.95757
US\$ 50,000	2023.03	0.648	0.95757
US\$ 50,000	2023.03	0.548	0.95757
US\$ 50,000	2023.03	0.515	0.95757
US\$ 50,000	2023.03	0.485	0.95757

December 31, 2021

Notional Amount (In Thousands)	Maturity Date	Pay Rate (Fixed Rate %)	Received Rate (Floating Rate %)
US\$ 100,000	2023.07	3.335	0.85788
US\$ 150,000	2023.07	3.340	0.82863
US\$ 100,000	2022.08	2.600	0.96600
US\$ 50,000	2022.08	1.930	0.21600
US\$ 50,000	2022.08	1.930	0.21600
US\$ 50,000	2023.03	0.720	0.21600
US\$ 50,000	2023.03	0.710	0.21600
US\$ 50,000	2023.03	0.648	0.21600
US\$ 50,000	2023.03	0.548	0.21600
US\$ 50,000	2023.03	0.515	0.21600
US\$ 50,000	2023.03	0.485	0.21600

March 31, 2021

Notional Amount (In Thousands)	Maturity Date	Pay Rate (Fixed Rate %)	Received Rate (Floating Rate %)
US\$ 100,000	2023.07	3.335	0.89375
US\$ 150,000	2023.07	3.340	0.91150
US\$ 100,000	2022.08	2.600	0.93663
US\$ 50,000	2022.08	1.930	0.18663
US\$ 50,000	2022.08	1.930	0.18663
US\$ 50,000	2023.03	0.720	0.18663
US\$ 50,000	2023.03	0.710	0.18663
US\$ 50,000	2023.03	0.648	0.18663
US\$ 50,000	2023.03	0.548	0.18663
US\$ 50,000	2023.03	0.515	0.18663
US\$ 50,000	2023.03	0.485	0.18663

The Group entered into interest rate swap contracts to manage exposures to interest rate fluctuations.

- c. At the end of the reporting period, outstanding forward exchange contracts not under hedge accounting were as follows:

March 31, 2022

Notional Amount (In Thousands)	Forward Exchange Rates
US\$ 60,100	Sell US\$/Buy IDR at 14,630 to 14,680

December 31, 2021

Notional Amount (In Thousands)	Forward Exchange Rates
US\$ 96,200	Sell US\$/Buy IDR at 14,630 to 14,920

March 31, 2021

Notional Amount (In Thousands)	Forward Exchange Rates
US\$ 77,000	Sell US\$/Buy IDR at 14,920
US\$ 37,521	Sell NTD/Buy US\$ at 26.756 to 27.276

The Group entered into forward exchange contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

- d. At the end of the reporting period, outstanding exchange rate option contracts not under hedge accounting were as follows:

March 31, 2022

Notional Amount (In Thousands)	Type	Buy/Sell	Maturity Date	Exchange Rate
US\$ 76,000	Put	Sell	2022.09-2024.03	US\$:RMB 6.7500
US\$ 38,000	Put	Sell	2022.09-2024.03	US\$:RMB 6.7500
US\$ 12,000	Put	Sell	2022.05	US\$:NT\$ 29.5020
US\$ 6,000	Call	Sell	2022.05	US\$:HK\$ 7.7335
US\$ 4,000	Call	Sell	2022.05	US\$:HK\$ 7.7335

December 31, 2021

Notional Amount (In Thousands)	Type	Buy/Sell	Maturity Date	Exchange Rate
US\$ 80,000	Put	Sell	2022.03-2023.09	US\$:RMB 7.0130
US\$ 40,000	Put	Sell	2022.03-2023.09	US\$:RMB 7.0100
US\$ 20,000	Put	Sell	2022.02	US\$:RMB 7.0000
US\$ 10,000	Call	Sell	2022.02	US\$:HK\$ 7.7490
US\$ 10,000	Call	Sell	2022.03	US\$:HK\$ 7.7475
US\$ 6,000	Call	Sell	2022.05	US\$:HK\$ 7.7335
US\$ 4,000	Call	Sell	2022.05	US\$:HK\$ 7.7335

March 31, 2021

Notional Amount (In Thousands)	Type	Buy/Sell	Maturity Date	Exchange Rate
US\$ 28,000	Call	Sell	2021.06-2021.12	US\$:HK\$ 7.7490
US\$ 20,000	Call	Sell	2021.08-2022.02	US\$:HK\$ 7.7490
US\$ 20,000	Call	Sell	2021.09-2022.03	US\$:HK\$ 7.7475
US\$ 18,000	Call	Sell	2021.05-2022.05	US\$:HK\$ 7.7335
US\$ 12,000	Call	Sell	2021.05-2022.05	US\$:HK\$ 7.7335
US\$ 80,000	Put	Sell	2021.04-2022.11	US\$:RMB 7.0000
US\$ 42,000	Put	Sell	2021.05-2023.01	US\$:RMB 7.0000
US\$ 42,000	Put	Sell	2021.05-2023.01	US\$:RMB 7.0000
US\$ 5,000	Call	Sell	2021.09	US\$:RMB 6.5000
US\$ 5,000	Call	Sell	2021.09	US\$:RMB 6.5000
US\$ 10,000	Put	Sell	2022.02	US\$:RMB 7.0000
US\$ 10,000	Put	Sell	2022.02	US\$:RMB 7.0000
US\$ 74,750	Put	Sell	2021.04-2021.08	US\$:IDR 15,160
US\$ 74,750	Put	Sell	2021.04-2021.08	US\$:IDR 14,880-15,160
US\$ 149,500	Put	Sell	2021.04-2021.08	US\$:IDR 14,835-15,160

The Group entered into exchange rate option contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

- e. At the end of the reporting period, outstanding exchange rate swap contracts not under hedge accounting were as follows:

March 31, 2022

Notional Amount (In Thousands)	Maturity Date	Exchange Rate
US\$ 55,000	2022.12	US\$:NT\$ 27.6630
US\$ 98,000	2022.06	US\$:NT\$ 27.6925
US\$ 23,000	2022.06	US\$:NT\$ 27.6925
US\$ 16,600	2022.06	US\$:NT\$ 27.6930
US\$ 55,000	2022.06	US\$:NT\$ 27.6930
US\$ 20,400	2022.06	US\$:NT\$ 27.6930
US\$ 9,000	2022.06	US\$:NT\$ 27.6930
US\$ 20,000	2022.06	US\$:NT\$ 27.6930
US\$ 17,500	2022.06	US\$:NT\$ 27.6930
US\$ 10,000	2022.06	US\$:NT\$ 27.6930
US\$ 15,000	2022.06	US\$:NT\$ 27.6930
US\$ 43,000	2022.06	US\$:NT\$ 27.6470
US\$ 36,000	2022.06	US\$:NT\$ 27.6470
US\$ 7,500	2022.06	US\$:NT\$ 27.6470
US\$ 7,000	2022.06	US\$:NT\$ 27.6470
US\$ 5,000	2022.06	US\$:NT\$ 27.6470
US\$ 31,900	2022.06	US\$:NT\$ 27.6470
US\$ 21,000	2022.06	US\$:NT\$ 27.6470
US\$ 72,600	2022.06	US\$:NT\$ 27.6470
US\$ 15,000	2022.09	US\$:NT\$ 28.0240
US\$ 2,000	2022.09	US\$:NT\$ 28.2270
US\$ 6,000	2022.05	US\$:NT\$ 28.5050
US\$ 30,000	2023.03	US\$:NT\$ 28.1070
RMB 42,860	2023.03	RMB:NT\$ 4.3433
RMB 900	2023.03	RMB:NT\$ 4.3433
RMB 20,980	2022.04	US\$:RMB 6.4774
RMB 20,800	2022.04	US\$:RMB 6.4774
RMB 33,622	2022.06	US\$:RMB 6.4659
RMB 113,943	2022.06	US\$:RMB 6.4520
RMB 112,200	2022.06	US\$:RMB 6.4521
RMB 229,320	2022.06	US\$:RMB 6.4609
RMB 34,930	2022.06	US\$:RMB 6.4527
RMB 14,000	2022.08	US\$:RMB 6.4005
RMB 200,000	2022.09	US\$:RMB 6.4385
RMB 100,000	2022.09	US\$:RMB 6.4377
RMB 21,036	2023.03	US\$:RMB 6.4606
RMB 21,040	2023.04	US\$:RMB 6.4524
US\$ 6,000	2022.04	US\$:NT\$ 27.7820
US\$ 40,000	2022.04	US\$:NT\$ 27.9820

December 31, 2021

Notional Amount (In Thousands)	Maturity Date	Rate
US\$ 9,200	2022.03	US\$:NT\$ 27.7285
US\$ 5,800	2022.03	US\$:NT\$ 27.7285
US\$ 55,000	2022.12	US\$:NT\$ 27.6630
US\$ 2,000	2022.03	US\$:NT\$ 27.8058
US\$ 19,000	2022.03	US\$:NT\$ 27.7960
US\$ 98,000	2022.06	US\$:NT\$ 27.6925
US\$ 23,000	2022.06	US\$:NT\$ 27.6925
US\$ 16,600	2022.06	US\$:NT\$ 27.6930
US\$ 55,000	2022.06	US\$:NT\$ 27.6930
US\$ 20,400	2022.06	US\$:NT\$ 27.6930
US\$ 9,000	2022.06	US\$:NT\$ 27.6930
US\$ 20,000	2022.06	US\$:NT\$ 27.6930
US\$ 17,500	2022.06	US\$:NT\$ 27.6930
US\$ 10,000	2022.06	US\$:NT\$ 27.6930
US\$ 15,000	2022.06	US\$:NT\$ 27.6930
US\$ 43,000	2022.06	US\$:NT\$ 27.6470
US\$ 36,000	2022.06	US\$:NT\$ 27.6470
US\$ 7,500	2022.06	US\$:NT\$ 27.6470
US\$ 7,000	2022.06	US\$:NT\$ 27.6470
US\$ 5,000	2022.06	US\$:NT\$ 27.6470
US\$ 31,900	2022.06	US\$:NT\$ 27.6470
US\$ 21,000	2022.06	US\$:NT\$ 27.6470
US\$ 72,600	2022.06	US\$:NT\$ 27.6470
RMB 42,860	2022.03	RMB:NT\$ 4.2453
RMB 900	2022.03	RMB:NT\$ 4.2453
US\$ 20,196	2022.01	US\$:NT\$ 27.8370
US\$ 15,143	2022.01	US\$:NT\$ 27.8357
US\$ 15,195	2022.01	US\$:NT\$ 27.7373
RMB 14,000	2022.02	US\$:RMB 6.5959
RMB 200,000	2022.03	US\$:RMB 6.5300
RMB 100,000	2022.03	US\$:RMB 6.5300
RMB 14,000	2022.01	US\$:RMB 6.4857
RMB 20,980	2022.04	US\$:RMB 6.4774
RMB 20,800	2022.04	US\$:RMB 6.4774
RMB 33,622	2022.06	US\$:RMB 6.4659
RMB 113,943	2022.06	US\$:RMB 6.4520
RMB 112,200	2022.06	US\$:RMB 6.4521
RMB 229,320	2022.06	US\$:RMB 6.4609
RMB 34,930	2022.06	US\$:RMB 6.4527
US\$ 6,000	2022.04	US\$:NT\$ 27.7820
US\$ 40,000	2022.04	US\$:NT\$ 27.9820

March 31, 2021

Notional Amount (In Thousands)	Maturity Date	Exchange Rate
US\$ 5,800	2021.06	US\$:NT\$ 27.8470
US\$ 2,000	2021.06	US\$:NT\$ 28.3380
US\$ 19,000	2021.06	US\$:NT\$ 28.4230
US\$ 16,600	2021.06	US\$:NT\$ 28.5220
US\$ 20,000	2021.06	US\$:NT\$ 28.5220
US\$ 38,000	2021.06	US\$:NT\$ 28.5210
US\$ 15,000	2021.06	US\$:NT\$ 28.5210
US\$ 60,000	2021.06	US\$:NT\$ 28.5210
US\$ 55,000	2021.06	US\$:NT\$ 28.5220
US\$ 20,400	2021.06	US\$:NT\$ 28.5220
US\$ 9,000	2021.06	US\$:NT\$ 28.5220
US\$ 10,000	2021.06	US\$:NT\$ 28.5210
US\$ 72,600	2021.06	US\$:NT\$ 28.4980
US\$ 31,900	2021.06	US\$:NT\$ 28.4980
US\$ 43,000	2021.06	US\$:NT\$ 28.4980
US\$ 21,000	2021.06	US\$:NT\$ 28.4980
US\$ 36,000	2021.06	US\$:NT\$ 28.4980
RMB 42,860	2021.09	RMB:NT\$ 4.2701
RMB 34,930	2021.06	US\$:RMB 6.5928
RMB 200,000	2021.09	US\$:RMB 6.5858
RMB 100,000	2021.09	US\$:RMB 6.5855
US\$ 6,000	2021.04	US\$:NT\$ 28.5780

The Group entered into exchange rate swap contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. DERIVATIVE FINANCIAL LIABILITY FOR HEDGING- CURRENT

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets - current</u>			
Fair value hedge - cross currency swap contracts	\$ _____ -	\$ _____ -	\$ <u>1,544</u>

The Group entered into cross-currency swap contracts to manage its exposures to exchange rate and interest rate fluctuations of foreign currency denominated borrowings. The aforementioned cross-currency swap contracts share the same features with relative financial liabilities; therefore, the management of the Group believes that such cross-currency swap contracts could be used as highly effective hedging instruments. At the end of the reporting period, outstanding cross-currency swap contracts were as follows:

March 31, 2021

Notional Amount (In Thousands)	Maturity Date	Exchange Rate	Interest %
US\$9,200	2021.12	US\$:NT\$28.300	0.450

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2022	December 31, 2021	March 31, 2021
Domestic investments			
Listed shares	\$ 24,797,387	\$ 20,814,168	\$ 18,776,387
Unlisted shares	71,789	72,034	78,539
Foreign investments			
Unlisted shares	<u>112,003</u>	<u>107,827</u>	<u>109,759</u>
	<u>\$ 24,981,179</u>	<u>\$ 20,994,029</u>	<u>\$ 18,964,685</u>
Current	\$ 24,112,396	\$ 20,035,436	\$ 17,865,608
Non-current	<u>868,783</u>	<u>958,593</u>	<u>1,099,077</u>
	<u>\$ 24,981,179</u>	<u>\$ 20,994,029</u>	<u>\$ 18,964,685</u>

These investments in equity instruments are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management selected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

10. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2022	December 31, 2021	March 31, 2021
Domestic investments			
Time deposits with original maturities of three months or less	\$ 5,146,634	\$ 7,001,287	\$ 7,193,285
Restricted deposits of repatriated offshore funds	114,091	127,889	111,300
Repurchase agreements collateralized by bonds with original maturities of more than three months	535,102	1,301,848	1,094,240
Foreign investments			
Bonds	1,711,529	1,388,555	1,138,860
Structured products	116,705	112,510	112,510
Commercial paper	<u>1,923,881</u>	<u>1,856,821</u>	<u>1,856,909</u>
	<u>\$ 9,547,942</u>	<u>\$ 11,788,910</u>	<u>\$ 11,507,104</u>
Current	\$ 6,004,208	\$ 8,630,004	\$ 8,369,578
Non-current	<u>3,543,734</u>	<u>3,158,906</u>	<u>3,137,526</u>
	<u>\$ 9,547,942</u>	<u>\$ 11,788,910</u>	<u>\$ 11,507,104</u>

Refer to Note 36 to the consolidated financial statements for information relating to investments in financial assets at amortized cost pledged as security.

11. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Notes receivable (including related parties)</u>			
Notes receivable - operating	\$ 328	\$ 42	\$ 142
Notes receivable - non-operating	<u>9</u>	<u>12</u>	<u>-</u>
	<u>\$ 337</u>	<u>\$ 54</u>	<u>\$ 142</u>
<u>Accounts receivable (including related parties)</u>			
At amortized cost			
Gross carrying amount	\$ 30,775,438	\$ 26,741,906	\$ 32,756,821
Less: Allowance for impairment loss	<u>(216,291)</u>	<u>(202,341)</u>	<u>(181,193)</u>
	<u>\$ 30,559,147</u>	<u>\$ 26,539,565</u>	<u>\$ 32,575,628</u>
<u>Other receivables</u>			
Tax refund receivables	\$ 2,519,577	\$ 1,864,108	\$ 1,555,302
Others	3,063,626	1,908,161	3,892,563
Less: Allowance for impairment loss	<u>(859)</u>	<u>(859)</u>	<u>(859)</u>
	<u>\$ 5,582,344</u>	<u>\$ 3,771,410</u>	<u>\$ 5,447,006</u>

a. Notes receivable

The notes receivable balances at March 31, 2022, December 31, 2021 and March 31, 2021 were not past due.

b. Accounts receivable

The Group use simplified practice of IFRS 9 to measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position. As the Group's historical credit loss experience shows significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

1) The following table details the loss allowance of trade receivables.

March 31, 2022

	Less than 30 Days	31 to 90 Days	Over 91 Days	Total
Gross carrying amount	\$ 20,394,380	\$ 9,674,315	\$ 706,743	\$ 30,775,438
Loss allowance (lifetime ECLs)	<u>-</u>	<u>(7,901)</u>	<u>(208,390)</u>	<u>(216,291)</u>
Amortized cost	<u>\$ 20,394,380</u>	<u>\$ 9,666,414</u>	<u>\$ 498,353</u>	<u>\$ 30,559,147</u>

December 31, 2021

	Less than 30 Days	31 to 90 Days	Over 91 Days	Total
Gross carrying amount	\$ 18,744,496	\$ 7,276,906	\$ 720,504	\$ 26,741,906
Loss allowance (lifetime ECLs)	<u>-</u>	<u>(1,135)</u>	<u>(201,206)</u>	<u>(202,341)</u>
Amortized cost	<u>\$ 18,744,496</u>	<u>\$ 7,275,771</u>	<u>\$ 519,298</u>	<u>\$ 26,539,565</u>

March 31, 2021

	Less than 30 Days	31 to 90 Days	Over 91 Days	Total
Gross carrying amount	\$ 21,105,449	\$ 10,930,868	\$ 720,504	\$ 32,756,821
Loss allowance (lifetime ECLs)	<u>-</u>	<u>(12,955)</u>	<u>(168,238)</u>	<u>(181,193)</u>
Amortized cost	<u>\$ 21,105,449</u>	<u>\$ 10,917,913</u>	<u>\$ 552,266</u>	<u>\$ 32,575,628</u>

2) The movements of the loss allowance of accounts receivable were as follows:

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 202,341	\$ 193,403
Add (Less): Impairment losses recognized (reserved) on receivable	9,630	(6,978)
Write off	(3,063)	(4,366)
Foreign exchange gains and losses	<u>7,383</u>	<u>(866)</u>
Balance at March 31	<u>\$ 216,291</u>	<u>\$ 181,193</u>

12. INVENTORIES

	March 31, 2022	December 31, 2021	March 31, 2021
Inventories - manufacturing and retail	\$ 58,894,332	\$ 57,084,097	\$ 47,386,300
Inventories - construction	<u>3,690,112</u>	<u>3,718,519</u>	<u>3,717,122</u>
	<u>\$ 62,584,444</u>	<u>\$ 60,802,616</u>	<u>\$ 51,103,422</u>

a. Inventories - manufacturing and retail at the end of the reporting period consisted of the following:

	March 31, 2022	December 31, 2021	March 31, 2021
Raw materials	\$ 10,320,099	\$ 9,956,480	\$ 6,945,263
Work in progress	6,910,122	5,684,914	5,281,016
Finished goods and merchandise	<u>41,664,111</u>	<u>41,442,703</u>	<u>35,160,021</u>
	<u>\$ 58,894,332</u>	<u>\$ 57,084,097</u>	<u>\$ 47,386,300</u>

The cost of manufacturing and retail inventories recognized as cost of goods sold for the three months ended March 31, 2022 and 2021 was \$51,078,747 thousand and \$52,681,715 thousand, respectively.

b. Inventories - construction at the end of the reporting period consisted of the following:

	March 31, 2022	December 31, 2021	March 31, 2021
Land and buildings held for development	\$ 3,536,683	\$ 3,565,090	\$ 3,564,736
Land and buildings held for sale	42,537	42,537	41,494
Land held for construction sites	<u>110,892</u>	<u>110,892</u>	<u>110,892</u>
	<u>\$ 3,690,112</u>	<u>\$ 3,718,519</u>	<u>\$ 3,717,122</u>

13. NON-CURRENT ASSETS HELD FOR SALE

	March 31, 2022	December 31, 2021	March 31, 2021
Assets associated with non-current assets held for sale			
Investments accounted for using the equity method	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 572,213</u>

a. Yue Yuen resolved to dispose of its associates and joint ventures in 2019 and reclassified the remaining assets as “non-current assets held for sale”. The carrying amount of the assets was \$483,440 thousand (US\$16,942 thousand) as of March 31, 2021. As of December 31, 2021, due to the COVID-19 pandemic, the buyer was not able to complete the equity transaction, and the management decided to reclassify the carrying amount of \$468,955 thousand (US\$16,942 thousand) of the remaining assets to “investments accounted for using the equity method”.

- b. Pou Sheng resolved to dispose of its joint ventures in 2019 and reclassified the remaining assets as “non-current assets held for sale”. The carrying amount of the assets was \$88,773 thousand (RMB20,412 thousand) as of March 31, 2021.

14. OTHER ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
Prepayments	\$ 12,887,264	\$ 9,284,581	\$ 8,681,064
Refundable deposits	754,933	743,665	803,452
Defined benefit assets (Note 25)	43,754	43,754	43,754
Prepayments for equipment	3,486,454	3,377,146	3,104,391
Others	<u>1,178,737</u>	<u>2,081,819</u>	<u>1,882,145</u>
	<u>\$ 18,351,142</u>	<u>\$ 15,530,965</u>	<u>\$ 14,514,806</u>
Current	\$ 14,011,323	\$ 11,323,500	\$ 10,444,933
Non-current	<u>4,339,819</u>	<u>4,207,465</u>	<u>4,069,873</u>
	<u>\$ 18,351,142</u>	<u>\$ 15,530,965</u>	<u>\$ 14,514,806</u>

15. SUBSIDIARIES

- a. Subsidiaries included in the consolidated financial statements

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership (%)		
			March 31, 2022	December 31, 2021	March 31, 2021
Wealthplus Holdings Limited (“Wealthplus”)	British Virgin Islands	Investing in footwear, electronics and peripheral products	100.00	100.00	100.00
Win Fortune Investments Limited	British Virgin Islands	Investing activities	100.00	100.00	100.00
Windsor Entertainment Co., Ltd.	ROC	Entertainment and resort operations	100.00	100.00	100.00
Pou Shine Investments Co., Ltd.	ROC	Investing activities	100.00	100.00	100.00
Pan Asia Insurance Services Co., Ltd.	ROC	Agency of property and casualty insurance	100.00	100.00	100.00
Pro Arch International Development Enterprise Inc.	ROC	Design and manufacture of footwear products	100.00	100.00	100.00
Pou Yuen Technology Co., Ltd.	ROC	Rental of real estate	99.81	99.81	99.81
Barits Development Corporation	ROC	Import and export of shoe related materials and investing activities	99.62	99.62	99.62

The information of Wealthplus’ major subsidiaries is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership (%)		
			March 31, 2022	December 31, 2021	March 31, 2021
Yue Yuen Industrial (Holdings) Limited	Bermuda	Manufacture and sale of athletic and casual footwear and sports apparel	50.04	50.04	50.04
Pou Sheng International (Holdings) Limited	Bermuda	Retail of sporting goods and brand licensing business	31.30	31.30	31.12
Tetor Ventures Ltd.	British Virgin Islands	Investment holding	100.00	100.00	100.00
Allied Charm Holdings Limited	British Virgin Islands	Investment holding	100.00	100.00	100.00

Win Fortune Investments Limited (“Win Fortune”) invested in Yue Yuen (as at March 31, 2022, December 31, 2021 and March 31, 2021, the ownership percentage were 1.07%). Investment is its primary operation activity.

The information of Pou Yuen Technology Co., Ltd.'s subsidiary is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership (%)		
			March 31, 2022	December 31, 2021	March 31, 2021
Pearl Dove International Limited	British Virgin Islands	Investment holdings	100.00	100.00	100.00

The information of Barits Development Corporation's subsidiaries is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership (%)		
			March 31, 2022	December 31, 2021	March 31, 2021
Song Ming Investments Co., Ltd.	ROC	Investing activities	100.00	100.00	100.00
Pou Chin Development Co., Ltd.	ROC	Agency of land demarcation	100.00	100.00	100.00
Yu Hong Development Co., Ltd.	ROC	Development of real estate	100.00	100.00	100.00
Wang Yi Construction Co., Ltd.	ROC	Construction	89.75	89.75	89.75
Pou Yii Development Co., Ltd.	ROC	Rental and sale of real estate	75.00	75.00	75.00

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests (%)		
	March 31, 2022	December 31, 2021	March 31, 2021
Yue Yuen Industrial (Holdings) Limited	48.89	48.89	48.89
Pou Sheng International (Holdings) Limited	37.45	37.45	37.81

Refer to Table 8 "Information on Investees" of Note 39 for business location and business item of the material associates.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests		Accumulated Non-controlling Interests		
	For the Three Months Ended March 31		March 31, 2022	December 31, 2021	March 31, 2021
	2022	2021			
Yue Yuen Industrial (Holdings) Limited	\$ 1,196,810	\$ 1,182,956	\$ 56,319,969	\$ 53,860,679	\$ 54,450,167
Pou Sheng International (Holdings) Limited	166,536	590,750	14,658,748	13,961,072	14,234,856

Pou Sheng is a subsidiary of Yue Yuen, and the summarized financial information in respect of Yue Yuen and its subsidiaries (including Pou Sheng) is set out below:

	March 31, 2022	December 31, 2021	March 31, 2021
Current assets	\$ 133,130,143	\$ 125,097,332	\$ 124,671,101
Non-current assets	112,318,387	110,293,707	118,909,436
Current liabilities	(71,967,967)	(68,239,509)	(68,055,661)
Non-current liabilities	<u>(43,330,169)</u>	<u>(42,759,978)</u>	<u>(49,672,606)</u>
Equity	<u>\$ 130,150,394</u>	<u>\$ 124,391,552</u>	<u>\$ 125,852,270</u>
Equity attributable to:			
Owners of the Company	\$ 59,219,710	\$ 56,637,201	\$ 57,263,239
Non-controlling interests of Yue Yuen	56,319,969	53,860,679	54,450,167
Non-controlling interests of Yue Yuen's subsidiaries	<u>14,610,715</u>	<u>13,893,672</u>	<u>14,138,864</u>
	<u>\$ 130,150,394</u>	<u>\$ 124,391,552</u>	<u>\$ 125,852,270</u>

	For the Three Months Ended March 31	
	2022	2021
Operating revenue	<u>\$ 67,027,966</u>	<u>\$ 70,724,154</u>
Net income	\$ 2,675,001	\$ 3,085,716
Other comprehensive income (loss)	<u>476</u>	<u>(478,988)</u>
Total comprehensive income	<u>\$ 2,675,477</u>	<u>\$ 2,606,728</u>
Net income attributable to:		
Owners of the Company	\$ 1,240,886	\$ 1,237,152
Non-controlling interests of Yue Yuen	1,196,810	1,182,956
Non-controlling interests of Yue Yuen's subsidiaries	<u>237,305</u>	<u>665,608</u>
	<u>\$ 2,675,001</u>	<u>\$ 3,085,716</u>
Total comprehensive income attributable to:		
Owners of the Company	\$ 1,223,928	\$ 1,053,922
Non-controlling interests of Yue Yuen	1,180,595	1,007,753
Non-controlling interests of Yue Yuen's subsidiaries	<u>270,954</u>	<u>545,053</u>
	<u>\$ 2,675,477</u>	<u>\$ 2,606,728</u>
Net cash inflow (outflow) from:		
Operating activities	\$ (4,828,944)	\$ 633,151
Investing activities	(1,570,267)	(1,483,513)
Financing activities	<u>2,864,230</u>	<u>688,865</u>
Net cash outflow	<u>\$ (3,534,981)</u>	<u>\$ (161,497)</u>

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2022	December 31, 2021	March 31, 2021
Investments in associates	\$ 57,617,545	\$ 90,741,331	\$ 74,442,783
Investments in joint ventures	<u>5,727,369</u>	<u>5,468,882</u>	<u>8,119,456</u>
	<u>\$ 63,344,914</u>	<u>\$ 96,210,213</u>	<u>\$ 82,562,239</u>

a. Investments in associates

	March 31, 2022	December 31, 2021	March 31, 2021
Material associate			
Ruen Chen Investment Holding Co., Ltd.	\$ 42,853,611	\$ 76,419,271	\$ 60,269,510
Associates that are not individually material	<u>14,763,934</u>	<u>14,322,060</u>	<u>14,173,273</u>
	<u>\$ 57,617,545</u>	<u>\$ 90,741,331</u>	<u>\$ 74,442,783</u>

1) Material associate

Name of Associate	Proportion of Ownership and Voting Rights		
	March 31, 2022	December 31, 2021	March 31, 2021
Ruen Chen Investment Holding Co., Ltd.	20%	20%	20%

- a) As of July 29, 2021, the Company purchasing 7,200 thousand issued ordinary shares with \$10 per share with the amount of \$72,000 thousand.
- b) Refer to Table 8 “Information on Investees” of Note 39 to the consolidated financial statements for business location and business item of the material associates.
- c) The summarized financial information below represents amounts shown in the material associate’s financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

Ruen Chen Investment Holding Co., Ltd.

Name of Associate	March 31, 2022	December 31, 2021	March 31, 2021
Assets	\$ 5,186,221,095	\$ 5,279,608,077	\$ 5,135,664,563
Liabilities	(4,940,792,072)	(4,846,656,016)	(4,792,518,693)
Non-controlling interests	<u>(30,864,406)</u>	<u>(50,559,148)</u>	<u>(41,501,759)</u>
Owners of Ruen Chen Investment Holding Co., Ltd.	<u>\$ 214,564,617</u>	<u>\$ 382,392,913</u>	<u>\$ 301,644,111</u>
Proportion of the Group’s interest	20%	20%	20%
Equity attributable to the Group	\$ 42,912,923	\$ 76,478,583	\$ 60,328,822
Other adjustments	<u>(59,312)</u>	<u>(59,312)</u>	<u>(59,312)</u>
Carrying amount	<u>\$ 42,853,611</u>	<u>\$ 76,419,271</u>	<u>\$ 60,269,510</u>

	For the Three Months Ended March 31	
	2022	2021
Operating revenue	<u>\$ 133,369,481</u>	<u>\$ 162,438,255</u>
Net income	\$ 14,527,981	\$ 25,918,470
Other comprehensive loss	<u>(201,932,917)</u>	<u>(108,389,642)</u>
Total comprehensive loss	<u>\$(187,404,936)</u>	<u>\$(82,471,172)</u>

2) Associates that are not individually material

Name of Associate	Proportion of Ownership and Voting Rights (%)		
	March 31, 2022	December 31, 2021	March 31, 2021
Eagle Nice (International) Holdings Limited	35.97	36.09	36.09
San Fang Chemical Industry Co., Ltd.	44.72	44.72	44.72
Elitegroup Computer Systems Co., Ltd.	14.53	14.53	15.51
Brandblack Inc.	31.25	31.25	31.25
Full Pearl International Ltd.	40.04	40.04	40.04
Just Lucky Investments Limited	38.30	38.30	38.30
Natural Options Limited	38.30	38.30	38.30
Oftenrich Holdings Limited	45.00	45.00	45.00
Pine Wood Industries Limited	-	-	37.00
Pou Ming Paper Products Manufacturing Co., Ltd.	20.00	20.00	20.00
Prosperlink Limited	38.00	38.00	38.00
Prosperous Industrial (Holdings) Ltd.	22.50	22.50	22.50
Rise Bloom International Limited	38.00	38.00	38.00
Supplyline Logistics Ltd.	-	-	49.00
Venture Well Holdings Ltd.	31.55	31.55	31.55
Nan Pao Resins Chemical Co., Ltd.	17.59	17.59	17.59
Nan Shan Life Insurance Co., Ltd.	0.18	0.18	0.18
Techview International Technology Inc.	-	-	50.00

- a) Refer to Table 8 “Information on Investees” of Note 39 to the consolidated financial statements for business location and business item of the material associates.
- b) On December 21, 2020, the shareholders meeting decided to liquidate Techview International Technology Inc., starting from December 31, 2020. The dissolution registration was completed on January 18, 2021, and the related procedures of the liquidation were completed on October 19, 2021.
- c) In 2021, the Group disposed of partial shares of Elitegroup Computer Systems Co., Ltd. in the public market. A total of 27,689 thousand shares were disposed of. After the transaction, the shareholding ratio of the Group on Elitegroup Computer Systems Co., Ltd. dropped from 19.5% to 14.53%. The Group holds less than 20% interest of Elitegroup Computer Systems Co., Ltd. However, the Group has the power to appoint two out of the nine directors of Elitegroup Computer Systems Co., Ltd. Therefore, the Group is able to exercise significant influence over Elitegroup Computer Systems Co., Ltd.
- d) The Group holds less than 20% interest of Nan Pao Resins Chemical Co., Ltd. However, the Group has the power to appoint one out of the seven directors of Nan Pao. Therefore, the Group is able to exercise significant influence over Nan Pao.
- e) The Group holds less than 20% interest of Nan Shan Life Insurance Company, Ltd. However, the Group exercises significant influence over Ruen Chen Investment Holding Co., Ltd., which is the parent company of Nan Shan Life Insurance Company, Ltd. Therefore, Nan Shan Life Insurance Company, Ltd. is classified as an associate of the Group.
- f) The summarized financial information below represents the amounts shown in the financial statements of associates that are not individually material which were prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

	For the Three Months Ended March 31	
	2022	2021
The Group's share of:		
Net income	\$ 360,164	\$ 248,907
Other comprehensive loss	<u>(299,442)</u>	<u>(362,177)</u>
Total comprehensive income (loss)	<u>\$ 60,722</u>	<u>\$ (113,270)</u>

- g) Fair values (Level 1) of investments in associates that are not individually material with available published price quotations are summarized as follows:

Name of Associate	March 31, 2022	December 31, 2021	March 31, 2021
Eagle Nice (International) Holdings Limited	<u>\$ 3,122,451</u>	<u>\$ 3,190,101</u>	<u>\$ 3,333,362</u>
Prosperous Industrial (Holdings) Ltd.	<u>\$ 1,022,252</u>	<u>\$ 1,010,965</u>	<u>\$ 545,724</u>
San Fang Chemical Industry Co., Ltd.	<u>\$ 3,593,280</u>	<u>\$ 3,710,701</u>	<u>\$ 3,838,877</u>
Elitegroup Computer Systems Co., Ltd.	<u>\$ 2,766,929</u>	<u>\$ 1,822,859</u>	<u>\$ 2,684,177</u>
Nan Pao Resins Chemical Co., Ltd.	<u>\$ 1,624,370</u>	<u>\$ 3,012,215</u>	<u>\$ 3,397,227</u>

- b. Investments in joint ventures

	March 31, 2022	December 31, 2021	March 31, 2021
Joint ventures that are not individually material	<u>\$ 5,727,369</u>	<u>\$ 5,468,882</u>	<u>\$ 8,119,456</u>

- 1) At the end of the reporting period, the proportions of ownership and voting rights in joint ventures that are not individually material held by the Group were as follows:

Name of Joint Venture	Proportion of Ownership and Voting Rights (%)		
	March 31, 2022	December 31, 2021	March 31, 2021
Cohen Enterprises Inc.	50.00	50.00	50.00
Great Skill Industrial Limited	50.00	50.00	50.00
Hangzhou Baohong Sports Goods Company Limited	50.00	50.00	50.00
Hua Jian Industrial Holding Co., Limited	22.41	22.41	-
Jilin Xinfangwei Sports Goods Company Limited	50.00	50.00	50.00
Jumbo Power Enterprises Limited	50.00	50.00	50.00
Ka Yuen Rubber Factory Limited	50.00	50.00	50.00
Kounshan Baowei Information Technology Co., Ltd.	-	-	55.00
Prime Glorious Limited	49.00	49.00	49.00
Top Units Developments Limited	49.00	49.00	49.00
Twinways Investments Limited	50.00	50.00	50.00
Willpower Industries Limited	-	-	44.84
Zhong Ao Multiplex Management Limited	46.82	46.82	46.82

- 2) Refer to Table 8 “Information on Investees” of Note 39 to the consolidated financial statements for business location and business item of the material associates.
- 3) The summarized financial information below represents amounts shown in the financial statements of joint ventures that are not individually material which were prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes:

	For the Three Months Ended March 31	
	2022	2021
The Group’s share of:		
Net income	\$ 67,977	\$ 327,302
Other comprehensive income (loss)	<u>2,212</u>	<u>(38,833)</u>
Total comprehensive income	<u>\$ 70,189</u>	<u>\$ 288,469</u>

17. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2022	December 31, 2021	March 31, 2021
Land	\$ 2,704,474	\$ 2,704,124	\$ 2,726,917
Buildings and improvements	43,564,587	42,873,811	46,636,572
Machinery and equipment	13,316,844	13,300,518	14,704,342
Transportation equipment	248,349	256,446	304,449
Office equipment	2,104,421	2,065,956	2,328,166
Other equipment	72,152	73,940	78,732
Construction in progress	<u>1,653,621</u>	<u>1,511,658</u>	<u>1,665,885</u>
	<u>\$ 63,664,448</u>	<u>\$ 62,786,453</u>	<u>\$ 68,445,063</u>

- a. Except for depreciation expenses recognized, the Group had neither significant disposal nor impairment of property, plant and equipment during the three months ended March 31, 2022 and 2021.
- b. The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful life as follows:

<u>Items</u>	<u>Estimated Useful Life</u>
Buildings and improvements	
Main buildings	50-55 years
Elevators	15 years
Machinery and equipment	5-12 years
Transportation equipment	5 years
Office equipment	3-7 years
Other equipment	3-10 years

- c. The Group has land located in Changhwa County with a carrying amount of \$56,102 thousand. Due to certain restrictions under the land regulations, the ownership for these three parcels of land resides with a trustee through a trust agreement which prohibits the trustee from selling, pledging or hypothecating the property.

18. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Carrying amount</u>			
Land	\$ 5,454,715	\$ 7,827,224	\$ 6,634,247
Buildings	11,666,514	12,224,980	14,017,774
Machinery	5,305	6,256	8,173
Transportation equipment	3,954	3,406	6,453
Other equipment	<u>4,327</u>	<u>4,536</u>	<u>5,164</u>
	<u>\$ 17,134,815</u>	<u>\$ 20,066,402</u>	<u>\$ 20,671,811</u>
		For the Three Months Ended March 31	
		2022	2021
Additions to right-of-use assets		<u>\$ 373,009</u>	<u>\$ 1,752,400</u>
Depreciation charge for right-of-use assets			
Land		\$ 37,520	\$ 35,188
Buildings		1,268,983	1,365,961
Machinery		1,139	1,445
Transportation equipment		787	1,046
Other equipment		<u>209</u>	<u>209</u>
		<u>\$ 1,308,638</u>	<u>\$ 1,403,849</u>

b. Lease liabilities

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Carrying amount</u>			
Current	\$ 4,040,206	\$ 4,323,157	\$ 4,371,410
Non-current	<u>8,132,095</u>	<u>8,357,819</u>	<u>9,892,122</u>
	<u>\$ 12,172,301</u>	<u>\$ 12,680,976</u>	<u>\$ 14,263,532</u>

Range of discounts rates for lease liabilities was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Land	1.10%-3.07%	1.10%-3.14%	1.10%-3.14%
Buildings	0.90%-6.25%	0.90%-6.25%	1.34%-5.50%
Machinery	0.85%-3.07%	0.85%-3.07%	0.90%-3.07%
Transportation equipment	4.25%-4.50%	4.25%-4.50%	4.25%-4.50%
Other equipment	1.25%-1.34%	1.25%-1.34%	1.25%-1.34%

c. Other lease information

	For the Three Months Ended March 31	
	2022	2021
Expenses relating to short-term leases	<u>\$ 152,607</u>	<u>\$ 203,162</u>
Expenses relating to low-value asset leases	<u>\$ 1,273</u>	<u>\$ 627</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 1,490,603</u>	<u>\$ 1,857,869</u>
Total cash outflow for leases	<u>\$ (3,017,404)</u>	<u>\$ (3,582,864)</u>

The Group leases which qualify as short-term leases and qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

19. INVESTMENT PROPERTIES

	March 31, 2022	December 31, 2021	March 31, 2021
Investment properties	<u>\$ 5,523,652</u>	<u>\$ 2,918,076</u>	<u>\$ 2,824,708</u>

- a. Except for depreciation expenses recognized, the Group had neither significant disposal nor impairment of investment properties during the three months ended March 31, 2022 and 2021.
- b. The investment properties are depreciated using the straight-line method over 30-55 years.
- c. The fair values of the Group's investment properties as of December 31, 2021 and 2020 were \$5,573,665 thousand and \$4,845,589 thousand, respectively. The Group's management team evaluated the fair value of investment properties which did not changed significantly for during the three months ended March 31, 2022 and 2021.

20. GOODWILL

The Group's goodwill was tested as of December 31, 2021 and 2020, and the Group's management team evaluated that goodwill as of March 31, 2022 and 2021, has not changed significantly and was not impaired.

21. OTHER INTANGIBLE ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
Computer software	\$ 1,328,593	\$ 1,301,541	\$ 1,137,180
Brand names	-	-	275,163
Non-compete agreements	307,032	305,504	333,032
Licensing agreements	-	-	18,320
Trademarks	82	85	66
Patents	<u>191</u>	<u>140</u>	<u>148</u>
	<u>\$ 1,635,898</u>	<u>\$ 1,607,270</u>	<u>\$ 1,763,909</u>

- a. Except for amortization recognized, the Group had neither significant disposal nor impairment of other intangible assets during the three months ended March 31, 2022 and 2021.
- b. The abovementioned items of other intangible assets are amortized on a straight-line basis over their estimated useful life as follows:

<u>Item</u>	<u>Estimated Useful Life</u>
Computer software	3-20 years
Brand names	5 years
Non-compete agreements	5-20 years
Licensing agreements	10 years
Trademarks	10 years
Patents	10-20 years

22. BORROWINGS

- a. Short-term borrowings

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Unsecured borrowings</u>			
Credit borrowings	<u>\$ 33,394,340</u>	<u>\$ 25,552,433</u>	<u>\$ 29,770,041</u>

The ranges of effective interest rate on bank borrowings were 0.55%-4.35%, 0.55%-3.85% and 0.50%-5.00% per annum as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

- b. Short-term bills payable

March 31, 2022

	Annual Interest Rate	Amount
Commercial papers	0.46%-0.80%	\$ 1,488,000
Less: Unamortized discount on bills payable		<u>(788)</u>
		<u>\$ 1,487,212</u>

December 31, 2021

	Annual Interest Rate	Amount
Commercial papers	0.35%-0.70%	\$ 2,564,000
Less: Unamortized discount on bills payable		<u>(907)</u>
		<u>\$ 2,563,093</u>

March 31, 2021

		Annual Interest Rate	Amount
Commercial papers		0.22%-0.70%	\$ 3,347,500
Less: Unamortized discount on bills payable			<u>(675)</u>
			<u>\$ 3,346,825</u>
c. Long-term borrowings			
	March 31, 2022	December 31, 2021	March 31, 2021
<u>Unsecured borrowings</u>			
Bank loans	\$ 64,558,853	\$ 66,266,209	\$ 69,600,363
Less: Long-term expenses for syndicated loans	(80,121)	(86,888)	(109,489)
Less: Current portion	<u>(12,046,213)</u>	<u>(9,791,986)</u>	<u>(6,762,974)</u>
	<u>\$ 52,432,519</u>	<u>\$ 56,387,335</u>	<u>\$ 62,727,900</u>

Maturity dates and ranges of annual interest rates:

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Maturity date</u>			
Long-term borrowings	2023.04.15- 2026.11.29	2023.01.15- 2026.11.29	2022.04.15- 2026.07.15
Current portion of long-term borrowings	2022.04.15- 2023.03.29	2022.01.15- 2022.12.09	2021.04.15- 2022.03.28
<u>Ranges of interest rate</u>	0.67%-1.72%	0.67%-2.50%	0.68%-2.50%

23. NOTES PAYABLE AND ACCOUNTS PAYABLE

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Notes payable (included related parties)</u>			
Operating	\$ 1,382	\$ 2,997	\$ 2,728
Non-operating	<u>4,790</u>	<u>2,788</u>	<u>5,786</u>
	<u>\$ 6,172</u>	<u>\$ 5,785</u>	<u>\$ 8,514</u>
Accounts payable (included related parties)	<u>\$ 17,713,976</u>	<u>\$ 17,406,222</u>	<u>\$ 17,332,702</u>

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

24. OTHER PAYABLES

	March 31, 2022	December 31, 2021	March 31, 2021
Payables for salaries	\$ 8,556,514	\$ 10,587,551	\$ 8,087,347
Payables for purchase of property, plant and equipment	1,038,476	1,408,786	1,112,375
Compensation due to directors	168,557	174,982	118,358
Compensation of employees	584,446	508,379	719,478
Interest payables	116,979	122,759	147,109
Payables for annual leave	1,012,814	1,119,012	966,373
Payables for dividends	586,729	-	-
Others	<u>7,518,901</u>	<u>6,796,369</u>	<u>6,783,013</u>
	<u>\$ 19,583,416</u>	<u>\$ 20,717,838</u>	<u>\$ 17,934,053</u>
Current	\$ 19,434,920	\$ 20,547,217	\$ 17,785,845
Non-current	<u>148,496</u>	<u>170,621</u>	<u>148,208</u>
	<u>\$ 19,583,416</u>	<u>\$ 20,717,838</u>	<u>\$ 17,934,053</u>

25. RETIREMENT BENEFIT PLANS

Employee benefits expenses in respect of the Group's defined benefit retirement plans were calculated using the respective annual, actuarially determined pension cost discount rates as of December 31, 2021 and 2020 and recognized in the following line items in their respective periods:

	For the Three Months Ended March 31	
	2022	2021
Operating costs	\$ 132,464	\$ 83,567
Selling and marketing expenses	623	570
General and administrative expenses	9,127	56,799
Research and development expenses	<u>1,037</u>	<u>1,045</u>
	<u>\$ 143,251</u>	<u>\$ 141,981</u>

26. EQUITY

a. Share capital

	March 31, 2022	December 31, 2021	March 31, 2021
Number of shares authorized (in thousands)	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
Amount of shares authorized	<u>\$ 45,000,000</u>	<u>\$ 45,000,000</u>	<u>\$ 45,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>2,946,787</u>	<u>2,946,787</u>	<u>2,946,787</u>
Amount of shares issued	<u>\$ 29,467,872</u>	<u>\$ 29,467,872</u>	<u>\$ 29,467,872</u>

b. Capital surplus

	March 31, 2022	December 31, 2021	March 31, 2021
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)</u>			
Recognized from issuance of ordinary shares	\$ 848,603	\$ 848,603	\$ 848,603
Recognized from conversion of bonds	1,447,492	1,447,492	1,447,492
Recognized from treasury share transactions	1,824,608	1,824,608	1,824,608
Recognized from the excess of the consideration received over the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	109,637	109,637	109,637
<u>May be used to offset a deficit only</u>			
Recognized from the changes in ownership to subsidiaries (Note 2)	27,234	27,234	-
Recognized from the share of changes in net assets of associates and joint ventures	133,172	133,410	131,592
Others	<u>29,648</u>	<u>28,416</u>	<u>28,439</u>
	<u>\$ 4,420,394</u>	<u>\$ 4,419,400</u>	<u>\$ 4,390,371</u>

Note 1: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

Note 2: Such capital surplus are the changes in equity transactions recognized from the equity changes of subsidiaries when the Company does not actually receive or dispose of subsidiaries' shares.

c. Retained earnings and dividend policy

Under the dividend policy of the amended Articles, the Company should make appropriations from the annual net profit in the following order:

- 1) For paying taxes.
- 2) For offsetting deficit.
- 3) For the legal reserve at 10% of the remaining profit, and for the special reserve to be appropriated and distributed according to regulations or upon request by the FSC.
- 4) The total of any remaining profit after the appropriations mentioned above plus any accumulated unappropriated earnings from prior years may be partially retained and then the remainder distributed as proposed according to the share ownership proportion.

The board of directors proposes an earnings distribution in the form of new shares shall be approved following the resolution of the shareholders' meetings. Distribution of dividends and bonuses or distribution of the legal reserve and capital surplus in whole or in part by cash shall be resolved by a majority vote at a meeting attended by more than two thirds of the total number of directors, and such distribution shall be reported at the shareholders' meeting.

For information about the accrual basis of the compensation of employees and remuneration of directors and supervisors and the actual appropriations, refer to Note 28 (h) to the consolidated financial statements.

In accordance with the “Articles”, profit may be distributed after taking into consideration the future development plan, financial condition, business and operational status, and so on. The distribution of profit shall be proposed by the board of directors, and submitted to the shareholders’ meeting for approval. The ratio of distribution shall be no less than 30% of the net income for each fiscal year, and the proportion of cash dividends distributed shall be no less than 30% of total dividends distributed. If there are material changes in the operating environment, the Company can adjust the ratio and amounts of distribution of profit.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company’s paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company’s paid-in capital, the excess may be transferred to capital or distributed in cash.

Under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs”, the Company should appropriate or reverse to a special reserve.

The appropriations of earnings for 2021 and 2020, which were approved in the shareholders’ meetings on April 28, 2022 and April 28, 2021, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For	For	For	For
	Year 2021	Year 2020	Year 2021	Year 2020
Legal reserve	\$ 1,439,249	\$ 482,716	\$ -	\$ -
Cash dividends	4,420,181	1,473,394	1.5	0.5

d. Other equity item

1) Exchange differences on translation of the financial statements of foreign operations

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ (7,414,850)	\$ (5,491,369)
Exchange differences on translation of the financial statements of foreign operations	2,680,271	(91,972)
Share of exchange differences of associates and joint ventures accounted for using the equity method	(47,416)	(1,334)
Disposal of associates accounted for using the equity method	<u>-</u>	<u>15,590</u>
Balance at March 31	<u>\$ (4,781,995)</u>	<u>\$ (5,569,085)</u>

2) Unrealized gain or loss on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 14,613,616	\$ 24,305,081
Unrealized gain from equity instruments	3,980,850	1,195,456
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	-	(754)
Share of loss from associates and joint ventures accounted for using the equity method	-	(196)
Disposal of associates accounted for using the equity method	<u>(25,466,429)</u>	<u>(18,420,539)</u>
Balance at March 31	<u>\$ (6,871,963)</u>	<u>\$ 7,079,048</u>

3) Cash flow hedge

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ -	\$ 1,195
Gain on changes in fair value of cash flow hedge	<u>-</u>	<u>1,323</u>
Balance at March 31	<u>\$ -</u>	<u>\$ 2,518</u>

4) Others

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 12,620,038	\$ 8,629,040
Share of loss from associates and joint ventures accounted for using the equity method	<u>(10,976,694)</u>	<u>(1,160,911)</u>
Balance at March 31	<u>\$ 1,643,344</u>	<u>\$ 7,468,129</u>

e. Non-controlling interests

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 68,063,798	\$ 67,133,743
Share of non-controlling interests		
Net income	1,434,259	1,849,410
Exchange differences on translation of the financial statements of foreign operations	2,335,091	(214,048)
Unrealized gain on financial assets at FVTOCI	67,001	56,419
Accumulated gain from disposal of equity instruments shifted to retained earnings	-	40
Others	(214)	(22)
Changes in non-controlling interests	<u>(620,322)</u>	<u>52,473</u>
Balance at March 31	<u>\$ 71,279,613</u>	<u>\$ 68,878,015</u>

27. REVENUE

	For the Three Months Ended March 31	
	2022	2021
Sales revenue	\$ 67,050,334	\$ 70,733,176
Revenue from entertainment and resorts	131,908	113,794
Others	<u>81,119</u>	<u>47,551</u>
	<u>\$ 67,263,361</u>	<u>\$ 70,894,521</u>

28. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations consists of the following:

a. Interest income

	For the Three Months Ended March 31	
	2022	2021
Interest income		
Cash in bank	\$ 107,739	\$ 94,199
Repurchase agreements collateralized by bonds	813	87
Financial assets at amortized cost	45,278	61,264
Others	<u>12</u>	<u>-</u>
	<u>\$ 153,842</u>	<u>\$ 155,550</u>

b. Other income

	For the Three Months Ended March 31	
	2022	2021
Rental income from operating lease	\$ 190,049	\$ 136,138
Others	<u>409,461</u>	<u>436,136</u>
	<u>\$ 599,510</u>	<u>\$ 572,274</u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2022	2021
Net gain (loss) on disposal of property, plant and equipment	\$ 1,985	\$ (24,925)
Net foreign exchange gain	117,085	260,404
Net gain on disposal of associates and joint ventures	-	340,895
Net gain on financial products at FVTPL	776,653	104,040
Impairment loss of assets	-	(260,116)
Others	<u>(49,274)</u>	<u>(29,191)</u>
	<u>\$ 846,449</u>	<u>\$ 391,107</u>

d. Finance costs

**For the Three Months Ended
March 31**

	2022	2021
Interest on bank borrowings	\$ 300,972	\$ 326,484
Lease liabilities	131,520	159,670
Interest on short-term bills payable	3,890	3,377
Other interest expense	21	14
	\$ 436,403	\$ 489,545

e. Depreciation and amortization

**For the Three Months Ended
March 31**

	2022	2021
Property, plant and equipment	\$ 2,427,243	\$ 2,582,159
Right-of-use assets	1,308,638	1,403,849
Investment properties	49,529	6,552
Other intangible assets	28,803	129,284
Long-term prepayments	375	359
	\$ 3,814,588	\$ 4,122,203
An analysis of depreciation by function		
Operating costs	\$ 1,425,086	\$ 1,420,402
Operating expenses	2,348,732	2,570,558
Non-operating expenses	11,592	1,600
	\$ 3,785,410	\$ 3,992,560
An analysis of amortization by function		
Operating expenses	\$ 29,178	\$ 129,643

f. Direct operating expenses from investment properties

**For the Three Months Ended
March 31**

	2022	2021
Generate rental income	\$ 10,242	\$ 11,450

g. Employee benefits expense

	For the Three Months Ended March 31	
	2022	2021
Short-term benefits	\$ 15,553,149	\$ 15,003,094
Post-employment benefits		
Defined contribution plans	1,619,754	1,522,974
Defined benefit plans	<u>143,251</u>	<u>141,981</u>
	1,763,005	1,664,955
Share-based payments		
Equity-settled	32,641	19,828
Termination benefits	<u>89</u>	<u>971</u>
	<u>\$ 17,348,884</u>	<u>\$ 16,688,848</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 11,781,102	\$ 10,708,735
Operating expenses	<u>5,567,782</u>	<u>5,980,113</u>
	<u>\$ 17,348,884</u>	<u>\$ 16,688,848</u>

As of March 31, 2022 and 2021, there were 330,707 and 306,284 employees, respectively, in the Group. The Group accounts for employee benefits expense based on the number of employees.

h. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company shall distribute compensation of employees and remuneration of directors and supervisors at rates of 1%-5% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. In the case of an accumulated loss, the Company shall allocate an amount to recover such loss before appropriating any compensation of employees and remuneration of directors and supervisors.

The compensation of employees and remuneration of directors for the three months ended March 31, 2022 and 2021 were as follows:

Accrual rate

	For the Three Months Ended March 31	
	2022	2021
Compensation of employees	1.6%	1.6%
Remuneration of directors	0.8%	0.8%

Amount

	For the Three Months Ended March 31	
	2022	2021
Compensation of employees	<u>\$ 76,289</u>	<u>\$ 103,032</u>
Remuneration of directors	<u>\$ 38,143</u>	<u>\$ 51,515</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The compensation of employees and remuneration of directors for the years ended December 31, 2021 and 2020, which were approved by the Company's board of directors on March 16, 2022 and March 24, 2021, respectively, were as follows:

	For the Year Ended December 31			
	2021		2020	
	Cash	Shares	Cash	Shares
Compensation of employees	\$ 229,168	\$ -	\$ 102,070	\$ -
Remuneration of directors	114,584	-	51,035	-

There was no difference between the actual amounts of compensation of employees and remuneration of directors approved/paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

Information on compensation of employees and remuneration of directors resolved by the Company's board of directors in 2022 and 2021 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

29. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended March 31	
	2022	2021
Current tax		
In respect of the current period	\$ 814,303	\$ 1,036,115
Deferred tax		
In respect of the current period	<u>(125,499)</u>	<u>47,657</u>
Income tax expense recognized in profit or loss	<u>\$ 688,804</u>	<u>\$ 1,083,772</u>

In July 2019, the president of the ROC announced of "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act". Within two years from the enforcement of this Act, profit-seeking enterprises may assess tax under this Act by the approval of the tax authority. Instead of assessing tax in accordance with the legal tax rate of 20%, the tax rate of the fund repatriated for the first year from the enforcement of this Act is 8% and the tax rate of the fund repatriated for the second year from the date following the last day of the first year from the enforcement of this Act is 10%. If profit-seeking enterprises complete the plan of substantive investment, an application for a 50% refund of the tax paid under this Act should be submitted to the tax authority-in-charge.

In July 2019, the president of the ROC announced the amendments to the Statute for Industrial Innovation, which stipulate that the amounts of unappropriated earnings in 2018 and thereafter that are reinvested in the construction or purchase of certain assets or technologies are allowed as deduction when computing the income tax on unappropriated earnings. When calculating the tax on unappropriated earnings, the Group only deducts the amount of the unappropriated earnings that has been reinvested in capital expenditure.

b. Income tax assessments

Except for 2019, all the Company's income tax returns as of 2020 have been assessed by the tax authorities.

30. EARNINGS PER SHARE

The basic earnings per share and diluted earnings per share for the three months ended March 31, 2022 and 2021 were as follows:

	For the Three Months Ended March 31	
	2022	2021
<u>Net income (in thousand dollars)</u>		
Earnings used in the computation of earnings per share	<u>\$ 4,638,528</u>	<u>\$ 6,275,845</u>
<u>Weighted average number of shares outstanding (in thousand shares)</u>		
Weighted average number of ordinary shares used in the computation of basic earnings per share	2,946,787	2,946,787
Effects of potentially dilutive ordinary shares:		
Compensation of employees	<u>3,969</u>	<u>3,831</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>2,950,756</u>	<u>2,950,618</u>
<u>Earnings per share (in dollars)</u>		
Basic earnings per share	<u>\$1.57</u>	<u>\$2.13</u>
Diluted earnings per share	<u>\$1.57</u>	<u>\$2.13</u>

Since the Company offered to settle the compensation paid to employees by cash or shares, the Company assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

31. SHARE-BASED PAYMENT ARRANGEMENTS

a. Information about Yue Yuen's employee share options

Information about the granted employee share options during the three months ended March 31, 2022 and 2021 was as follows:

	For the Three Months Ended March 31	
	2022	2021
	Number of Shares (In Thousands)	Number of Shares (In Thousands)
Balance at January 1	1,740	1,040
Options granted	1,184	915
Options cancelled	<u>(60)</u>	<u>-</u>
Balance at March 31	<u><u>2,864</u></u>	<u><u>1,955</u></u>

Yue Yuen recognized \$26,146 thousand and \$14,523 thousand in compensation costs for the three months ended March 31, 2022 and 2021, respectively.

b. Information about Pou Sheng's employee share options

1) Information about outstanding share options during the three months ended March 31, 2022 and 2021 was as follows:

	For the Three Months Ended March 31			
	2022		2021	
Employee Share Options	Number of Shares Purchasable (In Thousands)	Weighted- average Exercise Price (HK\$)	Number of Shares Purchasable (In Thousands)	Weighted- average Exercise Price (HK\$)
Balance at January 1	-	\$ -	1,166	\$ 2.49
Options cancelled	-	-	-	-
Options exercised	<u>-</u>	-	<u>-</u>	-
Balance at March 31	<u><u>-</u></u>	-	<u><u>1,166</u></u>	2.49
Exercisable options at March 31	<u><u>-</u></u>	-	<u><u>1,166</u></u>	2.49

Pou Sheng recognized \$0 in compensation costs for the three months ended March 31, 2022 and 2021.

	March 31, 2022	December 31, 2021	March 31, 2021
Range of exercise price (HK\$)	\$-	\$-	\$2.494
Weighted-average remaining contractual life (years)	-	-	0.42

Pou Sheng recognized \$0 in compensation costs for the three months ended March 31, 2022 and 2021.

- 2) Information about the granted employee share options during the three months ended March 31, 2022 and 2021 was as follows:

	For the Three Months Ended March 31	
	2022	2021
	Number of Shares (In Thousands)	Number of Shares (In Thousands)
Balance at January 1	15,968	19,597
Options granted	-	8,340
Options cancelled	(217)	(356)
Options exercised	<u>(5,521)</u>	<u>(8,888)</u>
Balance at March 31	<u>10,230</u>	<u>18,693</u>

Pou Sheng recognized \$6,495 thousand and \$5,305 thousand in compensation costs (gains) for the three months ended March 31, 2022 and 2021, respectively.

32. EXPLANATORY COMMENTS ABOUT THE SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's industry is not seasonal in nature. Based on historical experience, the sales of the Group are not seasonally dependent.

33. CAPITAL MANAGEMENT

The Group's capital management policy is to ensure that the Group has sufficient financial resources and operating plans to balance the working capital, capital expenditure, research and development expenditure, repayment of debt and dividends paid to shareholders within twelve months.

34. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments that are not measured at fair value

The Group's management considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1, 2 and 3 based on the degree to which the fair value is observable:

1) The fair value hierarchy is as follows:

March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 738,914	\$ -	\$ 738,914
Structured deposits	-	4,876,826	-	4,876,826
Mutual funds	<u>545,048</u>	<u>-</u>	<u>578,589</u>	<u>1,123,637</u>
	<u>\$ 545,048</u>	<u>\$ 5,615,740</u>	<u>\$ 578,589</u>	<u>\$ 6,739,377</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 24,797,387	\$ -	\$ -	\$ 24,797,387
Domestic unlisted shares	-	-	71,789	71,789
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>112,003</u>	<u>112,003</u>
	<u>\$ 24,797,387</u>	<u>\$ -</u>	<u>\$ 183,792</u>	<u>\$ 24,981,179</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 94,163</u>	<u>\$ -</u>	<u>\$ 94,163</u>

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 120,412	\$ -	\$ 120,412
Structured deposits	-	2,831,408	-	2,831,408
Mutual funds	<u>516,897</u>	<u>-</u>	<u>621,019</u>	<u>1,137,916</u>
	<u>\$ 516,897</u>	<u>\$ 2,951,820</u>	<u>\$ 621,019</u>	<u>\$ 4,089,736</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 20,814,168	\$ -	\$ -	\$ 20,814,168
Domestic unlisted shares	-	-	72,034	72,034
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>107,827</u>	<u>107,827</u>
	<u>\$ 20,814,168</u>	<u>\$ -</u>	<u>\$ 179,861</u>	<u>\$ 20,994,029</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 310,731</u>	<u>\$ -</u>	<u>\$ 310,731</u>

March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 64,727	\$ -	\$ 64,727
Structured deposits	-	4,156,201	-	4,156,201
Mutual funds	<u>340,047</u>	<u>-</u>	<u>461,355</u>	<u>801,402</u>
	<u>\$ 340,047</u>	<u>\$ 4,220,928</u>	<u>\$ 461,355</u>	<u>\$ 5,022,330</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 18,776,387	\$ -	\$ -	\$ 18,776,387
Domestic unlisted shares	-	-	78,539	78,539
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>109,759</u>	<u>109,759</u>
	<u>\$ 18,776,387</u>	<u>\$ -</u>	<u>\$ 188,298</u>	<u>\$ 18,964,685</u>
Hedging financial assets				
Derivative financial assets	<u>\$ -</u>	<u>\$ 1,544</u>	<u>\$ -</u>	<u>\$ 1,544</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 662,892</u>	<u>\$ -</u>	<u>\$ 662,892</u>

- 2) There were no transfers between Levels 1 and 2 in the current and prior periods.
- 3) There was no reconciliation of Level 3 fair value measurements of financial assets except for changes in fair value recognized in other comprehensive income.
- 4) The fair value of Level 2 financial assets and financial liabilities is determined as follows:
 - a) The fair value of financial instruments with standard terms and conditions and traded in active liquid markets is determined with reference to the quoted market prices.
 - b) The future cash flows of derivatives are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
- 5) Valuation techniques and assumptions applied for Level 3 fair value measurement is as follows:

The fair values of unlisted shares and funds with no active market is determined using the asset approach, income approach and market approach.

The future cash flow of the contingent consideration of the receivables from disposal of subsidiary is estimated using the expected revenue growth rate. It is discounted at a discount rate that reflects the credit risk of the counterparty. Significant unobservable inputs include discount rate and operating income growth rate.

c. Categories of financial instruments

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily at FVTPL	\$ 6,739,377	\$ 4,089,736	\$ 5,022,330
Financial assets at amortized cost (Note 1)	74,348,297	71,293,950	82,745,678
Financial assets at FVTOCI	24,981,179	20,994,029	18,964,685
Hedging financial assets	-	-	1,544
<u>Financial liabilities</u>			
Financial liabilities at FVTPL			
Held for trading	94,163	310,731	662,892
Financial liabilities at amortized cost (Note 2)	136,702,210	132,461,774	137,931,914

Note 1: The balance included financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable, other receivables and refundable deposits.

Note 2: The balances included financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, accounts payable, other payables, long-term borrowings, long-term payables and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity investments, borrowings, receivables, payables, refundable deposits and guarantee deposits. The Group's treasury function monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts and other derivative instruments.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities and the carrying amount of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 38.

Sensitivity analysis

The Group was mainly exposed to the USD, RMB, HKD, VND and IDR.

The following table details the Group's sensitivity to 1% increase (decrease) in New Taiwan dollars (the functional currency) against the relevant foreign currencies. A positive (negative) number below indicates an increase (decrease) in pre-tax profit with New Taiwan dollars strengthening 1% against the relevant currency. For a 1% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	For the Three Months Ended March 31	
	2022	2021
USD	\$ 9,004	\$ (15,454)
RMB	(65,626)	(77,849)
HKD	(6,238)	(500)
VND	(21,492)	(4,634)
IDR	2,397	(1,904)

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts and forward interest rate contracts.

The carrying amounts of the Group's financial liabilities with exposure to interest rates at the end of the reporting periods were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Cash flow interest rate risk			
Financial liabilities	\$ 76,296,442	\$ 72,950,880	\$ 76,973,226

Sensitivity analysis

The sensitivity analysis below was based on the Group's floating rate liabilities. The analysis was prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole period. If there had been a 1% increase in interest rates, it would have caused the Group to increase its cash outflow by \$190,741 thousand and \$192,433 thousand during the three months ended March 31, 2022 and 2021, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and mutual funds. The investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had declined by 1%, income before income tax for the three months ended March 31, 2022 and 2021 would have decreased by \$11,236 thousand and \$8,014 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income for the three months ended March 31, 2022 and 2021 would have decreased by \$248,159 thousand and \$187,953 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The company's sensitivity to equity securities investment has not changed significantly from the previous year.

2) Credit risk

Financial instruments are evaluated for credit risk (which represents the potential loss that would be incurred by the Company if a counterparty or third party were to breach a contract). The risk includes the centralization of credit risk, components, contract figures, and accounts receivable. Besides, the Company requires significant clients to provide guarantees of a credit rating of intermediate or higher issued by a bank so as to effectively reduce its credit risk.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The tables had been drawn up based on the undiscounted cash flows of financial liabilities including both interest and principal from the earliest date on which the Group can be required to pay.

March 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 22,044,732	\$ 8,616,642	\$ 6,494,910	\$ 129,311	\$ 56,331
Lease liabilities	290,764	1,338,038	2,834,426	7,157,633	1,907,689
Floating interest rate liabilities	15,620,106	6,999,801	5,406,957	48,269,578	-
Fixed interest rate liabilities	8,131,861	-	11,219,441	4,775,000	-
Financial guarantee contracts	<u>70,276,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 116,364,351</u>	<u>\$ 16,954,481</u>	<u>\$ 25,955,734</u>	<u>\$ 60,331,522</u>	<u>\$ 1,964,020</u>

December 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 21,395,833	\$ 7,964,596	\$ 8,599,921	\$ 126,862	\$ 54,567
Lease liabilities	429,953	1,236,371	3,080,886	7,297,386	1,969,302
Floating interest rate liabilities	13,628,086	5,823,610	2,498,003	51,001,181	-
Fixed interest rate liabilities	3,807,854	3,236,578	9,270,833	5,913,209	-
Financial guarantee contracts	<u>67,795,423</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 107,057,149</u>	<u>\$ 18,261,155</u>	<u>\$ 23,449,643</u>	<u>\$ 64,338,638</u>	<u>\$ 2,023,869</u>

March 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 18,948,363	\$ 9,260,974	\$ 6,933,023	\$ 125,708	\$ 56,105
Lease liabilities	212,754	1,392,096	3,291,939	8,715,434	2,417,607
Floating interest rate liabilities	13,368,462	3,329,474	6,187,481	53,639,086	6,877
Fixed interest rate liabilities	8,726,384	2,761,874	6,261,220	9,435,771	-
Financial guarantee contracts	<u>84,175,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 125,431,615</u>	<u>\$ 16,744,418</u>	<u>\$ 22,673,663</u>	<u>\$ 71,915,999</u>	<u>\$ 2,480,589</u>

The amounts included above for floating interest rate instruments for non-derivative financial liabilities were subject to change if floating interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Liquidity and interest rate risk tables for derivative financial liabilities

The following table details the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

March 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Interest rate swap contracts	\$ -	\$ 53,529	\$ 25,906	\$ 13,162	\$ -
Exchange rate swap contracts	-	-	16	-	-
Exchange rate option contracts	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,550</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 53,529</u>	<u>\$ 25,922</u>	<u>\$ 14,712</u>	<u>\$ -</u>

December 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Interest rate swap contracts	\$ -	\$ 71,691	\$ 174,440	\$ 40,537	\$ -
Exchange rate swap contracts	587	3,400	20,074	-	-
Exchange rate option contracts	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 587</u>	<u>\$ 75,093</u>	<u>\$ 194,514</u>	<u>\$ 40,537</u>	<u>\$ -</u>

March 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Interest rate swap contracts	\$ -	\$ 77,216	\$ 235,784	\$ 290,534	\$ -
Forward exchange contracts	-	-	13,079	-	-
Exchange rate swap contracts	-	14,690	12,307	-	-
Exchange rate option contracts	-	-	<u>19,282</u>	-	-
	<u>\$ -</u>	<u>\$ 91,906</u>	<u>\$ 280,452</u>	<u>\$ 290,534</u>	<u>\$ -</u>

35. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Related party names and categories

<u>Name</u>	<u>Related Party Categories</u>
Oftenrich Holdings Limited	Associate
San Fang Chemical Industry Co., Ltd.	Associate
Ka Yuen Rubber Factory Limited	Joint venture
Twinways Investments Limited	Joint venture
Kunshan Baowei Information Technology Co., Ltd.	Joint ventures (subsidiary after December 31, 2021)

b. Operating revenue

Account Items	Related Party Categories	For the Three Months Ended March 31	
		2022	2021
Sales	Associates	\$ 46,320	\$ 24,990
	Joint ventures	<u>71,415</u>	<u>3,717,924</u>
		<u>\$ 117,735</u>	<u>\$ 3,742,914</u>

The sales prices and receivable terms to related parties were not significantly different from those of non-related parties.

c. Purchases

Account Items	Related Party Categories	For the Three Months Ended March 31	
		2022	2021
Purchases	Associates	\$ 748,820	\$ 660,888
	Joint ventures	<u>1,209,838</u>	<u>1,180,408</u>
		<u>\$ 1,958,658</u>	<u>\$ 1,841,296</u>

The purchase prices and payment terms from related parties were not significantly different from those of non-related parties.

d. Receivables from related parties

Account Items	Related Party Categories	March 31, 2022	December 31, 2021	March 31, 2021
Notes receivable and accounts receivable	Associates	\$ 29,449	\$ 23,555	\$ 17,739
	Joint ventures	<u>11,471</u>	<u>11,732</u>	<u>2,140,939</u>
		<u>\$ 40,920</u>	<u>\$ 35,287</u>	<u>\$ 2,158,678</u>

No bad debt expense was recognized for the three months ended March 31, 2022 and 2021 for the amounts owed by related parties.

e. Payables to related parties

Account Items	Related Party Categories	March 31, 2022	December 31, 2021	March 31, 2021
Notes payable and accounts payable	Associates	\$ 669,410	\$ 541,642	\$ 574,130
	Joint ventures	<u>1,217,827</u>	<u>983,574</u>	<u>1,181,174</u>
		<u>\$ 1,887,237</u>	<u>\$ 1,525,216</u>	<u>\$ 1,755,304</u>

f. Financing provided

Refer to Table 1 “Financing provided to others” of Note 39 to the consolidated financial statements.

g. Endorsements/guarantees provided

Refer to Table 2 “Endorsements/guarantees provided” of Note 39 to the consolidated financial statements.

h. Compensation of key management personnel

	For the Three Months Ended March 31	
	2022	2021
Short-term employee benefits	<u>\$ 84,711</u>	<u>\$ 85,233</u>

The remuneration of directors and key management personnel was determined by the remuneration committee with regard to the performance of individuals and market trends.

36. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for the issuance of gift vouchers:

	March 31, 2022	December 31, 2021	March 31, 2021
Financial assets at amortized cost	<u>\$ 61,938</u>	<u>\$ 61,885</u>	<u>\$ 51,118</u>

37. SIGNIFICANT COMMITMENTS AND UNRECOGNIZED LIABILITIES

a. Outstanding letters of credit of the Group at the end of reporting period were as follows:

(Unit: In Thousands of Foreign Currencies)

Currencies	March 31, 2022	December 31, 2021	March 31, 2021
USD	\$ 2,539	\$ 227,202	\$ 767
EUR	-	-	303
VND	9,185,381	9,185,381	9,185,381

b. The Company entered into project agreements with the Institute for Information Industry (“III”). According to the project agreements, the Company has to provide promissory notes and bank guarantees to III as guarantee.

38. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than the functional currencies of the entities in the Group and the exchange rates between the foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

March 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
Monetary items			
USD	\$ 75,173	28.625	\$ 2,151,819
NTD	254,562	1	254,562
RMB	1,562,344	4.506	7,039,922
HKD	181,362	3.656	663,060
VND	3,243,833,065	0.00124	4,022,353
IDR	116,466,162	0.00198	230,603
Non-monetary items			
USD	20,665	28.625	591,534
NTD	816,757	1	816,757
RMB	587,524	4.506	2,647,385

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 106,621	28.625	\$ 3,052,020
NTD	1,262,400	1	1,262,400
RMB	105,969	4.506	477,495
HKD	10,756	3.656	39,324
VND	1,094,658,871	0.00124	1,357,377
IDR	236,312,626	0.00198	467,899
			(Concluded)

December 31, 2021

	Foreign Currency (In Thousand)	Exchange Rate	Carrying Amount (In Thousand)
<u>Financial assets</u>			
Monetary items			
USD	\$ 47,116	27.68	\$ 1,304,170
NTD	400,640	1	400,640
RMB	1,672,358	4.344	7,264,723
HKD	82,682	3.549	293,439
VND	4,003,682,500	0.00120	4,804,419
IDR	112,914,646	0.00198	223,571
Non-monetary items			
USD	2,819	27.68	78,023
NTD	914,603	1	914,603
RMB	553,449	4.344	2,404,184

Financial liabilities

Monetary items			
USD	95,568	27.68	2,645,316
NTD	1,676,025	1	1,676,025
RMB	124,959	4.344	542,823
HKD	13,327	3.549	47,298
VND	934,709,167	0.00120	1,121,651
IDR	238,915,657	0.00198	473,053
Non-monetary items			
USD	848	27.68	23,474

March 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
<u>Financial assets</u>			
Monetary items			
USD	\$ 63,716	28.535	\$ 1,818,158
NTD	1,390,207	1	1,390,207
RMB	1,874,688	4.344	8,143,642
HKD	18,553	3.670	68,091
VND	1,611,412,501	0.00112	1,804,782
IDR	178,848,485	0.00198	354,120
Non-monetary items			
NTD	924,391	1	924,391
RMB	25,900	4.344	112,510
<u>Financial liabilities</u>			
Monetary items			
USD	9,664	28.535	275,764
NTD	1,511,883	1	1,511,883
RMB	82,574	4.344	358,701
HKD	4,970	3.670	18,240
VND	1,148,031,250	0.00112	1,285,795
IDR	83,654,545	0.00198	165,636

For the three months ended March 31, 2022 and 2021, net foreign exchange gains were \$117,085 thousand and \$260,404 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the functional currencies of the Group's entities.

39. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least \$300 million or 20% of the paid-in capital (None)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 4)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)

- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
 - 9) Trading in derivative instruments (Note 35)
 - 10) Intercompany relationships and significant intercompany transactions (Table 7)
 - 11) Information on investees (Table 8)
- b. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party: (None).
- c. Information of major shareholders : List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 10)

40. SEGMENT INFORMATION

a. Information about reportable segments

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

- 1) Manufacturing of shoes;
- 2) Retail of sporting goods and brand licensing business; and
- 3) Others.

b. Segment revenue and results

The Group's revenue and results by reportable segment were as follows:

For the three months ended March 31, 2022

	Manufacturing of Shoes	Retail of Sporting Goods and Brand Licensing Business	Others	Total
Revenue from external customers	<u>\$ 42,881,123</u>	<u>\$ 24,143,565</u>	<u>\$ 238,673</u>	<u>\$ 67,263,361</u>
Segment income	<u>\$ 5,222,958</u>	<u>\$ 1,316,586</u>	<u>\$ 172,855</u>	\$ 6,712,399
Administrative costs and remuneration of directors				(4,139,255)
Interest income				153,842

(Continued)

	Manufacturing of Shoes	Retail of Sporting Goods and Brand Licensing Business	Others	Total
Rental income				\$ 190,049
Other income				409,461
Net income on disposal of property, plant and equipment				1,985
Net foreign exchange gain				117,085
Net income on financial assets at FVTPL				776,653
Other loss				(49,274)
Net loss on derecognition of financial assets at amortized cost				(3,549)
Finance costs				(436,403)
Share of profit of associates and joint ventures				<u>3,028,598</u>
Income before income tax				<u>\$ 6,761,591</u> (Concluded)

For the three months ended March 31, 2021

	Manufacturing of Shoes	Retail of Sporting Goods and Brand Licensing Business	Others	Total
Revenue from external customers	<u>\$ 38,722,101</u>	<u>\$ 31,987,346</u>	<u>\$ 185,074</u>	<u>\$ 70,894,521</u>
Segment income	<u>\$ 4,921,826</u>	<u>\$ 2,742,425</u>	<u>\$ 122,788</u>	\$ 7,787,039
Administrative costs and remuneration of directors				(4,409,705)
Interest income				155,550
Rental income				136,138
Other income				436,136
Net loss on disposal of property, plant and equipment				(24,925)
Net foreign exchange gain				260,404
Net gain on disposal of associates and joint ventures				340,895
Net income on financial assets at FVTPL				104,040
Loss on impairment of assets				(260,116)
Other loss				(29,191)
Net loss on derecognition of financial assets at amortized cost				(14,059)
Finance costs				(489,545)
Share of profit of associates and joint ventures				<u>5,216,366</u>
Income before income tax				<u>\$ 9,209,027</u>

1) Sales between segments were made at market price.

- 2) Segment profit represented the profit before income tax earned by each segment without allocation of administration costs, remuneration of directors, rental income, interest income, other income, net loss on disposal of property, plant and equipment, net foreign exchange gain, net gain on disposal of associates, (loss) gain on financial instruments, reversal of impairment loss, other loss, finance costs and the share of profit of associates and joint ventures. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

POU CHEN CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Financing Company	Borrowing Company	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing (Note 2)	Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Notes 3 and 4)	Aggregate Financing Limit (Notes 3 and 4)	Note
													Item	Value			
1	Dong Guan Baoqiao Electronic Technology Co., Ltd.	Kunshan Yuanying Electronics Technology Co., Ltd.	Accounts receivable from related parties	Yes	\$ 11,716 (RMB 2,600,000)	\$ 11,716 (RMB 2,600,000)	\$ 11,716 (RMB 2,600,000)	4.35	2	\$ -	Operating capital	\$ -	-	\$ -	\$ 114,243,058	\$ 114,243,058	
2	Great Pacific Investments Limited	Solar Link International Inc.	Accounts receivable from related parties	Yes	206,100 (US\$ 7,200,000)	206,100 (US\$ 7,200,000)	186,063 (US\$ 6,500,000)	1.00	2	-	Operating capital	-	-	-	35,227,253	35,227,253	
3	Orisol Asia Limited	Orisol Vietnam Co., Ltd.	Accounts receivable from related parties	Yes	14,313 (US\$ 500,000)	14,313 (US\$ 500,000)	14,313 (US\$ 500,000)	2.00	2	-	Operating capital	-	-	-	426,251	426,251	
4	Pou Yuen Industrial (Holdings) Ltd.	Pou Sung Vietnam Company Limited	Accounts receivable from related parties	Yes	1,603,000 (US\$ 56,000,000)	1,603,000 (US\$ 56,000,000)	1,603,000 (US\$ 56,000,000)	1.30-1.40	2	-	Operating capital	-	-	-	20,527,812	20,527,812	
5	Prime Asia (S.E. Asia) Leather Corporation	Prime Asia (Vietnam) Co., Ltd	Accounts receivable from related parties	Yes	506,663 (US\$ 17,700,000)	506,663 (US\$ 17,700,000)	506,663 (US\$ 17,700,000)	1.50	2	-	Operating capital	-	-	-	1,179,229	1,179,229	
6	Yue Yuen Industrial (Holdings) Limited	Pt. Pou Yuen Indonesia	Accounts receivable from related parties	Yes	4,293,750 (US\$ 150,000,000)	4,293,750 (US\$ 150,000,000)	3,921,625 (US\$ 137,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pt. Glostar Indonesia	Accounts receivable from related parties	Yes	2,146,875 (US\$ 75,000,000)	2,146,875 (US\$ 75,000,000)	2,146,875 (US\$ 75,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pt. Nikomas Gemilang	Accounts receivable from related parties	Yes	1,145,000 (US\$ 40,000,000)	1,145,000 (US\$ 40,000,000)	1,145,000 (US\$ 40,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pt. Pou Chen Indonesia	Accounts receivable from related parties	Yes	1,145,000 (US\$ 40,000,000)	1,145,000 (US\$ 40,000,000)	1,145,000 (US\$ 40,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pt. Selalu Cinta Indonesia	Accounts receivable from related parties	Yes	2,159,756 (US\$ 75,450,000)	2,159,756 (US\$ 75,450,000)	2,159,756 (US\$ 75,450,000)	1.20-1.25	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Prime Asia (Vietnam) Co., Ltd.	Accounts receivable from related parties	Yes	527,163 (US\$ 18,500,000)	415,063 (US\$ 14,500,000)	415,063 (US\$ 14,500,000)	1.00-1.40	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pouyuen Vietnam Company Limited	Accounts receivable from related parties	Yes	6,326,125 (US\$ 221,000,000)	6,326,125 (US\$ 221,000,000)	6,326,125 (US\$ 221,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pou Hung Vietnam Company Limited	Accounts receivable from related parties	Yes	3,399,000 (US\$ 120,000,000)	1,717,500 (US\$ 60,000,000)	1,717,500 (US\$ 60,000,000)	1.40	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pou Li Vietnam Company Limited	Accounts receivable from related parties	Yes	736,450 (US\$ 26,000,000)	372,125 (US\$ 13,000,000)	372,125 (US\$ 13,000,000)	1.40	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pou Phong Vietnam Company Limited	Accounts receivable from related parties	Yes	958,938 (US\$ 33,500,000)	958,938 (US\$ 33,500,000)	958,938 (US\$ 33,500,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Yue De Vietnam Company Limited	Accounts receivable from related parties	Yes	2,461,750 (US\$ 86,000,000)	2,461,750 (US\$ 86,000,000)	1,603,000 (US\$ 56,000,000)	1.00-1.40	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pt. Shoenary Javanusia Inc.	Accounts receivable from related parties	Yes	1,159,313 (US\$ 40,500,000)	1,159,313 (US\$ 40,500,000)	1,159,313 (US\$ 40,500,000)	1.20-1.25	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pou Sung Vietnam Company Limited	Accounts receivable from related parties	Yes	4,126,625 (US\$ 145,000,000)	3,005,625 (US\$ 105,000,000)	2,862,500 (US\$ 100,000,000)	1.00-1.40	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pou Chen Vietnam Enterprise Ltd.	Accounts receivable from related parties	Yes	572,500 (US\$ 20,000,000)	572,500 (US\$ 20,000,000)	572,500 (US\$ 20,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Pro Kingtex Industrial Company Limited	Accounts receivable from related parties	Yes	71,563 (US\$ 2,500,000)	71,563 (US\$ 2,500,000)	71,563 (US\$ 2,500,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Prime Asia Leather Corp. Taiwan	Accounts receivable from related parties	Yes	1,288,125 (US\$ 45,000,000)	1,288,125 (US\$ 45,000,000)	1,202,250 (US\$ 42,000,000)	1.00-2.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Precious Full Investments Ltd	Accounts receivable from related parties	Yes	650,360 (US\$ 22,720,000)	650,360 (US\$ 22,720,000)	513,533 (US\$ 17,940,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Yang Xin Pou Jia Shoes Manufacturing Co., Ltd.	Accounts receivable from related parties	Yes	400,750 (US\$ 14,000,000)	400,750 (US\$ 14,000,000)	400,750 (US\$ 14,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Shanggao Yisen Industry Co., Ltd.	Accounts receivable from related parties	Yes	286,250 (US\$ 10,000,000)	286,250 (US\$ 10,000,000)	286,250 (US\$ 10,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Yue Yuen (Anfu) Footwear Co., Ltd.	Accounts receivable from related parties	Yes	343,500 (US\$ 12,000,000)	343,500 (US\$ 12,000,000)	343,500 (US\$ 12,000,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Dongguan Yu Xiang Shoes Material Co., Ltd.	Accounts receivable from related parties	Yes	346,962 (RMB 77,000,000)	346,962 (RMB 77,000,000)	225,300 (RMB 50,000,000)	2.66	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
		Yisen (YiFeng) Mould Co., Ltd.	Accounts receivable from related parties	Yes	37,499 (US\$ 1,310,000)	37,499 (US\$ 1,310,000)	37,499 (US\$ 1,310,000)	1.00	2	-	Operating capital	-	-	-	46,927,344	46,927,344	
8	Idea (Macao Commercial Offshore) Limited	Tech Mastery Vietnam Company Limited	Accounts receivable from related parties	Yes	143,125 (US\$ 5,000,000)	143,125 (US\$ 5,000,000)	143,125 (US\$ 5,000,000)	1.3	2	-	Operating capital	-	-	-	3,780,128	3,780,128	
9	Dong Guan Yue Yuan Footwear Products Company Limited	Yang Xin Pou Shou Sporting Goods Co., Ltd.	Accounts receivable from related parties	Yes	157,710 (RMB 35,000,000)	157,710 (RMB 35,000,000)	-	3.33	2	-	Operating capital	-	-	-	542,060	542,060	
		Yang Xin Pou Jia Shoes Manufacturing Co., Ltd.	Accounts receivable from related parties	Yes	180,240 (RMB 40,000,000)	180,240 (RMB 40,000,000)	-	3.33	2	-	Operating capital	-	-	-	542,060	542,060	
10	Pou Chien Enterprise Co., Ltd.	I-Tech. Sporting Enterprise Ltd	Accounts receivable from related parties	Yes	800,000	800,000	800,000	0.55	2	-	Operating capital	-	-	-	1,964,447	1,964,447	
		Yue Yuen Industrial (Holdings) Limited	Accounts receivable from related parties	Yes	801,500 (US\$ 28,000,000)	801,500 (US\$ 28,000,000)	801,500 (US\$ 28,000,000)	0.50	2	-	Operating capital	-	-	-	1,964,447	1,964,447	
11	Dongguan Yusheng Shoe Industry Co., Ltd.	Yang Xin Pou Jia Shoes Manufacturing Co., Ltd	Accounts receivable from related parties	Yes	135,180 (RMB 30,000,000)	135,180 (RMB 30,000,000)	-	3.33	2	-	Operating capital	-	-	-	1,652,701	1,652,701	
11	Bao Hong (Yangzhou) Shoes Co., Ltd.	Shanggao Yisen Industry Co., Ltd	Accounts receivable from related parties	Yes	270,360 (RMB 60,000,000)	270,360 (RMB 60,000,000)	-	3.33	2	-	Operating capital	-	-	-	996,867	996,867	
12	Rui Jin Pou Yuen Footwear Development Co., Ltd.	Yu Xing (Jishui) Footwear Co., Ltd.	Accounts receivable from related parties	Yes	27,036 (RMB 6,000,000)	27,036 (RMB 6,000,000)	27,036 (RMB 6,000,000)	3.33	2	-	Operating capital	-	-	-	267,875	267,875	

(Continued)

No. (Note 1)	Financing Company	Borrowing Company	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing (Note 2)	Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Notes 3 and 4)	Aggregate Financing Limit (Notes 3 and 4)	Note
													Item	Value			
13	Yiyang Yujing Shoes Industrial Co., Ltd.	Yisen (YiFeng) Mould Co., Ltd.	Accounts receivable from related parties	Yes	\$ 31,542 (RMB 7,000,000)	\$ 31,542 (RMB 7,000,000)	\$ -	3.33	2	\$ -	Operating capital	\$ -	-	\$ -	\$ 129,936	\$ 129,936	
14	Yichun Yisen Industry Co., Ltd.	Yisen (YiFeng) Mould Co., Ltd.	Accounts receivable from related parties	Yes	36,048 (RMB 8,000,000)	36,048 (RMB 8,000,000)	36,048 (RMB 8,000,000)	3.33	2	-	Operating capital	-	-	-	722,141	722,141	
15	Pouyuen Vietnam Company Limited	Powerknit Vietnam Company Limited	Accounts receivable from related parties	Yes	283,388 (US\$ 9,900,000)	283,388 (US\$ 9,900,000)	283,388 (US\$ 9,900,000)	6.00	2	-	Operating capital	-	-	-	6,929,855	6,929,855	
16	Precious Full Investments Limited	Bangladesh Pou Hung Industrial Limited	Accounts receivable from related parties	Yes	650,360 (US\$ 22,720,000)	650,360 (US\$ 22,720,000)	513,533 (US\$ 17,940,000)	-	2	-	Operating capital	-	-	-	4,931,883	4,931,883	
17	Pt. Hardases Abadi Indonesia	Pt. Nikomas Gemilang	Accounts receivable from related parties	Yes	658,375 (US\$ 23,000,000)	658,375 (US\$ 23,000,000)	286,250 (US\$ 10,000,000)	0.80	2	-	Operating capital	-	-	-	1,005,683	1,005,683	
		Pt. Pou Chen Indonesia	Accounts receivable from related parties	Yes	343,500 (US\$ 12,000,000)	343,500 (US\$ 12,000,000)	114,500 (US\$ 4,000,000)	0.80	2	-	Operating capital	-	-	-	1,005,683	1,005,683	
18	Wealthplus Holdings Limited	Barits Development Corporation	Accounts receivable from related parties	Yes	1,145,000 (US\$ 40,000,000)	1,145,000 (US\$ 40,000,000)	1,145,000 (US\$ 40,000,000)	0.55	2	-	Operating capital	-	-	-	42,939,753	42,939,753	
		Pou Chen Corporation	Accounts receivable from related parties	Yes	2,433,125 (US\$ 85,000,000)	2,433,125 (US\$ 85,000,000)	2,433,125 (US\$ 85,000,000)	-	2	-	Operating capital	-	-	-	143,132,511	143,132,511	
19	Pou Sheng (China) Investment Co., Ltd.	Qingdao Pou-Sheng International Sport Products Co., Ltd.	Loans receivable	Yes	1,574,874 (RMB 349,506,000)	1,574,874 (RMB 349,506,000)	32,443 (RMB 7,200,000)	4.35	2	-	Operating capital	-	-	-	1,574,878	1,574,878	

Note 1: The Company is coded as follows:

- a. The Company is coded "0".
- b. The investee is coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The nature of financing is code as follows:

- a. Business relationship is coded 1.
- b. The need for short-term financing is coded 2.

Note 3: According to the Company's policy, procedure of financing provided to others as follows:

- a. The maximum amount permitted to a single borrower is listed based on the types of financing reasons as follows:
 - 1) Business relationship: Each of the financing amount shall not exceed the amount of our business relationship. Business relationship means higher amount of the purchases from or sales to both sides in the current year or in the future year and shall not exceed 10% of the Company's net worth.
 - 2) The need for short-term financing: Each of the financing amount shall not exceed 10% of the Company's net worth.
- b. The total maximum amount permitted to a single borrower is listed based on the types of financing reasons as follows:
 - 1) Business relationship: Each of the financing amount shall not exceed 10% of the Company's net worth.
 - 2) The need for short-term financing: Each of the financing amount shall not exceed 40% of the Company's net worth.
 - 3) Among foreign companies which the Company holds 100% voting rights directly and indirectly, when financing is necessary, the amount is not limited by the above information. However, the limit amount of financing to others during one year shall not exceed the borrowers' net worth.

Note 4: Dongguan Baoqiao Electronic Technology Co., Ltd. for subsidiaries in which Pou Chen holds 100% voting rights directly and indirectly: The financing amount and each of the financing amount shall not exceed 100% of total equity of Pou Chen's consolidated financial statement. When Yue Yuen Industrial (Holdings) Limited engages in fund lending, the financing amount shall not exceed 40% of total equity in the Yue Yuen's consolidated financial statements. Foreign companies on which Yue Yuen Industrial (Holdings) Limited holds 100% voting rights directly and indirectly: The financing amount shall not exceed 100% of total equity of Yue Yuen's consolidated financial statement. If the lender or the borrower is registered in Taiwan, the financing amount shall not exceed 40% of total equity of lender's financial statement. Great Pacific Investments Limited for joint ventures or joint operation: The financing amount shall not exceed 40% of total equity of lender's financial statement. For subsidiaries in which Wealthplus Holdings Limited holds 100% voting rights directly and indirectly: The financing amount shall not exceed 100% of total equity of Wealthplus Holdings Limited financial statements. Each of the financing amount shall not exceed 30% of total equity of lender's financial statement. For subsidiaries in which Pou Sheng International (Holdings) Limited holds not 100% voting rights directly. The financing amount shall not exceed 40% of total equity of lender's financial statement.

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorsement/ Guarantee Provider	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 4)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 4)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 4)	Note
		Name	Relationship (Note 2)											
0	Pou Chen Corporation	Wealthplus Holdings Limited	b	\$ 114,243,058	\$ 24,617,500	\$ 24,617,500	\$ -	\$ -	22	\$ 228,486,116	Y	N	N	
		Pro Arch International Development Enterprise Inc.	b	114,243,058	60,480	56,700	56,700	-	-	228,486,116	Y	N	N	
		Barits Development Corporation	b	114,243,058	8,917,500	8,917,500	1,539,500	-	8	228,486,116	Y	N	N	
		Windsor Entertainment Co., Ltd.	b	114,243,058	80,000	80,000	-	-	-	228,486,116	Y	N	N	
		Yue Hong Realty Development Co., Ltd.	b	114,243,058	550,000	550,000	514,500	-	-	228,486,116	Y	N	N	
		Pou Shine Investments Co., Ltd.	b	114,243,058	1,700,000	1,700,000	378,900	-	1	228,486,116	Y	N	N	
		Pou Yuen Technology Co., Ltd.	b	114,243,058	300,000	300,000	-	-	-	228,486,116	Y	N	N	
		Pou Yui Development Co., Ltd.	b	114,243,058	300,000	300,000	166,000	-	-	228,486,116	Y	N	N	
1	Yue Yuen Industrial (Holdings) Limited	Cohen Enterprises Inc.	f	70,391,016	500,938	500,938	186,063	-	-	175,977,540	N	N	N	
		Innovative Track Limited	f	70,391,016	(US\$ 17,500,000)	(US\$ 17,500,000)	(US\$ 6,500,000)	-	-	143,100	N	N	N	
					293,125	293,125	143,100	-	-	175,977,540	N	N	N	
					(NT\$ 150,000)	(NT\$ 150,000)	(NT\$ 48,000)	-	-					
					(US\$ 5,000,000)	(US\$ 5,000,000)	(US\$ 3,322,255)	-	-					
		Oftenrich Holdings Limited	f	70,391,016	592,539	592,539	553,894	-	1	175,977,540	N	N	N	
					(US\$ 20,700,000)	(US\$ 20,700,000)	(US\$ 19,350,000)	-	-					
		Chang Yang Material Corp.	f	70,391,016	7,500	7,500	4,141	-	-	175,977,540	N	N	N	
		Pt. Selalu Cinta Indonesia	b	70,391,016	1,642,359	1,642,359	1,287,295	-	1	175,977,540	N	N	N	
					(US\$ 57,375,000)	(US\$ 57,375,000)	(US\$ 44,971,006)	-	-					
		Orisol Taiwan Limited	b	70,391,016	90,000	90,000	-	-	-	175,977,540	N	N	N	
		Prime Asia Leather Corporation	b	70,391,016	1,001,875	1,001,875	290,000	-	1	175,977,540	N	N	N	
					(US\$ 35,000,000)	(US\$ 35,000,000)		-	-					
		Pou Chien Enterprise Co., Ltd.	b	70,391,016	1,300,000	1,300,000	780,000	-	1	175,977,540	N	N	N	
		Pou Phong Vietnam Company Ltd.	b	70,391,016	313,275	257,625	-	-	-	175,977,540	N	N	N	
					(US\$ 11,000,000)	(US\$ 9,000,000)		-	-					
		Pou Sung Vietnam Co., Ltd.	b	70,391,016	200,375	200,375	-	-	-	175,977,540	N	N	N	
					(US\$ 7,000,000)	(US\$ 7,000,000)		-	-					
		Pt. Kmk Global Sports	b	70,391,016	644,063	644,063	361,748	-	1	175,977,540	N	N	N	
					(US\$ 22,500,000)	(US\$ 22,500,000)	(US\$ 12,637,500)	-	-					
		Pt. Shoenary Javanesia Inc.	b	70,391,016	708,469	708,469	474,196	-	1	175,977,540	N	N	N	
					(US\$ 24,750,000)	(US\$ 24,750,000)	(US\$ 16,565,791)	-	-					
		Yue Dean Technology Corporation	b	70,391,016	1,900,000	1,900,000	917,000	-	2	175,977,540	N	N	N	
		Pou Hung Vietnam Company Ltd.	b	70,391,016	143,125	143,125	57,250	-	-	175,977,540	N	N	N	
					(US\$ 5,000,000)	(US\$ 5,000,000)	(US\$ 2,000,000)	-	-					
		Pou Li Vietnam Company Ltd.	b	70,391,016	85,875	85,875	-	-	-	175,977,540	N	N	N	
					(US\$ 3,000,000)	(US\$ 3,000,000)		-	-					
		Yue De Vietnam Company Limited	b	70,391,016	143,125	143,125	143,068	-	-	175,977,540	N	N	N	
					(US\$ 5,000,000)	(US\$ 5,000,000)	(US\$ 4,998,000)	-	-					
2	Pou Sheng International (Holdings) Limited	Shaanxi Pousheng Trading Co., Ltd.	b	72,956,322	5,399,731	5,331,109	-	-	15	145,912,643	N	N	Y	
					(RMB 779,552,856)	(RMB 763,838,928)								
					(US\$ 66,000,000)	(US\$ 66,000,000)								
		Shanghai Pou-Yuen Sport Products Business Trading Co., Ltd.	b	72,956,322	11,910,245	11,780,958	1,686,325	-	32	145,912,643	N	N	Y	
					(RMB 2,224,836,174)	(RMB 2,195,230,587)	(RMB 374,240,000)							
					(US\$ 66,000,000)	(US\$ 66,000,000)								
		Hefei Pouxun Sporting Goods Co., Ltd.	b	72,956,322	253,747	206,481	-	-	1	145,912,643	N	N	Y	
					(RMB 56,646,990)	(RMB 45,823,495)								
		Henan YYSPO RTS Sport Products Co., Ltd.	b	72,956,322	204,508	119,103	-	-	-	145,912,643	N	N	Y	
					(RMB 45,988,916)	(RMB 26,431,958)								
		Zhejiang Shengdao Sporting-Goods Co., Ltd.	b	72,956,322	2,491,296	2,479,132	360,480	-	7	145,912,643	N	N	Y	
					(RMB 133,695,956)	(RMB 130,910,478)	(RMB 80,000,000)							
					(US\$ 66,000,000)	(US\$ 66,000,000)								
		Yue Cheng (Kun Shan) Sports Co., Ltd.	b	72,956,322	2,836,161	2,549,148	-	-	9	145,912,643	N	N	Y	
					(RMB 631,446,154)	(RMB 565,723,077)								
		Qingdao Pou-Sheng International Sport Products Co., Ltd.	b	72,956,322	146,798	101,993	-	-	-	145,912,643	N	N	Y	
					(RMB 32,894,662)	(RMB 22,634,831)								
		Bao Sheng Dao Ji (Beijing) Trading Company Ltd.	b	72,956,322	2,821,663	2,766,937	292,890	-	8	145,912,643	N	N	Y	
					(RMB 207,313,132)	(RMB 194,781,566)	(RMB 65,000,000)							
					(US\$ 66,000,000)	(US\$ 66,000,000)								
		Pou Yuen Trading Corporation	b	72,956,322	480,500	480,500	190,000	-	1	145,912,643	N	N	N	
					(NT\$ 366,000)	(NT\$ 366,000)								
					(US\$ 4,000,000)	(US\$ 4,000,000)								
		Taiwan Taisong Trading Co., Ltd.	b	72,956,322	90,000	90,000	40,500	-	-	145,912,643	N	N	N	
		Kun Shan Pou-Chi Sports Co., Ltd.	b	72,956,322	1,971	1,971	-	-	-	145,912,643	N	N	Y	
					(RMB 437,500)	(RMB 437,500)								
		Kun Shan YYSPO RTS E-Commerce Co., Ltd.	b	72,956,322	469,187	469,187	-	-	1	145,912,643	N	N	Y	
					(RMB 104,125,000)	(RMB 104,125,000)								

(Continued)

No. (Note 1)	Endorsement/ Guarantee Provider	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries (Note 4)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note 4)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note 4)	Note	
		Name	Relationship (Note 2)												
2	Pou Sheng International (Holdings) Limited	Guizhou Pou-Sheng Sport Products Co., Ltd.	b	\$ 72,956,322	\$ 45,060 (RMB 10,000,000)	\$ 45,060 (RMB 10,000,000)	\$ -	\$ -	-	\$ 145,912,643	N	N	Y		
		Jiangxi Bao Yuan Trade Co., Ltd.	b	72,956,322	38,864 (RMB 8,625,000)	38,864 (RMB 8,625,000)	-	-	-	145,912,643	N	N	Y		
		Guangzhou Pou-Yuen Trading Co., Ltd.	b	72,956,322	1,889,250 (US\$ 66,000,000)	1,889,250 (US\$ 66,000,000)	-	-	5	145,912,643	N	N	Y		
		Pou Sheng (China) Investment Co., Ltd.	b	72,956,322	6,620,550 (RMB 1,050,000,000)	6,620,550 (RMB 1,050,000,000)	-	-	18	145,912,643	N	N	Y		
		Taicang Yue-Shen Sporting Goods Co., Ltd.	b	72,956,322	2,022,036 (US\$ 66,000,000)	1,986,622 (US\$ 66,000,000)	-	-	5	145,912,643	N	N	Y		
		Yue-Shen (Taicang) Footwear Co., Ltd.	b	72,956,322	93,629 (RMB 21,010,224)	60,854 (RMB 13,505,112)	-	-	-	145,912,643	N	N	Y		
		Nanning Pou-Kung Sport Products Co., Ltd.	b	72,956,322	25,346 (RMB 5,625,000)	25,346 (RMB 5,625,000)	-	-	-	145,912,643	N	N	Y		
		Shenzhen Pou-Yuen Sport Products Co., Ltd.	b	72,956,322	12,166 (RMB 2,700,000)	12,166 (RMB 2,700,000)	-	-	-	145,912,643	N	N	Y		
		PCG Bros Sports Management Co., Ltd.	b	72,956,322	175,000	75,000	75,000	-	-	-	145,912,643	N	N	N	
		Fujian Pou Sheng Sporting Goods Co., Ltd.	b	72,956,322	7,886 (RMB 1,750,000)	7,886 (RMB 1,750,000)	-	-	-	-	145,912,643	N	N	Y	
		Hainan Bao Xun E-Commerce Co., Ltd.	b	72,956,322	9,421,595 (RMB 2,090,900,000)	9,421,595 (RMB 2,090,900,000)	-	-	26	145,912,643	N	N	Y		
		Hainan Shengwei Electronic Commerce Co., Ltd.	b	72,956,322	12,379,900 (RMB 2,747,425,675)	12,379,900 (RMB 2,747,425,675)	3,667,005 (RMB 813,804,851)	-	-	34	145,912,643	N	N	Y	
3	Pou Sheng (China) Investment Co., Ltd.	Shanghai Pou-Yuen Sport Products Business Trading Co., Ltd.	b	7,874,388	1,388,840 (RMB 308,220,000)	1,388,840 (RMB 308,220,000)	-	-	35	15,748,776	N	N	Y		
		Hefei Pouxun Sporting Goods Co., Ltd.	b	7,874,388	74,800 (RMB 16,600,000)	74,800 (RMB 16,600,000)	-	-	2	15,748,776	N	N	Y		
		Jiangxi Bao Yuan Trade Co., Ltd.	b	7,874,388	8,021 (RMB 1,780,000)	8,021 (RMB 1,780,000)	-	-	-	15,748,776	N	N	Y		
		Shaanxi Pousheng Trading Co., Ltd.	b	7,874,388	103,638 (RMB 23,000,000)	103,638 (RMB 23,000,000)	-	-	3	15,748,776	N	N	Y		
		Bao Sheng Dao Ji (Beijing) Trading Company Ltd.	b	7,874,388	22,530 (RMB 5,000,000)	22,530 (RMB 5,000,000)	-	-	1	15,748,776	N	N	Y		
		Taicang Yue-Shen Sporting Goods Co., Ltd.	b	7,874,388	31,542 (RMB 7,000,000)	31,542 (RMB 7,000,000)	-	-	1	15,748,776	N	N	Y		
		Henan YYSPO RTS Sport Products Co., Ltd.	b	7,874,388	54,072 (RMB 12,000,000)	54,072 (RMB 12,000,000)	-	-	1	15,748,776	N	N	Y		
		Guizhou Pou-Sheng Sport Products Co., Ltd.	b	7,874,388	54,072 (RMB 12,000,000)	54,072 (RMB 12,000,000)	-	-	1	15,748,776	N	N	Y		
		Qingdao Pou-Sheng International Sport Products Co., Ltd.	b	7,874,388	87,867 (RMB 19,500,000)	87,867 (RMB 19,500,000)	-	-	2	15,748,776	N	N	Y		
		Shenzhen Pou-Yuen Sport Products Co., Ltd.	b	7,874,388	901 (RMB 200,000)	901 (RMB 200,000)	-	-	-	15,748,776	N	N	Y		

Note 1: The Company is coded as follows:

- The Company is coded "0".
- The investee is coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Relationships for guarantee provider and guarantee are as follows:

- Business relationship.
- A company in which the Company directly and indirectly holds more than 50% of the voting shares.
- A company that directly and indirectly holds more than 50% of the voting shares in the Company.
- A company in which the Company directly and indirectly holds more than 90% of the voting shares.
- A company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- A company where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
- A company where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: According to the Company's procedures for the Management of Endorsements and Guarantees, the aggregate amount of endorsements/guarantees provided by the Company shall not exceed 200% of its net worth. Meanwhile, the amount of endorsements/guarantees provided by the Company for any single entity shall not exceed 100% of the Company's net worth. The aggregate amount of endorsements/guarantees provided by the Yue Yuen Industrial (Holdings) Limited shall not exceed 150% of its net worth. Meanwhile, the amount of endorsements/guarantees provided by the Company for any single entity shall not exceed 60% of the Company's net worth. The aggregate amount of endorsements/guarantees provided by the Pou Sheng International (Holdings) Limited shall not exceed 400% of its net worth. Meanwhile, the amount of endorsements/guarantees provided by the Company for any single entity shall not exceed 200% of the Company's net worth. The aggregate amount of endorsements/guarantees provided by the Pou Sheng (China) Investment Co., Ltd shall not exceed 400% of its net worth. Meanwhile, the amount of endorsements/guarantees provided by the Company for any single entity shall not exceed 200% of the Company's net worth.

Note 4: Endorsement/guarantee given by listed parent on behalf of subsidiaries, by subsidiaries on behalf of listed parent, and on behalf of companies in mainland China is coded "Y".

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

MARCH 31, 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Pou Chen Corporation	<u>Ordinary shares</u>							
	Mega Financial Holding Company Ltd.		Financial assets at FVTOCI - current	191,730,486	\$ 8,225,238	1.41	\$ 8,225,238	
	Taiwan Paiho Limited		Financial assets at FVTOCI - current	615,473	44,252	0.21	44,252	
	Zhiyuan Venture Capital Co., Ltd.		Financial assets at FVTOCI - non-current	4,907,143	47,055	10.71	47,055	
Pou Chen Corporation	<u>Structured product</u>							
	New Loulan Corporation., Ltd.		Financial assets at FVTOCI - non-current	100,000	796	4.00	796	
	CIB Callable Structured Deposit		Financial assets at amortized cost - non-current	-	116,705	-	116,705	
Wealthplus Holdings Limited	<u>Fund</u>							
	CID Greater China Venture Capital Fund II, L.P.[Financial assets mandatorily at FVTPL - non-current	-	17,377	-	17,377	
					(US\$ 607,069)		(US\$ 607,069)	
	<u>Ordinary shares</u>							
	Golden Brands Developments Ltd.		Financial assets at FVTOCI - non-current	17,086,572	70,297	5.88	70,297	
					(US\$ 2,455,795)		(US\$ 2,455,795)	
	Great Team Backend Foundry, Inc.		Financial assets at FVTOCI - non-current	1,624,353	41,706	6.69	41,706	
					(US\$ 1,456,985)		(US\$ 1,456,985)	
	<u>Bonds</u>							
	Natwest Markets PL		Financial assets at amortized cost - non-current	-	450,557	-	450,557	
					(US\$ 15,740,000)		(US\$ 15,740,000)	
	Standard Chartered Perpetual Bond		Financial assets at amortized cost - non-current	-	315,784	-	315,784	
					(US\$ 11,031,769)		(US\$ 11,031,769)	
	Barclay & Co., Ltd. Perpetual Bond		Financial assets at amortized cost - non-current	-	241,502	-	241,502	
				(US\$ 8,436,750)		(US\$ 8,436,750)		
Credit Suisse Group AG Perpetual Bond		Financial assets at amortized cost - non-current	-	70,229	-	70,229		
				(US\$ 2,453,400)		(US\$ 2,453,400)		
Natwest Markets PL Perpetual Bond		Financial assets at amortized cost - non-current	-	110,006	-	110,006		
				(US\$ 3,843,000)		(US\$ 3,843,000)		
ING Groep Perpetual Bond		Financial assets at amortized cost - non-current	-	253,132	-	253,132		
				(US\$ 8,843,026)		(US\$ 8,843,026)		
<u>Bills</u>								
Deutsche Bank-Anleihe		Financial assets at amortized cost - non-current	-	1,923,881	-	1,923,881		
				(US\$ 67,209,800)		(US\$ 67,209,800)		
<u>Structured product</u>								
12 months Auto Callable Accumulated Note		Financial assets mandatorily at FVTPL -current	-	570,210	-	570,210		
				(US\$ 19,920,000)		(US\$ 19,920,000)		
Win Fortune Investments Limited	<u>Fund</u>							
	Prodigy Strategic Investment Fund XXII Segregated Portfolio		Financial assets mandatorily at FVTPL - non-current	36,100	126,330	-	126,330	
				(US\$ 4,413,286)		(US\$ 4,413,286)		
Pou Shine Investments Co., Ltd.	<u>Ordinary shares</u>							
	Taiwan Paiho Limited		Financial assets at FVTOCI - current	775,170	55,735	0.26	55,735	
	Mega Financial Holding Company Ltd.		Financial assets at FVTOCI - current	125,123,044	5,367,779	0.92	5,367,779	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Pou Yuen Technology Co., Ltd.	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	844,123	\$ 10,607	-	\$ 10,607	
	<u>Ordinary shares</u> Mega Financial Holding Company Ltd.		Financial assets at FVTOCI - current	17,039,372	730,989	0.13	730,989	
Barits Development Corporation	<u>Ordinary shares</u> Mega Financial Holding Company Ltd.		Financial assets at FVTOCI - current	133,720,943	5,736,628	0.98	5,736,628	
	Shey Yu Co., Ltd.		Financial assets at FVTOCI - non-current	32,000	320	1.07	320	
	Environment In Assistant Engineering Corp.		Financial assets at FVTOCI - non-current	20,000	-	1.00	-	
Song Ming Investments Co., Ltd.	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	5,749,745	72,248	-	72,248	
	<u>Ordinary shares</u> Mega Financial Holding Company Ltd.		Financial assets at FVTOCI - current	49,416,125	2,119,952	0.36	2,119,952	
Pro Arch International Development Enterprise Inc.	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	2,199,305	27,635	-	27,635	
Pou Chin Development Co., Ltd.	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	1,210,260	15,208	-	15,208	
Wang Yi Construction Co., Ltd.	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	1,743,748	21,911	-	21,911	
Windsor Entertainment Co., Ltd.	<u>Fund</u> Jih Sun Money Market Fund		Financial assets mandatorily at FVTPL - current	3,717,083	55,743	-	55,743	
	<u>Ordinary shares</u> Taichung International Entertainment Corporation		Financial assets at FVTOCI - non-current	3	10,500	0.09	10,500	
Pou Yii Development Co., Ltd.	<u>Ordinary shares</u> Mega Financial Holding Company Ltd.		Financial assets at FVTOCI - current	40,069,450	1,718,979	0.29	1,718,979	
Pan Asia Insurance Services Co., Ltd.	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	797,924	10,026	-	10,026	
Yue Yuen Industrial (Holdings) Limited	<u>Fund</u> Cathay Taiwan Money Market Fund		Financial assets mandatorily at FVTPL - current	16,343,638	205,340	-	205,340	
	BPEA Asia Private Equity		Financial assets mandatorily at FVTPL - non-current	-	(US\$ 7,173,433) 561,212 (US\$ 19,605,640)	-	(US\$ 7,173,433) 561,212 (US\$ 19,605,640)	
	<u>Ordinary shares</u> Evermore Chemical Industry Co., Ltd.		Financial assets at FVTOCI - current	7,321,281	131,766	8.13	131,766	
	Taiwan Paiho Limited		Financial assets at FVTOCI - non-current	9,528,228	(US\$ 4,603,181) 684,991 (US\$ 23,929,830)	3.20	(US\$ 4,603,181) 684,991 (US\$ 23,929,830)	
	Keg Big Dome Sports Co., Ltd.		Financial assets at FVTOCI - non-current	-	13,118 (US\$ 458,266)	11.76	13,118 (US\$ 458,266)	
	<u>Bonds</u> China Construction Bank Corporation		Financial assets at amortized cost - current	-	270,319 (US\$ 9,443,459)	-	270,319 (US\$ 9,443,459)	

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
	<u>Structured product</u>							
	12 months Auto Callable Accumulated Note		Financial assets mandatorily at FVTPL - current	-	\$ 3,282,897 (US\$ 114,686,349)	-	\$ 3,282,897 (US\$ 114,686,349)	
	12 months Dual Currency Investment		Financial assets mandatorily at FVTPL - current	-	453,566 (US\$ 15,845,127)	-	453,566 (US\$ 15,845,127)	
	JP Morgan Credit Linked Notes		Financial assets mandatorily at FVTPL - current	-	570,153 (US\$ 19,918,000)	-	570,153 (US\$ 19,918,000)	

Note: The marketable securities stated here are related to shares, debentures and beneficiary certificates and the derivative products caused by those of "IFRS 9 Financial Instruments". For information on the investments in subsidiaries, associates and joint ventures refer to Tables 8 and 9.

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Yue Yuen Industrial (Holdings) Limited	Public construction such as factories and dormitories	2022.01-2022.03	\$ 766,719 (US\$ 26,784,948)	Accumulated payment as of March \$ 419,375 (US\$ 14,650,643)	-	None	-	-	-	-	Market price	Plant expansion	

POU CHEN CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases/ Sales	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Pou Chen Corporation	Yue Yuen Industrial (Holdings) Limited	The subsidiary in which the Company holds 51.11% indirectly at March 31, 2022	Sales	\$ (2,319,652)	(99)	D/A 45 days	-	-	\$ 1,604,488	99	
Yue Yuen Industrial (Holdings) Limited	Pou Chen Corporation	The parent company	Purchases	2,319,652 (US\$ 82,862,471)	6	D/A 45 days	-	-	(1,604,488) (US\$ (56,051,983))	(9)	
	Ka Yuen Rubber Factory Limited	Investee accounted for by the equity method	Purchases	477,914 (US\$ 17,072,000)	1	D/A 45 days	-	-	(488,142) (US\$ (17,053,000))	(3)	
	Twinways Investments Limited	Investee accounted for by the equity method	Purchases	267,399 (US\$ 9,552,000)	1	D/A 45 days	-	-	(246,146) (US\$ (8,599,000))	(1)	
	Top Units Developments Ltd.	Investee accounted for by the equity method	Purchases	192,179 (US\$ 6,865,000)	1	D/A 45 days	-	-	(181,397) (US\$ (6,337,000))	(1)	
	San Fang Chemical Industry Co., Ltd.	Investee accounted for by the equity method	Purchases	334,836 (US\$ 11,961,000)	1	D/A 45 days	-	-	(301,479) (US\$ (10,532,000))	(2)	
	Eastlion Industrial Ltd.	Investee accounted for by the equity method	Purchases	370,389 (US\$ 13,231,000)	1	D/A 45 days	-	-	(316,192) (US\$ (11,046,000))	(2)	
	Great Skill Industrial Limited	Investee accounted for by the equity method	Purchases	108,337 (US\$ 3,870,000)	-	D/A 45 days	-	-	(159,699) (US\$ (5,579,000))	(1)	

POU CHEN CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Pou Chen Corporation	Yue Yuen Industrial (Holdings) Limited	The subsidiary in which the Company holds 51.11% indirectly at March 31, 2022	\$ 1,604,488	6	\$ -	-	\$ 639,515	\$ -

POU CHEN CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
0	Pou Chen Corporation	Yue Yuen Industrial (Holdings) Limited	a	Operating revenue	\$ 2,319,652	D/A 45 days	3
		Yue Yuen Industrial (Holdings) Limited	a	Accounts receivable	1,604,488	D/A 45 days	-

Note 1: The Company and its subsidiaries are coded as follows:

- a. The Company is coded "0".
- b. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- a. From the parent company to its subsidiary.
- b. From a subsidiary to its parent company.
- c. Between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenue or total assets. For balance sheet items, each item's period-end balance is shown as a percentage to consolidated total assets as of March 31, 2022. For profit or loss items, cumulative amounts are shown as a percentage to the consolidated total operating revenue for the nine months ended March 31, 2022.

POU CHEN CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2022	December 31, 2021	Shares	%	Carrying Amount			
Pou Chen Corporation	Wealthplus Holding Ltd.	British Virgin Islands	Investing in footwear, electronic and peripheral products	\$ 295,429 (US\$ 9,222,000)	\$ 295,429 (US\$ 9,222,000)	9,222,000	100.00	\$ 78,982,899 (US\$ 2,759,227,901)	\$ 1,362,283 (US\$ 48,663,385)	\$ 1,366,176 (US\$ 48,802,446)	
	Win Fortune Investments Limited	British Virgin Islands	Investing activities	3,230 (US\$ 100,000)	3,230 (US\$ 100,000)	100,000	100.00	2,059,197 (US\$ 71,937,000)	25,955 (US\$ 927,174)	26,039 (US\$ 930,157)	
	Windsor Hotel Co., Ltd.	ROC	Entertainment and resort operations	530,000	530,000	14,300,000	100.00	121,714	114	9,960	
	Pou Shine Investment Co., Ltd.	ROC	Investing activities	1,124,667	1,124,667	133,094,460	100.00	5,356,062	13,075	12,936	
	Pan Asia Insurance Services Co., Ltd.	ROC	Agency of property and casualty insurance	5,000	5,000	-	100.00	31,229	2,095	2,095	
	Barits Development Corp.	ROC	Import and export of shoe-related materials and investing activities	2,117,292	2,117,292	294,451,784	99.49	11,956,045	10,922	11,004	
	Pou Yuen Technology Co., Ltd.	ROC	Rental of real estate	966,450	966,450	30,456,252	97.82	589,720	1,346	(2,625)	
	Pro Arch International Development Enterprise Inc.	ROC	Design and manufacture of footwear products	2,643,184	2,643,184	20,000,000	100.00	222,695	5,973	6,018	
	Pou Yii Development Co., Ltd.	ROC	Rental and sale of real estate	40,320	40,320	7,875,000	15.00	250,669	(924)	(139)	
	Wang Yi Construction Co., Ltd.	ROC	Construction	7,700	7,700	601,755	7.82	-	(823)	51	
	Techview International Technology Inc.	ROC	Development and sales of TFT-LCD display	3,245,815	3,245,815	68,884,949	12.36	1,330,514	177,224	21,902	
	Ruen Chen Investment Holding Co., Ltd.	ROC	Investment holding	15,372,000	15,372,000	4,477,000,000	20.00	42,853,611	13,002,283	2,600,457	
	Nan Shan Life Insurance Company, Ltd.	ROC	Sale of life insurance	370	-	10,000	0.00	337	14,599,738	6	
Wealthplus Holdings Limited	Yue Yuen Industrial (Holdings) Ltd.	Hong Kong	Manufacturing and sale of athletic and casual footwear and sports apparel	24,199,976 (US\$ 747,132,133)	24,199,976 (US\$ 747,132,133)	806,836,663	50.04	58,526,278 (US\$ 2,044,586,142)	2,437,696 (US\$ 87,079,223)	1,214,827 (US\$ 43,395,982)	
	Venture Well Holdings Ltd.	British Virgin Islands	Sale of electronic components	230,305 (US\$ 7,101,621)	230,305 (US\$ 7,101,621)	6,966,030	31.56	36,152 (US\$ 1,262,941)	(4,186) (US\$ (149,536))	(1,321) (US\$ (47,189))	
Win Fortune Investments Limited	Yue Yuen Industrial (Holdings) Ltd.	Hong Kong	Manufacturing and sale of athletic and casual footwear and sports apparel	404,026 (US\$ 12,769,118)	404,026 (US\$ 12,769,118)	17,307,172	1.07	1,256,006 (US\$ 43,877,942)	2,437,696 (US\$ 87,079,223)	26,059 (US\$ 930,861)	
Pou Shine Investments Co., Ltd.	Barits Development Corporation	ROC	Import and export of shoe-related materials and investing activities	2,583	2,583	378,342	0.13	15,318	10,922	14	
	Elitegroup Computer Systems Co., Ltd.	ROC	Manufacturing of electronic components	23,637	23,637	745,978	0.13	14,405	177,224	237	
	Nan Shan Life Insurance Company, Ltd.	ROC	Sale of life insurance	189,772	189,920	12,821,208	0.09	239,185	14,599,738	13,542	
Barits Development Corporation	Song Ming Investments Co., Ltd.	ROC	Investing activities	1,218,879	1,218,879	120,486,400	100.00	3,492,584	(30)	(30)	
	Wang Yi Construction Co., Ltd.	ROC	Construction	89,712	89,712	6,910,750	89.75	81,382	(823)	(739)	
	Pou Chin Development Co., Ltd.	ROC	Agency of land demarcation	200,000	200,000	20,000,000	100.00	199,123	(51)	(51)	
	Yu Hong Development Co., Ltd.	ROC	Development of real estate	240,000	240,000	24,000,000	100.00	151,039	(2,298)	(2,298)	
	Elitegroup Computer Systems Co., Ltd.	ROC	Manufacturing of electronic components	125,083	125,083	9,237,451	1.65	178,418	177,224	2,937	
Nan Shan Life Insurance Company, Ltd.	ROC	Sale of life insurance	189,920	189,920	12,821,208	0.09	239,443	14,599,738	13,549		
Song Ming Investments Co., Ltd.	Pou Yii Development Co., Ltd.	ROC	Rental and sale of real estate	262,500	262,500	39,375,000	75.00	1,253,345	(924)	(693)	
	Pou Yuen Technology Co., Ltd.	ROC	Rental of real estate	21,240	21,240	619,220	1.99	18,880	1,346	27	
	Elitegroup Computer Systems Co., Ltd.	ROC	Manufacturing of electronic components	19,792	19,792	2,147,558	0.39	41,482	177,224	683	
Pou Yuen Technology Co., Ltd.	Pearl Dove International Limited	British Virgin Islands	Investment holding	77,796 (US\$ 2,573,883)	77,796 (US\$ 2,573,883)	25,901	100.00	19,183 (US\$ 670,142)	(820) (US\$ (29,295))	(820) (US\$ (29,295))	
Yue Yuen Industrial (Holdings) Limited	Eagle Nice (International) Holdings Limited	British Cayman Islands	Manufacturing of wearing apparel and clothing accessories	1,297,712 (US\$ 39,972,084)	1,297,712 (US\$ 39,972,084)	192,000,000	36.09	2,516,424 (US\$ 87,910,017)	47,487 (US\$ 1,696,327)	17,081 (US\$ 610,169)	
	Full Pearl International Ltd.	British Virgin Islands	Sale of women's shoes	381,878 (US\$ 12,226,424)	381,878 (US\$ 12,226,424)	1,319	40.04	-	-	-	
	Oftenrich Holdings Limited	Bermuda	Manufacturing and sale of footwear	1,339,783 (US\$ 42,210,159)	1,339,783 (US\$ 42,210,159)	5,400	45.00	2,571,452 (US\$ 89,832,377)	172,473 (US\$ 6,161,087)	77,613 (US\$ 2,772,489)	
	Prosperous Industrial (Holdings) Ltd.	British Cayman Islands	Manufacturing and sale of gym bags	583,740 (US\$ 18,000,000)	583,740 (US\$ 18,000,000)	252,000,000	22.50	507,059 (US\$ 18,593,867)	158,603 (US\$ 5,665,613)	35,687 (US\$ 1,274,763)	
	San Fang Chemical Industry Co., Ltd.	ROC	Manufacturing and sale of synthetic leather	2,696,757 (US\$ 83,192,794)	2,696,757 (US\$ 83,192,794)	177,908,075	44.72	4,146,339 (US\$ 144,850,248)	115,425 (US\$ 4,123,189)	51,618 (US\$ 1,843,890)	
	Nan Pao Resins Chemical Co., Ltd.	ROC	Manufacturing and sale of chemical materials	539,797 (US\$ 16,873,924)	539,797 (US\$ 16,873,924)	21,205,248	17.59	2,781,901 (US\$ 97,184,324)	736,940 (US\$ 26,324,923)	129,628 (US\$ 4,630,554)	
	Just Lucky Investments Limited	British Virgin Islands	Property management	26,207 (US\$ 808,130)	26,207 (US\$ 808,130)	808,130	38.30	48,198 (US\$ 1,683,782)	1,390 (US\$ 49,641)	533 (US\$ 19,013)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2022	December 31, 2021	Shares	%	Carrying Amount			
Yue Yuen Industrial (Holdings) Limited	Natural Options Limited	British Virgin Islands	Manufacturing of foam	\$ 11,144 (US\$ 343,638)	\$ 11,144 (US\$ 343,638)	340,870	38.30	\$ 6,574 (US\$ 229,674)	\$ (2) (US\$ (55))	\$ (1) (US\$ (21))	
	Rise Bloom International Limited	Hong Kong	Processing and sale of foam	24,312 (US\$ 760,000)	24,312 (US\$ 760,000)	760,000	38.00	33,134 (US\$ 1,157,511)	(3,439) (US\$ (122,844))	(1,307) (US\$ (46,681))	
	Prosperlink Limited	Samoa	Processing and sale of foam	17,432 (US\$ 570,00)	17,432 (US\$ 570,00)	570,000	38.00	17,621 (US\$ 615,588)	(52) (US\$ (1,868))	(20) (US\$ (710))	
	Pou Ming Paper Products Manufacturing Co., Ltd.	British Virgin Islands	Manufacturing of paper products	66,937 (US\$ 2,163,800)	66,937 (US\$ 2,163,800)	1,000,000	20.00	10,051 (US\$ 351,119)	(249) (US\$ (8,911))	(50) (US\$ (1,782))	
	Brandblack Inc.	USA	Sale of footwear	68,762 (US\$ 2,275,000)	68,762 (US\$ 2,275,000)	1,135,796	31.25	45,323 (US\$ 1,583,319)	(6,886) (US\$ (245,968))	(2,152) (US\$ (76,865))	
	Great Skill Industrial Limited	British Virgin Islands	Manufacturing and sale of plastic shoe material injection crepe	48,508 (US\$ 1,500,000)	48,508 (US\$ 1,500,000)	2,130,000	50.00	84,301 (US\$ 2,945,020)	21,289 (US\$ 760,476)	10,644 (US\$ 380,238)	
	Jumbo Power Enterprises Limited	British Virgin Islands	Manufacturing and sale of footwear	259,742 (US\$ 8,000,000)	259,742 (US\$ 8,000,000)	8,000,000	50.00	468,629 (US\$ 16,371,327)	11,379 (US\$ 406,472)	5,689 (US\$ 203,236)	
	Ka Yuen Rubber Factory Limited	British Virgin Islands	Manufacturing and sale of rubber sole	371,142 (US\$ 11,500,000)	371,142 (US\$ 11,500,000)	11,500,000	50.00	712,310 (US\$ 24,884,203)	120,129 (US\$ 4,291,232)	60,064 (US\$ 2,145,616)	
	Prime Glorious Limited	British Virgin Islands	Manufacturing knitted uppers	352,484 (US\$ 11,662,000)	352,484 (US\$ 11,662,000)	11,662,000	49.00	300,540 (US\$ 10,499,230)	(5,173) (US\$ (184,778))	(2,535) (US\$ (90,541))	
	Hua Jian Industrial Holding Co., Limited	British Virgin Islands	Manufacturing and sale of women cloth and footwear	366,779 (US\$ 16,942,980)	366,779 (US\$ 16,942,980)	16,942,980	22.41	295,051 (US\$ 10,307,463)	(306,048) (US\$ (10,932,619))	(68,585) (US\$ (2,450,000))	
	Cohen Enterprises Inc.	British Virgin Islands	Manufacturing and sale of footwear leather products	623,276 (US\$ 20,215,015)	623,276 (US\$ 20,215,015)	20,000,000	50.00	538,859 (US\$ 18,824,765)	6,242 (US\$ 222,969)	3,121 (US\$ 111,484)	
	Twinways Investments Limited	British Virgin Islands	Manufacturing and sale of footwear accessory injection crepe	551,432 (US\$ 17,500,000)	551,432 (US\$ 17,500,000)	17,500,000	50.00	1,068,955 (US\$ 37,340,652)	60,544 (US\$ 2,162,736)	30,272 (US\$ 1,081,368)	
	Top Units Developments Ltd.	British Virgin Islands	Manufacturing of footwear accessories	418,997 (US\$ 14,079,196)	418,997 (US\$ 14,079,196)	5,390,000	49.00	777,826 (US\$ 27,172,970)	66,144 (US\$ 2,362,780)	32,410 (US\$ 1,157,762)	

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Great Team Backend Foundry, Inc.	Processing and manufacturing of transistors	\$ 2,642,140 (US\$ 88,116,600)	b	\$ -	\$ -	\$ -	\$ -	\$ -	2.01	\$ -	\$ 41,706 (RMB 9,255,703)	\$ -	(Note 3)
Yue-Shen (Taicang) Footwear Co., Ltd.	Finished shoes, semi-finished products, components and production and marketing of moulds	554,646 (US\$ 17,100,000)	b	-	-	-	6,455 (RMB 1,465,074)	31.97	2,064 (RMB 468,384) b, 1)	260,971 (RMB 57,916,235)	-	-	
Dongguan Yuming Electronic Technology Co., Ltd.	Production and marketing of over 17 inches color-image monitor, motherboards and other products	475,745 (US\$ 14,500,000)	b	-	-	-	1,035 (RMB 234,899)	100.00	1,035 (RMB 234,899) b, 1)	327,536 (RMB 72,688,823)	-	-	
Yue Cheng (Kun Shan) Sports Co., Ltd.	Operating sporting goods and equipment, spare parts production and marketing business	435,402 (US\$ 14,200,000)	b	-	-	-	11,134 (RMB 2,527,066)	31.97	3,560 (RMB 807,903) b, 1)	1,085,582 (RMB 240,919,146)	-	-	
Dongguan Baoqiao Electronic Technology Co., Ltd.	Production and marketing of other optical appliances and instruments	147,645 (US\$ 4,500,000)	b	-	-	-	17,411 (RMB 3,951,701)	100.00	17,411 (RMB 3,951,701) b, 2)	275,692 (RMB 61,183,305)	-	-	
Poushun Paper Products Manufacturing Co., Ltd.	Production and sale of shoe inner boxes, cartons	68,901 (US\$ 2,100,000)	b	-	-	-	528 (RMB 119,816)	10.22	54 (RMB 12,245) b, 1)	6,054 (RMB 1,343,548)	-	-	
Pouhong Footwear Industrial Ltd.	Production and operation of casual shoes, sports shoes	49,215 (US\$ 1,500,000)	b	-	-	-	(699) (RMB (158,546))	51.11	(357) (RMB (81,033)) b, 1)	25,275 (RMB 5,609,194)	-	-	
Shanggao Yisen Industry Co., Ltd.	Production and sale of finished shoes, semi-finished products, components and moulds	945,204 (US\$ 30,390,000)	b	-	-	-	9,110 (RMB 2,067,672)	51.11	4,656 (RMB 1,056,787) b, 1)	988,764 (RMB 219,432,840)	-	-	
Bao Hong (Yangzhou) Shoes Co., Ltd.	Production of needles, woven garments, footwear and sales of self-produce products	2,591,184 (US\$ 86,291,730)	b	-	-	-	(16,049) (RMB (3,642,602))	51.11	(8,203) (RMB (1,861,734)) b, 1)	466,766 (RMB 103,587,627)	-	-	
Dong Guan Yu Yuen Mold Co., Ltd.	Production and sale of molds for non-metallic products	62,011 (US\$ 1,890,000)	b	-	-	-	(4,292) (RMB (974,121))	51.11	(2,194) (RMB (497,873)) b, 1)	30,938 (RMB 6,865,933)	-	-	
Zhong Shan Glory Shoes Ind., Ltd.	Production and operation of various types of leather shoes products	951,490 (US\$ 29,000,000)	b	-	-	-	(8,623) (RMB (1,957,078))	23.00	(1,983) (RMB (450,128)) b, 2)	460,109 (RMB 102,110,311)	-	-	
Zhong Shan Lu Mei Da Shoes Ind., Ltd.	Production and operation of various types of leather shoes products	39,372 (US\$ 1,200,000)	b	-	-	-	73 (RMB 16,543)	23.00	17 (RMB 3,805) b, 2)	10,502 (RMB 2,330,595)	-	-	
Zhong Ao Multiplex Management Group Co., Ltd.	Stadium management, wholesale and retail of clothing and footwear accessories	2,055,560 (RMB 431,795,000)	b	-	-	-	(6,629) (RMB (1,504,579))	20.34	(1,348) (RMB (306,031)) b, 1)	624,646 (RMB 138,625,319)	-	-	
ShangGao Yisen Ka Yuen Industry Co., Ltd.	Production and sale of footwear products	77,432 (US\$ 2,360,000)	b	-	-	-	12,103 (RMB 2,746,994)	25.56	3,094 (RMB 702,132) b, 1)	49,212 (RMB 10,921,531)	-	-	

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Bao Sheng Dao Ji (BeiJing) Trading Company Ltd.	Retail business of sports goods and accessories	\$ 1,988,061 (US\$ 65,000,000)	b	\$ -	\$ -	\$ -	\$ -	\$ (18,871) (RMB (4,282,920))	31.97	\$ (6,033) (RMB (1,369,250)) b, 1)	\$ 775,017 (RMB 171,996,604)	\$ -	
Qingdao Pou-Sheng International Sport Products Co., Ltd.	Sales of sports and casual shoes and accessories	94,800 (RMB 20,000,000)	b	-	-	-	-	86,487 (RMB 19,629,326)	23.02	19,909 (RMB 4,518,671) b, 1)	272,553 (RMB 60,486,609)	-	
Guizhou Pou-Sheng Sport Products Co., Ltd.	Sales of sports and casual shoes and accessories	322,886 (US\$ 10,000,000)	b	-	-	-	-	(6,431) (RMB (1,459,695))	31.97	(2,056) (RMB (466,664)) b, 1)	165,910 (RMB 36,819,700)	-	
Nanning Pou-Kung Sport Products Co., Ltd.	Retail business of sports goods and accessories	42,653 (US\$ 1,300,000)	b	-	-	-	-	(5,042) (RMB (1,144,367))	31.97	(1,612) (RMB (365,854)) b, 1)	(13,469) (RMB (2,989,134))	-	
Shanghai Pou-Yuen Sport Products Business Trading Co., Ltd.	Retail business of sports goods and accessories	1,567,250 (US\$ 50,000,000)	b	-	-	-	-	(2,302) (RMB (522,553))	31.97	(736) (RMB (167,060)) b, 1)	2,488,339 (RMB 552,227,817)	-	
Diodite (China) Sports Good Co., Ltd.	Retail and wholesale business of sporting goods and accessories	639,800 (US\$ 20,000,000)	b	-	-	-	-	58 (RMB 13,241)	31.97	19 (RMB 4,233) b, 1)	47,053 (RMB 10,442,202)	-	
Taicang YYSPO RTS Business Trading Co., Ltd.	Retail business of sports goods and accessories series products	164,050 (US\$ 5,000,000)	b	-	-	-	-	1,831 (RMB 415,519)	31.97	585 (RMB 132,842) b, 1)	142,721 (RMB 31,673,556)	-	
Yangzhou Baoyi Shoes Manufacturing Co., Ltd.	Vulcanized shoes, sports shoes, casual shoes and other footwear manufacturing, marketing	729,906 (US\$ 22,456,800)	b	-	-	-	-	21,655 (RMB 4,914,883)	25.56	5,535 (RMB 1,256,244) b, 1)	245,447 (RMB 54,471,129)	-	
Dalian YYSPO RTS Sport Industrial Development Co., Ltd.	Development and sale of sports goods, clothing, shoes and hats, fitness equipment and related products	928,000 (RMB 200,000,000)	b	-	-	-	-	4,368 (RMB 991,355)	31.97	1,396 (RMB 316,936) b, 1)	476,597 (RMB 105,769,326)	-	
YYSPO RTS (Chengdu) Business Trading Co., Ltd.	Retail business of sports goods and accessories	689,194 (US\$ 22,400,000)	b	-	-	-	-	(681) (RMB (154,468))	31.97	(218) (RMB (49,383)) b, 1)	152,855 (RMB 33,922,599)	-	
Fujian Baomin Sporting Goods Co., Ltd.	Retail business of sports goods and accessories	147,645 (US\$ 4,500,000)	b	-	-	-	-	48 (RMB 10,844)	28.77	14 (RMB 3,120) b, 1)	71,566 (RMB 15,882,420)	-	
Guangzhou Pou-Yuen Trading Co., Ltd.	Retail business of sports goods and accessories	710,251 (US\$ 23,310,000)	b	-	-	-	-	(579) (RMB (131,345))	31.97	(185) (RMB (41,991)) b, 1)	263,637 (RMB 58,507,903)	-	
Dragon Light (China) Sporting Goods Co., Ltd.	Development and sale of sports goods, clothing, shoes and hats, fitness equipment and related products	2,111,340 (US\$ 66,000,000)	b	-	-	-	-	3,593 (RMB 815,371)	31.97	1,149 (RMB 260,674) b, 1)	507,081 (RMB 112,534,516)	-	
Shend Dao (Yang Zhou) Sporting Goods Dev Co., Ltd.	Shopping mall management and property management	2,111,340 (US\$ 66,000,000)	b	-	-	-	-	9,441 (RMB 2,142,743)	31.97	3,018 (RMB 685,035) b, 1)	726,121 (RMB 161,145,413)	-	
Zhong Shan O Li Su Shoe Making Machine Ltd.	Manufacturing shoes and boots or repairing machinery	181,314 (US\$ 5,900,000)	b	-	-	-	-	8,618 (RMB 1,955,940)	51.11	4,405 (RMB 999,681) b, 2)	18,248 (RMB 4,049,663)	-	
Shaanxi Pousheng Trading Co., Ltd.	Engaged in wholesale, retail and import and export business of sports goods, fitness equipment and sportswear	2,012,320 (US\$ 66,000,000)	b	-	-	-	-	(119,845) (RMB (27,200,475))	31.97	(38,315) (RMB (8,695,992)) b, 1)	2,051,426 (RMB 455,265,435)	-	

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Taicang Yue-Shen Sporting Goods Co., Ltd.	Engaged in the production and sales of shoe products, semi-finished products, moulds and related sports goods.	\$ 393,720 (US\$ 12,000,000)	b	\$ -	\$ -	\$ -	\$ -	\$ (8,249) (RMB (1,872,110))	31.97	\$ (2,637) (RMB (598,514)) b, 1)	\$ 494,390 (RMB 109,718,066)	\$ -	
Hangzhou Pou-Hung Sport Products Co., Ltd.	Design, development, production and processing of sports goods, sports instruments, sportswear, sports shoes and accessories	67,308 (RMB 14,200,000)	b	-	-	-	-	-	15.90	- b, 1)	-	-	
Rui Jin Pou Yuen Footwear Development Co., Ltd.	Production and sale of sports shoes, casual shoes and semi-finished products	356,697 (US\$ 12,000,000)	b	-	-	-	-	(1,226) (RMB (278,151))	51.11	(626) (RMB (142,163)) b, 1)	130,450 (RMB 28,950,238)	-	
Yang Xin Pou Jia Shoes Manufacturing Co., Ltd.	Production and sale of shoes uppers, footwear and garments	1,676,479 (US\$ 55,517,000)	b	-	-	-	-	(121,442) (RMB (27,562,905))	51.11	(62,069) (RMB (14,087,401)) b, 1)	574,900 (RMB 127,585,478)	-	
Jiangxi Province Yutai Shoe Co., Ltd.	Production and sale of footwear products and semi-finished products	918,125 (US\$ 30,000,000)	b	-	-	-	-	(5,763) (RMB (1,307,879))	51.11	(2,945) (RMB (668,457)) b, 1)	151,824 (RMB 33,693,698)	-	
Dongguan Yu Xiang Shoes Material Co., Ltd.	Production and sale of footwear products	295,820 (US\$ 9,500,000)	b	-	-	-	-	(208) (RMB (47,271))	51.11	(106) (RMB (24,160)) b, 1)	307,586 (RMB 68,261,505)	-	
Jiang Xi Hwa Ching Foam Ltd.	Manufacturing and sale of plastic foam, plastic packaging materials and other plastic products	63,600 (US\$ 2,000,000)	b	-	-	-	-	(3,344) (RMB (759,001))	19.42	(649) (RMB (147,398)) b, 1)	14,902 (RMB 3,307,069)	-	
Yue Yuen (Anfu) Footwear Co., Ltd.	Production and marketing of finished shoes, semi-finished products and components and modules	1,763,350 (US\$ 60,000,000)	b	-	-	-	-	51,278 (RMB 11,638,310)	51.11	26,208 (RMB 5,948,340) b, 1)	1,257,313 (RMB 279,030,938)	-	
Dong Guan Bao Yu Shoes Co., Ltd.	Production and sale of sports shoes, casual shoes, leather shoes, children's shoes, semi-finished footwear and footwear materials	66,780 (US\$ 2,100,000)	b	-	-	-	-	-	51.11	- b, 1)	37,116 (RMB 8,236,989)	-	
Kun Shan Pou-chi Sports Co., Ltd.	Wholesale, commission agency, import and export business of sports goods, sports equipment, clothing, shoes, caps and packaging and related design, technical consultation and services	399,539 (US\$ 13,500,000)	b	-	-	-	-	(2,240) (RMB (508,458))	31.97	(716) (RMB (162,554)) b, 1)	149,171 (RMB 33,104,991)	-	
Dongguan De Chang Zi Xun Co., Ltd.	Business management consultation, marketing planning and other services	10,290 (US\$ 350,000)	b	-	-	-	-	2,393 (RMB 543,118)	51.11	1,223 (RMB 277,588) b, 1)	29,338 (RMB 6,510,871)	-	
Zhong Shan Bao Song Zi Xun Co., Ltd.	Business management consultation, marketing planning and other services	10,290 (US\$ 350,000)	b	-	-	-	-	1,275 (RMB 289,310)	51.11	651 (RMB 147,867) b, 1)	26,019 (RMB 5,774,235)	-	
Yiyang Yujing Shoes Industrial Co., Ltd.	Production and sale of finished and semi-finished sports shoes and casual shoes	743,983 (US\$ 24,000,000)	b	-	-	-	-	(3,710) (RMB (842,041))	51.11	(1,896) (RMB (430,367)) b, 1)	83,021 (RMB 18,424,636)	-	
Jiangxi Uniscien Consulting Co., Ltd.	Business management consultation, marketing planning and other services	10,442 (US\$ 350,000)	b	-	-	-	-	568 (RMB 128,828)	51.11	290 (RMB 65,844) b, 1)	18,758 (RMB 4,162,797)	-	
Yu Xing (Jishui) Footwear Co., Ltd.	Production and sale of sports shoes	183,840 (US\$ 6,400,000)	b	-	-	-	-	(3,284) (RMB (745,308))	51.11	(1,678) (RMB (380,927)) b, 1)	42,748 (RMB 9,486,804)	-	

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Dongguan Xingtai Consulting Co., Ltd.	Business management consultation, marketing planning and other services	\$ 30,805 (US\$ 1,000,000)	b	\$ -	\$ -	\$ -	\$ -	\$ 1,147 (RMB 260,267)	51.11	\$ 586 (RMB 133,022) b, 1)	\$ 32,912 (RMB 7,303,983)	\$ -	
Yang Xin Zhang Yuan Shoe Co., Ltd.	Production and sale of footwear products	61,029 (US\$ 2,100,000)	b	-	-	-	-	(434) (RMB (98,590))	25.56	(111) (RMB (25,200)) b, 1)	6,333 (RMB 1,405,364)	-	
YangXin Pou Jia Yuen Shoes Manufacturing Co., Ltd.	Production and sale of rubber soles	87,258 (US\$ 3,000,000)	b	-	-	-	-	(5,970) (RMB (1,355,074))	25.56	(1,526) (RMB (346,357)) b, 1)	12,012 (RMB 2,665,869)	-	
Pou Sheng (China) Investment Co., Ltd.	Business of investment, technical services and wholesale, import and export sports goods, sportswear, sports shoes and leisure shoes	4,550,741 (US\$ 152,922,400)	b	-	-	-	-	2,262,914 (RMB 513,598,217)	31.97	723,454 (RMB 164,197,350) b, 1)	2,474,959 (RMB 549,258,445)	-	
Yichun Yisen Industry Co., Ltd.	Production and sale of footwear and mold products	410,130 (US\$ 14,000,000)	b	-	-	-	-	(27,221) (RMB (6,178,279))	51.11	(13,913) (RMB (3,157,718)) b, 1)	380,298 (RMB 84,398,061)	-	
Zhong Xiang Yue-Shen Sporting Goods Co., Ltd.	Production, processing of shoes, semi-finished products, moulds and related sporting goods, sales of self-produce products	94,380 (US\$ 3,250,000)	b	-	-	-	-	(50) (RMB (11,262))	51.11	(25) (RMB (5,756)) b, 1)	356 (RMB 78,955)	-	
Dong Guan Pou Chen Footwear Company Limited	Production and sale of footwear products, semi-finished footwear products and accessories, moulding tools and engaged in the wholesale and import and export business of footwear products	1,223,925 (RMB 263,827,800)	b	-	-	-	-	(84,191) (RMB (19,108,282))	51.11	(43,030) (RMB (9,766,243)) b, 1)	776,780 (RMB 172,387,881)	-	
Dongguan Yusheng Shoe Industry Co., Ltd.	Production and sale of finished shoes, semi-finished shoes and mold products and engaged in research and development of shoes, finished shoes, mold products	1,469,176 (RMB 319,970,250)	b	-	-	-	-	3,461 (RMB 785,543)	51.11	1,769 (RMB 401,491) b, 1)	821,441 (RMB 182,299,339)	-	
Dong Guan Yue Yuan Footwear Products Company Limited	Production and sale of footwear products, semi-finished footwear products, mold products and engaged in wholesale and import and export business of footwear products	1,026,777 (RMB 217,720,430)	b	-	-	-	-	(8,407) (RMB (1,908,109))	51.11	(4,297) (RMB (975,234)) b, 1)	249,681 (RMB 55,410,828)	-	
Jilin Xinfangwei Sports Goods Company Limited	Sports goods sales	196,160 (RMB 40,000,000)	b	-	-	-	-	-	15.90	- b, 1)	-	-	
Zhang Yuan (Dong Guan) Shoe Materials Co., Ltd.	Prepare for research and development of shoe materials and composite materials	114,804 (RMB 23,000,000)	b	-	-	-	-	693 (RMB 157,323)	25.56	177 (RMB 40,212) b, 1)	36,019 (RMB 7,993,467)	-	
Dong Guan Jia Yuan Shoe Materials Products Company Limited	Prepare shoe material	48,693 (RMB 10,000,000)	b	-	-	-	-	76 (RMB 17,231)	10.22	8 (RMB 1,761) b, 1)	4,388 (RMB 973,867)	-	
Kun Shan YYSPO RTS E-Commerce Co., Ltd.	Network technology development, technical consultation, technical services and retail and wholesale of sports goods, sports equipment	89,367 (US\$ 3,000,000)	b	-	-	-	-	(71,200) (RMB (16,159,884))	31.97	(22,763) (RMB (5,166,315)) b, 1)	161,171 (RMB 35,768,162)	-	
Hunan Huaqing Foam Products Co., Ltd.	Processing and production of plastic foam, foam daily products, shoe products and composite products	76,819 (US\$ 2,500,000)	b	-	-	-	-	(319) (RMB (72,440))	6.80	(22) (RMB (4,926)) b, 1)	3,483 (RMB 772,958)	-	

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Kun Shan Taisong Trading Co., Ltd.	Wholesale and retail of clothing, footwear, glasses and watches	\$ 790,110 (US\$ 26,500,000)	b	\$ -	\$ -	\$ -	\$ -	\$ (8,002) (RMB (1,816,207))	31.97	\$ (2,558) (RMB (580,641) b, 1)	\$ (171,417) (RMB (38,041,923))	\$ -	
Kun Shan Pou-Han Sport Culture Development Co., Ltd.	Management consultants, wholesale of sports goods and equipment wholesale, other sports services and other art performance assistant services	48,278 (US\$ 1,500,000)	b	-	-	-	-	(5,516) (RMB (1,251,970))	31.97	(1,764) (RMB (400,255) b, 1)	10,281 (RMB 2,281,570)	-	
Yisen (YiFeng) Mould Co., Ltd.	Production and sale of mould products	479,284 (US\$ 14,850,000)	b	-	-	-	-	(6,196) (RMB (1,406,353))	51.11	(3,167) (RMB (718,787) b, 1)	139,916 (RMB 31,051,034)	-	
Zhu Hai Yu Yuan Industrial Co., Ltd.	Processing, production and sale of footwear products	1,408 (RMB 300,000)	b	-	-	-	-	928 (RMB 210,600)	51.11	474 (RMB 107,638) b, 1)	13,406 (RMB 2,975,115)	-	
Yang Xin Pou Shou Sporting Goods Co., Ltd.	Processing, production and sale of footwear products	236,574 (US\$ 7,800,000)	b	-	-	-	-	889 (RMB 201,844)	51.11	455 (RMB 103,163) b, 1)	39,638 (RMB 8,796,632)	-	
Changsha YYSPO RTS Sport Products Co., Ltd.	Sales of sports goods and equipment	22,825 (RMB 5,000,000)	b	-	-	-	-	(8,849) (RMB (2,008,332))	31.97	(2,829) (RMB (642,064) b, 1)	26,108 (RMB 5,794,120)	-	
Henan YYSPO RTS Sport Products Co., Ltd.	Retail business of sports goods and accessories	9,130 (RMB 2,000,000)	b	-	-	-	-	(13,121) (RMB (2,978,054))	31.97	(4,195) (RMB (952,084) b, 1)	220,993 (RMB 49,044,270)	-	
Shenyang Pou-Yi Trading Co., Ltd.	Retail business of sports goods and accessories	182,600 (RMB 40,000,000)	b	-	-	-	-	(9,765) (RMB (2,216,344))	31.97	(3,122) (RMB (708,565) b, 1)	(363) (RMB (80,472))	-	
Zhejiang Shengdao Sporting-Goods Co., Ltd.	Retail business of sports goods and accessories	228,250 (RMB 50,000,000)	b	-	-	-	-	75,062 (RMB 17,036,257)	31.97	23,997 (RMB 5,446,491) b, 1)	537,740 (RMB 119,338,753)	-	
Mudanjiang YYSPO RTS Sport Technology Co., Ltd.	Sports services, research and development of sports fitness equipment and retail business of sports goods	4,565 (RMB 1,000,000)	b	-	-	-	-	2,042 (RMB 463,481)	31.97	653 (RMB 148,175) b, 1)	6,855 (RMB 1,521,199)	-	
Widevision Investment (Shenzhen) Co., Ltd.	Business management consulting, economic information consulting and market management planning	13,833 (RMB 3,000,000)	b	-	-	-	-	(666) (RMB (151,120))	100.00	(666) (RMB (151,120) b, 1)	24,696 (RMB 5,480,592)	-	
Chongqing Baoyu Sports Goods Company Limited	Wholesale and retail of sports goods, sports equipment, clothing, shoes, caps and accessories and premises leasing	4,521 (RMB 1,000,000)	b	-	-	-	-	(5,551) (RMB (1,259,843))	31.97	(1,775) (RMB (402,772) b, 1)	(14,205) (RMB (3,152,488))	-	
Kuo Yuen Tannery	Production, processing, sales, research and development of shoe materials, import and export goods or technic	176,844 (RMB 41,047,490)	b	-	-	-	-	(7,393) (RMB (1,677,895))	25.56	(1,890) (RMB (428,870) b, 1)	28,196 (RMB 6,257,493)	-	
Akenz (ShangHai) Trading Co., Ltd.	Management consultants, wholesale of sports goods and equipment wholesale, other sports services and other art performance assistant services	233,522 (RMB 54,000,000)	b	-	-	-	-	(17,522) (RMB (3,976,824))	22.30	(3,907) (RMB (886,832) b, 1)	25,677 (RMB 5,698,308)	-	

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Yangzhou Yuhong Garment Co., Ltd.	Engaged in the processing and production of apparel, apparel accessories, and selling our own products	\$ 588,725 (US\$ 19,749,000)	b	\$ -	\$ -	\$ -	\$ -	\$ (4,576) (RMB (1,038,689))	51.11	\$ (2,339) (RMB (530,874) b, 1)	\$ 320,524 (RMB 71,132,802)	\$ -	
Yifeng Kun Ching Foam Ltd.	Production, sales, processing of plastic foam and foam daily products	8,994 (US\$ 300,000)	b	-	-	-	-	(137) (RMB (31,080))	19.42	(27) (RMB (6,036) b, 1)	3,028 (RMB 671,921)	-	
Zhongshan Hwa Ching Foam Co., Ltd.	Production of foam products	29,980 (US\$ 1,000,000)	b	-	-	-	-	789 (RMB 179,173)	19.58	155 (RMB 35,082) b, 1)	11,462 (RMB 2,543,634)	-	
Hubei PouShou Sports Goods Trading Company Limited	Management consultants, wholesale of sports goods, sports equipment, clothing, shoes, caps and accessories and advertising design agency	4,191 (RMB 1,000,000)	b	-	-	-	-	(1,114) (RMB (252,875))	31.97	(356) (RMB (80,844) b, 1)	(4,538) (RMB (1,007,106))	-	
Dong Guan Orisol Trading Company Ltd.	Wholesale or repair of shoe-related machinery and parts	27,850 (US\$ 1,000,000)	b	-	-	-	-	(2,943) (RMB (667,629))	51.11	(1,504) (RMB (341,225) b, 1)	91,753 (RMB 20,362,347)	-	

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2022	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
\$ -	\$ 20,564,457 (US\$ 718,408,989)	\$ 68,545,835

Note 1: Methods of investments have following types:

- a. Direct investment in mainland China.
- b. Indirect investment in the Company located in mainland China through a third place of the subsidiaries of Wealthplus Holdings Limited and Yue Yuen Industrial Holdings Limited.
- c. Other.

Note 2: Investment profit or loss recognized in the current period:

- a. If it is in the preparation stage, there is no investment gains and losses, it should be noted.
- b. The amount of investment gain (loss) was recognized in following bases:
 - 1) Based on the financial statements audited by an ROC CPA firm cooperating with an international CPA firm.
 - 2) Based on the financial statements audited by the auditor of parent company.

Note 3: Financial assets at FVTOCI

Note 4: The limitation of the amount is in accordance with the provisions of the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China" which was passed on August 29, 2008.

(Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022	Note
					Outward	Inward							
Kunshan Yuanying Electronics Technology Co., Ltd.	Manufacturing and sale of alloy	\$ 85,936 (US\$ 2,620,000)	b	\$ -	\$ -	\$ -	\$ -	\$ (1,478) (RMB (335,471))	100.00	\$ (1,478) (RMB (335,471)) b, 2)	\$ 60,509 (RMB 13,428,576)	\$ -	

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2022	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
\$ -	\$ 165,166 (US\$ 5,770,000)	\$ 569,550

Note 1: Methods of investments have following types:

- a. Direct investment in mainland China.
- b. Indirect investment in the Company located in mainland China through a third region of Pearl Dove International Limited.
- c. Other.

Note 2: Investment profit or loss recognized in the current period

- a. If it is in the preparation stage, there is no investment gains and losses, it should be noted.
- b. The amount of investment gain (loss) was recognized on following bases:
 - 1) Based on the financial statements audited by an ROC CPA firm cooperating with an international CPA firm.
 - 2) Based on the financial statements audited by the auditor of parent company.

Note 3: The limitation of the amount is in accordance with the provisions of the "Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China" which was amended on August 29, 2008.

POU CHEN CORPORATION AND SUBSIDIARIES**INFORMATION OF MAJOR SHAREHOLDERS
MARCH 31, 2022**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
PC Brothers Corporation	213,280,710	7.24
Chuan Mou Investments Co., Limited	163,425,022	5.55

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (included treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.